FISCAL NOTE Requested by Legislative Council 01/12/2015

Bill/Resolution No,: HB 1196

1 A. State fiscal effect: Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2013-2015 Biennium		2015-2017	Biennium	2017-2019 Biennium		
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds	
Revenues				\$(72,400)		\$(144,800)	
Expenditures				\$0		\$0	
Appropriations							

1 B. County, city, school district and township fiscal effect: Identify the fiscal effect on the appropriate political subdivision.

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

2 A. **Bill and fiscal impact summary:** Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

A bill relating to reduced fishing and hunting license fees, by \$11 and \$42 respectively, for resident current and retired national guard members.

B. **Fiscal impact sections:** Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.

This bill amendment has a significant negative fiscal impact on our revenue. It would reduce a fishing license from \$16 to \$5 and hunting licenses from \$45 to \$3. This bill would also not allow online licensing since paperwork would need to be verified before issuing the proposed licenses; these licenses would need to be issued by the Bismarck office by mail or walk-in.

- 3. State fiscal effect detail: For information shown under state fiscal effect in 1A, please:
 - A. Revenues: Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

The fiscal impact is difficult to calculate as we do not know how many resident current and retired national guard members there are and how many participate in hunting and fishing. There are approx. 4,000 current army and air national guard members. Hypothetically, if 50% of current national guard members fish, it would equate to \$22,000 (2,000 x \$11) a year. On average, 30% of residents in ND hunt. By applying that % to the 4,000 of current national guard members, it comes to \$50,400 (1,200 x \$42). Total reduction in revenue due to current national guard members would be \$144,800 (\$72,400 x 2) for a biennium. This basically would allow a \$50 combination license to be discounted to \$8 which results in an 84% decrease.

We do not know how many retired national guard members there are in the state. We contacted the National Guard and on average they retire about 75 people a year. They did not know how many retired guard members there are or how many remain in the state. We anticipate that this number would be significant and would have a significant negative affect on revenue.

The proposed bill would take effect for the 2016 season. Therefore, only 1 year in the 2015-17 biennium would be affected.

B. Expenditures: Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

It is important to note that this bill would not allow online licensing for these individuals since paperwork would need to be verified before issuing the proposed licenses. As estimated above, these 3,200 licenses would need to be issued by the Bismarck office either by mail or in person. This would require additional staff time to process these licenses which otherwise could've been purchased online. The amount of staff time would be difficult to estimate.

C. Appropriations: Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

None anticipated

Name: Kim Kary

Agency: ND Game and Fish Dept.

Telephone: 328-6605 **Date Prepared:** 01/20/2015

2015 HOUSE ENERGY AND NATURAL RESOURCES

HB 1196

2015 HOUSE STANDING COMMITTEE MINUTES

Energy and Natural Resources Committee

Pioneer Room, State Capitol

HB 1196 1/22/2015 22393

☐ Subcommittee
☐ Conference Committee

Explanation or reason for introduction of bill/resolution:

Relating to reduced hunting and fishing license fees for resident current and retired National Guard members

Minutes:

Pete Silbernagel Testimony #1 Keith C. Magnusson Testimony #2 Kim Kary Testimony #3

Chairman Porter: Opened the hearing on HB 1196

Representative Silbernagel: See testimony #1

Chairman Porter: In the process of drafting the bill, was there discussion of other retired military members?

Representative Silbernagel: There was some conversation and this is our state force that is called on and the intent was to recognize their service.

Keith C. Magnusson: See testimony #2

Chairman Porter: I understand the intent but every time they are called out they care getting paid for that service. What do we tell the volunteer people and law enforcement? They are all at the same events (floods...) giving up time.

Keith C. Magnusson: The National Guard signs up for a commitment. First responders could quit any time they would like to. I don't have a real good answer but do you give it to everybody?

Opposition:

Mike Donnehugh: I am representing the North Dakota Wildlife Federation, and we oppose the bill. What about other responders and other service members? Why can't they get the same thing?

Chairman Porter: You would be a benefactor of this legislation, so I want to talk to you and not the federation's lobbyist.

House Energy and Natural Resources Committee HB 1196 1/22/2015 Page 2

Mike Donnehugh: I am personally opposed to it. I don't see the need to it (yes I am retired from the army guard).

