MINUTES OF THE MEETING OF THE FISH AND GAME COMMITTEE February 5, 1981

The meeting was called to order at 12:30 p.m. by Chairman Ellison. All committee members were present.

HOUSE BILL 477 (Copy Attached)

Representative Aaron Andreason, sponsor of HB 477, told the committee HB 477 was not a complex bill. He said currently individuals are forced to buy two types of licenses when they buy a bird license (upland game and migratory game birds). He said he wants to change the law so that hunters will not have to buy both licenses.

#### Proponents

Robert Van Der Vere, a concerned citizen lobbyist, said he is concerned about having to buy licenses for upland game birds when most of the hunters do not even go hunting for those birds.

# Opponents

Jim Flynn, Director of the Department of Fish, Wildlife, and Parks (F, W, & P), handed out copies of a prepared statement and read the statement to the committee (EXHIBIT 1).

At this time questions from the committee were heard.

Representative Nilson asked how much it costs to maintain an area for just waterfowl (e.g. the Freeze-Out area outside of Great Falls). Gene Allen, F, W, & P, said the Freeze-Out area costs about \$70,000 per year and the statewide waterfowl project costs about \$50,000 per year. Three-fourths of those costs are federal money and 25% is state money.

Representative Daily asked if there is a difference in nonresident bird licenses. Mr. Van Der Vere said all states require a federal stamp that costs \$7.50 but you still have to buy a Montana bird license and a conservation license.

Mr. Allen said in most states there is a bird license (both upland and migratory) in addition to the \$7.50 migratory-duck stamp. This bill would eliminate the need for a waterfowl hunter to have any kind of hunting license in Montana. All the hunter would need is a \$7.50 stamp and a \$1.00 conservation license.

Chairman Ellison asked what was the match on the Pittman-Robertson fund. Mr. Allen said the match is three federal dollars to each state dollar.

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Chairman Ellison asked if F, W, & P didn't have these licenses, where would they get the funding. Mr. Allen said the funding would have to be taken from income from other licenses. He said the federal match share would be reduced from the reduction of licensed hunters in the state.

Chairman Ellison asked if that was how F, W, & P qualifies for Pittman-Robertson money, in the waterfowl area, from the number of hunters. Mr. Allen said the Pittman-Robertson money is derived from an 11% federal excise tax (manufacturers' tax) on sporting arms and ammunitions. Mr. Allen said half of that money is given to states in proportion to the size of the geography of the state. The other half of the money is given based on the number of hunters in the state. Each year, F, W, & P has to enumerate the number of hunters in the state in order to get half of the money. If the bill passes, it would reduce the number of hunters that F, W, & P can verify by about 10,000.

Representative Phillips asked if all states have bird licenses of some type. Mr. Allen said if this bill passes, Montana would be the only state to not require a bird license to hunt waterfowl.

Representative Andreason closed by saying the committee must consider whether it is a good idea for people to buy a license for a bird that a hunter does not hunt and asked whether the F, W, & P can estimate the numbers of birds or whether they can make an adjustment in this area.

The hearing on HB 477 was closed.

HOUSE BILL 441 (Copy Attached)

Representative Ray Jensen, sponsor of HB 441, said the bill addresses three areas. One area is to increase the compensation paid to license agents from 15 cents to 30 cents for each license issued, another area is to not impose a limitation on the number of sporting goods dealers that may be appointed as license agents by the F, W, & P, and the last area is to allow voluntary service by license agents.

Charles Van Hook, owner of the Last Chance Surplus store in Helena, told the committee of the problem he had in obtaining a license to sell hunting and fishing licenses. There is a business across the street from his business which was in competition for the license to sell licenses with Mr. Van Hook. The F, W, & P gave the license to the other business because it stayed open longer hours than Mr. Van Hook's store did and F, W, & P felt more licenses would be sold. F, W, & P would not give licenses to both businesses because of the time involved in auditing two businesses versus the one business. The other Minutes of the Meeting of the Fish and Game Committee Page 3 February 5, 1981

business, after being licensed, decided not to sell hunting and fishing licenses and ended up giving up their license which was then given to Mr. Van Hook.

