

PREPARED BY:
DATE PREPARED:
PHONE:

Mike Lovelace
February 07, 2012
471-0050

LB 796

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See below			
CASH FUNDS	30,733	50,000	26,233	50,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	30,733	50,000	26,233	50,000

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 796 is the Outdoor Outfitters and Guides Registration Act. Under the provisions of the bill, outdoor outfitters and guides are required to register with the Game and Parks Commission by submitting an application form and providing proof of insurance. The cost of registration is \$100 per year. These registration fees will be deposited into the newly created Outdoor Outfitters and Guides Cash Fund. In addition to issuing a registration certificate to applicants the Game and Parks Commission is required to create a list of registered outfitters and guides on their website.

The Game and Parks Commission estimates that 250 to 1,000 outfitters and guides will seek registration each year. For purposes of their fiscal note they have assumed 500 registrations. Based on this assumption the annual revenue for deposit into the Outdoor Outfitters and Guides Cash Fund will equal \$50,000.

Administration expenses are estimated by the Commission to total \$30,733 the first year and \$26,233 the second and ongoing years. Included within this cost is the employment of a .5 FTE Staff Assistant to process the applications and issue the registration certificates.

I would point out that if there are 500 applications, a .5 FTE (1,040 hours) would have on average 2 hours to process each application. This seems excessive unless it is assumed that many of the applications will be incomplete in some way and require follow-up contact with the applicant. In addition, the bulk of the applications will likely be received all at once when the bill goes into effect since those in the outfitter and guide business may want to immediately receive their registration certificate so they can continue to operate as usual. This may require the Commission to initially hire several temporary positions from the SOS pool rather than hire one part-time position. The actual cost may ultimately be the same whether temporary or permanent staffing is utilized.

A comparison of the Commission's expenditure estimates to their revenue estimates show that the expected revenue will be more than adequate to cover their estimated costs and may even produce a surplus. The Commission requests that the first year costs be funded from the General Fund, thus allowing the revenue from the \$100 fee to be generated to cover costs in the second and future years. While it may be true that initial costs may need to be funded with the General Fund until the cash fund revenue from the fee is collected, it appears that the estimated revenue the first year would more than cover the initial expenses and would allow the General Fund to be reimbursed with money in the cash fund within a short period of time.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Cindy Miserez	1/17/12	PHONE 471-2526
COMMENTS			
<p>GAME AND PARKS COMMISSION – I have no basis to disagree. Projected cash flow would allow for reimbursement of start-up general funds.</p>			

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LB⁽¹⁾ 796 FISCAL NOTE

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

Prepared by: (3) Patrick H. Cole Date Prepared: (4) January 10, 2012 Phone: (5) (402) 471-5523

LEGISLATIVE FISCAL

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2012-2013		FY 2013-2014	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	30,733			
CASH FUNDS		50,000	26,233	50,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	30,733	50,000	26,233	50,000

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

The proposed legislation would adopt the Outdoor Outfitters and Guides Registration Act and requires the Nebraska Game and Parks Commission to administer it. The commission could adopt and promulgate rules and regulations to carry out the Act and would be responsible for developing application forms and procedures, accepting applications, collecting fees, issuing registration certificates and posting a digital list of registered guides and outfitters on its' website.

Application approval appears to be automatic unless the applicant does not include the fee (set at one hundred dollars), include proof of liability insurance (specified as fifty thousand dollars per one person in a single accident), provides incomplete information (name, address, telephone number, driver's license number, if an individual, or the corporate business or trade name and name and address of each corporate officer). The requirement of the application to be signed under oath or affirmation and be notarized appears to limit the process to manual paper centric administration. Due to the expected administrative requirements and anticipated numbers of applicants, additional staff will be required. One half FTE would be required in the central office to assist in the coordination of application processing and list development. Administrative oversight could be accomplished by existing staff through a reprioritization of duties.

Currently neither Outfitters nor Guides are licensed or registered in Nebraska. The number of individuals (guides) and businesses (outfitters) that this act would impact is unknown. The recreational activities that would be included involve fishing, hunting and navigation of waters. This would include canoe, kayak, tube and tank rental groups, Controlled Shooting Area operations, as well as more traditional hunting/fishing guide and outfitter services. Both guides and outfitters would need to be registered, failure to register would be a Class IV misdemeanor and registration prohibition for one year. While the act provides for some exclusions, the exact numbers affected are not known, based on staff estimates and formal (CSA's) and informal records the potential number of registrants would be in the 250-1,000 range.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2012-2013	2013-2014
	12-13	13-14	EXPENDITURES	EXPENDITURES
Staff Assistant I	0.5	0.5	13,749	13,749
Benefits.....			10,484	10,484
Operating.....			2,000	2,000
Travel.....				
Capital outlay.....			4,500	
Aid.....				
Capital improvements.....				
TOTAL.....			30,733	26,233

LB⁽¹⁾ 796 FISCAL NOTE

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

The Outdoor Outfitters and Guides Cash Fund is created to fund the program. License (application) fees, set at \$100 would be deposited in the fund. The fee may or may not impact and discourage smaller operators

For estimate purposes only, it will be assumed that at least 500 certificates of registration will be issued annually. Revenue projections would be \$50,000 annually (500 x \$100).

The following estimates the expenditure needs for implementing the program:

	\$/HR	annual	FTE	wages PSL	OASDI	Retiremen t	Health Ins	Total
Staff Assist I (1@0.5 FTE)	\$13.22	\$27,498	0.5	\$13,749	\$1,052	\$ 1,032	\$8,400 *	\$24,233

*Health Ins projected at 50% of the state's share of the Family Regular PPO Plan

Operating Expenses	YR 1	YR 2
postage/communications	\$ 500.00	\$ 500.00
Office supplies	\$ 500.00	\$ 500.00
Misc equipment/supplies	\$ 1,000.00	\$ 1,000.00
Computer equipment	\$ 1,500.00	
Office furniture	\$ 3,000.00	
	\$ 6,500.00	\$ 2,000.00

An A Bill would be requested for this legislation. While the Outdoor Outfitters and Guides Cash Fund is created to carry out this Act, there will be no money initially to cover expenses, thus General Fund dollars would be requested for the first year's expenses. Expenses after the first year would be covered by the dedicated fund, if balance is adequate. Should the revenue generated fail to cover the programs expenses, additional general fund authority would be sought.