David Munch: I served in the US Army 1968-1970. I could say a lot of things but there is a lot of this hero stuff going around, thank you for this service stuff, I buried a friend that was a core man who died of cancer. He was a grunt and said I've burned up several barrels on a machine gun when I gain overrun and they opened him up and had cancer so bad they closed him back up. I don't like being against a veteran getting anything but this is an insult to the rest of the veterans, whether they are retired or not. There are 3,500+ National Guard, 57,074 North Dakota veterans, 10,336 getting disability and I don't see why if you're going to change this to what it is, you should open this up to all veterans. There are 58,000 names on a wall in Washington. A recruiting tool for me becoming a Canadian citizen was 4 years in a federal prison. You sign up for a selective service, you have an obligation. If you don't want to fulfil it you know what you can do. I hope I didn't hurt feelings but I am only saying what other veterans would say.

Bill Helfry: I would be a recipient of this bill. I see two problems with this bill. First it only addresses a portion of the guard's people, just those that hunt and fish. What about the rest of them? It is a recruiting tool for a minority of people. I appreciate of the thought of trying to come up with something to thank these people but it wouldn't thank all of them. My other concern is the unknown number of licenses out there and what impact would have on the game and fish budget. The money would be coming out of their budget and being put in there by the minority of people that hunt and fish through license fees. If we truly want to thank these people for their service, the cost of thanking them shouldn't be laid on the people that presently buy hunting and fishing licenses. The entire state should support the thanking of them. With these two problems this bill should not pass.

Kurt Decker: I am opposed of this. With all due respect to all of our service men, I respect them all, but this is not the way to thank them. Game and Fish is one of the smallest agencies in the nation and they do a good job running a limited amount of resource that we do have. To keep taking these funds, a recruiting effort for fiscal not here says for \$11 or \$42 are saved, something better could be done. Also you are limiting what the game and fish can do. Fees went up already last year, if you cut into the revenues they get tighter and tighter. This not the way to do it.

Kim Kary: See testimony #3

Chairman Porter: Closed the hearing on HB 1196

2015 HOUSE STANDING COMMITTEE MINUTES

Energy and Natural Resources Committee

Pioneer Room, State Capitol

HB 1196 1/23/2015 22400

☐ Subcommittee☐ Conference Committee

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Explanation or reason for introduction of bill/ı	esolutio	on:					
Relating to reduced hunting and fishing licent National Guard members.	se fees	for	resident	current	and	retired	
Minutes:							
Chairman Partor: Opened bearing on UP 1106							

Chairman Porter: Opened hearing on HB 1196.

Representative Anderson: Motion do not pass

Representative Brabandt: Seconded

Representative Keiser: I am a veteran and personally am a little frustrated in that all citizens have an obligation to provide service to their country. We all do it differently and if we award something based on service to country then we need to look a little broader. Before this session I was able to go out with a parole officer on duty and have never been more concerned for my safety than then. I see that being other than being in a war zone was at more risk than I was in a portion of my military service. I could be drafted or Canadian federal prison. We have gone too far.

Chairman Porter: Mr. Helfry gave some of the best rationale. Giving to a portion you aren't giving to the service but to the select few.

A Roll Call Vote was Taken: Yes 12, No 0, Absent 1 (Mock)

Do not pass the bill

Representative Anderson will carry the bill

Date: 1/23/15 Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. 1196

House Energy and Natural Resources						mittee
		□ St	ubcomr	nittee		
Recommendation: Adopt Amend Do Pass As Amended Place on Cor Other Actions: Reconsider		⊠ Do Not Pass		☐ Rerefer to Appropriations		
Other Actions:	□ Neconsider					
Motion Made By	Anderson		Se	econded By _Brabandt		
Representatives		Yes	No	Representatives	Yes	No
Chairman Porter		X		Rep. Bob Hunskor	X	
Vice Chairman Damschen		X		Rep. Corey Mock		
Rep. Dick Anderson		Х		Rep. Naomi Muscha	X	
Rep. Roger Brabandt		X				
Rep. Bill Devlin		X				
Rep. Glen Froseth		X				
Rep. Curt Hofstad		X				
Rep. George Keiser		X				
Rep. Mike Lefor		X				
Rep. Mike Nathe		X				
		-				
						\vdash
				L		
Total (Yes) _	12		N	0		
Absent 1 (Repr	resentative Mock)					
Floor Assignment	_Anderson				25.	

