

Office of the Secretary
1020 S Kansas Ave., Suite 200
Topeka, KS 66612-1327



Phone: (785) 296-2281
Fax: 785-296-6953
www.kdwp.state.ks.us

Robin Jennison, Secretary

Sam Brownback, Governor

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Joint Committee on Administrative Rules and Regulations

K.A.R. 115-2-1

Wildlife Parks and Tourism Fee Structure

In reviewing the Fish and Wildlife division's revenues, expenditures, and Wildlife Fee Fund balance history the decision was made to look at the wildlife and fishery division's fee structure. General hunting and fishing license fees have not been increased since 2002. Deer and turkey permits fee have remained the same since 1984.

While there are proposed fee increases, this plan is as much about a modernization of the fee structure as anything else. This plan is to address three issues, including churn, and the resulting loss of license revenue and Wildlife Sport Fish Restoration (WSFR) money because of that high of churn rate. Additionally the plan attempts to value Kansas wildlife and fishing resources reasonably and comparably with our surrounding states.

Currently 40% of Kansas license buyers only buy a license one out of every 3 years. Kansas gets approximately \$6.00 of WSFR for each licensed angler annually and \$20.00 for each licensed hunter. The Fee structure the department is recommending incentivizes the purchase of multiyear and combo hunting/fishing licenses to maximize the number of hunters and anglers Kansas reports annually.

Under the current fee structure, there is no discount for purchasing the combo hunt/fish license and no multiyear license is offered. Under the recommendation, a combo hunt/fish license will save the sportsman \$10 (including vendor/transaction charges) compared to buying the licenses separately. And there is also an early-buy incentive for combo hunt/fish licenses for those who do not want to buy a multiyear license.

If a hunter/angler buys their combo license between Dec 18 and March 1, the total cost is \$42.50, a savings of \$5 compared to the proposed combo license price and \$12.50 compared to buying annual hunting and fishing licenses separately. Currently an annual hunt/fish combo license is \$38.50.

The cost for a five-year hunting or fishing license would be \$102.50 with the vender and transaction charge. Currently in five years, at \$20.50 per year for either hunting or fishing license, a sportsman would pay \$102.50.

The 5-year hunt/fish combo license would have a total cost of \$182.50. At the current fee structure five years of combo licenses would cost \$192.50.

We are also proposing to change the nonresident deer application process to require hunters to purchase a nonresident hunting license at the time of application if they don't already have one. The law requires all hunters to have a hunting license in addition to their deer permit. Applicants will have the option to print the

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Attachment

Date

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hunting license out at the time of application and keep it, whether they draw a permit or not, or check a box indicating they don't want the hunting license unless they draw a deer permit. In that case, they will receive a full refund for the hunting license and deer permit fee. In 2015, about 9 percent of nonresident deer permit holders did not purchase a nonresident hunting license, which is a loss of about \$132,000.

The obvious question is, what will be the aggregate fees collected? Simple math would project \$8 million in additional revenue; however that number does not include any calculations for resistance to the new fees. Included in that projection is \$1.8 million increase in resident hunting, fishing, and fur harvesting licenses, without any way to calculate how many hunter and anglers would take advantage of the value pricing options of the modernization plan it makes revenue projection difficult.

Robin Jennison

License and Permit Fees

K.S.A. 115-2-1 Amount of fees

The Fees Committee met again in July to assemble a list of fee recommendations to bring before the Commission. In review, this discussion is necessary for several reasons. First, hunting and fishing license fees have not been increased since 2002 and deer and turkey permit fees have remained the same since 1984. Fees have not kept up with inflation, and the uncommitted reserve in our Wildlife Fee Fund (WFF) has begun to shrink.

A gallon of gas was \$1.35 in 2002. This year, gas has averaged \$2.50 per gallon. Inflation has increased costs by 32 percent since 2002. Twenty dollars worth of goods purchased in 2002, now cost \$26.40. Current priority programs cost more than annual revenue.

