



Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383  
Fax: (517) 373-1986

House Bill 4668 (Substitute S-2 as reported by the Committee of the Whole)

Sponsor: Representative Jon Bumstead

House Committee: Appropriations

Senate Committee: Appropriations

## **CONTENT**

### Changes to License Fees

The bill would amend Part 435 of the Natural Resources and Environmental Protection Act to change the types of hunting and fishing licenses available, and change the fees associated with those licenses.

Under the current license and fee structure, an individual wishing to hunt a certain species of game is required to purchase the specific type of license that permits the individual to hunt that species of game. Under the bill, an individual wishing to hunt any type of game would first have to purchase a base hunting license, followed by a license for the specific type of game he or she wished to hunt. A base license would give a hunter the same hunting rights as the current small game license, which would be effectively replaced by the base license. Tables 1 and 2 detail the new license fees and types proposed by the bill.

Table 1

Base License Types and Fees Under Bill

<b>Base License Type</b>	<b>Fee<sup>1</sup></b>
Resident	\$10
Nonresident	150
Junior (17 and under)	5
Senior (65 and over)	4

<sup>1</sup>The listed fees do not include a \$1 surcharge that would be added under the bill.

Table 2

Add-On License Types and Fees Under Bill

<b>Add-On License Type</b>	<b>Fee<sup>1</sup></b>
Bear	\$25.00
Deer (Incl. Antlerless)	20.00
Elk	100.00
Fur Harvester	15.00
Moose	100.00
Waterfowl	12.00
Wild Turkey	15.00
Wolf	100.00

<sup>1</sup>The listed fees do not reflect a 60% discount on certain licenses for seniors age 65 and over.

For example, if an individual currently wishes to hunt wild turkey, he or she goes to a license retailer and purchases a wild turkey license for \$15. Later that year, if that individual wishes to hunt deer, he or she purchases a deer license for \$15. Under the bill, this individual would be required to purchase a \$10 base license before purchasing a wild turkey license for \$15. Later that year, if the individual wished to hunt deer as well, he or she would add a deer license to the base license for \$20. It would not be necessary to purchase the base license again; base licenses would be valid for the entire licensing year, which begins April 1 of each calendar year.

The bill also would create a combination hunt and fish license and generally increase the application fees for hunting licenses issued via the "lottery" system from \$4 to \$5, except wolf hunt application fees would remain \$4. The combination hunt and fish license would include a base license, two deer licenses, and an all-species fishing license. The cost of the combination hunt and fish license would be \$75 for residents and \$265 for nonresidents. [Table 3](#) provides a comparison between current license fees and those contained in the bill.

**Table 3**  
Hunting License Comparison

<b>License Type</b>	<b>Current Fee</b>	<b>Fee Under Bill</b>
Resident Deer (including antlerless)	\$15	\$20
Nonresident Deer (including antlerless)	138	20 <sup>a</sup>
Resident Bear Harvest	15	25
Nonresident Bear Harvest	150	25
Bear Participation	15	15
Bear (Senior 65 and over)	6	N/A
Elk	100	100
Resident Fur Harvester	15	15
Nonresident Fur Harvester	150	15
Moose	100	100
Resident Wolf	100	100
Nonresident Wolf	500	500
Waterfowl State License	5	12
Hunting License Application	4	5 <sup>b</sup>
Military (active duty and disabled veteran)	1	Free
Nonresident Small Game 7-Day License <sup>1</sup>	N/A	80

<sup>a</sup> Second and subsequent nonresident deer and antlerless deer licenses would be \$170.

<sup>b</sup> Except for wolf hunting license application fees, which would remain \$4.

<sup>1</sup> This license would not require a base license to purchase.

The bill also would change the types of fishing licenses offered and the fees associated with each license. [Table 4](#) details the types of licenses currently offered versus those that would be offered under the bill. The primary changes in the types of licenses offered are the elimination of restricted species licenses and senior discounts on 24- and 72-hour licenses.

In addition, the bill would add a \$1 surcharge to each purchase of a base license, combination hunt and fish license, or all-species fishing license. The surcharges would be used by the Department of Natural Resources (DNR) for marketing, education, and outreach activities.

Table 4  
Fishing License Types and Fees

License Type	Current Fee	Fee Under Bill
Resident Restricted	\$15	N/A
Nonresident Restricted	34	N/A
Resident All Species	28	\$25
Nonresident All Species	42	75
Junior All Species (17 and under, Resident or Nonresident)	2	N/A
Senior/Legally Blind All Species (65 and over or Legally Blind, Resident Only)	17	15
24 Hour (Resident or Nonresident)	7	10
24 Hour Senior (Resident or Nonresident)	3	N/A
72 Hour (Resident or Nonresident)	21	30
72 Hour Senior (Resident or Nonresident)	9	N/A

Currently, discounts on certain licenses are available for seniors, mentored youths, and members of the military. Seniors age 65 and over may purchase a small game, firearm deer, bow and arrow deer, bear hunting, wild turkey hunting, or fur harvester license at a 60% discount. The bill would retain the discount, but change the licenses to which the discount is applied to base, first deer, wild turkey hunting, and fur harvester licenses. (Second and subsequent deer licenses would be full price.) Members of the military can currently purchase any hunting license that does not require a lottery for \$1. The bill would allow members of the military to obtain these licenses for free. The mentored youth license for children under age 10 would remain effectively unchanged.