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

Module ID: h_stcomrep_13_015

Carrier: D. Anderson

HB 1196: Energy and Natural Resources Committee (Rep. Porter, Chairman) recommends DO NOT PASS (12 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1196 was placed on the Eleventh order on the calendar.

(1) DESK (3) COMMITTEE Page 1 h_stcomrep_13_015

2015 TESTIMONY

HB 1196

HB 1196 1/22/2015 1.1

Mr. Chairman and members of the committee, for the record my name is Pete Silbernagel, I am a Representative from District 22 and I live in Casselton, ND. I am here to testify in support of House Bill 1196. This bill allows for a resident who is a current or retired national guard member to purchase a North Dakota fishing license for a fee of five dollars. Five dollars is the current fee for veterans with total disability ratio to fifty percent. This bill also allows for a current or retired national guard member to purchase a combined general game, habitat stamp, small game and fur-bearer license for three dollars.

- 119le #1

This bill is being brought forward at the request of North Dakota National Guard members. The bill is designed to enhance recruiting and retention efforts for the North Dakota National Guard. Originally the bill was to provide a free fishing license and combined general game, habitat stamp, small game and fur-bearer license to active and retired North Dakota National members. However, rather that a free license, the Game and Fish Department requested the minimum fees remain to meet the requirements for federal reimbursement dollars.

Recruiting is becoming more challenging for several reasons. The December issue of the "VFW" magazine, reported on a recent Wall Street Journal article that says, "71% of youths, ages 17-24, would fail to qualify for military service because of physical, behavioral or educational deficiencies". Once recruited, it is imperative to retain well qualified and trained leaders in the Guard for a career. When the Guard is needed for a mobilization or a natural disaster, there is no time to find and train leaders. I believe you will hear testimony today that the federal government is trying to drastically cut benefits and drill pay and that will make it even more difficult to recruit and retain especially to retain for a career.

In addition to helping with recruiting and retention, even though the amount is small, this bill does provide recognition of Guard service and the sacrifices that Guard members and their families make every day. Currently, North Dakota recognizes it's veteran's with disabilities in fishing and hunting license fees. I would suggest that we include those Guard who are currently serving and have retired.

Our Governor, in his State of the State Address, described it well when he stated, "Whether responding to natural disasters here at home or defending our nation on overseas missions, the members of the North Dakota National Guard continue to demonstrate their expertise and competency as a trained and ready force. Since the <u>Sept. 11th</u> attacks on America, our Guard has mobilized nearly 7,000 soldiers and airmen in support of the Global War on

HB 1196 1/22/2015 1.2

Terrorism, an impressive contribution to our nation's military might."

Mr. Chairman, members of the committee, I would appreciate your support and approval of HB 1196.

HB 1196 1/22/2015 2.1

#1

HOUSE ENERGY & NATURAL RESOURCES COMMITTEE

HB 1196

Keith C. Magnusson On Behalf of the National Guard Association of North Dakota

We are here today in support of HB 1196 and ask for your favorable consideration.

The National Guard Association of North Dakota (NGAND) is an officer association advocating for the well-being of the soldiers and airmen of the North Dakota National Guard and educating and promoting the well-being of our state and nation. NGAND is made up of both active guardsmen and retirees. As of October 1, 2014, membership consisted of 100% of the 137 air and 445 army active officers in the state, along with 239 retirees. We also are speaking for the 522 members of the Enlisted Association. Our parent organization is the National Guard Association of the United States (NGAUS).

HB 1196 provides for reduced fee fishing and hunting licenses for resident current and retired National Guard members. This is the same as what was done for disabled veterans during the 2013 Session. While our first preference was for complimentary licenses, we understand that, in 2013, Game and Fish asked for minimal fees required to access federal funds and that ended up in the final bill. Legislative Council drew HB 1196 to also reflect those same fees: \$5 for a fishing license and \$3 for a combined hunting license.

