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## FISCAL IMPACT REPORT

SPONSOR	Garcia, T.	ORIGINAL DATE LAST UPDATED	02/26/09 <b>HB</b>	875
SHORT TITLE Game Hunting		Outfitter Requirements	SB	
			ANALYST	Woods

#### **APPROPRIATION** (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

#### **<u>REVENUE</u>** (dollars in thousands) \*

	Recurring or Non-Rec	Fund Affected		
FY09	FY10	FY11		
\$0.0	\$25.0	\$25.0	Recurring	Game Protection Fund

(Parenthesis () Indicate Expenditure Decreases)

#### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands) \*

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total	\$0.0	\$10.0	\$10.0	\$20.0	Recurring	Game Protection Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates, Relates to, Conflicts with, Companion to N/A

# SOURCES OF INFORMATION

LFC Files

<u>Responses Received From</u> Department of Game and Fish (DGF)

<sup>\*</sup> Fiscal estimates provided by DGF

### SUMMARY

### Synopsis of Bill

This bill removes language that referenced interim registration and rule making authority for an initial interim period when this law first came into affect in 1996-1997. It also removes the experience prerequisite that required a person to be a New Mexico registered guide for at least 3 years before becoming a registered outfitter.<sup>2</sup>

## FISCAL IMPLICATIONS

DGF indicates that if significantly more individuals decide to apply to become registered outfitters the department would recognize increased revenues at the rate of \$500 each. It is unknown how many more outfitter registrations would occur annually, but the department estimates it may be 50 or more. Additional applicants for outfitter registration will also increase the department's processing and administration costs.

### SIGNIFICANT ISSUES

DGF notes that, "The State Game Commission has adopted rules that regulate the operations and profession of hunting outfitters and guides (19.30.8 NMAC). There is a distinction between a registered outfitter and guide. An outfitter is usually the business owner and is authorized by rule to advertise or hold himself out for hire to the public or accepts compensation for providing, within a game management unit where a hunt occurs, equipment or services for hunting activities. A guide means any person employed or contracted by a registered outfitter to furnish personal services to licensed hunters under the control and supervision of an outfitter for the purpose of hunting or taking game animals. By eliminating the 3 year experience of being a registered guide prior to becoming a registered outfitter any individual without prior hunting guide experience could advertise, book clients and sell hunts for thousands of dollars/hunt/person. This lack of experience may cause a physical and financial risk to licensed hunters."

As background, DGF adds that the Commission, through the Department registers approximately 270 outfitters and over 1,500 guides annually. The Department also investigates code of conduct complaints annually from out-of-state hunters that complain about substandard or inadequate services from registered outfitters. By lessening the experience requirement for outfitters, complaints could increase due to lack of experience.

### **OTHER SUBSTANTIVE ISSUES**

DGF indicates that it is estimated that elk hunting contributes \$50 million to New Mexico's economy annually as each hunter spends an average of \$1830 on food, lodging, equipment and fees (2006 National Survey of Fishing, Hunting, and Wildlife-Associated Recreation., U.S. Fish & Wildlife Service Report, Pg 17). Overall annual hunting activities in New Mexico generate over \$164 million dollars for the state's economy (2006 National Survey of Fishing, Hunting, and Wildlife-Associated Recreation., U.S. Fish & Wildlife-Associated Recreation., U.S. Fish & Wildlife Service Report, Pg 107). These projections include money non-residents spend on guided big game hunts each year. A reduction

<sup>&</sup>lt;sup>2</sup> DGF response dated 2-20-09.

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in qualification requirements or experience for outfitters could result in decreased hunter satisfaction with the services provided by outfitters, thus diminishing their desire to hunt in New Mexico resulting in a negative impact to the state's economy.

## WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

DGF states, "A person would still be required to have 3 years experience as a hunting guide before becoming a registered outfitter."

### AMENDMENTS

None suggested by respondent.

BW/svb