

Approved: 3-8-94
Date

MINUTES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES.

The meeting was called to order by Chairperson Don Sallee at 8:00 a.m. on February 22, 1994 in Room 423-S of the Capitol.

All members were present or excused:

Committee staff present: Raney Gilliland, Legislative Research Department
Dennis Hodgins, Legislative Research Department
Don Hayward, Revisor of Statutes
Clarene Wilms, Committee Secretary

Conferees appearing before the committee:

Theodore D. Ensley, Secretary, Department of Wildlife & Parks
Darrel Montei, Legislative Liaison, Department of Wildlife & Parks
Tom Young, President, South Shore Homes Association, Pamona Lake
Written testimony only, Spencer Tomb, Past President, Kansas Wildlife Association
Written testimony only, Jim Holderman, Chairman, Commissioner, Department of Wildlife & Parks

Others attending: See attached list

Chairperson Sallee called attention of committee members to the Memorandum sent to them concerning specific issues or topic areas for Post Audit to review.

SB-749 - hunting and fishing; concerning license fee requirements

Secretary Theodore D. Ensley, Department of Wildlife and Parks, appeared before the committee and introduced Darrel Montei who presented testimony on SB-749.

Mr. Montei told the committee this bill would remove the 65 and over age exemption for the purchase of hunting and fishing licenses. The exemption removal would become effective on and after January 1, 1995. Attachment 1 Mr. Montei told members that federal funds are distributed back to the states on the basis of licenses sold, each license sold generating \$7.50 of federal aid to Kansas. Mr. Montei stated that the number of licenses sold is decreasing, the 65 and over population is increasing, constituting a sizeable and growing number of people who do not contribute through license dollars to the annual costs of managing wildlife and providing opportunities for the public.

Mr. Montei stated fisheries and wildlife resource programs are financed by the sale of hunting and fishing licenses and related issues. Without continued financial support these opportunities will not be available.

Tom Young, President, South Shore Homes Association on Pamona Lake, appeared and presented testimony opposing SB-749. Mr. Young stated retirees live on fixed incomes which are usually low and they would no longer be able to afford to fish. In his written testimony Mr. Young proposed several alternatives to SB-749. Attachment 2

Written testimony from Spencer Tomb, Kansas Wildlife Association, was presented to committee members. Mr. Tomb stated the Kansas Wildlife Federation, Inc. is on record as favoring a user pays system to support wildlife management and conservation. His organization supports removal of license exemptions in order to broaden the pool of those who pay to reflect those who use. The age exemption is costly for two reasons, loss of revenue from federal funds due to fewer licenses sold as well as the over 65 population is increasing causing further loss. Attachment 3

Written testimony from James Holderman, Chairman, Commissioner, Department of Wildlife and Parks, stated the Commission's support of SB-749. Mr. Holderman stated the number of exemptions is creating an

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES, Room 423-S Statehouse, at 8:00 a.m. on February 22, 1994.

unfair burden on other users. Attachment 4

Discussion pointed out the concern that while those over age 65 could be financially disadvantaged there were the families with young children with similar incomes who were being forced to pay or not use the parks. The statement was made that if something was not done there would be no parks to enjoy.

The Chairperson stated the committee would meet Wednesday, February 23, 1994 and action would be taken on SB-749.

The meeting adjourned at 8:40 a.m.

The next meeting is scheduled for February 23, 1994.

SENATE COMMITTEE ON ENERGY & NATURAL RESOURCES

DATE February 22, 1994

(PLEASE PRINT)
NAME AND ADDRESS

ORGANIZATION

TOX YOUNG
Jo Anne Young

South State HOMES Assoc.
" " " "

HAROLD PITTS
Terl Emaley
Darrell Montei
Bent Blaine

AARP-CCTF
KDWP
KDWP
CLA

STATE OF KANSAS



Joan Finney
Governor

DEPARTMENT OF WILDLIFE & PARKS
OFFICE OF THE SECRETARY
900 SW Jackson St., Suite 502 / Topeka, Kansas 66612 - 1233
(913) 296-2281 / FAX (913) 296-6953

Theodore D. Ensley
Secretary

S.B. 749 TESTIMONY

Presented To: Senate Energy & Natural Resources Committee

Provided by: Kansas Department of Wildlife and Parks

February 21, 1994

S.B. 749 would remove the 65 and over age exemption for the purchase of hunting and fishing licenses. The exemption removal would become effective on and after January 1, 1995.