Why provide resident National Guard members, current and retired, with reduced fee fishing and hunting licenses? There may be many reasons, but I will concentrate on two: recognition of career service and recruiting and retention.

Recognition of career service. It is in the best interests of North Dakota and our country to have National Guard officers and enlisted make their service a career. Think about the next flood, tornado, or other natural disaster. We want the Guard well trained and well led at these crucial times. This only happens if they are inclined toward a career in the Guard, which often is at great sacrifice to their personal life, family, and civilian career. The National Guard is no longer just weekend drills and summer camp ("weekend warriors")! They have dual state and national roles and missions. Having everyone serve for a minimum number of years, and then get out, will not work. Then we loose the benefit of that valuable training and the leaders necessary to accomplish the mission. We need incentives to keep our valuable National Guard ready. In fact, we should go further and look at other incentives than licenses; there are other bills to work on that.

<u>Recruiting and Retention</u>. The Military Officers Association of America (MOAA) recently published an online article, "Retention Trouble Looming?" which, while talking about active duty forces, can apply as well to reserve forces. The article actually is concerning both recruiting and retention. Very troubling is that 17-24 year olds are ineligible for the military in frightening numbers. What does that mean for recruiting?

The Wall Street Journal published an online article that has been picked up by other media across the country as it seemed to hit home in many places. That article, which is included, says that the "Defense Department estimates that 71% of the 34 million 17- to 24-year olds in the U.S. would fail to qualify to enlist in the military if they tried" The article discusses this further. In North Dakota, this may be even more troubling, with our rate of obesity and alcohol use, and that percentage may be higher. The federal government is trying to reduce benefits and even drill pay. Then, what would be the incentive to stay, when the spouse and family say it is no longer worth it?

The question comes up as to why HB 1196, as drafted, only applies to the National Guard and not other reserve forces or veterans in general. The North Dakota National Guard is a state force that is called out on numerous state missions, whether it is to do a community project or fight a flood. Other reserve forces are part of the federal government and normally not called out for state missions. On a practical level, for ease of administration, the Guard is homogeneous and The Adjutant General's office has the records to confirm membership, which could be done online. Adding other categories greatly complicates administration for Game and Fish; we do not want to create a burden for them. Expansion is left to the wisdom of the Legislature.

Are reduced fee licenses a complete answer, considering they do not save an individual much money? That is often the argument against bills such as this. No, but they are a tool along with other things. Money is not everything! Consider HB 1196 a "gesture of appreciation" for the valuable work the National Guard has done for North Dakota and continues to do every day.

HB 1196 1/22/2015 2.3

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Retention Trouble Looming?

Senior Army leaders and some members of Congress are beginning to express concern that a confluence of factors could seriously hamper recruiting and retention in the coming years.

The services have routinely met or exceeded recruiting and retention goals over the past decade, but the current drawdown may be masking a growing problem.

Recent history illustrates some of the potential impacts that a drawdown and compensation cuts can have on recruiting and

During the last major drawdown in the 1990s, the services significantly reduced their recruiting and retention goals which in turn made it easier for them to achieve them. But years of military pay caps created a 13.5 percent pay gap with the private sector, out-of-pocket housings costs rose to 18 percent and REDUX cut retired pay by 25 percent.

By the late 1990s these cuts coupled with a booming economy led the services to experience serious difficulties attracting and retaining the quality personnel that they needed. To meet their needs the services were forced to use expensive bonuses, and Congress eventually responded to the crisis by reversing compensation cuts.

The services may now be repeating this dangerous mistake. In a typical year the Army fills almost half of its annual recruiting needs through the Delayed Entry Program (DEP), but in 2015 only 30 percent of recruiting needs will be filled through DEP.

According to Maj Gen Allen Batschelet, commanding general of US Army Recruiting Command, 40 percent of Army recruits never finish their first term. About 15 percent of enlistees fail to make it through initial-entry training, and another 25 percent leave the service during their first permanent duty assignment.

A growing economy, continued military pay and compensation cuts, retirement reform, increasing operational tempo with a smaller force, the perception of limited career prospects, and other societal changes may challenge the Army's ability to recruit and retain the best and brightest servicemembers.

