

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 56<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 1488</b>
<b>Version:</b>	<b>ENGR</b>
<b>Request Number:</b>	
<b>Author:</b>	<b>Rep. Wallace</b>
<b>Date:</b>	<b>4/09/2018</b>
<b>Impact:</b>	<b>Revenue from One-Time Fess</b>
	<b>500-1,000 Acres: \$50,000</b>
	<b>Over 1,000 Acres: \$75,000</b>
	<b>Investment Return Potential Over</b>
	<b>The Duration of the License</b>

**Research Analysis**

SB 1488 creates a lifetime landowner hunting and fishing license for tracts of land with at least 500 acres and another for tracts with at least 1,000 acres. The licenses cost \$50,000 and \$75,000 and come with 20 or 40 additional hunting licenses, respectively, and automatically expire after 75 years. Nonresident landowners are eligible for the license and all lifetime combination licenses are bequeathed only by a properly executed will.

Prepared By: Tricia Hines

**Fiscal Analysis**

The measure provides for licenses to landowners for hunting, a license that would remain the property of the land for up fifty (50) years. At any time the land is conveyed an option to renew the license would be given through the Department of Wildlife Conservation.

The fee revenue resulting from the sale of licenses would allow for the revenue to produce investment income. The rate of return and its effect on the revenue derived from the licenses is subject to some difference as noted below with the comments from the Department. Using a base rate of return of five percent (5.0%), income potential is substantial even without the possible compounding effect of reinvested funds.

Prepared By: Mark Tygret

**Other Considerations**

**Comments from the Oklahoma Department of Wildlife (ODWC):**

**Anticipated negative impact of \$232,199 and a further negative impact of \$20,000-\$30,000, annually from sale of combination lifetime licenses for specific tracts of land. There would be an additional negative impact of \$2,050 per landowner license purchased for fishing privileges.**

The Oklahoma Department of Wildlife Conservation (ODWC) anticipates a negative fiscal impact of \$246,229. This loss, per the agency is a result of the lost annual revenue from the 40

additional licenses provided in this bill. This finding takes into account the interest income on the principal investment of \$75,000. The interest return on the initial payment does not cover the lost annual revenue.

- Per the ODWC, attaching a license to a specific tract of land for fifty years would erode a fiscal interest of at least 3.5% growth each decade in lost license fees to the agency.
- Additionally, ODWC anticipates a negative annual impact, ranging from approximately \$20,000 - \$30,000 for lost revenue of the 40 additional licenses that the measure provides to the landowner. The agency estimates are based from typical nonresident hunting license purchase scenarios.
- Based on the fishing license privileges included, ODWC anticipates an additional negative fiscal impact of \$2,050 per landowner license purchased.

This impact is contingent upon how many landowners opt to purchase lifetime licenses versus the purchase of annual licenses.