When the committee compared Kansas fees to those of surrounding states, it was apparent that with recommended increases, Kansas fishing and hunting fees will remain competitively priced.

| | |
|--|---------------------------------|
| Iowa – Res. Annual Hunt – \$30 | NR Hunt – \$123 |
| Res. Combo – \$47 | |
| Res. 3-year – \$86 | |
| Res. Fish – \$19 | NR Fish – \$41 |
| Res. 1-day fish – \$9.50 | NR 1-day fish – \$10.50 |
| Res. Deer – \$28.50 | NR Deer – \$298 |
| Res. Turkey – \$24.50 | NR Turkey – \$102 |
| NE – Res. Annual Hunt – \$34 | NR Hunt – \$101 |
| Res. Combo – \$40 | NR Combo – \$131 |
| Res. 5-year hunt – \$271 | NR 5-year Hunt – \$421 |
| Res. 5-year combo – \$241 | NR 5-year Combo – \$621 |
| Res. Fish – \$27.50 | NR Fish – \$59.50 |
| Res. Fish 1-day – \$6.50 | NR Fish 1-day – \$8.50 |
| Res. Fish 3-day – \$21.50 | NR Fish 3-day – \$26.50 |
| Res. Deer – \$30 | NR Deer – \$216 |
| (Statewide Buck – \$73.50) | (Statewide Buck – \$536) |
| Res. Turkey – \$24 | NR Turkey – \$96 |
| OK – Res. Annual Hunt – \$25 (FY – \$32) | NR Hunt – \$142 (FY – \$176) |
| Res. Combo – \$42 (FY – \$53) | NR Hunt 5-day – \$75 (pheasant) |
| Res. 5-year Hunt – \$88 | |
| Res. 5-year Combo – \$148 | |
| Res. Annual Fish – \$25 | NR Fish – \$55 |
| Res. 5-year Fish – \$88 | NR 6-day fish – \$35 |
| Res. 2-day fish – \$15 | NR 1-day fish – \$15 |
| Res. Deer \$20 | NR Deer – \$280 |
| Res. Turkey – \$10 | NR Turkey – \$10 |

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**Kansas Department of Wildlife & Parks
Wildlife Fee Fund Revenue History**

07-Aug-15

| | FY15 | FY14 | FY13 | FY12 | FY11 | FY10 |
|--|----------------------|----------------------|----------------------|----------------------|-------------------------|----------------------|
| Non-Fed Aid Revenue Wildlife Fee Fund 2300: | | | | | | |
| July | 1,673,391.93 | 981,935.80 | 837,024.46 | 605,873.68 | 305,978.33 | 853,092.24 |
| Aug | 426,893.12 | 603,143.62 | 575,417.86 | 861,631.94 | 647,751.20 | 710,685.10 |
| Sep | 1,290,267.40 | 1,299,027.64 | 1,347,938.38 | 1,342,299.40 | 1,648,756.32 | 1,380,942.77 |
| Oct | 1,129,829.93 | 1,027,407.80 | 1,173,700.82 | 867,309.55 | 910,294.64 ^M | 1,562,063.50 |
| Nov | 1,597,487.28 | 1,715,732.12 | 2,625,464.22 | 3,239,849.04 | 3,665,596.52 | 2,741,651.62 |
| Dec | 2,627,577.56 | 2,420,531.17 | 1,754,540.05 | 1,842,750.56 | 1,990,918.77 | 2,888,105.22 |
| Jan | 2,114,057.88 > | 1,928,212.83 | 1,942,554.05 | 1,836,242.19 | 1,622,272.84 | 1,855,133.07 |
| Feb | 465,010.42 | 370,578.82 | 205,753.94 | 660,900.48 | 300,363.05 | 430,357.24 |
| Mar | 1,153,694.97 | 928,596.54 | 755,754.92 | 1,247,585.36 | 1,078,747.03 | 797,475.76 |
| Apr | 10,759,246.81 | 7,282,496.59 | 7,018,250.72 | 6,461,760.66 | 6,131,663.09 | 6,479,146.46 |
| May | 1,287,697.76 | 3,991,820.06 | 4,674,854.85 | 3,394,263.60 | 3,394,826.86 | 3,143,167.84 |
| Jun | 262,162.99 / | (806,833.30) | 1,714,991.40 | 1,623,691.09 | 1,762,974.43 | 1,702,081.33 |
| sub TL | 24,787,318.05 | 21,742,649.69 | 24,626,245.67 | 23,984,157.55 | 23,460,143.08 | 24,543,902.15 |

