

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		(\$863,121)		(\$1,438,535)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$863,121)		(\$1,438,535)

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

LB 826 provides for the Nebraska Game and Parks Commission (NGPC) to issue \$5 annual combination permits for fishing, fur-harvesting, and hunting with the habitat, aquatic habitat, and migratory waterfowl stamps; and \$5 veteran annual park permits to:

- 1) All veterans (separated or discharged under honorable conditions) regardless of residency, who provide proof of veteran status via their motor vehicle operator’s license or state id card indicating their status; or a copy of their DD Form 214.
- 2) All active-duty military regardless of residency, who provide their military identification card; or a copy of their DD Form 214.

Expenditures:

The NGPC would have minor permit system programming expenses which can be absorbed by the agency’s existing appropriations.

Revenues:

The NGPC has estimated a potential total loss of cash fund revenue in FY2024-25 of (\$863,121), from the Game Cash Fund, Aquatic Habitat Cash Fund, Habitat Cash Fund, and the Park Cash Fund. The total projected loss in FY2025-26 from these cash funds would be (\$1,438,535). The established customers who already purchase permits at a higher fee level, who would now qualify for a \$5 permit, would represent a revenue loss. The new qualifying customers who would now purchase a \$5 permit is a revenue gain.

The breakdown for the annual combination hunting/fishing revenue losses are:

VETERAN/ACTIVE-DUTY COMBO HUNT/FISH PERMITS - FY2024-25 REVENUE	
GAME CASH FUND est. (loss from established customers' fees)	\$ (311,828)
AQUATIC HABITAT CASH FUND est. (loss from established customers' fees)	\$ (238,400)
HABITAT CASH FUND est. (loss from established customers' fees)	\$ (20,217)
TOTAL REVENUE LOSS est.	\$ (570,444)
GAME CASH FUND est. (gain from new customers at cheaper fee)	\$ 46,845
TOTAL REVENUE GAIN est.	\$ 46,845
TOTAL REVENUE LOSS / GAIN est.	\$ (523,599)

VETERAN/ACTIVE-DUTY COMBO HUNT/FISH PERMITS - FY2025-26 REVENUE	
GAME CASH FUND est. (loss from established customers' fees)	\$ (519,713)
AQUATIC HABITAT CASH FUND est. (loss from established customers' fees)	\$ (397,333)
HABITAT CASH FUND est. (loss from established customers' fees)	\$ (33,695)
TOTAL REVENUE LOSS est.	\$ (950,741)
GAME CASH FUND est. (gain from new customers at cheaper fee)	\$ 78,075
TOTAL REVENUE GAIN est.	\$ 78,075
TOTAL REVENUE LOSS / GAIN est.	\$ (872,666)

The itemization for the annual park permits losses would be:

VETERAN/ACTIVE-DUTY PARK PERMITS - FY2024-25 REVENUE	
RESIDENT ANNUAL PARK FEE est. (loss from established customers' \$35 fee)	\$ (230,377)
RESIDENT DAILY PARK FEE est. (loss from established customers' \$7 fee)	\$ (61,536)
RESIDENT DUPLICATE PARK FEE est. (loss from established customers' \$17.50 fee)	\$ (62,657)
NON-RESIDENT ANNUAL PARK FEE est. (loss from established customers' \$70 fee)	\$ (32,675)
NON-RESIDENT DAILY PARK FEE est. (loss from established customers' \$14 fee)	\$ (68,952)
NON-RESIDENT DUPLICATE PARK FEE est. (loss from established customers' \$35 fee)	\$ (5,893)
TOTAL PARK CASH REVENUE LOSS est.	\$ (462,091)
PARK CASH FUND est. (gain from new customers at cheaper fee)	\$ 122,569
TOTAL PARK CASH REVENUE GAIN est.	\$ 122,569
TOTAL PARK CASH FUND REVENUE LOSS / GAIN est.	\$ (339,522)

VETERAN/ACTIVE-DUTY PARK PERMITS - FY2025-26 REVENUE	
RESIDENT ANNUAL PARK FEE est. (loss from established customers' \$35 fee)	\$ (383,961)
RESIDENT DAILY PARK FEE est. (loss from established customers' \$7 fee)	\$ (102,560)
RESIDENT DUPLICATE PARK FEE est. (loss from established customers' \$17.50 fee)	\$ (104,429)
NON-RESIDENT ANNUAL PARK FEE est. (loss from established customers' \$70 fee)	\$ (54,459)
NON-RESIDENT DAILY PARK FEE est. (loss from established customers' \$14 fee)	\$ (114,921)
NON-RESIDENT DUPLICATE PARK FEE est. (loss from established customers' \$35 fee)	\$ (9,822)
TOTAL PARK CASH REVENUE LOSS est.	\$ (770,151)
PARK CASH FUND est. (gain from new customers at cheaper fee)	\$ 204,282
TOTAL PARK CASH REVENUE GAIN est.	\$ 204,282
TOTAL PARK CASH FUND REVENUE LOSS / GAIN est.	\$ (565,869)

