

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2020-21		FY 2021-22	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		(234,618)		(251,388)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(234,618)		(251,388)

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

LB770 establishes a “disabled veteran permit” park entry permit in addition to the already existing annual and temporary park entry permits. The disabled veteran park entry permits would be issued without any fee being paid and only to resident veterans who were:

- Discharged or separated with a characterization of honorable or general; and
- Is rated by the United States Department of Veterans Affairs as at least 50 percent disabled as a result of service in the armed forces; or
- Is receiving a pension from the United States Department of Veterans Affairs as a result of total and permanent disability that was not incurred in the line of duty in the military service.

Additionally, the disabled veteran permit would be perpetual and is voidable only when eligibility as outlined above no longer exists.

Since 2006, the total number of combination fishing, fur-harvesting, and hunting permit, habitat stamp, aquatic habitat stamp, and Nebraska migratory waterfowl stamps issued to veterans who are required to meet the same criteria as delineated above pursuant to 37-420, is 7,262. The average number of these permits issued each year since 2006 is 559. Please note that data from 2007 is not available and is thus not included in the total permits or when computing the average. These permits are also perpetual. In order to determine a fiscal impact, the following assumptions were made and incorporated into the table below:

- All individuals receiving the free permit under 37-420 had historically purchased an annual park entry permit each year and would no longer do so due to being the recipient of the free disabled veteran park entry permit.
- The number of disabled veteran park entry permits issued in FY21 year will be 7,262 plus the average number of the permits issued each year pursuant to 37-420 (559).
- Each fiscal year there will be an increase in disabled veteran park entry permits issued by 559 over the previous fiscal year.

Potential Revenue Loss to State Parks Cash Revolving Fund		
	FY21	FY22
Number of Permits Issued	7821	8380
Regular Annual Permit Price	\$30	
Revenue Loss	\$234,618	\$251,388

Other changes include the following:

- Changes the maximum cost of a nonresident motor vehicle annual park entry permit to \$65, from \$40.
- Changes the maximum cost of a nonresident motor vehicle temporary park entry permit to \$12, from \$8.

A fiscal impact related to the two (2) changes above is absent as the agency is not required to increase the permit fees, only the maximum of the range of what the fees may be, is changed. However, any actual increase of these fees by the Commission would result in an increase in revenue, the fiscal note provided by the agency (see attached) gives an example of this.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 770	AM:	AGENCY/POLT. SUB: Nebraska Game and Parks Commission
REVIEWED BY: Claire Oglesby	DATE: 1/17/20	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.

2020

LB⁽¹⁾ 770 Disabled Veteran park entry permits

FISCAL NOTE

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

Prepared by: ⁽³⁾ Patrick H. Cole Date Prepared: ⁽⁴⁾ January 8, 2020 Phone: ⁽⁵⁾ 402-471-5523

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2020-21</u>		<u>FY 2021-22</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

The legislation as proposed would have the Commission establish a new park entry permit specifically for disabled veterans and increases the maximum amount that can be charged for an annual nonresident motor vehicle from forty-five to sixty-five dollars and the nonresident daily from eight to twelve dollars. Duplicate annual permits are priced at one-half the cost of an annual, increasing the nonresident version from \$22.50 to \$32.50.

A qualifying resident disabled veteran would be eligible to receive, without payment, a single disabled veteran resident motor vehicle park entry permit. The permit would only become void upon termination of the veterans eligibility.

The fiscal impact of this proposal is dependent upon the number of individuals that would apply for such permits and whether or not they would purchase an annual permit if the new option were not available. Those that would normally purchase a permit would represent lost revenue should they opt for the new fee-exempt permit.

The Veterans Administration lists 43,465 individuals as currently receiving disability assistance. The Commission has, since 2006, issued just over 7,262 fee-exempt Combination hunt/fish/trap permits with all applicable State stamps to qualifying disabled veterans. An average of 459 new permits have been issued annually in recent years, so the numbers increase overtime.

Assuming the number of disabled veterans receiving the fee-exempt hunt/fish permits is representative of qualifying individuals that may most likely currently purchasing park entry permits, the potential loss would be approximately \$217,860 annually to the Park Cash Fund. The actual impact could be more or less depending upon the purchasing pattern of the eligible individuals (VA 43,465) that apply for the new permit.

An increase in the fee range for annual nonresident vehicle permits of \$20 (\$45 to \$65), duplicate annuals of \$10 (\$22.50 to \$32.50) and daily \$4 (\$8 to \$12) would be revenue positive. Based on the most recent 2019 sales figures below, the increased revenue could be over \$700,000 dependent upon the timing of fee increases and any shifts in purchasing patterns. A modest initial increase of \$5 to annual nonresident permits is the most likely scenario resulting in approximately 175,477 additional dollars during the fiscal note period.

Permit Name	2019 fee *	LB770MAX	2019 QTY	Current \$	NEW MAX\$	MAX GAIN	increase	new max	Est new GAIN
Nonresident Annual Park	\$ 45.00	\$ 65.00	9,380	\$ 422,100	\$ 609,700	\$ 187,600	\$ 5.00	\$ 50.00	\$ 46,900.00
Nonresident Daily Park*	\$ 8.00	\$ 12.00	119,767	\$ 958,136	\$ 1,437,204	\$ 479,068	\$ 1.00	\$ 9.00	\$ 1,119,767.00
Nonresident Duplicate Park	\$ 22.50	\$ 32.50	3,524	\$ 79,290	\$ 114,530	\$ 35,240	\$ 2.50	\$ 25.00	\$ 8,810.00
* includes drop box #'s	* at max Fee			\$1,459,526	\$2,161,434	\$701,908			\$ 175,477

The anticipated increased revenue from nonresident permit fee increases is anticipated to offset potential revenue loss from the new fee-exempt disabled veteran permits over time.

Creation and distribution of the new type of permit, assumed to be similar in nature to current vehicle permits, is anticipated to be minimal. Implementation would likely be for 2021 permit year.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2020-21</u>	<u>2021-22</u>
	<u>20-21</u>	<u>21-22</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				