



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2015 Biennium

Bill # SB0143

Title: Revise bison management

Primary Sponsor: Brenden, John

Status: As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2014</u> <u>Difference</u>	<u>FY 2015</u> <u>Difference</u>	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$181,169	\$107,797	\$103,368	\$104,450
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	(\$8,500)	(\$8,500)	(\$8,500)	(\$8,500)
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: If passed, SB 143 will result in a slight decrease in bison license revenue and require additional FTE and funding to provide immediate action for bison management.

FISCAL ANALYSIS

Assumptions:

Department of Fish, Wildlife & Parks (FWP)

Current Bison License Sales

- Because the number of applicants and number of licenses issued vary from year to year, FWP used averages from LY 2005 – LY 2012 (unless otherwise stated).
- The only bison hunting that currently occurs is from the Yellowstone bison herd.
- FWP averaged 6,852 bison license applications annually (6,326 resident/526 nonresident). By eliminating the special license drawing, FWP would lose the drawing fees normally collected. The bison application license is \$5.
 - Revenue loss: \$34,260 (6,852 x \$5)
- From the 6,852 applicants, FWP issued an average of 49 resident and 1 nonresident bison licenses annually.

- a. Resident revenue loss: \$6,125 (49 x \$125)
- b. Nonresident revenue loss: \$750 (1 x \$750)
5. If this bill passes, it is assumed no one would purchase the bison Super Tag. Annual bison Super Tag sales from LY 2007 – LY 2012 averaged \$17,365.
 - a. Total Current Revenue loss - \$58,500 (\$34,260 + \$6,875 + \$17,365)

SB 143 Bison License Sales

6. This legislation changes the existing application/drawing process to an over-the-counter unlimited number of licenses available.
7. Under SB 143, FWP is required to notify license recipients when bison are available. This ensures there is widespread information on when and how many bison are available. It is assumed that no licenses would be purchased until bison are available.
8. For the last three years (2009-2011), an average of 800 bison were outside Yellowstone Park at peak periods in April and May.
9. It is assumed that Montana Tribes will claim and harvest 50% of the available bison due to the aggressive harvest required. (800 x 50% = 400 bison available to Montana licenses hunters).
 - a. FWP assumes one license will be purchased to take each available bison. FWP would sell approximately 400 licenses per year.
 - b. There would be no chance for non-residents to harvest bison because of the requirement for immediate action.
 - c. 400 resident licenses sold at \$125/license = \$50,000.
10. The net loss of revenue would be \$8,500. ($\$50,000 - \$58,500 = -\$8,500$)

Bison Management

11. FWP has a current agreement for bison management with the Department of Agriculture - the Inter-Agency Bison Management Plan (IBMP). The IBMP requires FWP to assist with bison hunts, bison property damage, hazing, and shooting of bison.
12. Bison typically migrate out of Yellowstone National Park between September and mid-June (1,670 hours) which equates to a 0.80 FTE. ($1,670 \div 2,088 = 0.80$ FTE)
13. To meet the requirement of “no tolerance” for bison, FWP would need wardens available in West Yellowstone and Gardiner to immediately assist with bison management. Expenses for the two 0.80 FTE positions would include \$79,411 for personal services and \$22,400 for operating expenses.
14. In FY 2014, a one-time acquisition of supplies, materials, and equipment is required for the additional wardens to provide immediate action for bison management. Costs include \$30,970 in operating expenses and \$48,402 for equipment.

	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
<u>Fiscal Impact:</u>				
FTE	1.60	1.60	1.60	1.60
<u>Expenditures:</u>				
Personal Services	\$79,397	\$79,397	\$80,632	\$81,373
Operating Expenses	\$53,370	\$22,400	\$22,736	\$23,077
Equipment	\$48,402	\$0	\$0	\$0
TOTAL Expenditures	<u>\$181,169</u>	<u>\$101,797</u>	<u>\$103,368</u>	<u>\$104,450</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$181,169	\$101,797	\$103,368	\$104,450
TOTAL Funding of Exp.	<u>\$181,169</u>	<u>\$101,797</u>	<u>\$103,368</u>	<u>\$104,450</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$8,500)	(\$8,500)	(\$8,500)	(\$8,500)
TOTAL Revenues	<u>(\$8,500)</u>	<u>(\$8,500)</u>	<u>(\$8,500)</u>	<u>(\$8,500)</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$189,669)	(\$110,297)	(\$111,868)	(\$112,950)

Technical Notes:

Department of Livestock

1. The bill eliminates the following language on lines 15, 16 and 17 *“and the disease may spread to persons or livestock or whenever the presence of wild buffalo or wild bison may jeopardize Montana’s compliance with other state administered or federally administered livestock disease control program.”* This is specific language that has justified USDA/APHIS in entering into a federally funded cooperative agreement for bison program operations with the Department of Livestock. SB 143 could jeopardize this agreement with USDA/APHIS. If the agreement is nullified, \$386,000 per year of federal funds would become unavailable and would require an increase in per capita fees to offset this lost federal revenue.
2. In accordance with 15-24-922(2) MCA, the per capita fee is restricted to an increase of not more than 110% of the previous three-year average collections. A loss of federal funding could cause this fund to be structurally unbalanced.

Sponsor’s Initials

Date

Budget Director’s Initials

Date