

Vermont Legislative Joint Fiscal Office

One Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • Fax: (802) 828-2483

FISCAL NOTE

Date: May 21, 2020

Prepared by: Daniel Dickerson

H.716 An act relating to Abenaki hunting and fishing licenses – House Ways and Means Recommendation of Amendment – Draft 2.1

<https://legislature.vermont.gov/Documents/2020/WorkGroups/House%20Ways%20and%20Means/Bills/H.716/H.716~Ellen%20Czajkowski~Ways%20and%20Means%20Amendment,%20Draft%202.1~5-21-2020.pdf>

Bill Summary

The bill would permit certified citizens of one of the state-recognized Native American Indian tribes to receive a free permanent combination hunting and fishing license from the Dept. of Fish & Wildlife (F&W). Citizens would need to hold a valid tribal identification card as proof of citizenship.

Fiscal Summary

This bill would result in a loss of revenue from two sources: 1) sales of annual and 5-year hunting, fishing and combination licenses, which fund F&W operations, and 2) sales of lifetime licenses, which are deposited into a trust fund.

Annual and Five-year Licenses

Based on a population of 6,000 members of one of the four recognized tribes in Vermont¹ and based on the percentages of individuals who buy annual and five-year licenses out of the Vermont population, we assume there are approximately 800-900 tribal members who may purchase annual or five-year licenses on a yearly basis. If H.716 were to pass, then these individuals would very likely opt to receive the free permanent license and would no longer make license purchases. Additionally, individuals living in neighboring states who are members of one of the tribes may opt into a permanent license as well, resulting in a loss of revenue from non-resident license sales. **The loss of State revenue is estimated to be \$30,000 to \$35,000 annually, starting in FY21.** If the population of eligible individuals grows, either from within Vermont or beyond State borders, then the revenue impact could be higher.

Lifetime Licenses

Based on the assumptions given above, but also including Vermont minors who can receive lifetime licenses at any age, we assume that another 10-20 individuals may purchase lifetime

¹ Population figure taken from a recent news article. <https://www.sevendaysvt.com/vermont/chief-don-stevens-represents-a-new-era-of-abenaki-leadership-in-vermont/Content?oid=29751810>

licenses each year. Lifetime license fees vary based on the age of the individual for whom the license is purchased. An estimate based on the two lowest tiers of lifetime license fees would produce an **estimated revenue loss of \$5,000 to \$10,000 annually, starting in FY21**. Because this revenue is deposited into a trust fund, the future earnings from investments would not materialize to fund long-term spending needs.

*****Impacts of the COVID-19 Pandemic*****

Aside from a known short-term increase in resident fishing license and combination license sales that is likely attributable to current travel restrictions due to the COVID-19 pandemic², it is unclear how license sales will be affected going forward. If travel patterns continue to favor trips close to home for the foreseeable future, then there could be a longer-term positive benefit to fishing and hunting license sales, which may put F&W in a position to better absorb the fiscal impacts of this bill. However, if the immediate economic downturn becomes a longer-term event then license sales could begin to decline as individuals prioritize spending on other necessities.

² Article on license sales from 5/2/2020. <https://vtdigger.org/2020/05/02/fishing-hunting-license-sales-up-during-coronavirus-crisis/>