



Legislative Fiscal Bureau

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April 26, 2005

Joint Committee on Finance

Paper #516

Sturgeon Hook and Line Tags (DNR -- Fish, Wildlife, and Recreation)

[LFB 2005-07 Budget Summary: Page 355, #5]

CURRENT LAW

In Wisconsin, sturgeon may be pursued either during the winter ice spearing season on Lake Winnebago in February, or by means of hook and line fishing during a six-week fall season on some rivers and boundary waters. Sturgeon anglers must obtain a fishing license as well as a sturgeon hook and line tag. The fee for a sturgeon spearing tag is \$20 for residents and \$50 for nonresidents. A separate fishing license is not required for sturgeon spearing. Currently, there is no charge for a sturgeon hook and line tag.

GOVERNOR

Create a fee for the hook and line tag for sturgeon fishing, set at \$20 for residents and \$50 for non-residents (which includes a 15¢ issuing fee to be retained by the vendor). This tag would be required in addition to any other license required under current law (such as a fishing license, or a sportsmens licensee that included general fishing privileges). Further, anyone exempt from the requirement to have a fishing license (such as individuals under the age of 16) would still be required to purchase a tag to fish for sturgeon. *[It should be noted that the LFB budget summary regarding this item states, in error, that those individuals would be exempt.]*

Add a sturgeon hook and line tag to the privileges included with the purchase of a conservation patron license for both residents and nonresidents. Specify that all revenues received from the sale of the hook and line tag be deposited in a new continuing appropriation to be used for assessing and managing the lake sturgeon stock and fishery in inland waters, for improving and maintaining habitat in those waters and for administering the sturgeon tag system.

This provision would take effect on March 1, 2006, and is estimated by the administration to generate revenues of \$156,000 in 2006-07.

DISCUSSION POINTS

1. During license year 2004 (which ended March, 2005), DNR distributed 9,193 sturgeon hook and line tags, including 1,118 tags to individuals with conservation patron licenses. The majority of these tags (7,103) were for fishing in inland waters. The remaining tags were for fishing in outlying boundary area waters. The Department sold 6,375 resident and 110 nonresident sturgeon spearing licenses for the February, 2005, season on Lake Winnebago, generating approximately \$130,000 to be used for sturgeon management activities on the Lake Winnebago system. Management activities include population restoration, harvest monitoring, and habitat improvement.

2. In its revenue estimates, the administration assumed that approximately 8,000 hook and line tags (or 87% of the number sold in license year 2004) would be sold in the first year. However, the initial revenue estimate was based on the assumption that the sturgeon hook and line tag would not be included as a privilege with the purchase of a conservation patron license. Given that approximately 12% of the individuals who received free hook and line sturgeon tags in license year 2004 also held conservation patron licenses, it seems reasonable to anticipate that including the sturgeon tags with the patron license would reduce anticipated revenues somewhat under the bill, to approximately \$137,300 annually when this change is taken into account.

3. Currently, there is no fee charged for sturgeon hook and line tags. However, individuals fishing for sturgeon in this manner are required to have a fishing license. Sturgeon management activities conducted in inland and boundary waters areas are generally funded from fish and wildlife account revenues. Under the bill, a fee equal to the amount charge for a sturgeon spearing license would be assessed for sturgeon hook and line tags. Similar to the sturgeon spearing license, all revenues from the sale of these tags would be deposited in a new continuing appropriation to be used for assessing and managing the lake sturgeon stock and fishery in inland waters, for improving and maintaining habitat in those waters and for administering the sturgeon tag system.

4. Before 2003, individuals purchasing a sturgeon spearing license were also required to have a valid fishing license. At that time, the cost of the sturgeon spearing license was lower (\$10 for residents and nonresidents). The fee for the license and the nonresident differential in price was added under 2001 Act 109 (the 2001-03 budget adjustment bill), when the sturgeon spearing tag was made a stand-alone approval. Under that Act, the fee for sturgeon spearing licenses was increased, and the approval was removed from those provided as part of a conservation patron license.

5. Under the bill, sturgeon hook and line tags would be priced the same as sturgeon spearing tags. However, the bill requires individuals fishing for sturgeon to hold a fishing license as well, increasing the cost as compared to spearing approvals. In order to make the two types of

approvals comparable, it may be argued that either the requirement for the individual to purchase a fishing license in addition to the hook and line tags should be dropped, or, if the requirement remains, that the fee for the hook and line tag should be reduced to a similar level as other dedicated fishing approvals (such as the inland trout or Great Lakes trout and salmon stamps, which are priced at \$10 each under the bill). If the hook and line tag is designated as a stand-alone approval (like the spearing license), then it may be argued that this tag should also be excluded from the conservation patron approval package.