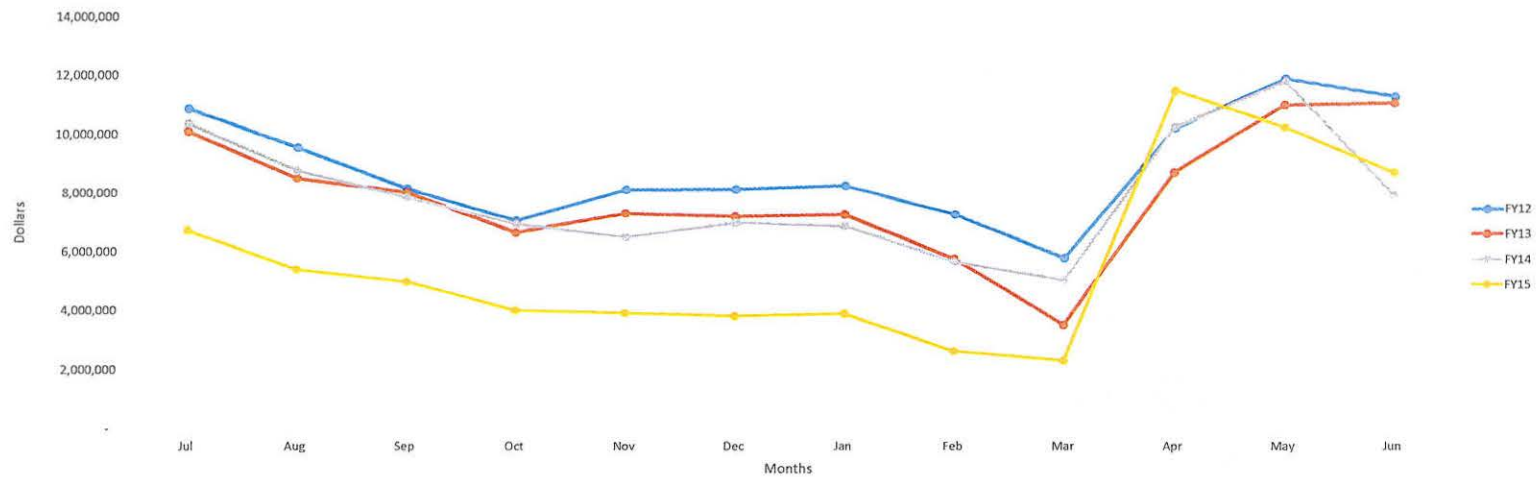
WFF Cash Balance Analysis/Projections
Y:FY15 WFF Cash Balance Analysis/Projection

