Division of the Budget Landon State Office Building 900 SW Jackson Street, Room 504 Topeka, KS 66612

Adam C. Proffitt, Director



Phone: (785) 296-2436 adam.c.proffitt@ks.gov http://budget.kansas.gov

Laura Kelly, Governor

February 16, 2024

The Honorable Ken Corbet, Chairperson House Committee on Agriculture and Natural Resources Budget 300 SW 10th Avenue, Room 118-N Topeka, Kansas 66612

Dear Representative Corbet:

SUBJECT: Fiscal Note for HB 2672 by House Committee on Agriculture and Natural

Resources Budget

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2672 is respectfully submitted to your committee.

HB 2672 would repeal the landowner or tenant hunt-on-your-own-land big game permits and all special hunt-on-your-own-land deer permits. The bill would create a new landowner appreciation permit that would be a hunting permit valid for any white-tailed deer hunting season that uses equipment that is legal during the established season. The bill would allow one landowner appreciation permit to be issued for every 80 acres of land owned, up to 10 permits. The bill would also establish application and transfer requirements for the permits.

The Department of Wildlife and Parks assumes that the number of landowner or tenant hunt-on-your-own-land big game permits and special hunt-on-your-own-land deer permits (LOT permits) issued in FY 2022 would be issued in FY 2025. Therefore, the agency estimates its revenues would be reduced by \$702,190 in its Wildlife Fee Fund for FY 2025.

To collect the necessary information and administer the landowner appreciation permits the agency would need to develop and implement a new software program, which is estimated to cost \$100,000 from the Wildlife Fee Fund in FY 2024. To monitor and administer the new program, the agency would require 1.00 FTE position at a cost of \$45,884 from the Wildlife Fee Fund starting in FY 2025.

The agency estimates that by allowing up to 10 permits issued per landowner that could be transferable, there would be fewer non-landowner deer permits issued. The agency has no way to estimate how many nonresident or resident hunters would accept a transferable landowner

appreciation permit, and therefore an exact amount of lost revenue cannot be estimated. The Department's conservative estimate would be one landowner appreciation permit issued and then transferred to another hunter for every two LOT permits that were issued in 2022. This would result in approximately 10,680 landowner appreciation deer permits being transferred. If 70.0 percent of the transferred deer permits would displace the purchasing of nonresident deer permits, the Department would lose \$3,364,200 (7,476 X \$450 per permit) each year in Wildlife Fee Fund revenue. Additionally, if the remaining 30.0 percent of the transferred deer permits would displace the purchasing of resident deer permit, the lost revenue would be \$128,160 (3,204 X \$40 per permit) each year in Wildlife Fee Fund. The total lost revenue would be approximately \$3,492,360. In addition, the number of permits available in the nonresident deer draw would also have to be reduced.

With fewer licenses being sold, Kansas would also see a reduction in federal funds. Under the last apportionment for the federal fund in 2022, Kansas received an additional \$88.09 per license sold. Assuming the same number of lost sales of 10,680, it is estimated the Department would lose out on receiving \$940,801 (10,680 X \$88.09) beginning in fiscal year 2026. Any fiscal effect associated with HB 2672 is not reflected in *The FY 2025 Governor's Budget Report*.

Sincerely,

Adam C. Proffitt Director of the Budget

f- C. - +

cc: Terry Bruce, Department of Wildlife & Parks