



DEPARTMENT OF AUDITS AND ACCOUNTS

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December 16, 2016

Honorable Robert Trammell
State Representative
611-G Coverdell Legislative Office Building
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
House Bill (LC 40 1219)

Dear Representative Trammell:

The bill would provide a free lifetime sportsman license (hunting and fishing) for veterans who served more than 90 days of federal active duty military service and were honorably discharged. The bill would eliminate the one-year honorary license issued to returning veterans.

The bill would reduce revenue by approximately \$3.5 million annually, based on license sales data and the estimated number of licenses that are purchased by veterans. The reduction in revenue is a result of lost license sales and an associated decrease in federal grant funds. The analysis is discussed below.

- *License Revenue* - The bill would reduce license revenue by approximately \$2.22 million annually. This includes \$2.17 million in normal license revenue that is deposited into the state general fund and \$45,000 in lifetime license revenue that is deposited into the Wildlife Endowment Fund. In fiscal year 2016, the Georgia Department of Natural Resources (DNR) estimates that it sold approximately 73,000 hunting licenses, 37,000 fishing licenses, and 113 discounted lifetime sportsman licenses to veterans.¹
- *Federal Grant Funds* - This bill would reduce federal grant funds by approximately \$1.27 million annually. Federal Wildlife and Federal Sport Fish Restoration grants are apportioned to state wildlife agencies based on a formula that includes the number of paid certified hunting and fishing license holders. The grants are based on a combination of land area and the number of paid licensed hunters or the number of paid licensed anglers. License holders who receive a free license are not counted as users when determining

¹ The prices for resident licenses range from \$3.50 for various three-day licenses to \$105 for a two-year sportsman combination license.

federal fund allotments. DNR stated that each paid hunting and fishing license brought in \$21.35 and \$6.44, respectively, in federal grant funds in fiscal year 2014.

In addition to reducing revenue, DNR estimates that this bill would increase personnel expenditures by approximately \$40,000 annually for three to five years. DNR must verify veteran status for the 110,000 anticipated applicants and does not believe that current staff can absorb the increased workload. The additional funds would be for the salary and benefits of one entry-level customer service representative. The workload associated with the bill would ultimately diminish when the majority of interested veterans have acquired the lifetime sportsman license.

Sincerely,

Greg S. Griffin
State Auditor

Teresa A. MacCartney, Director
Office of Planning and Budget

GSG/TAM/jlp