Across the nation, wildlife management and sport hunting and fishing have thrived for more than 50 years on a "user pay" system. That system nationwide is manifest primarily through hunting and fishing licenses, but also through a variety of permits, stamps and special revenue items. The common thread throughout is the hunter and angler who have been the cornerstone of wildlife management.

Revenues from hunters and anglers are critical in Kansas for funding wildlife management programs and to provide facilities and opportunities for public use. In addition, federal aid for fish and wildlife management through the Dingell-Johnson and Pittman-Robertson Acts contribute substantially to that effort. The funds are generated through excise taxes on a wide variety of sporting goods purchased by hunters and anglers. Those federal funds are distributed back to the states primarily on the basis of land size and the number of licenses sold. Each license sold is worth about \$7.50 to Kansas in federal aid apportionment.

In Kansas, as in other states, the number of hunting and fishing licenses sold is decreasing. The drop is most noticeable in hunting licenses; however, gradual decreases in fishing license sales are also noted. There are many reasons for these declines, but as a result, fewer and fewer individuals are shouldered with an ever increasing financial burden for wildlife management. And as that happens, more become non-participants.

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Attachment 1

In 1930, when licenses were quite new, about 5.5% of the population was over 65 years of age. Today, that figure is near 14% and the trend is expected to continue. Not only are individuals living longer, they are living healthier lives and participating more in outdoor pursuits such as fishing and hunting. This age group constitutes a sizeable and growing number of people who do not contribute through license dollars to the annual costs of managing wildlife and providing opportunities to the public.

It is estimated that the removal of the age exemption will generate \$634,270 annually with \$232,050 of that amount realized through federal aid reimbursements. Those individuals aged 65 and over contribute to the federal funds through excise taxes each time they purchase applicable sporting goods. Because of the current age exemption, the state does not realize the full potential of that excise tax contribution. The revenues that would be generated by passage of S.B. 749 are needed to provide for modern fish and wildlife management and to address public demand for recreational opportunities associated with those resources.

STATE OF KANSAS



Joan Finney
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DEPARTMENT OF WILDLIFE & PARKS

Theodore D. Ensley
Secretary

OFFICE OF THE SECRETARY

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MEMORANDUM

To: Senate Energy & Natural Resources Committee
From: Theodore D. Ensley *TDE*
Date: February 22, 1994

The Department of Wildlife and Parks has been reviewing removal of the over age 65 exemption on hunting and fishing licenses for several years. This year, the Department requested legislation to remove those exemptions. Removing the exemptions will provide over \$630,000 per year to reinvest in Kansas fisheries and wildlife programs.

Across the nation, sport fishing and hunting have thrived over the last 50 years on a "user pay" system. At the time license exemptions were first enacted, fewer people lived to hunt and fish after age 65 than they do today. According to the Kansas Statistical Abstract, 1991 - 92, Institute for Public Policy and Business Research, the University of Kansas, the population of Kansas residents over age 65 was 266,201 in 1970, roughly 12%. In 1990, the population over 65 was 342,571, roughly 14%. The trend will continue into the next century as the "baby boom generation" continues to age. As people live longer and healthier lives, they are able to enjoy outdoor recreation, such as fishing and hunting, more and more. Fewer people, those under 65, will be paying for fisheries and wildlife management, yet the number of participants over 65 is increasing. In many cases, seniors constitute the majority of anglers on Kansas waters.

The trend is not unique to Kansas. Throughout the United States people are living longer and healthier lives, enabling them to maintain a high quality of life. In 1930, 5.5% of the population was over age 65. Today 13% of the population nationwide is over age 65. Likewise, the median age has increased from 26 in 1930 to 33 in 1990.