#### Opponents

Jim Flynn passed out copies of a prepared statement and read the statement to the committee (EXHIBIT 2).

Questions were then heard from the committee.

Mr. Van Hook said it is not profitable to sell licenses for the compensation received for selling that license, but it is profitable to sell licenses because of the other goods that are sold to the hunters and fishermen who come in to buy licenses.

Representative Devlin asked Mr. Van Hook if he is bonded. Mr. Van Hook said he was.

Mr. Flynn said there is a requirement that maximum bond has to be \$5,000. He said there has been discussion on raising that amount to agents who sell more and have more money on hand.

Representative Robbins asked what happens if an employee sells a nonresident license at resident fees. Mr. Flynn said an agent has to pay F, W, & P for what he sold. The agent would have to make up the difference from what was collected and what should have been charged.

Chairman Ellison asked how F, W, & P determines who is to get licenses (for example, if two businesses are right across the street from each other). Mr. Flynn said there are no formal guidelines. The wardens and commissioners have input on the decision.

Representative Feda asked if sporting goods dealers should be in this bill. Mr. Flynn said the definition of sporting goods dealers should be better defined.

Mr. Flynn said any increase in the number of dealers will take time from wardens to go and formally audit other dealers. He said the committee has to factor in the time involved for wardens when making this decision.

Mr. Flynn said another concern he has is the bonding. He said F, W, & P will not back off on the bonding issue. He said that could be taken care of by amendment of this bill.

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Representative Jacobsen asked if F, W, & P can raise compensation from 15 cents to 30 cents without legislation. Mr. Flynn said no.

Representative Bennett referred to line 20 of HB 441 and said the statement "director may appoint" means it would be up to the discretion of the director of F, W, & P to issue dealer licenses. Representative Jensen said the wording is wrong and needs to be changed.

Representative Bennett asked if the intention of this bill is that the F, W, & P has to issue licenses to any sporting goods store that requests a license. Representative Jensen said that was correct. Chairman Ellison added that the director of F, W, & P would be able to make the decision on all other businesses.

Chairman Ellison asked Mr. Flynn to supply this committee with the number of licensed vendors in Montana.

Representative Nilson referred to page 2, lines 9 and 10 of HB 441 and asked why that was inserted. Representative Jensen said he did not request that be put in the bill, the F, W, & P did. If the bill does pass, there might be some stores in larger cities that would like to have the dealers licenses without compensation.

Representative Jensen thinks this bill is a good bill. He does think that lines 9 and 10 should be stricken from page 2 of the bill.

Representative Jensen thinks the compensation should be doubled because of the amount of time put in by the licensed dealers each month in writing up the licenses and filling out reports for F, W, & P.

Representative Jensen said as far as extra time consumed by wardens in auditing more licensed dealers, he has heard that there are a lot of dealers who are not turning the money in to the F, W, & P. He feels there should be a real strict program on this matter. He wonders how much time is being spent on auditing by the wardens now.

Representative Jensen said he feels F, W, & P has denied sporting goods stores the opportunity to become licensed dealers if they so desire.

The hearing was closed on HB 441

At this time, the committee went into EXECUTIVE SESSION.

HOUSE BILL 441 (Copy Attached)

House Bill 441 was discussed more. Representative Jensen said it is the position of F, W, & P to only issue so many licenses Minutes of the Meeting of the Fish and Game Committee Page 5 February 5, 1981

in an area. His point is if a sporting goods store wants to be a licensed dealer, they should be allowed to do so. Representative Feda agreed and said it is a matter of fairness.

Representative Bennett moved HB 441 DO NOT PASS. Representative Feda seconded the motion.

Representative Devlin asked if the increase in compensation isn't covered in HB 200.

Russ Josephson, legal counsel, said, from a legal sense, line 21, page 1 of HB 441 is dealing with a specific type of business. The problem is the term "sporting goods dealer" and there is no definition of "sporting goods dealer".

Chairman Ellison agreed with Russ and asked him to research the definition of "sporting goods dealer" and report back to this committee.

HOUSE BILL 477

Representative Mueller moved HB 477 DO NOT PASS.

