

Individual State Agency Fiscal Note

Bill Number: 1235 HB	Title: WDFW licensing	Agency: 477-Department of Fish and Wildlife
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Recreational Fisheries Enhancement-State 04M-1	11,000	11,000	22,000	22,000	22,000
Warm Water Game Fish Account-State 071-1	4,000	4,000	8,000	8,000	8,000
Limited Fish and Wildlife Account-State 104-1	(30,000)	(30,000)	(60,000)	(60,000)	(60,000)
Rockfish Research Account-Non-Appropriated 12G-6	(5,000)	(5,000)	(10,000)	(10,000)	(10,000)
Biotoxin Account-State 15M-1	9,000	9,000	18,000	18,000	18,000
Regional Fisheries Enhancement Group Account-Non-Appropriated 209-6	1,000	1,000	2,000	2,000	2,000
Fish, Wildlife, and Conservation Account-State 24N-1	(37,000)	(37,000)	(74,000)	(74,000)	(74,000)
Total \$	(47,000)	(47,000)	(94,000)	(94,000)	(94,000)

Estimated Operating Expenditures from:

Account	FY 2024	FY 2025	2023-25	2025-27	2027-29
Limited Fish and Wildlife Account-State 104-1	27,000	(4,000)	23,000	(8,000)	(8,000)
Total \$	27,000	(4,000)	23,000	(8,000)	(8,000)

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

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

Section 1(74) changes the definition of “youth” for fishing from age 15 to under 16 years of age

Sections 2(2) through (4) strikes language regarding the United States armed forces including temporarily stationed, active duty, and nonretired members as well as spouse and children to provide required documents as proof of legal residency.

Section 3(1)(a) requires proof of certification of completed hunter education for all persons purchasing any hunting license for the first time, if born on or after January 1, 1972 and removes minimum hunter education course length.

Sections 3(a)(f) and (2)(a) adds language to include current or retired members of the United States military and federal peace officers as defined in RCW 10.93.020. The section also defines requirements to the onetime hunter education deferral for individuals who are accompanied, while hunting, by a nondeferred Washington licensed hunter who is at least eighteen years of age.

Section 3(4) authorizes the fish and wildlife commission to adopt rules to offer a one-time discount of up to \$20 for first-time resident hunters who have completed the Washington hunter education training program.

Sections 4(1) and (2)(a) strikes language requiring a “family fishing weekend” license and changes the requirement to fish for or possess fish under the various fishing licenses offered from age 15 to 16. Also, strikes language designating five dollars for a youth license.

Section 4(3)(c), (4), and (6) strikes language that restricts the use of temporary fishing licenses during the first eight days of the lowland lakes’ opener. It also eliminates the family fishing weekend license and strikes authority for the fish and wildlife commission to adopt rule to create and sell discounted hunting and fishing license packages. Finally, this section also allows the use of two fishing poles on selected state waters for license holders 16 years of age or older.

Section 5 adds language to include nonresident disabled veteran, active-duty military, full-time student including spouse and children to be issued a combination fishing or hunting license at the same cost as a nondisabled Washington resident.

Section 6 modifies the age requirement for resident and nonresident from 15 to 16 for shellfish/seaweed and razor clam licenses.

Section 7 requires a vehicle access pass to be issued when purchasing a personal use shellfish and seaweed license under RCW 77.32.520.

Section 8 authorizes the fish and wildlife commission to adopt rules to create and sell discounted combination hunting and fishing license packages that could be valid for one or more license years. This section also authorizes the director to offer temporary discounted promotional pricing to increase angler, hunting, or wildlife viewing participation.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

ASSUMPTIONS:

To estimate hunting and fishing revenue, the quantity of license sales is based on fiscal year (FY) 2021 data. For nonresident disabled veteran, active-duty military, and full-time student sales the quantity of license sales is based on FY 2020 data.

CALCULATIONS AND ESTIMATES:

There are three unique changes to revenue:

1) Section 1 changes the definition of “youth” for fishing licenses from age 15 to under age 16. The loss of revenue from licenses purchased for 15-year-olds is expected to result in a loss of \$89,304. The Limited Fish and Wildlife Account (104) collects 10 percent of these transactions for the Wild Transaction Fee (see expenditure narrative): $-\$89,304 * 0.1 = -\$8,930$.

