

Department of Legislative Services
 Maryland General Assembly
 2024 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 497

(Delegate Hornberger, *et al.*)

Environment and Transportation

Education, Energy, and the Environment

Hunting - Nonresident Sika Deer Stamp - Fee Alteration

This bill increases the fee for a nonresident sika deer stamp from \$25 to \$200. **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: *Under one set of assumptions*, net special fund revenues increase by an estimated \$332,200 annually beginning in FY 2025, and federal fund revenues increase by an estimated \$996,500 annually beginning in FY 2026, as discussed below. Expenditures are not directly affected.

(in dollars)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
SF Revenue	\$332,200	\$332,200	\$332,200	\$332,200	\$332,200
FF Revenue	\$0	\$996,500	\$996,500	\$996,500	\$996,500
Expenditure	0	0	0	0	0
Net Effect	\$332,200	\$1,328,600	\$1,328,600	\$1,328,600	\$1,328,600

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: With certain exceptions, a person must have a Maryland resident or nonresident hunting license to hunt or attempt to hunt all legal game birds and mammals during the appropriate season in the State.

Resident and Nonresident Hunting Licenses

Resident and nonresident hunting licenses enable a holder to hunt game birds and mammals during any appropriate season without the purchase of additional stamps, unless the holder is hunting migratory game birds, wild waterfowl, sika deer, or any deer during bow and arrow season or muzzle loader season (in which cases specified stamps are required). The purchase of a resident or nonresident hunting license does not authorize the purchaser to hunt furbearers or black bears. Each hunting license is valid from the date of issuance through July 31 the following year. The annual fee for a resident hunting license is \$35, while the annual fee for a nonresident hunting license is \$160.

Sika Deer Stamp

A sika deer stamp, in addition to a hunting license and any weapon-specific stamp, is required to hunt sika deer. For a Maryland resident, the stamp costs \$10; for a nonresident, the cost is \$25.

State Revenues: Net special fund revenues to the Wildlife Management and Protection Fund increase by an estimated \$332,160 annually beginning in fiscal 2025 due to the fee increase. This estimate is based on information provided by the Department of Natural Resources (DNR) on the sale of sika deer stamps during the 2023-2024 hunting season. The information and assumptions used in calculating the estimate are stated below:

- 13,000 sika deer stamps were sold for the 2023-2024 hunting season, of which approximately 3,200 were purchased by nonresident hunters;
- 53% of nonresident hunters only hunt sika deer;
- due to the fee increase, (1) an estimated 25% of the nonresident hunters who only hunt sika deer no longer purchase a sika deer stamp *or* a hunting license and (2) an estimated 25% of nonresident hunters who purchase a sika deer stamp but also hunt other game birds or mammals no longer purchase a sika deer stamp (but continue to purchase a hunting license);
- the remaining 2,400 nonresident hunters continue to purchase a sika deer stamp and are subject to the \$175 fee increase; and
- the sale of nonresident sika deer stamps (and hunting licenses) would otherwise remain constant in future years.

The Department of Legislative Services notes that the extent to which the bill's fee increase will cause some hunters to no longer hunt for sika deer in the State is uncertain and may vary from the 25% assumption described above. Accordingly, the net increase in special fund revenues may vary.

Also, this estimate does not reflect any loss in revenue from any weapon-specific stamps the nonresidents who no longer hunt at all in Maryland would otherwise purchase; accordingly, the net special fund revenue increase could be slightly less.

In addition, federal fund revenues increase by an estimated \$996,480 annually beginning in fiscal 2026 from federal matching grant funding for conservation-related work. DNR advises that federal funding is awarded at a 1:3 ratio; for every \$1 that DNR's Wildlife and Heritage Service (WHS) receives directly in increased fee revenue and spends on eligible conservation-related work, WHS receives \$3 in federal grant funding through the Federal Aid in Wildlife Restoration Act. DNR applies for the federal grant funding at the end of each fiscal year, so the increase in fee revenues in fiscal 2025 drives an increase in federal fund revenues in fiscal 2026. To the extent the increase in special fund revenues varies from the above estimate, the increase in federal fund revenues varies accordingly.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced with the last three years.

Designated Cross File: SB 508 (Senators Bailey and Hester) - Education, Energy, and the Environment.

Information Source(s): Department of Natural Resources; Department of Legislative Services

Fiscal Note History: First Reader - February 11, 2024
km/lgc Third Reader - March 15, 2024
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