| | <u>Jul</u> | <u>Aug</u> | <u>Sep</u> | <u>Oct</u> | <u>Nov</u> | <u>Dec</u> | <u>Jan</u> | <u>Feb</u> | <u>Mar</u> | <u>Apr</u> | <u>May</u> | <u>Jun</u> | <u>TL Rev</u> | |
|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|---------------|--------|
| FY12 | 10,869,317 | 9,552,100 | 8,157,764 | 7,063,266 | 8,116,342 | 8,122,078 | 8,246,173 | 7,265,644 | 5,781,855 | 10,200,083 | 11,874,029 | 11,260,327 | 23,984,158 | actual |
| | | -12.12% | -14.60% | -13.42% | 14.91% | 0.07% | 1.53% | -11.89% | -20.42% | 76.42% | 16.41% | -5.17% | | |
| FY13 | 10,086,332 | 8,490,161 | 8,016,184 | 6,639,203 | 7,289,859 | 7,190,621 | 7,256,110 | 5,745,686 | 3,510,773 | 8,680,387 | 10,969,491 | 11,039,559 | 24,626,246 | actual |
| | -10.43% | -15.83% | -5.58% | -17.18% | 9.80% | -1.36% | 0.91% | -20.82% | -38.90% | 147.25% | 26.37% | 0.64% | | |
| FY14 | 10,353,054 | 8,750,732 | 7,839,519 | 6,936,507 | 6,486,862 | 6,974,430 | 6,857,146 | 5,649,228 | 5,009,734 | 10,248,151 | 11,773,403 | 7,894,672 * | 23,292,650 | actual |
| | -6.22% | -15.48% | -10.41% | -11.52% | -6.48% | 7.52% | -1.68% | -17.62% | -11.32% | 104.56% | 14.88% | -32.94% | | |
| FY15 | 6,722,787 | 5,389,052 | 4,968,442 | 4,002,909 | 3,912,507 | 3,806,857 | 3,886,381 | 2,625,418 | 2,297,346 | 11,469,207 | 10,217,087 | 8,672,910 | 24,787,318 | actual |
| | -14.84% | -19.84% | -7.80% | -19.43% | -2.26% | -2.70% | 2.09% | -32.45% | -12.50% | 399.24% | -10.92% | -15.11% | | |

* \$1.55M xferred to federal fund 3418 due to negative cash balance

FY15 cash balances projected based on monthly avg. dollar change in cash balance over FY12 - FY14
These projections also assume revenue and expenditures for FY15 do not deviate significantly from the prior past three fiscal years

Wildlife Fee Fund Cash Balance Analysis



| | <u>Jul</u> | <u>Aug</u> | <u>Sep</u> | <u>Oct</u> | <u>Nov</u> | <u>Dec</u> | <u>Jan</u> | <u>Feb</u> | <u>Mar</u> | <u>Apr</u> | <u>May</u> | <u>Jun</u> |
|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| FY12 | 10,869,317 | 9,552,100 | 8,157,764 | 7,063,266 | 8,116,342 | 8,122,078 | 8,246,173 | 7,265,644 | 5,781,855 | 10,200,083 | 11,874,029 | 11,260,327 |
| FY13 | 10,086,332 | 8,490,161 | 8,016,184 | 6,639,203 | 7,289,859 | 7,190,621 | 7,256,110 | 5,745,686 | 3,510,773 | 8,680,387 | 10,969,491 | 11,039,559 |
| FY14 | 10,353,054 | 8,750,732 | 7,839,519 | 6,936,507 | 6,486,862 | 6,974,430 | 6,857,146 | 5,649,228 | 5,009,734 | 10,248,151 | 11,773,403 | 7,894,672 |
| FY15 | 6,722,787 | 5,389,052 | 4,968,442 | 4,002,909 | 3,912,507 | 3,806,857 | 3,886,381 | 2,625,418 | 2,297,346 | 11,469,207 | 10,217,087 | 8,672,910 |

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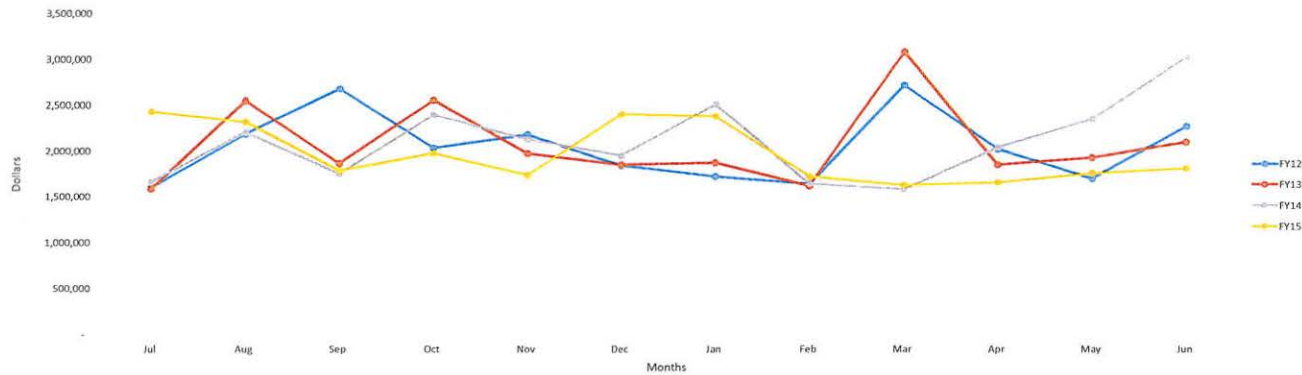
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WFF Expenditures Analysis/Projections