6. Under current law, a fishing license is required in addition to the free tag to fish for sturgeon with a hook and line. Maintaining this requirement and assessing a lower fee (\$10) for the tags could still be expected to generate some revenue to the new continuing appropriation dedicated for inland water sturgeon habitat maintenance. Assuming a modest decline in license demand due to the implementation of a fee, revenues approaching \$86,000 may be anticipated in 2006-07. If the tag were included with the purchase of a conservation patron license, revenues totaling approximately \$75,600 would be expected instead.

7. Eliminating the requirement for individuals with a hook and line tag to also hold a fishing license may lead to some individuals who may previously have purchased fishing license solely to engage in sturgeon hook and lines fishing from doing so. Therefore, while revenues to the new continuing appropriation dedicated for inland water sturgeon habitat maintenance remain the same as estimated under the bill, some decline may be seen to general fish and wildlife account revenues in response to the elimination of the licensing requirement. Any impact to annual fishing license sales as a result of this change would be difficult to quantify.

8. Finally, while the creation of a new appropriation for inland water sturgeon habitat maintenance was included under the bill, no estimation of anticipated expenditure authority was provided. As a continuing, all monies received appropriation, DNR would have the authority to spend any revenues deposited to this appropriation. However, in order to more accurately reflect anticipated Department expenditures, the appropriation should be reestimated to reflect anticipated revenues.

ALTERNATIVES

1. Adopt the Governor's recommendation to create a hook and line tag for sturgeon fishing, with the fee set at \$20 for residents and \$50 for nonresidents (which includes a 15¢ issuing fee to be retained by the vendor). This tag would be required in addition to any other license required under current law (such as a fishing license, or a sportsmens license that included general fishing privileges). However, add a sturgeon hook and line tag to the privileges included with the purchase of a conservation patron license for both residents and nonresidents. Specify that all revenues received from the sale of the hook and line tag be deposited in a new continuing appropriation to be used for assessing and managing the lake sturgeon stock and fishery in inland waters, for improving and maintaining habitat in those waters and for administering the sturgeon tag system. This provision would take effect on March 1, 2006.

<u>Alternative 1</u>	<u>SEG-REV</u>
2005-07 REVENUE (Change to Bill)	- \$18,700

2. Adopt the Governor's recommendation. Further, provide \$137,300 SEG in 2006-07, to reflect estimated revenues.

<u>Alternative 2</u>	<u>SEG-REV</u>	<u>SEG</u>
2005-07 REVENUE (Change to Bill)	- \$18,700	
2005-07 FUNDING (Change to Bill)		\$137,300

3. Adopt the Governor's recommendation, but do not include the hook and line sturgeon approval in the privileges included with the purchase of a conservation patron license. Provide \$156,000 SEG beginning in 2006-07. Specify that no additional license or approval would be required in addition to this approval in order to fish for sturgeon with a hook and line.

<u>Alternative 3</u>	<u>SEG</u>
2005-07 FUNDING (Change to Bill)	\$156,000

4. Adopt the Governor's recommendation to create a hook and line tag for sturgeon fishing. However, set the fee at \$10 for residents and nonresidents (which includes a 15¢ issuing fee to be retained by the vendor). Specify that this tag would be required in addition to any other license required under current law (such as a fishing, conservation patron, or a sportsmens license that included general fishing privileges). Provide \$86,000 SEG in 2006-07 and specify that all revenues received from the sale of the hook and line tag be deposited in a new continuing appropriation to be used for assessing and managing the lake sturgeon stock and fishery in inland waters, for improving and maintaining habitat in those waters and for administering the sturgeon tag system. This provision would take effect on March 1, 2006.

<u>Alternative 4</u>	<u>SEG-REV</u>	<u>SEG</u>
2005-07 REVENUE (Change to Bill)	- \$70,000	
2005-07 FUNDING (Change to Bill)		\$86,000

5. Adopt Alternative 4, but include the sturgeon hook and line tag in the privileges included with the purchase of a conservation patron license for both residents and nonresidents. Provide \$75,600 in 2006-07 to reflect estimated revenues.

<u>Alternative 5</u>	<u>SEG-REV</u>	<u>SEG</u>
2005-07 REVENUE (Change to Bill)	- \$80,400	
2005-07 FUNDING (Change to Bill)		\$75,600

6. Maintain current law.

<u>Alternative 6</u>	<u>SEG-REV</u>
2005-07 REVENUE (Change to Bill)	- \$156,000

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