

Individual State Agency Fiscal Note

Bill Number: 5552 SB	Title: Modifying miscellaneous provisions impacting department of fish and wildlife licensing requirements	Agency: 477-Department of Fish and Wildlife
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2022	FY 2023	2021-23	2023-25	2025-27
Recreational Fisheries Enhancement-State 04M-1		2,933	2,933	5,866	5,866
Warm Water Game Fish Account-State 071-1		647	647	1,294	1,294
Limited Fish and Wildlife Account-State 104-1		(26,697)	(26,697)	(53,394)	(53,394)
Rockfish Research Account-State 12G-1		(5,642)	(5,642)	(11,284)	(11,284)
Biotoxin Account-State 15M-1		5,628	5,628	11,256	11,256
Regional Fisheries Enhancement Group Account-State 209-1		(184)	(184)	(368)	(368)
Fish, Wildlife, and Conservation Account-State 24N-1		4,961	4,961	9,922	9,922
Total \$		(18,354)	(18,354)	(36,708)	(36,708)

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

Estimated Operating Expenditures from:

Account	FY 2022	FY 2023	2021-23	2023-25	2025-27
General Fund-State 001-1	0	2	2	0	0
Limited Fish and Wildlife Account-State 104-1	0	(2)	(2)	(4)	(4)
Total \$	0	0	0	(4)	(4)

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact . Factors impacting the precision of these estimates , and alternate ranges (if appropriate) , are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia , complete entire fiscal note form Parts I-V.
- ☒ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia , complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

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Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 1(74) amends the definition of “youth” for fishing licenses from “a person fifteen years old” to “a person under 16 years old”, which means a license will no longer be required for 15-year-olds to fish. No fiscal impact.

Section 2 amends the definition of “resident”, by moving subsections (2)(3)(4) to Section 5 of this bill: (2) spouse and children (age 18 or younger) of U.S. armed force member; (3) U.S. armed force member temporarily stationed in WA; and (4) U.S. active duty armed force member permanently stationed in WA. No fiscal impact.

Section 3(4) grants authority to the commission to adopt rules to offer a one-time discount of up to twenty dollars on a first-time resident hunting license purchase for those who have completed the Washington hunter education training program.

Section 4(1) changes the age required to purchase a personal use saltwater, freshwater, combination, or temporary license, from age 15 to age 16 and older. Subsection (2)(a) eliminates the five dollar youth combination license (fish, shellfish, and seaweed) and subsection (3)(c) extends to the use of the temporary combination fishing license (fish, shellfish, and seaweed) to include the opening days of the lowland lake fishing season. Subsection (5) is moved to Chapter 77.32 RCW in Section 7(1) of this bill. Subsection (6) changes the age required to purchase a two-pole stamp to use a second pole while fishing, from age 15 to age 16 and older.

Section 5 changes criteria used to qualify for specific reduced rate licenses. Subsection (2) requires that a combination fishing license or any hunting license must be issued at the same cost charged to a nondisabled WA resident rate for the following: c) fulltime college students. Subsections (2)(b)(d)(e) are moved to this section from Section 2(2)(3)(4) of this bill. Subsection (2)(a) is moved to this section from Section 5(2).

Section 6 changes the age required to purchase a personal use shellfish and seaweed license, including razor clams, from age 15 to age 16 and older.

Section 7 expands access to the Vehicle Access Pass to individuals who purchase personal use shellfish and seaweed licenses under RCW 77.32.520. The Vehicle Access Pass allows the holder of the pass to access Department of Fish and Wildlife (WDFW) recreation sites or lands.

Section 8(1) clarifies that the Fish and Wildlife Commission's authority to adopt rules to create and sell combination licenses for all hunting and fishing activities [RCW 77.32.470(5)] is authorized to span one or more license years. Subsection (2) grants authority to the WDFW Director to offer temporary discounted promotional pricing to increase participation in fishing, hunting, or wildlife viewing.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

ASSUMPTIONS:

For estimating hunting and fishing revenue, the quantity of licenses sales is based on fiscal year 2020 data. Buyer resistance, or elasticity, is not considered.

All revenue described is per fiscal year and ongoing.

Offering a one-time discount to first time resident hunters will encourage more hunters over the age 16, purchasing hunting licenses for deer, elk, or combination licenses.

It is assumed that there are approximately 25,000 first year non-resident students in the state and that both time and cost are barriers to their participation in hunting and fishing activities while in Washington.