The motion was voted on and PASSED unanimously.

The meeting was adjourned at 2:10 p.m.

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ORVAL ELLISON, Chairman

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PRESENTED BY: James W. Flynn, Director Dept. Fish, Wildlife, & Parks February 5, 1981

## HB 477

Mr. Chairman, members of the committee, my name is Jim Flynn, I appear today on behalf of the Montana Department of Fish, Wildlife, & Parks. I am here speaking in opposition to HB 477.

At first glance, this proposal seems to be a simplification of the department's present licensing requirement procedures. As proposed, it would remove the requirement that a waterfowl hunter purchase any hunting license from the state. For those who are strictly waterfowl hunters, the only license necessary to hunt would be a \$1 conservation license and a federal duck stamp.

Those are the obvious changes. However, there are some not so obvious detriments of this bill which I believe are important. Those detriments are the loss of revenue and the inability of the department to sample waterfowl hunters in its determination of hunter effort and hunter harvest. The loss of revenue would be approximately \$40,000. Although that is a relatively small sum, the agency is in a fiscal situation which, even with the full effects of HB 200, will not leave room to take a reduction in license fee income.

The \$40,000 is one aspect, but an even greater concern is the lack of the department's ability to sample hunters for the determination of hunter effort and hunter harvest. With only a conservation license, there is no way to sample waterfowl hunters in a manner which would provide data on hunter effort and harvest. Without this information, Montana would have no input into the federal season setting process, perhaps resulting in conservative federal seasons and bag limits, a weak position which could result in continued federal erosion of the state's management authority over waterfowl. I conclude by asking you to consider the fiscal impact and the state's ability to manage waterfowl, and recommend a do not pass on HB 477.

NAME 11. W. E	BULLICKSON	BILL NO
ADDRESS 323 So	671 LIVINGSTO	10 DATE 3/5/8/
WHOM DO YOU REPRESENT SEAF		
SUPPORTX	OPPOSE	AMEND
PLEASE LEAVE PREPARED	STATEMENT WITH SECRET	ARY.

Comments:

WATER FOUL HUNTING IS TO COMPLICATED IN REGARDS TO LICENSING.

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James W. Flynn, Director Dept. Fish, Wildlife, & Parks

### HB 441

Mr. Chairman, members of the committee, my name is Jim Flynn, I appear today on behalf of the Montana Department of Fish, Wildlife, & Parks. I am here speaking in opposition to HB 441.

EXHIBIT 2 2/5/81

February 5, 1981

The department's opposition to this bill is only, in part, based upon the provisions of the proposed legislation. I say "only in part" because the department has already suggested an increase in the dealer fee of from 15¢ to 30¢, the same increase as proposed by HB 441. To the extent the department's proposal is accepted, there would be no need for HB 441.

The second and more serious difficulty is the requirement that there be no limit on sporting goods dealers as license agents. This raises difficulty for the department because it does not define "sporting goods dealers", and the administration of a license agent is more complex than it appears on the surface. The department requires and it is necessary to have license agents bonded. There is no guarantee that because a person is a sporting goods dealer that he can be bonded.

This bill would cause an increase in administrative costs for the printing and consignment of licenses. While there is no indication of how many sporting goods dealers there are in the state, our best estimate is that the department would need to increase our printing and consignment of licenses by approximately 25%.

In order to increase that administrative effort, it is likely that the department would require additional staffing in the Centralized Services Division. That is the division that handles administration of license agents. As I mentioned in previous testimony, these are the support staff areas; these personnel are not field persons and are not included in the wildlife, enforcement, or fisheries division programs. Further, the Fish & Game wardens presently service license agents across the state. While the additional staffing required by HB 441 might result in an increase in law enforcement staff, it would not be an increase that would assure more warden time in the field. With an increase in license agents, it would most assuredly insure that more warden time would be spent servicing license agents.

Finally, should the committee consider this bill favorably, its effective date is in conflict with the current statutes on "license year". Thus, the effective date should be modified to be effective on May 1, 1982, rather than July 1, 1981, as the license year starts on May 1 of any given year and ends April 30 of the following year.

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