

Fiscal Estimate Narratives

DNR 4/2/2012

LRB Number	11-3173/3	Introduction Number	AB-0613	Estimate Type	Original
Description Hunting of sandhill cranes, wildlife damage abatement assistance and claim payments for damage caused by sandhill cranes, and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

The bill requires the Department to establish a hunting season for sandhill cranes. Hunters would be required to complete a short education course. The bill establishes that the Department can limit the number of cranes harvested and that a limited-draw-permit preference system may be used to select harvest permit recipients. A harvest permit application fee of \$10 is established. Under current law sandhill cranes are a species for which farmers are able to receive compensation under the agricultural damage and abatement claims program - this proposal creates an additional funding source.

Assumptions

1. The Department will prepare a state management plan for sandhill cranes that will include harvest monitoring, and it will meet federal requirements to effectively manage the sandhill crane harvest. Because the Department has an existing process for collecting information and making migratory bird management decisions under federal guidelines, no new significant costs are anticipated.

2. Because the number of applicants for sandhill crane harvest licenses is expected to exceed the number of licenses issued, the bill creates a random drawing and cumulative preference license system. Hardware and software are already in place to support similar drawings for other species, so no new purchases are required. The costs for collecting customer data are addressed under Bureau of Customer & Outreach Services.

3. The Department invests significant effort communicating with the public about hunting opportunities and the management of harvested species. These investments are made primarily by the Bureaus of Customer & Outreach Services, Wildlife Management, Law Enforcement and Science Services. The Department is already organized to handle these duties, so additional effort can be supported by currently available resources.

4. The Bureau of Wildlife Management, in cooperation with other Bureaus, will be responsible for promulgating permanent rules that support the implementation of a sandhill crane hunting season. Therefore, one-time expenses will be incurred for rule development which can be absorbed in the Department's current budget. It is generally estimated that the effort of various staff will amount to the equivalent of two months of a staff specialist's time:

320 hours x \$50.00/hour = \$16,000

5. The Bureau of Customer & Outreach Services will incur one-time programming costs for time spent updating the Automated License Issuance System (ALIS):

65 hours – application for touchscreen and internet

130 hours – sales programming for license/carcass tag on touchscreen and internet

40 hours – harvest registration database changes and batch import process

235 hours x \$95/hour = \$22,300

Changes to the harvest registration phone and online systems will take approximately 50 hours and will be completed by DNR staff at a cost of \$2,500.

Total estimated one-time costs for the Bureau of Customer and Outreach Services = \$24,800.

6. Bureau of Law Enforcement--The bill does not create any new requirements for the Bureau. The procedure of checking the few sandhill crane hunters would be simply worked into a warden's normal work plan for field patrol and enforcement of small game and migratory bird regulations.

The crane hunter education course would not be a hunter education course set up or conducted by the Law

Enforcement hunter education program, but would be more like the turkey hunter education clinics that wildlife conducted when the turkey hunting season was first authorized.

6. Wisconsin has not authorized a sandhill crane hunting season in modern times; therefore, the number of harvest licenses to be issued is not known at this time. However, the number of licenses to be issued will likely be low enough during the first season that it will not have a significant fiscal impact. The primary way of generating revenue will be through the sales of applications for crane harvest permit at \$9.75 each (plus a .25 vendor fee).

Minnesota's experience may be indicative of potential interest in Wisconsin. Sandhill crane hunting in Minnesota is currently limited to the Northwest part of the State where 1,350 to nearly 2,000 permits were sold in 2011 and 2010. Hunting could potentially be allowed statewide in Wisconsin meaning that the number of harvest permit applicants would be higher. If interest is high, a possible outcome is that 10,000 applicants would purchase \$10 applications. The bill establishes that \$7.75 of the permit fee is to be spent on sandhill crane management. The remaining \$2 is earmarked for the agricultural damage and abatement program and \$.25 is retained by the vendor as an issuance fee.

a. $10,000 \times \$7.75 = \$77,500$ earmarked for crane management.

b. $10,000 \times \$2 = \$20,000$ would be deposited into the Wildlife Damage Abatement and Claims Program (WDACP).

7. There will be approximately \$20,900 in new administrative costs annually for the Department. These include employee expenses to meet with farmers, enroll them in the program and time conducting field appraisals to determine crop loss from sandhill cranes. By statute, these costs must be paid before abatement measures and damage claims are reimbursed.

The actual number of agricultural producers and total acres producers would seek program assistance for is unknown. However if we use the 57 producers that sought a Federal Migratory Bird Depredation Permit in 2011 and estimated that a county damage technician would spend 10 hours administering the program for each enrollee, that equals 570 hours of additional staff time. $570 \text{ hours} \times \$36.60 \text{ per hour for salary/fringe} = \$20,900$.

8. The onset of agricultural damage claims for cranes will result in a proportional shift of the distribution of damage payments for cranes, and away from payments for abatement and damage from other species such as deer. This shift in program expenditures does not have a fiscal impact on state or local government because expenditures are limited to the funding available in the account. The department would not be required to fund all claims if funding is not available. However, the shift could be significant and would benefit farmers who could begin to receive abatement and claims assistance for crane damage but would reduce funding available for damage from the currently listed species; deer, bear, geese, turkeys and elk. If there is insufficient funding in the account because of increased abatement costs, the result would be prorating of damage claims or no claims being paid.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2011 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description Hunting of sandhill cranes, wildlife damage abatement assistance and claim payments for damage caused by sandhill cranes, and making an appropriation			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$40,800 for development of administrative rules and for programming costs			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$20,900		\$
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$20,900		\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S	20,900		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S	97,500		
TOTAL State Revenues	\$97,500		\$
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$20,900		\$
NET CHANGE IN REVENUE	\$97,500		\$
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