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Total Expenses | Actuals |
|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------------|---------|
| FY12 Current Year Salaries | 1,135,906 | 1,112,558 | 1,809,656 | 1,160,771 | 1,073,865 | 1,119,322 | 1,088,260 | 1,036,796 | 1,523,478 | 1,037,800 | 1,013,296 | 1,105,300 | 14,217,008 | |
| Current Year O&M | 347,227 | 650,027 | 662,007 | 733,121 | 975,054 | 619,997 | 595,760 | 561,349 | 951,393 | 954,391 | 611,487 | 943,407 | 8,605,220 | |
| Current Year CI | 364 | 132,803 | 36,377 | 90,378 | 5,963 | 52,551 | 323 | 16,964 | 41,945 | 20,342 | 31,567 | 225,657 | 655,234 | |
| Prior Years O&M | 109,063 | 200,172 | 159,555 | 44,904 | 56,653 | 50,422 | 3,730 | 27,258 | 209,041 | 16,861 | 49,428 | 3,797 | 930,884 | |
| Prior Years CI | 8,553 | 92,248 | 13,591 | 8,636 | 70,014 | 1,868 | 38,515 | 2,452 | 0 | 758 | 151 | 110 | 236,896 | |
| Total | 1,601,113 | 2,187,808 | 2,681,186 | 2,037,810 | 2,181,549 | 1,844,160 | 1,726,588 | 1,644,819 | 2,725,857 | 2,030,152 | 1,705,929 | 2,278,271 | 24,645,242 | |
| FY13 Current Year Salaries | 1,166,035 | 1,458,252 | 1,093,329 | 1,142,622 | 1,089,630 | 1,233,819 | 1,316,087 | 1,097,014 | 1,599,661 | 1,096,825 | 1,109,354 | 1,081,081 | 14,483,709 | |
| Current Year O&M | 306,809 | 599,359 | 587,450 | 943,292 | 902,012 | 530,172 | 539,248 | 484,334 | 1,358,436 | 690,164 | 739,335 | 953,873 | 8,634,484 | |
| Current Year CI | 0 | 1,055 | 14,056 | 278,875 | -232,600 | 43,342 | 3,219 | 3,651 | 23,991 | 2,258 | 14,553 | 10,925 | 163,325 | |
| Prior Years O&M | 96,946 | 262,643 | 57,109 | 81,046 | 129,275 | 41,908 | 11,576 | 32,378 | 22,834 | 61,499 | 55,612 | 42,557 | 895,383 | |
| Prior Years CI | 15,191 | 223,526 | 112,236 | 107,967 | 84,716 | 1,374 | 4,032 | 3,137 | 78,280 | 4,663 | 15,087 | 14,738 | 664,947 | |
| Total | 1,584,981 | 2,544,835 | 1,864,180 | 2,553,802 | 1,973,033 | 1,850,615 | 1,874,162 | 1,620,514 | 3,083,202 | 1,855,409 | 1,933,941 | 2,103,174 | 24,841,848 | |
| FY14 Current Year Salaries | 1,095,631 | 1,552,199 | 1,109,049 | 1,091,953 | 1,023,881 | 1,239,417 | 1,852,371 | 1,054,784 | 1,029,492 | 1,036,990 | 1,085,749 | 1,259,459 | 14,430,975 | |
| Current Year O&M | 388,524 | 517,436 | 535,202 | 716,375 | 1,031,263 | 680,856 | 517,419 | 506,265 | 483,497 | 957,408 | 1,246,657 | 1,291,802 | 8,872,704 | |
| Current Year CI | 0 | 0 | 13,277 | 448,360 | 27,527 | 9,659 | 35,700 | 3,976 | 7,680 | 17,890 | 19,563 | 429,146 | 1,012,778 | |
| Prior Years O&M | 164,814 | 124,417 | 86,684 | 134,583 | 42,881 | 20,897 | 103,735 | 10,492 | 8,404 | 29,974 | 2,589 | 53,297 | 782,767 | |
| Prior Years CI | 10,050 | 10,240 | 5,574 | 466 | 466 | 3,239 | 0 | 72,200 | 51,805 | 3,998 | 2,411 | 1,890 | 162,339 | |
| Total | 1,659,019 | 2,204,292 | 1,749,786 | 2,391,737 | 2,126,018 | 1,954,068 | 2,509,225 | 1,647,717 | 1,580,878 | 2,046,260 | 2,356,969 | 3,035,594 | 25,261,563 | |
| FY15 Current Year Salaries | 1,212,965 | 1,542,543 | 1,130,592 | 1,168,676 | 1,065,977 | 1,341,205 | 1,805,899 | 1,073,211 | 1,048,760 | 1,061,963 | 1,049,081 | 822,967 | 14,323,838 | |
| Current Year O&M | 417,047 | 576,705 | 564,042 | 708,433 | 561,865 | 989,385 | 493,883 | 565,481 | 528,231 | 517,811 | 690,442 | 892,449 | 7,505,774 | |
| Current Year CI | 30,678 | 64,995 | 45,982 | 25,997 | 4,515 | 2,755 | 10,904 | 18,331 | 1,097 | 43,873 | 22,165 | 36,541 | 307,833 | |
| Prior Years O&M | 449,453 | 100,302 | 43,066 | 66,666 | 74,545 | 49,322 | 36,249 | 66,930 | 42,672 | 25,209 | 0 | 45,946 | 1,000,360 | |
| Prior Years CI | 315,082 | 28,320 | 1,770 | 5,957 | 27,669 | 16,281 | 32,179 | 405 | 10,040 | 12,982 | 405 | 15,933 | 467,023 | |
| Total | 2,425,225 | 2,312,865 | 1,785,452 | 1,975,729 | 1,734,571 | 2,398,948 | 2,379,112 | 1,724,358 | 1,630,800 | 1,661,838 | 1,762,093 | 1,813,837 | 23,604,828 | |