Few people realize that all the fisheries and wildlife resource programs provided by Wildlife and Parks, are financed by the sale of hunting and fishing licenses and related issues. Tax dollars from the State General Fund are not provided to the Department for fisheries and wildlife management. Without continued financial support from license buyers, fish and wildlife resources and recreational opportunities will dwindle. Those that use the service should pay for the service and its benefits. However, as fewer and fewer people pay license fees, revenue decreases while demand increases.

Anglers pay a 10% excise tax on every fishing item purchased. The excise funds a program commonly known as Dingell-Johnson, or "D-J." The Department of Wildlife and Parks receives about \$2.8 million in "D-J" every year. Hunters pay an 11% excise tax on sporting goods and ammunition. This excise tax funds the Pittman-Robertson or "P-R" program and it currently provides about \$2.6 million annually to Kansas. We currently receive about \$7.50 for every license holder (Federal apportionment is based partly on license sales). In effect, if you do not hold a license the Department cannot receive the money contributed by some of our residents and available under the federal acts. Consequently, Kansas loses \$20.50 (resident license \$13.00 plus the "D-J" or "P-R" reimbursement of \$7.50) for each unlicensed participant to put into fisheries and wildlife programs.

Some are concerned about the cost of a license, \$13.00, yet spend countless hours fishing in Kansas waters or hunting. Other forms of recreation, movies, golf, water skiing, are considerably more expensive than hunting and fishing. The basic - "economy" (15 channels) - cable television package costs \$11.05 per month, additional channels and premium services cost even more. Even traveling round trip along the Kansas Turnpike from Kansas City to Wichita costs \$9.00.

The Department is not pleased to ask for legislation for removing the age exemption on hunting and fishing licenses, but to continue having the quality fisheries and wildlife programs in Kansas, the Department will need the financial support from everyone who uses the service. We are asking people that use the service to pay for the services. This is only fair to those who are currently carrying the burden. Other states, such as Wisconsin and Illinois, have already repealed license exemptions based on age.

If you have additional concerns or questions please feel free to contact me at any time.

Thanks.

S B 749

FEBRUARY 21, 1994

SENATORS

MY NAME IS TOM YOUNG I AM PRESIDENT OF SOUTH SHORE HOMES ASSOCIATION ON POMONA LAKE.

I AM OPPOSED TO ELIMINATING THE PRIVILEGE OF HAVING FREE FISHING AND HUNTING LICENSE AND PARK ENTRY PERMITS FOR THOSE OVER 65 YEARS OF AGE.

YOU ARE ASKING THAT RETIREES WHO ARE LIVING ON A FIXED INCOMES, WHICH ARE USUALLY LOW, PAY A FULL FEE FOR HUNTING, FISHING AND PARK ENTRY. IN MY AREA WE HAVE RESIDENTS LIVING ON \$11000 ANUAL INCOME WHO PAY TAXES, MEDICAL EXPENSES AND LIVING COST FROM THAT AMOUNT. I WOULD HATE TO SEE THOSE PEOPLE NOT BE ABLE TO USE THE PARK FOR DAILY RECREATION OR NOT BE ALLOWED TO FISH BECAUSE THEY COULD NO LONGER AFFORD TO DO SO.

I KNOW THAT WILD LIFE AND PARKS NEEDS THE INCOME. I SAT THROUGH A BUDGET HEARING AND HEARD SOME OF THE PROBLEMS CAUSED BY THE FLOODS LAST SUMMER HOWEVER I DON'T THINK THAT NEED JUSTIFIES COMPLETLY WIPING OUT EXEMPTIONS FOR LICENSE FEES AND PARK ENTRY FEES OF THOSE RESIDENTS OVER 65 YEARS OF AGE.

I WOULD LIKE TO PROPOSE SOME ALTERNATIVES:

LOWER THE AGE WHEN A HUNTING AND FISHING LICENSE IS REQUIRED BY TWO YEARS.

OFFER 65 YEAR OLDS 1/2 PRICE HUNTING AND FISHING LICENSE AND PARK ENTRY.