The total revenue loss from both annual hunting/fishing and annual park permits would be:

FY2024-25 REVENUE	
VETERAN/ACTIVE-DUTY COMBO HUNT/FISH PERMITS	\$ (523,699)
VETERAN/ACTIVE-DUTY PARK PERMITS	\$ (339,522)
TOTAL REVENUE LOSS / GAIN est.	\$ (863,121)

FY2025-26 REVENUE	
VETERAN/ACTIVE-DUTY COMBO HUNT/FISH PERMITS	\$ (872,666)
VETERAN/ACTIVE-DUTY PARK PERMITS	\$ (565,869)
TOTAL REVENUE LOSS / GAIN est.	\$ (1,438,535)

The NGPC has estimated these losses and gains based on an assumed number of applicants. The agency utilized percentages of both Nebraska residents who are either veterans or active-duty military currently, and U.S. as a whole, from the U.S. Census Bureau. These percentages were used in combination with the current fees for similar permits. This appears a reasonable way of estimating the number of potential applicants and associated revenue losses or gains.

Additionally, there would be small future possible gains to federal funds the agency would receive three years in the future, and each subsequent year. NGPC participates in both the Federal Aid in Wildlife Restoration Program and Federal Aid in Sport Fish Restoration Program. One of the factors which goes into the federal fund formula is the permit sales for both certified hunting license holders and certified fishing license holders respectively. The federal aid allotted to the agency is based on the sales three years in the past. Hence, calendar year 2025 revenues from \$5 permits, would equate to federal funds allotted beginning in fiscal year 2028, and each year after. In the instance of a \$5 combo hunting/fishing permit, there could be a potential federal fund gain per certified combo holder. The reason for this is the NGPC would be able to count previous only fishing license holders as a hunting license holder too, and vice versa. This estimated gain from those who had only either held a hunting or fishing license, but not both is estimated to be a \$722,574 federal fund revenue gain in FY2027-28, and \$1,204,291 in FY2028-29. It should also be noted federal aid funds made available to the agency as reimbursable federal grants through the US Fish and Wildlife Service, can only be used for up to 75% of the eligible costs, and only a subset of agency activities. This possible federal fund gain beginning in FY2027-28, is much more limited in use than the cash fund revenue lost. There is no basis to disagree with this estimation of future federal aid gains from these two programs.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 826	AM:	AGENCY/POLT. SUB: Game and Parks Commission	
REVIEWED BY:	Jacob Leaver	DATE: 1/16/2024	PHONE: (402) 471-4173
COMMENTS: The Game and Parks Commission's estimated fiscal impact to the agency as a result of LB 826 appears reasonable.			

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2024

LB⁽¹⁾ 826 Veteran/Active Duty Resident & Nonresident Park, Combo, Fur, Stamps

FISCAL NOTE

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

Prepared by: ⁽³⁾ Kay Mencl Date Prepared: ⁽⁴⁾ 01/11/2024 Phone: ⁽⁵⁾ 402-471-5189

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	(863,121)	_____	(1,438,535)
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	===== (863,121) =====	=====	===== (1,438,535) =====

Explanation of Estimate:

This legislation would have the Commission establish an annual Veteran/Military five-dollar Combination (Fish/Hunt/Fur Harvest) permit to include all state stamps and establish a five-dollar Annual Park entry permit for resident and nonresident Veteran and active-duty military. Qualifying residents and nonresidents would be eligible to receive a Combination permit. In addition, they would be eligible to purchase an Annual Park entry permit. The permit eligibility would only become void upon termination of the veteran's eligibility.

The fiscal impact of this proposal is dependent upon the number of individuals that would apply for such permits and whether 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 five-dollar fee permit.

According to the US Census Bureau in 2022, it is estimated 7.1% of the population in Nebraska are veterans. In addition, Veterans made up 6% of the United States adult civilian population (nonresident) in 2022. Active-Duty military for both residents and nonresidents is estimated at 1%.

