

Legislative Analysis



MICHIGAN HUNTING AND FISHING LICENSE FEES RESTRUCTURING AND INCREASE

Mary Ann Cleary, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4668 (S-2), As Amended
Sponsor: Rep. Jon Bumstead
Committee: Appropriations

Complete to 6-19-13

A SUMMARY OF HOUSE BILL 4668 (S-2), AS AMENDED, AS PASSED THE SENATE 6-19-13:

The bill would amend part 435 (Hunting and Fishing Licensing) of the Natural Resources and Environmental Protection Act (NREPA) to replace the current hunting and fishing license fee structure with a new fee structure and increase certain license fees.

According to the Department of Natural Resources (DNR), there are currently 227 core license types of hunting and fishing license fees. The new license fee schedule would reduce that number from 227 licenses to approximately 40. The bill provides that the new fees would begin on March 1, 2014.

Under the current hunting fee structure, individuals purchase separate licenses for each species and/or hunting season. The new fee structure would require a base hunting license that would allow an individual to hunt small game and non-waterfowl migratory birds. Additional tags or licenses could then be purchased for other species such as deer, turkey, bear, elk, wolf, and fur bearing animals to add to the base license.

The cost of the new base hunting license would be as follows:

- Resident \$ 10.00
- Non-Resident 150.00
- Junior (17 and under) 5.00
- Senior (65+) 4.00

Additional licenses could then be added onto the base license for an additional expense. Licenses for the following species could be purchased at the amounts listed below:

- Waterfowl \$ 12.00
- Turkey 15.00
- Fur Harvester 15.00
- Deer 20.00
- Antlerless Deer 20.00
- Bear 25.00
- Elk 100.00
- Wolf 100.00

For example, in order for a resident to hunt a deer under the new proposal, the individual must first purchase a base license for \$10.00 and then a deer license to be added to the base for \$20.00, for a total cost of \$30.00. If that individual wishes to purchase a second deer license, the cost would only be an additional \$20.00 - as it would be added to the original base license. Any additional licenses would then only cost the price of the additional license as well.

Discounted hunting and fishing licenses for some species would be offered for senior citizens, mentored youth, and members of the military as well. Resident senior citizens who are 65 years or older may purchase a senior base license, a senior deer license, a senior wild turkey hunting license, a senior fur harvester's license, or a senior all-species fishing license. The license fee for each shall be discounted 60% from the cost of a resident license. In addition, the bill provides that a legally blind resident is eligible to purchase a senior all-species fishing license. Members of the military who are stationed outside of the state would be able to obtain any hunting or fishing license that does not require a lottery free of charge.

The bill also includes changes to the fishing license fee structure. The annual restricted fishing license that is currently priced at \$15.00 for residents would be eliminated and the all-species license which allows the licensee to take and possess all legal species of fish would be the only annual fishing license offered. The current fee of \$28.00 for a resident all-species fishing license is reduced under the bill's provisions to \$25.00. In addition, the bill requires that the DNR complete and post on its website by November 1, 2013 a strategic and tactical plan for the Fisheries Division which would include specific measures and metrics.

The bill also requires the DNR to charge an additional \$1.00 surcharge per base hunting license, per combination hunt and fish license, and per all-species fishing license. The revenue from this additional charge would be used for marketing, education, and outreach activities by the Department.

The following table presents a summary of the restructured hunting and license fee program, any relevant fee increases, and the addition of the \$1.00 base license surcharge:

PROPOSED HUNTING AND FISHING FEE INCREASE			
LICENSE	Current Fee	Proposed Fee	Proposed Fees w/\$1.00 Surcharge
HUNTING LICENSES			
<u>Base Hunting License (New)</u>			
<i>Note: Must purchase base license to buy additional licenses</i>			
• Base License; Resident (small game and non-waterfowl migratory birds)	N/A	\$10.00	\$11.00
• Base License; Non-Resident (small game and non-waterfowl migratory birds)	N/A	\$150.00	\$151.00
• Base License; Junior (small game and non-waterfowl migratory birds)	N/A	\$5.00	\$6.00
• Base Senior License (small game and non-waterfowl migratory birds)	N/A	\$4.00	\$5.00
<u>Hunting Licenses</u>			
• Deer*	\$15.00	\$20.00	
• Bear Harvest	\$15.00	\$25.00	
• Bear Participation	\$15.00	\$15.00	
• Bear, Senior	\$6.00	N/A	
• Elk	\$100.00	\$100.00	
• Wolf	\$100.00	\$100.00	
• Fur Harvester	\$15.00	\$15.00	
• Turkey	\$15.00	\$15.00	
• Waterfowl State License	\$5.00	\$12.00	
• Hunting License Application	\$4.00	\$5.00	
• Military (active duty and disabled veteran)	\$1.00	\$0.00	
• Non-Resident Small Game 7 day License (no base license needed)	N/A	\$80.00	
• FISHING LICENSES			
<u>Fishing Licenses</u>			
24 hour Fishing License	\$7.00	\$10.00	
• 24 hour Fishing License; Senior	\$3.00	N/A	
• 72 hour Fishing License	\$21.00	\$30.00	
• Resident All Species Fishing License	\$28.00	\$25.00	\$26.00
• Resident All Species Fishing License, Senior	\$11.20	\$10.00	\$11.00
• Non-Resident All Species Fishing License	\$42.00	\$75.00	\$76.00
• COMBINATION HUNT AND FISH LICENSE			
Resident: Base License, 2 Deer Licenses, All Species Fishing License	N/A	\$75.00	\$76.00
• Non-Resident: Non-Resident Base License, 2 Deer Licenses, All Species Fishing License	N/A	\$265.00	\$266.00

* A Nonresident may purchase a second deer license for \$170.00.