INCREASE CAMP SIGHT AND HOOK UP FEES TO THE POINT THEY MORE NEARLY MATCH PRIVATE CAMP GROUND USE.

*GIVE RESIDENTS 65 YEARS OF AGE AND OVER FREE PARK ENTRY BUT REQUIRE THEM TO PURCHASE A FULL PRICE FISHING & HUNTING LICENSE.

*ELIMINATE SOME OF THE OTHER EXEMPTIONS FOR FISHING, HUNTING AND PARK ENTRY FEES. (A SERVICE MAN ON ACTIVE DUTY DOES NOT NEED A HUNTING OR FISHING LICENSE.) THIS IS JUST ONE EXAMPLE.

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Attachment 2

Kansas Wildlife Federation, Inc.

P.O. Box 5715, 200 S.W. 30th Street, Suite 106
Topeka, Kansas 66611 Phone 913-266-6185

An Affiliate of the National Wildlife Federation

February 22, 1994

**Testimony for the Kansas Wildlife Federation
in support of Senate Bill 749**

Good morning Senator Sallee and members of the Committee, My name is Spencer Tomb. I am from Manhattan and currently serve as Past President of the Kansas Wildlife Federation and as a member of the Federation's Issues and Actions Committee.

The Kansas Wildlife Federation is Kansas' largest, broad based, non profit, wildlife conservation and education organization with 6,000 members across the state of Kansas. The Kansas Wildlife Federation is the Kansas affiliate of the National Wildlife Federation whose 10,000 Kansas members join KWF in our concern for natural resource conservation.

Senate Bill 749 would remove the age 65 exemption for hunting and fishing licenses. The Kansas Wildlife Federation is on record as favoring a user pays system to support wildlife management and conservation. We support the removal of license exemptions in order to broaden the pool of those who pay to reflect those who use. The age exemption is costly for two reasons. Many recreational users are 65 and older making the revenue lost over \$500,000 per year. These exemptions are going to cost more and more as the population pool of those over 65 increases. Some of these lost funds are Federal excise taxes (P/R and D/J) that are based, in part, on the number of Kansas hunting and fishing licenses purchased each year.

Hunting and fishing are extremely important forms of outdoor recreation in Kansas. Together they are a very significant part of the Kansas economy. Sport fishing puts about \$260,000,000 per year into the economy. The value of hunting is more difficult to estimate, but studies of the Dodge City region indicate that the first two weeks of the upland season puts \$15,000,000 into their economy. It is going to take additional funds to continue to provide quality outdoor recreation as our state population increases. We consider the removal of the age 65 exemption to be a fair, responsible and equitable way to increase funds for this valuable renewable resource.

The Kansas Wildlife Federation has been concerned for over ten years about the increasing demands on the Wildlife Fee Fund. We urge the Legislature to end these and other exemptions in order to broaden the base of support for wildlife conservation. Hunters and anglers have consistently been willing to pay for conservation and scientific wildlife management.

We thank you for this opportunity to share our views with the Committee.

Senate Energy & Natural Res.
February 22, 1994
Attachment 3

STATE OF KANSAS



Joan Finney
Governor

DEPARTMENT OF WILDLIFE & PARKS

James Holderman, Chairman
Commissioner
1021 Denker
Wichita, KS 67216-1202
(316) 267-5008

Theodore D. Ensley
Secretary

February 22, 1994

Senator Don Sallee, Chairman
Senate Energy & Natural Resources Committee
Room 128-S
State Capitol Building
Topeka, Kansas 66612

Dear Senator Sallee:

This letter is to convey my support and the support of the Commission for S.B. 749. The financial responsibility for managing the fish and wildlife resources of our state is progressively falling on fewer and fewer people. Attention must be directed at exemptions to maintain the user pay approach which has served Kansas well for so many years. The number of exemptions is creating an unfair burden on other users. S.B. 749 addresses that issue and the Commission urges passage of the bill.

Thank you,

A handwritten signature in cursive script, appearing to read "Jim".

Jim Holderman
Chairman

JH:jr

Senate Energy & Natural Res.
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Attachment 4