Total revenue loss (rounded to the nearest thousand): $-\$90,000 - \$9,000 = -\$99,000$

2) Section 3(4) authorizes the Commission to adopt rules to offer a one-time discount of up to \$20 to first-time resident hunters that have completed the Hunter Education Training Program. WDFW estimates that 4,000 first-time residents would be eligible for and use the discount for a potential loss of \$80,000 ($4,000 * \$20 = \$80,000$). The Limited Fish and Wildlife Account (104) collects 10 percent of these transactions for the Wild Transaction Fee (see expenditure narrative): $-\$80,000 * 0.1 = -\$8,000$.

Total revenue loss (rounded to the nearest thousand): $-\$80,000 - \$8,000 = -\$88,000$

3) Section 5(2) adds language for nonresident disabled veteran, active-duty military, full-time student including spouses and children to be issued a combination fishing or hunting license at the same cost as a nondisabled Washington resident.

a) WDFW assumes that active duty servicemembers would upgrade their temporary combination fishing licenses to annual combination fishing licenses (see calculation below). For FY 2020, there is no sales data for nonresident disabled veteran temporary fishing licenses, so the Department assumes no additional revenue from this population. WDFW estimates a potential revenue gain of \$65,700 to 24N, the Fish, Wildlife, and Conservation Account. The Limited Fish and Wildlife Account (104) collects 10 percent of these transactions for the Wild Transaction Fee (see expenditure narrative): $\$65,700 * 0.1 = \$6,570$.

Below is an estimate of the number of active-duty military temporary licenses that will be upgraded to an annual combination license, including the difference in cost and potential revenue gain. (Annual combination cost - temporary combination cost = upgraded cost)

Temporary 1-day combination license: \$8.50
Temporary 2-day combination license: \$12.50
Temporary 3-day combination license: \$15.50
Annual Combination license: \$48.50

Upgraded Cost from temporary 1-day combination license: $(\$48.50 - \$8.50) = \$40.00 * 870 = \$34,800$
Upgraded Cost from temporary 2-day combination license: $(\$48.50 - \$12.50) = \$36.00 * 334 = \$12,024$
Upgraded Cost from temporary 3-day combination license: $(\$48.50 - \$15.50) = \$33.00 * 572 = \$18,876$
Total temporary upgraded sum = \$65,700

Total revenue gain (rounded to the nearest thousand): $\$66,000 + \$7,000 = \$73,000$

b) There are 25,000 full-time non-resident students in Washington. WDFW assumes an additional 5 percent of these students ($25,000 * .05 = 1,250$) will purchase an annual license. This opportunity for full-time non-resident students could result in a potential revenue gain of \$60,625 ($1,250 * \48.50). The Limited Fish and Wildlife Account (104) collects 10 percent of these transactions for the Wild Transaction Fee (see expenditure narrative): $\$60,625 * 0.1 = \$6,063$.

Total revenue gain (rounded to the nearest thousand): $\$61,000 + \$6,000 = \$67,000$

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Section 3(4) authorizes the Commission to adopt rules to offer a one-time discount of up to \$20 to first-time resident hunters that have completed the Hunter Education Training Program. Rulemaking will be to adopt a new WAC in Section 220. This will require \$2,500 for a public hearing and \$1,500 for rule adoption in FY 2025.

To apply the discount in the licensing system, WDFW assumes that the update will take the current license vendor 200 hours at a rate of \$130 per hour for a total of \$26,000 in Object C. This estimate is based on prior updates to the licensing system of a similar scale.

WDFW estimates that the changes to Sections 1, 3, and 5 will reduce fee revenue (see cash receipts) by \$42,979. License sales are subject to a 10 percent transaction fee per RCW 77.32.050 which is deposited into the Limited Fish and Wildlife Account (104). This transaction fee is used for maintaining WDFW’s automated licensing system, such as payments to the vendor who built and maintains the system. The Department estimates that transaction expenditures will decrease by \$4,297 (-\$42,979*.1) in Object C.

An infrastructure and program support rate of 33.5% is included In Object T and is calculated based on WDFW’s federally approved indirect rate. The infrastructure and program support rate is not applied to the contractual costs.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
104-1	Limited Fish and Wildlife Account	State	27,000	(4,000)	23,000	(8,000)	(8,000)
Total \$			27,000	(4,000)	23,000	(8,000)	(8,000)

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts	22,000	(4,000)	18,000	(8,000)	(8,000)
E-Goods and Other Services	4,000		4,000		
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	1,000		1,000		
9-					
Total \$	27,000	(4,000)	23,000	(8,000)	(8,000)

III. C - Operating FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals 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

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

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

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.