



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0846 - Resident bonus point system for Smith River (France, Tom)

Status: As Amended in Senate Committee

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

| | <u>FY 2024 Difference</u> | <u>FY 2025 Difference</u> | <u>FY 2026 Difference</u> | <u>FY 2027 Difference</u> |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Expenditures: | | | | |
| General Fund | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue | \$158,160 | \$158,160 | \$158,160 | \$158,160 |
| Revenue: | | | | |
| General Fund | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue | \$158,160 | \$158,160 | \$158,160 | \$158,160 |
| Net Impact-General Fund Balance: | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

Description of fiscal impact: HB 846, as amended, creates a bonus point for both resident and non-resident applicants for floating the Smith River. It also sets a cap of 10% of issued permits for non-residents.

FISCAL ANALYSIS

Assumptions:

- The \$5.00 fee for residents and a \$50 fee for non-residents will be deposited into the Smith River Corridor Enhancement Account. Funds must be used to protect, enhance, and restore the integrity of the Smith River waterway.
- In 2023 there were 14,514 Smith River permit applicants.
 - 9,872 Resident
 - 4,642 Non-resident
- The department assumes similar percentage of purchases for the new bonus point system to be that of the hunting license application.

4. Based on resident percentage of 76% and the non-resident percent of 70.5%, the table below shows the potential revenue from the sale of bonus points:

| | Smith River Permits applications | Hunting Points Purchased | Assumed Points that would be purchased | Amount | Revenue |
|--------------|----------------------------------|--------------------------|--|----------|---------------|
| Resident | 9872 | 76.0% | 7502.72 | \$ 5.00 | \$ 37,513.60 |
| Non Resident | 4642 | 70.5% | 3272.61 | \$ 50.00 | \$ 163,630.50 |
| | | | Total Revenue | | \$ 201,144.10 |

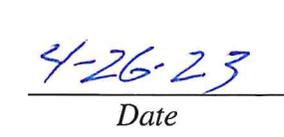
5. In 2022, there were a total of 1,383 permits issued of which 595 were non-resident.
6. With a 10% cap in place, it is assumed that only 138 permits would have been allowable, therefore reducing the number on non-resident permits by 457.
7. Using the same permit year, it was determined that there was an average of 2.7 floaters per permit issued.
8. It is assumed that there will be 1,228 less non-resident floater annually.
9. It is assumed that resident floaters will replace the non-resident loss.
10. Floater fees are \$25 for residents and \$60 for non-residents, with a net loss of \$35 for the 1,228 floaters for a total revenue loss of \$42,984.
11. The Department of Fish, Wildlife & Parks (FWP) will need to develop rules to specify how the bonus point system is implemented. Rules must be approved by the State Parks Board.

| | <u>FY 2024</u> <u>Difference</u> | <u>FY 2025</u> <u>Difference</u> | <u>FY 2026</u> <u>Difference</u> | <u>FY 2027</u> <u>Difference</u> |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| <u>Fiscal Impact:</u> | | | | |
| <u>Expenditures:</u> | | | | |
| Operating Expenses | \$158,160 | \$158,160 | \$158,160 | \$158,160 |
| TOTAL Expenditures | <u>\$158,160</u> | <u>\$158,160</u> | <u>\$158,160</u> | <u>\$158,160</u> |
| <u>Funding of Expenditures:</u> | | | | |
| General Fund (01) | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue (02) | \$158,160 | \$158,160 | \$158,160 | \$158,160 |
| TOTAL Funding of Exp. | <u>\$158,160</u> | <u>\$158,160</u> | <u>\$158,160</u> | <u>\$158,160</u> |
| <u>Revenues:</u> | | | | |
| General Fund (01) | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue (02) | \$158,160 | \$158,160 | \$158,160 | \$158,160 |
| TOTAL Revenues | <u>\$158,160</u> | <u>\$158,160</u> | <u>\$158,160</u> | <u>\$158,160</u> |
| <u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u> | | | | |
| General Fund (01) | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue (02) | \$0 | \$0 | \$0 | \$0 |

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 Sponsor's Initials

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 Date

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 Budget Director's Initials

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 Date