

Updated for the 2016 Session. Includes any amendments adopted to-date.

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2016-17		FY 2017-18	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		See below		See below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 634 would allow a resident veteran who was a prisoner of war (POW) to obtain a combination fishing and hunting permit, habitat stamp, aquatic habitat stamp and Nebraska migratory waterfowl stamp for a one-time fee of \$5.00.

The Game and Parks Commission has identified a potential Game Cash Fund revenue loss of \$2,065 in FY2016-17 and \$5,214 in FY2017-18. Their estimated loss in the second year includes a loss of federal funding since free permits do not count in the calculation used to determine the amount of Nebraska’s federal allocation. Their estimate is based on 35 veteran POWs receiving the reduced fee/free permit and a revenue loss of \$59 per permit in FY2016-17 and \$149 per permit in FY2017-18 when the federal fund loss kicks in. This analysis assumes every veteran POW requesting a reduced fee/free permit would have bought the necessary permits at the regular price.

If the veteran would **not** have purchased a permit and stamps at the regular price of \$64.00, but decide to take advantage of the \$5.00 permit, there will actually be an increase in revenue the first year equal to \$5.00 per permit plus it will qualify Nebraska for additional federal funds (\$89.96 per permit).

In addition, resident veterans who are 64 years of age or older are already eligible to receive these permit/stamps for a \$5.00 annual fee. Since the vast majority of POWs are from the WWII, Korean and Vietnam wars there may be a significant number of POW veterans that are already eligible for the reduced fee permit and stamps due to their age. In this case there would be no revenue loss the first year and in the second and subsequent years when no fee is required the revenue loss will equal \$5.00 per permit plus the federal loss of \$89.96.

Overall, it is estimated that LB 634 will have a minimal impact on Game Cash Fund revenue.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 634	AM:	AGENCY/POLT. SUB: Nebraska Game and Parks Commission	
REVIEWED BY: Claire Oglesby		DATE: 12/04/2015	PHONE: 471-4174
COMMENTS: No basis to disagree with the estimate. The estimate seems to be reasonable given the assumption of 35 POW permits.			

Please complete ALL (5) blanks in the first three lines.

2016

LB⁽¹⁾ 634

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Game and Parks Commission

Prepared by: ⁽³⁾ Patrick H. Cole

Date Prepared: ⁽⁴⁾ 11/17/2015

Phone: ⁽⁵⁾ 402-471-5523

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	-2,065	_____	-5,214
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

The proposed legislation would provide for a \$5 combination hunt/fish license with all state stamps, to resident veterans that were honorably discharged and had been a prisoner of war. The permits would be perpetual, only becoming void with termination of eligibility.

A current resident combination hunt/fish permit with all stamps is valued at \$64 (license \$29, habitat stamp \$20, aquatic habitat stamp \$10, Nebraska waterfowl stamp \$5) thus there would be an immediate loss of \$59 of potential revenue for each permit sold. Additionally, based on 2014 Sport Fish and Wildlife Restoration Program apportionments, a paid combination hunt/fish permit translates into \$89.96 of federal aid monies. A five dollar fee would meet the minimum fee eligible to recoup the federal aid monies, but only for 1-year. An annual \$5 fee is necessary for annual federal dollars, thus from the 2nd year on the potential revenue loss increases from \$59 permit fees to \$148.96 (permit fees plus federal aid monies).

The fiscal impact will depend upon the number of eligible individuals that actually purchase the permit that would have purchased a normal priced permit if the POW permit were not available. Using 35 POW license plates issued in 2013, (2013 DMV annual report) as an estimate, the impact could be a loss of \$2,065 in the first year and \$5,214 each year after that for the likely 'permit buying' lifetime of the permit holder. Numbers would be less if the permit buyer was already purchasing an annual veteran'64 permit at \$5/year, or not purchasing a permit at all.

Some permit system changes would be necessary to accommodate this but they are thought to be minimal.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17</u>	<u>2017-18</u>
	<u>16-17</u>	<u>17-18</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	=====	=====	=====	=====