FISCAL IMPACT:

The fee changes contained in the bill's provisions are anticipated to generate approximately \$19.7 million annually in additional restricted funding. Revenues from hunting and fishing licenses must be deposited into the Game and Fish Protection Fund and its subfunds. In FY 2011-12, the Fund received \$48.6 million from hunting and fishing license fees.

The Game and Fish Protection Fund is used to support statewide hunting and fishing programs. Funding may be expended for the development, operation and maintenance of wildlife and fisheries programs and facilities, acquisition of land, research, law enforcement, the protection and control of wildlife and fish, and account administration.

Of the estimated \$19.7 million additional revenue, approximately \$1.6 million is anticipated to be generated from the \$1.00 surcharge levied on each base license (Sec. 3532A of HB 4668) and will be used directly for marketing, education, and outreach activities. The remaining \$18.1 million additional revenue is expected to be generated by the restructuring of the licenses and any fee increases proposed. \$400,000 of this revenue will be used to help fund the Payment in Lieu of Taxes (PILT) payments on state-owned lands.

From the additional funds generated, the DNR anticipates awarding \$2.5 million in grants to DNR partners and stakeholder groups through three grant programs: Fisheries Habitat Improvement Grants, Wildlife Habitat Improvement Grants, and Wildlife Habitat Improvement Grants in State Forests.

The bill provides that the DNR may no longer assess or collect hunting and fishing license fees beginning March 1, 2019. Thus, under the provisions of the bill, the Department would no longer receive the revenues from these license fees after that date. If that date is not statutorily changed, the amount of revenue to the Game and Fish Protection Fund and its subfunds at that time that would no longer be collected could be estimated at approximately \$68.0 million annually.

GENERAL HUNTING AND FISHING LICENSE CHANGES:

Under the bill's provisions, the senior license discount of 60% is retained for the base, first deer, fur harvester, fall turkey, spring turkey, and all-species fishing licenses. The bill also increases the application fee for hunts determined by lottery from the current fee of \$4.00 to \$5.00. An application fee is required for licenses to take antlerless deer, turkey, bear, elk, wolf, and moose. In addition, all replacement licenses would now be charged the same amount as the price of the original license.

The bill provides that for deer, bear, elk, and moose licenses, the DNR may issue a kill tag with or as part of the license. The tag shall bear the license number and may include space for other information. If issued, the kill tag will be part of the license.

The bill also provides that an individual may carry, transport, or possess a firearm, slingshot, bow and arrow, or crossbow without a hunting license if they are hunting on a game bird hunting preserve licensed under Part 417.

Other hunting licenses changes are as follows:

Apprentice and Youth Hunting Licenses

Current law requires that an individual who does not have proof of a previous hunting license or a certificate of the completion of hunter safety training may obtain an apprentice license. The bill provides that beginning March 1, 2014, as with other specific licenses, an individual will not be eligible to obtain the new base hunting license for more than two license years as an apprentice licensee.

The bill also provides that the fee for a mentored youth hunting license will be \$7.50 - which is the same cost as current law. The license will include all the following:

- Base hunting license
- Deer license
- All-species fishing license
- Spring and fall wild turkey license
- Fur harvester's license

Base Hunting Licenses

Under the bill, an individual may not hunt small game unless they possess a current base hunting license. In addition, if an authorizing order has been issued under Part 401 of NREPA, the individual may take specified fur-bearing animals by any means but trapping during the appropriate season. However, the bill's provisions allow an individual to go on a bobcat hunt with a licensed hunter without possessing a base license if they do not carry a firearm or bow and do not use dogs to locate the bobcat during the hunt.

The bill provides that hunting with a base license is not authorized between the time frame beginning 1/2 hour after sunset and 1/2 hour before sunrise - with the exception of coyote hunting.

A non-resident limited small game license would be established by the bill which would allow an individual to hunt a seven day time period for small game for \$80.00. This license may be purchased without a base license, but other additional licenses may not be added to it.

The bill requires that beginning March 1, 2014, \$1.00 from each base license sold to a minor child must be credited to the Youth Hunting and Fishing Education and Outreach Fund.

Combination Hunt and Fish Licenses

The new license fee structure would provide a resident combination hunt and fish license for an annual fee. The license would include a base hunting license, two deer licenses, and an all-species fishing license. The cost for the resident combination license would be \$75.00 and for a non-resident, \$265.00.

