

Update to reflect amendments adopted through February 13, 2019.

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		(85,916)		(85,916)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(85,916)		(85,916)

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

LB 127, as amended, expands the definition of “immediate family” with regard to the ability of the agency to issue limited permits for deer, antelope, wild turkey, and elk to qualifying landowners or leaseholders and their immediate family.

Currently, immediate family means “a husband and wife and their children or siblings sharing ownership in the property”. The proposed changes will change the definition to include the following individuals as immediate family:

1. Spouse of owner/leaseholder.
2. Child or stepchild of owner/leaseholder or spouse of owner/leaseholder.
3. Spouse of those listed under number two (2).
4. Sibling(s) of owner who shares in the ownership
5. Spouse of those listed under number four (4).

A fiscal impact is expected in the area of fee's collected (revenue) for permits due to a presumable increase in the number of less costly limited permits (\$17/each) purchased by individuals who would normally have purchased a non-limited permit (\$34/each) and will no longer do so. The Commission has provided a detailed synopsis (see attached) of the possible effects on revenue derived from deer permit fees using the assumption that the number of limited permits issued will increase by two and three-tenths (2.3) times and a corresponding decrease will be seen with non-limited permits purchased. The Commission has indicated costs associated with carrying out the expansion are able to be absorbed at the expense of lower priorities.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 127	AM: 184	AGENCY/POLT. SUB: Nebraska Game and Parks Commission	
REVIEWED BY: Claire Oglesby		DATE: 2/13/19 PHONE: (402) 471-4174	
COMMENTS: Nebraska Game and Parks Commission's statement appears reasonable based on the assumptions provided.			

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

2019

LB⁽¹⁾ 127AM184 Definition of immediate family for Landowner permits

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Game and Parks Commission

Prepared by: ⁽³⁾ Christina Peters Date Prepared: ⁽⁴⁾ 2/12/19 Phone: ⁽⁵⁾ 402-471-5403

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2019-20		FY 2020-21	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	(\$85,916)	_____	(\$85,916)
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	(\$85,916)	=====	(\$85,916)

Explanation of Estimate:

The proposed legislation would expand the definition of immediate family members eligible for limited landowner permits for deer, turkey, antelope and elk. Current definition limits to owner/lease holder, their spouse and children or siblings sharing ownership in the property. Additions include children’s spouses, stepchildren and their spouses. This could be an exponential increase in eligible applicants depending upon size of family. Using family with 2 children and 2 stepchildren (current/proposed) 1 married owner (2/2) with 2 married sibling sharing ownership (2/4), and 2 married child (2/4) with 2 married stepchildren (0/4). Under basic ‘single child’ example currently 6 qualifying applicants could exist. This could increase by 8 under the proposed expansion, or exponentially based on the actual number of children/stepchildren.

The number of permits authorized are limited by acres owned or leased 1 per 80 acres for deer, turkey and antelope, and 1 per 320 acres per elk (Nonresidents are higher). In the case of antelope and elk the number of landowner permits is restricted to a quota and require a draw application. Deer and turkey landowner permits have an unlimited quota thus the limiting factor is acres owned.

The potential of fiscal impact rests primarily of a shift from an individual buying a regular permit (2x cost of landowner) to a landowner permit due to new qualifications. Current analysis related to deer hunters indicates that the majority of all deer hunters only purchase a single permit (84% of landowner permit holders only buy a single landowner permit and 70% of regular permit buyers), This would be revenue negative for deer and turkey but high demand and low quota for elk and antelope make that less likely.

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BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2019-20	2020-21
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

LB⁽¹⁾ 127 Definition of immediate family for Landowner permits

Of Nebraska’s 49.1 million acres, 45.2 are said to be comprised of farms and ranches (nda.nebraska.gov/facts). Of the 30.1 million acres identified in the agency’s landowner permit descriptions (does not account for duplicates) 12.9 million were applied to 2018 Landowner deer permits. Using 80 acres for residents and 320 for nonresidents (assuming no duplicates), as applied for, approximately 1,874 nonresident permits could have been issued and 154,531 resident permits. Actual landowner deer permits issued were 486 nonresidents and 13,430 residents (through end of December). While adequate data details are not available to fully assess, it appears that there would be room to expand the issuance of landowner deer permits, so expanding the definition of immediate family would increase landowner permit sales, but presumably at some expense to regular permits.

For purposes of this fiscal note the following scenario will be used related to Deer permits: Owner/Spouse + 2child/spouse + 2stepchild/spouse + 2sibling/spouse and enough land that all could get permits. The underlined individuals would be added to the current eligible members so eligibility increases 2.3X from 6 to 14.

The assumption is the current number of permits issued (13,916) is reflective of all of the now qualifying individuals. So increasing the number of qualifying individuals by 2.3 would increase the permit sales by 2.3 or 32,007. Assuming the newly eligible would normally purchase a regular permit the net revenue loss would be \$85,916.

	2018	2.3x		2.3 x LO now						new-current QTY x reg\$	NET
		Qualifiers	Est New Permits	Permit Fee	QTY x LO fee						
	QTY LO's	Now	New	NEW QTY	Landowner	REGULAR	\$ Now	under New	New shift		
Resident	13,430	6	14	30,889	\$ 17.00	\$ 34.00	\$228,310	\$525,113	(\$593,606)		(\$68,493)
Nonresident	486	6	14	1,118	\$ 119.50	\$ 239.00	\$58,077	\$133,577	(\$151,000)		(\$17,423)
TOTAL	13,916			32,007			\$ 286,387	\$ 658,690	\$ (744,606)		\$ (85,916)

The expanded definition would also likely necessitate changes to the current permit system to allow tracking of relationship to specific landowner. Additional time and effort will be necessary for issuance and enforcement . Current staffing in permit issuing and enforcement offices are anticipated to be sufficient at the expense of lesser priority activities.