Other Changes under the Bill

The bill would make the following changes to Part 435:

- Specify that a base license be valid only from a half hour before sunrise to a half hour after sunset.
- Require that \$9.50 from each wild turkey hunting license, \$1 from each senior wild turkey hunting license, and not more than \$3 from each wild turkey hunting application be spent on scientific research, biological survey work on wild turkeys, creation and management of wild turkey habitat, hunter surveys, and disease testing.
- Allow individuals who do not possess a hunting license to carry or transport a firearm, slingshot, bow and arrow crossbow, or trap if they are hunting on a game bird hunting preserve licensed under Part 417.
- Require that of the \$12 fee collected from waterfowl licenses, \$9 be used to acquire, restore, or enhance wetlands and other lands for waterfowl, and \$1.93 be used to operate, maintain, and develop managed waterfowl areas.
- Allow persons authorized to issue licenses after March 15, 1993, to retain 7.5% of the fees collected for each sportcard, license, duplicate license, application, or permit the person sold (instead of 5% of fees collected).
- Increase the amount an individual must pay to replace a lost license from \$3 to the cost of a new license.
- Establish a March 1, 2019, sunset for all hunting and fishing licenses established in Part 435.
- Limit a nonresident's fur harvesting license to species for which there is no established bag limit.

The bill also specifies that from the \$9 of each waterfowl hunting license fee earmarked for the acquisition, restoration, or enhancement of land for the benefit of waterfowl, not more than 0.25% could be spent on the purchase of land. This would not apply if all the money from the Michigan Natural Resources Trust Fund (MNRTF) Eco-Region acquisition from previous years had been spent. The bill also would require that land purchased using this earmark be approved by the Joint Capital Outlay Subcommittee (JCOS).

From the Game and Fish Protection Account, not more than 0.25% could be spent on the purchase of land, unless all the money from the MNRTF Eco-Region acquisition from previous years had been spent. Land purchased using this earmark would have to be approved by the JCOS.

From the \$1.50 of each deer and resident sportsman license fee earmarked for improving and maintaining deer habitat and the acquisition of land for deer management, not more than 0.25% could be spent on the purchase of land. This would not apply if all the money from the MNRTF Eco-Region acquisition from previous years had been spent. Land purchased using this earmark would have to be approved by the JCOS.

The bill also would allow the DNR to charge license retailers to rent equipment necessary for the issuance of licenses. The rent would be up to \$5 per week, but could not exceed 50% of the total amount the retailers were authorized to retain as their commission. The \$5 per week rental fee would be reduced to \$2.50 for a given location if the license sales at that location dipped below their five-year average.

MCL 324.43501 et al.

### **FISCAL IMPACT**

The bill would have a significant positive fiscal impact on the DNR, and no fiscal impact on local units of government. The fee changes in the bill would generate approximately an additional \$19.7 million for the Game and Fish Protection Fund. In fiscal year (FY) 2011-12, the Game and Fish Protection Fund received approximately \$48.6 million from the sale of hunting and fishing licenses, so the changes in the bill would represent roughly a 40.5% increase in revenue for the Fund.

The Game and Fish Protection Fund is used, upon appropriation, to support a number of programs administered by the DNR. Those programs include Wildlife Management, Law Enforcement, Fisheries Management, Fish Production, and grant programs that support fishery and wildlife habitat improvement.

The FY 2013-14 DNR budget includes approximately \$11.4 million in funding anticipated from some type of increase in hunting and fishing license fees. This figure is lower than the total anticipated revenue from the changes contained in this bill since the fiscal year does not perfectly coincide with the hunting and fishing license year, which begins April 1. [Table 5](#) details where the additional revenue from a fee increase is appropriated.

**Table 5**  
Hunting and Fishing License Fee Increase Appropriations

<b>Program Area</b>	<b>Appropriation Amount</b>
Wildlife Management	\$2,441,700
Fish Production	627,800
Fisheries Resource Management	1,569,600
Law Enforcement	1,389,500
Forest Management and Timber Market Development	313,900
Fisheries Habitat Improvement Grants	1,255,600
Wildlife Habitat Improvement Grants	941,700
Wildlife Habitat Improvement Grants in State Forests	313,900
Finance and Operations	941,800
Marketing and Outreach	1,569,500
<b>TOTAL</b>	<b>\$11,365,000</b>

Date Completed: 6-19-13

Fiscal Analyst: Josh Sefton

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.