FY15 expenditures excluding salaries projections are based on monthly average in expenditures over FY12 - FY14. Salaries uses projections from salary report. These projections also assume expenditures for FY15 do not deviate significantly from the prior past three fiscal years

Wildlife Fee Fund Expenditure Analysis



| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |
|------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| FY12 | 1,601,113 | 2,187,808 | 2,681,186 | 2,037,810 | 2,181,549 | 1,844,160 | 1,726,588 | 1,644,819 | 2,725,857 | 2,030,152 | 1,705,929 | 2,278,271 |
| FY13 | 1,584,981 | 2,544,835 | 1,864,180 | 2,553,802 | 1,973,033 | 1,850,615 | 1,874,162 | 1,620,514 | 3,083,202 | 1,855,409 | 1,933,941 | 2,103,174 |
| FY14 | 1,659,019 | 2,204,292 | 1,749,786 | 2,391,737 | 2,126,018 | 1,954,068 | 2,509,225 | 1,647,717 | 1,580,878 | 2,046,260 | 2,356,969 | 3,035,594 |
| FY15 | 2,425,225 | 2,312,865 | 1,785,452 | 1,975,729 | 1,734,571 | 2,398,948 | 2,379,112 | 1,724,358 | 1,630,800 | 1,661,838 | 1,762,093 | 1,813,837 |