

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6382

BILL NUMBER: HB 1149

NOTE PREPARED: Dec 5, 2007

BILL AMENDED:

SUBJECT: License Agent Service Fees.

FIRST AUTHOR: Rep. Richardson

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill increases from \$0.75 to \$1.75 the service fee that is retained by agents of the Department of Natural Resources (DNR) for selling a hunting, trapping, or fishing license.

Effective Date: July 1, 2008.

Explanation of State Expenditures:

Explanation of State Revenues: *Summary:* DNR licenses can be purchased from 846 independent license retailers, 54 DNR properties, 2 county clerk's offices, and the DNR online point-of-sale system (iPOS, dnr.in.gov licensing outlets). From January through December 31, 2006, the DNR sold 899,638 licenses with net revenues of \$17.7 M. Internet sales equaled 152,663, or about 17% of overall sales.

Information is not readily available with respect to the number of licences sold by retailers and by the DNR on DNR properties. However, rough calculation based on the number of entities that sell the license indicate that revenues to the DNR would decrease by an estimated \$692,721, assuming that the DNR does not increase license fees to compensate.

License fee revenue is deposited into the Fish and Wildlife Fund, which is used to finance the operations of the DNR Division of Fish and Wildlife and the DNR Division of Law Enforcement.

Background. A total of about 900 entities sell licenses. About 6% of the entities that sell licenses are DNR facilities on DNR properties; 17% of total license sales are sold online through the DNR iPOS; and 2 counties sell fewer than 100 licenses. Assuming that the number of licenses sold are distributed

proportionally among independent retailers and the DNR, an estimated 77% of licenses would be sold by independent retailers, or 692,721 licenses ($899,638 * 0.77 * \$1$). With the \$1 increase in the fee retained by the agent, DNR revenues would be reduced by an estimated \$692,721.

Explanation of Local Expenditures:

Explanation of Local Revenues: The Crawford County Clerk sells between 12 to 25 licenses each year. The Marshall County Clerk sells fewer than 50. Additional revenue for Crawford County would be between \$12 and \$25. Additional revenue for Marshall County would be less than \$50. Revenue from the service fees is paid into the county's general fund.

State Agencies Affected: DNR.

Local Agencies Affected: Crawford and Marshall Counties.

Information Sources: DNR, Terry Stroud; Crawford County Clerk; Debbie Vandermark, First Deputy, Marshall County Clerk's Office.

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