Assuming the number of veterans purchasing the five dollar combination with state stamps permits and park entry permit is representative of qualifying individuals that purchased similar permits in 2023, and multiple Park Entry permits cannot be purchased by an individual, the potential net loss in FY24-25 to the Game Fund would be approximately (\$264,983), Aquatic Habitat Fund (\$238,400), Habitat Cash Fund (\$20,217) and (\$339,522) to the Park Cash; and, for FY25-26 the potential net loss Game Fund would be approximately (\$441,638), Aquatic Habitat Fund (\$397,333), Habitat Cash Fund (\$33,695) and (\$565,869) annually to the Park Cash Fund.

Nebraska has participated in the Federal Aid in Wildlife Restoration and Federal Aid in Sport Fish Restoration programs since their conception in 1937 and 1950 respectively. Annual apportionments are allocated to the state according to prescribed formulas. The number of certified license holders is a significant component of each program formula. For this analysis, it was determined that 6% of nonresidents and 7.1% of all residents as well as 1% of residents and nonresident active military that purchased a full price permit prior to being qualified for a Veteran or Military permit would in turn purchase the five-dollar permit. This results in losses to cash funds identified above. For those persons who previously only bought a hunting or fishing permit, the Commission will be able to report them both as certified anglers and hunters, resulting in a future potential gain in Federal revenue for FY27-28 of \$722,574 and for FY28-29 \$1,204,291. The Federal apportionment is based on permit sales three years prior. Apportionment for the CY 2025 licenses would not be recognized until the Federal FY 2028. Because the agencies eligibility for these Federal funds is based on certified license holders from the three years prior (e.g., 2025 funds based on certified hunters and fishers from 2028), there is not potential revenue offset FY24-25 or FY25-26. It should also be noted Federal Aid funds are made available to the agency as reimbursable federal grants through the US Fish and Wildlife Service which can only

be used for up to 75% of the eligible costs, and only a subset of agency activities are eligible for reimbursement.

Some permit system changes may be necessary to accommodate this, but they are thought to be minimal.

The actual impact could be more or less depending upon the purchasing pattern of the eligible individuals that apply for the permit.

FY 2024-25 CY25 Only – 60% of FY25-26		FY 2024-25 CY25 Only – 60% of FY25-26		Fund Number	Estimated Cash Funds Total FY2024-25
23320 Game Cash Fund	\$ (311,828)	Resident Annual Park - \$35	\$ (230,377)	23320	\$ (264,983)
23410 Aquatic Habitat Cash Fund	\$ (238,400)	Resident Daily Park - \$7	\$ (61,536)	23410	\$ (238,400)
23340 Habitat Cash Fund	\$ (20,217)	Resident Duplicate Park - \$17.50	\$ (62,657)	23340	\$ (20,217)
FY 2024-25 Total Game and Habitat Pot Rev Loss	\$ (570,444)		\$ -	23330	\$ (339,522)
		Nonresident Annual Park	\$ (32,675)		
		Nonresident Daily Park	\$ (68,952)		
		Nonresident Duplicate Park	\$ (5,893)		
		FY 2024-25 Park Cash Pot Rev Loss	\$ (462,091)		
23320 Game Cash (Veteran Permits)	\$ 46,845	Estimated Military Park Permit Revenue \$5	\$ 122,569		
NET Revenue Gain/Loss	\$ (523,599)	23330 Park Cash NET Revenue Gain/Loss	\$ (339,522)		\$ (863,121)

FY 2025-26		FY 2025-26		Fund Number	Estimated Cash Funds Total FY2025-26
23320 Game Cash Fund	\$ (519,713)	Resident Annual Park - \$35	\$ (383,961)	23320	\$ (441,638)
23410 Aquatic Habitat Cash Fund	\$ (397,333)	Resident Daily Park - \$7	\$ (102,560)	23410	\$ (397,333)
23340 Habitat Cash Fund	\$ (33,695)	Resident Duplicate Park - \$17.50	\$ (104,429)	23340	\$ (33,695)
FY 2025-26 Total Game and Habitat Pot Rev Loss	\$ (950,741)			23330	\$ (565,869)
		Nonresident Annual Park	\$ (54,459)		
		Nonresident Daily Park	\$ (114,921)		
		Nonresident Duplicate Park	\$ (9,822)		
		FY 2025-26 Park Cash Pot Rev Loss	\$ (770,151)		
23320 Game Cash (Veteran Permits)	\$ 78,075	Estimated Military Park Permit Revenue \$5	\$ 204,282		
NET Revenue Gain/Loss	\$ (872,666)	23330 Park Cash NET Revenue Gain/Loss	\$ (565,869)		\$ (1,438,535)

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2024-25	2025-26
	24-25	25-26	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				