

# GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2009

## Legislative Fiscal Note

**BILL NUMBER:** House Bill 1253 (First Edition)

**SHORT TITLE:** Prohibit Penning of Wildlife.

**SPONSOR(S):** Representatives Jones, Harrell, Hall, and Mackey

### FISCAL IMPACT

|   | Yes (X)           | No ( )            | No Estimate Available ( ) |                   |                   |
|---|-------------------|-------------------|---------------------------|-------------------|-------------------|
|   | <u>FY 2009-10</u> | <u>FY 2010-11</u> | <u>FY 2011-12</u>         | <u>FY 2012-13</u> | <u>FY 2013-14</u> |
| <b>REVENUES</b>   |                   |                   |                           |                   |                   |
| Wildlife  |                   |                   |                           |                   |                   |
| Resources Commission  | (\$14,550)        | (\$14,550)        | (\$14,550)                | (\$14,550)        | (\$14,550)        |
| <b>EXPENDITURES</b>   |                   |                   |                           |                   |                   |
| Wildlife Resources Commission   | \$0               | \$0               | \$0                       | \$0               | \$0               |
| <b>POSITIONS (cumulative):</b>  |                   |                   |                           |                   |                   |
| Wildlife Resources Commission   | 0                 | 0                 | 0                         | 0                 | 0                 |
| <b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b>   |                   |                   |                           |                   |                   |
| Wildlife Resources Commission   |                   |                   |                           |                   |                   |
| <b>EFFECTIVE DATE:</b> Section 1 becomes effective December 1, 2009; the remainder of the act is effective when it becomes law. |                   |                   |                           |                   |                   |

### BILL SUMMARY:

H.B.1253 modifies G.S. 113-292(e) to make it unlawful to release foxes or coyotes in an enclosed area for the purpose of field trails or the training of dogs, regardless of the size of the enclosure. In addition, the bill removes the authority for the Wildlife Resources Commission (WRC) to set standards for and licenses controlled hunting preserve that are enclosed with a dog-proof fence on which foxes and coyotes may be hunted with dog.

### ASSUMPTIONS AND METHODOLOGY:

WRC charges two fees related to the operations of and hunting on controlled hunting preserves. There is a hunting preserve operator license fee of \$50 annually. In FY 2007-08, WRC licensed 151 fox and coyote hunting preserves and 266 licenses for bird shooting preserves for revenue of

\$7,550. In addition, hunting in controlled preserves requires a special hunting license in addition to a normal hunting license; in 2007-08, this \$15 license brought in \$20,940 in revenue.

**Controlled Preserve License Revenue, FY2006-07 & FY2007-08**

|  |             | Licenses Purchased |         | Revenue Collected |                  |
|--|-------------|--------------------|---------|-------------------|------------------|
| Type of License  | License Fee | 2006-07            | 2007-08 | 2006-07           | 2007-08          |
| Operator - Fox / Coyote                                | \$ 50.00    | 153                | 151     | \$ 7,650          | \$ 7,550         |
| Operator - Bird  | \$ 50.00    | 251                | 266     | \$ 12,550         | \$ 13,300        |
| Hunting - Controlled Preserve                          | \$ 15.00    | 1,428              | 1,396   | \$ 21,420         | \$ 20,940        |
| <i>Total Revenue from Controlled Hunting Preserves</i> |             |                    |         | <i>\$ 41,620</i>  | <i>\$ 41,790</i> |

Expected Revenue Impact

H.B. 1253 is expected to decrease WRC revenue by about \$14,550 per year. This is based on the assumption that all 151 controlled fox and coyote hunting preserves will be closed due to this law and that one third of the special hunting licensees will forgo their special hunting license purchase.

This revenue impact can be broken down into the component fees. For operating licenses, the fiscal impact assumes that all preserves were to close; in this scenario, there would be a reduction in revenue of \$7,550 due to fewer collections of operator licenses.

The reduction in hunting license revenue is more difficult since WRC and the Fiscal Research Division have no data on the use of controlled hunting preserve licenses. This note assumes that the use of the special permit hunting licenses mirrors the split between fox and coyote preserves and bird preserves. Fox and coyote hunting preserves account for just over one third (36.2%) of all licensed controlled hunting preserves. Thus, WRC would expect a reduction in license revenue of approximately one third, or \$7,000, annually.

The Fiscal Research Division would like to note that the assumed reduction to revenue may overestimate the revenue reduction of H.B. 1253. In determining this estimate, Fiscal Research assumed that all controlled fox and coyote preserves will close and that the individuals who use these facilities will no longer purchase the special hunting license. While these assumptions are reasonable, the revenue impact would be less if some coyote and fox preserves converted to bird preserves or if fewer hunters forgo the special hunting license.

Expected Cost Impact

WRC does not foresee additional costs associated with H.B. 1253. Through its Enforcement Division, WRC already patrols and inspects controlled hunting preserves as part of their regular enforcement activities. In the short-term, prohibiting the penning of foxes and coyotes will continue to require monitoring of the existing facility to ensure that they either close or change business practices to come into compliance with the proposed law. In the longer term, the expected number of controlled hunting preserves that WRC monitors could decrease. Yet, WRC does not anticipate reducing Enforcement Division staff, monitoring these facilities is just one of the duties for which an Enforcement Officer is responsible; no positions are dedicated wholly to monitoring controlled preserves.

**SOURCES OF DATA:**

Wildlife Resources Commission

**TECHNICAL CONSIDERATIONS:** None

**FISCAL RESEARCH DIVISION:** (919) 733-4910

**PREPARED BY:** Lanier McRee

**APPROVED BY:**

Marilyn Chism, Director  
Fiscal Research Division

**DATE:** April 23, 2009



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