There are no new fees or increases to fees as a result of this bill, however the number of individuals expected to purchase licenses are both increasing and decreasing, depending on different sections of the bill.

BACKGROUND:

A vehicle access pass (VAP) is valid April 1 – March 31 for use on WDFW recreation sites or lands (used in place of a Discover Pass in these locations) and is given to individuals who purchase the following :

- Big game hunting license
- Small game hunting license
- Western WA pheasant permit
- Trapping license
- Watchable wildlife decal issuance
- Freshwater personal use fishing license

CALCULATIONS AND ESTIMATES:

Section 3(4) authorizes the commission to offer a one-time discount, up to \$20.00, to first time resident hunters for those who have completed the Washington hunter education training program. A hunting license discount is projected to create a loss of revenue of \$80,000 (4,000 licenses x \$20 discount.) However, the number of licenses purchased is expected to increase and therefore revenue will increase \$80,400 (3,600 youth deer licenses x \$18.00 = \$64,800 and 400 resident deer licenses x \$39.00 = \$15,600) as a result of this discount. Total revenue impact for Section 3 is an increase of \$400 and considered revenue neutral.

Section 4(1) and Section 6 eliminate the need for youth aged 15 years old to purchase personal use fishing licenses (including shellfish/seaweed) and two-pole stamps which creates a loss of revenue of \$89,304 (11,383 youth licenses x \$5.50 = \$62,607, Puget Sound crab endorsements 2,322 x \$7.50 = \$17,415, and two-pole stamps 714 x \$13.00 = \$9,282.) Total revenue impact for Sections 4 and 6 is a reduction of \$89,304 each year.

Section 4(3)(c) extends to the use of the temporary combination fishing license (fish, shellfish, and seaweed) to include the opening days of the lowland lake fishing season. It is unknown how many customers purchase the annual license to participate in this particular fishing season, but the assumption is that more non-residents will purchase a temporary license to participate. Since this is an unknown variable, this subsection is indeterminate.

Section 5 changes criteria used to qualify for specific reduced rate licenses. Subsection (2) requires that a combination fishing license or any hunting license must be issued at the same cost charged to a nondisabled WA resident rate for the following: c) fulltime college students. It is assumed that 100 students will purchase a resident rate license, due to a reduced cost barrier, and participate in hunting and fishing activities (100 x \$48.50) and revenue will be increased \$4,850. With the active duty military (and their spouses & children) qualified to purchase licenses at the nondisabled WA resident rate, it is assumed that a shift in the type of license purchase will occur. There were 1,776 temporary military 1-3 day licenses sold in fiscal year 2020 that generated approximately \$20,436. Subsections (2)(b)(d)(e) are projected to create an increase of revenue of \$86,136 due to an increase to the number of annual military licenses purchased (1,776 x

\$48.50) for an overall revenue gain of \$65,700. Subsection (2)(a) is moved to this section from Section 5(2) with no fiscal impact. Total revenue impact for Section 5 is an increase of \$70,550 each year.

Section 7 extends the use of a VAP to another group of WDFW license holders (personal use shellfish and seaweed license) which may reduce the amount of revenue collected from one-day Discover Pass purchases. It is unknown how many current license holders of this category currently purchase the one-day Discover Pass; therefore, this potential revenue loss is indeterminate.

Total revenue impact for this bill is a reduction of \$18,354 each year.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Sections 3, 4, 5, 6: Beginning in fiscal year 2023 and ongoing, a transaction fee expenditure will be reduced by \$2,000 (annual loss of revenue of $\$18,354 \times 10\% = \$1,835$). WDFW assesses a 10% transaction fee on recreation licenses (including permits, tags, stamps, and raffle tickets per RCW 77.32.050) for the support of the Department's automated license purchasing system.

Sections 3 and 8: \$2,000 onetime rulemaking costs, in fiscal year 2023, to offer discounts and promotions for license packages.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2022	FY 2023	2021-23	2023-25	2025-27
001-1	General Fund	State	0	2	2	0	0
104-1	Limited Fish and Wildlife Account	State	0	(2)	(2)	(4)	(4)
Total \$			0	0	0	(4)	(4)

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services				(4)	(4)
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	0	0	(4)	(4)

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

IV. D - Capital FTE Detail: *List FTEs by classification and corresponding annual compensation . Totals need to agree with total FTEs in Part IVB*

NONE

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules .

Sections 3 and 8: \$2,000 onetime rulemaking costs, in fiscal year 2023, to offer discounts and promotions for license packages