Wild Turkey Licenses

Under the bill, the fee for a turkey license would remain at \$15.00 annually, the same price as under current law. The bill provides that of the \$15.00 license fee, the following

portion of the fees must be used for scientific research biological surveys, turkey habitat on state lands, national forestland, and private land, turkey hunter surveys, disease testing, and other turkey management activities:

- \$9.50 from the Wild Turkey License
- \$1.00 from the Senior Turkey License
- Up to \$3.00 of each license application fee

Waterfowl Licenses

The bill would increase the fee for waterfowl hunting from \$5.00 to \$12.00 annually. If the license is issued as a stamp, it shall be affixed to the base license and signed across the stamp by the licensee. If a collector purchases a waterfowl hunting license stamp, they are not required to place it on a base license or sign the stamp across its face, however, the unsigned license would not be valid for hunting waterfowl.

The revenue from waterfowl fees would be required to be used to operate, maintain, and develop managed waterfowl areas and to acquire, restore, or enhance wetlands and other lands to be managed for waterfowl.

Beginning March 1, 2014, \$9.00 of each fee shall be used to purchase, restore, or enhance wetlands and other lands for waterfowl and \$1.93 shall be used to operate, maintain, and develop waterfowl areas. The bill stipulates that no more than 0.25% of the \$9.00 of this fee shall be used for land acquisition. This limitation would not apply, however, if all of the appropriations from the Michigan Natural Resources Trust Fund (MNRTF) for Eco-Region acquisition that is carried over from previous years are spent. The DNR shall not acquire lands from waterfowl license fee revenue unless the Joint Capital Outlay Subcommittee (JCOS) approves the purchase.

Deer Licenses

The new license fee structure would increase the fee for both a regular and an antlerless deer license from \$15.00 to \$20.00. A resident may purchase a second license for the same fee as the first license (\$20.00), but a non-resident may purchase an additional deer license for \$170.00. The senior license discount is not available for the purchase of a second deer license.

The bill also allows the DNR to issue deer management assistance permits pursuant to current DNR regulations.

Bear Licenses

Under current law, a resident bear license is \$15.00 and a non-resident license is \$150.00. The bill provides that the fee for both residents and non-residents for a bear license would be \$25.00 (after the purchase of a base license). The bill would create a new separate bear participation license which would allow individuals to chase or locate bear with dogs during bear season for a fee of \$15.00.

Fur Harvester's Licenses

Currently, a resident fur harvester's license is \$15.00 and a non-resident license is \$150.00. Under the bill, a fur harvester's license for both resident and non-resident would

cost \$15.00. However, a non-resident's license would not be valid for any fur-bearing species for which a bag limit had been established.

Fishing Licenses

A 24-hour all-species fishing license currently costs \$7.00. Under the provisions of the bill, the fee for the license would be \$10.00 for both residents and non-residents. A 72-hour all-species fishing license costs \$21.00 under current law and the bill would increase that amount to \$30.00. In addition, the current restricted fishing license would be eliminated and a resident all-species license would be reduced from the current price of \$28.00 to \$25.00. A non-resident all-species license would be increased from the current price of \$42.00 to \$75.00.

Vendor License Commissions and Equipment Rental

The bill provides that beginning on March 1, 2014, vendors authorized by the DNR to issue licenses may retain 7.5% of the fees for each sportscard, license, duplicate license, application, or permit that they sell. In addition, the DNR may require vendors to rent the equipment needed for the sale of licenses. The vendors shall pay \$5.00 rent per week, but the amount of rent shall not exceed 50% of the total annual amount the person is authorized to retain for sales commissions. The \$5.00 rent per week would be reduced to \$2.50 per week for persons who have been authorized to issue licenses for a full license year if their annual license sales are less than the five-year average of license sales.

Land Acquisition Language

As mentioned above, the bill limits the amount of funding that can be used for land acquisition to 0.25% of \$9.00 of each waterfowl license fee except under specific conditions. In addition, of the fee revenue deposited into the Game and Fish Protection Account, the bill limits the amount that can be used to acquire lands to 0.25%. This limitation would not apply, however, if all of the appropriations from the Michigan Natural Resources Trust Fund (MNRTF) for Eco-Region acquisition that is carried over from previous years are spent. The DNR shall not acquire lands from this revenue unless the Joint Capital Outlay Subcommittee (JCOS) approves the purchase.

For each deer and resident sportsperson's license, \$1.50 of the license fee is required to be used for the improvement and maintenance of deer habitat and for the purchase of deer habitat lands. Under the provisions of the bill, no more than 0.25% of the revenue generated by this \$1.50 earmark can be used to acquire lands. As with waterfowl license fees and Game and Fish Protection Fund revenue, this limitation would not apply if all the MNRTF Eco-Region acquisition appropriations from previous years are spent. The JCOS would also need to approve any land purchases from this revenue as well.

NREPA SECTIONS REPEALED

The bill would repeal the following sections of NREPA (1994 PA 451): section 43522a immediately, and sections 43523, 43525, 43525a, 43526, 43527, and 43530 effective March 1, 2014.

Fiscal Analyst: Viola Bay Wild

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.