The return of sequestration in FY 2016 would force even deeper cuts, MOAA will continue to educate members of Congress on the need to maintain parity with the private sector to avoid harming recruiting and retention in the future.

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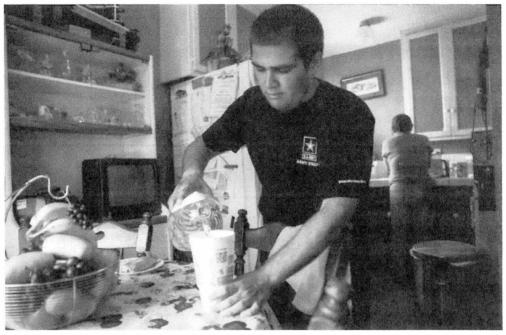
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HB 1196 1/2212015 2.9

Recruits' Ineligibility Tests the Military
More Than Two-Thirds of American Youth Wouldn't Qualify for Service, Pentagon Says

By MIRIAM JORDAN

June 27, 2014 6:59 p.m. ET



David Monzon, who lost over a hundred pounds and plans to join the Army, pours a cup of water after jogging near his home in Los Angeles. Patrick T. Fallon for The Wall Street Journal

More than two-thirds of America's youth would fail to qualify for military service because of physical, behavioral or educational shortcomings, posing challenges to building the next generation of soldiers even as the U.S. draws down troops from conflict zones.

The military deems many youngsters ineligible due to obesity, lack of a high-school diploma, felony convictions and prescription-drug use for attention-deficit hyperactivity disorder. But others are now also running afoul of standards for appearance amid the growing popularity of large-scale tattoos and devices called ear gauges that create large holes in earlobes.



Brittany Crippen, from Fort Worth, Texas, was disqualified because of a tattoo on the back of her neck. Mei-Chun Jau for The Wall Street Journal

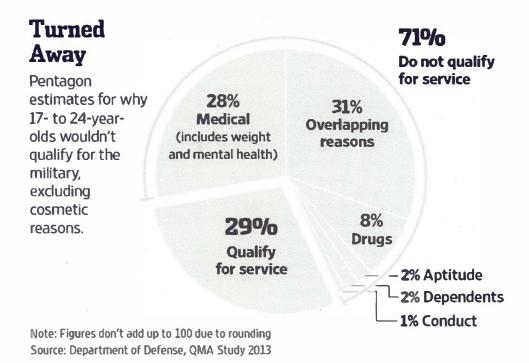
A few weeks ago, Brittany Crippen said she tried to enlist in the Army, only to learn that a tattoo of a fish on the back of her neck disqualified her. Determined to join, the 19-year-old college student visited a second recruiting center in the Dallas -Fort Worth area and was rejected again.

Apologetic recruiters encouraged her to return after removing the tattoo, a process she was told would take about year. "I was very upset," Ms. Crippen said.

The military services don't keep figures on how many people they turn away. But the Defense Department estimates 71% of the roughly 34 million 17- to 24-year-olds in the U.S. would fail to qualify to enlist in the military if they tried, a figure that doesn't even include those turned away for tattoos or other cosmetic issues. Meanwhile, only about 1% of youths are both "eligible and inclined to have a conversation with us" about

HB 1196 1/22/2015 7.5

military service, according to Major Gen. Allen Batschelet, commanding general of U.S. Army Recruiting Command.



U.S. Army's enlistment requirements

- Between 17 (with parental consent) and 34 years of age
- Scored a minimum of 33 out of 99 on Armed Forces Qualification Test, which assesses English, math, science and cognitive skills
- No felony convictions
- No persistent illegal drug use
- No insulin-dependent diabetics
- Meet height/weight standards for age group

- U.S. citizen or foreign national with legal status
- No tattoos on fingers, neck or face
- No ear gauges
- No ADHD medication in past 12 months
- High school diploma or GED with some college credits

Doesn't include all requirements, and some can be waived at the Army's discretion.

The Wall Street Journal

Comparable data aren't available for earlier years because the Pentagon began tracking eligibility only recently. But experts said seniors graduating from high school this year face the longest odds to qualify for military service since the draft was abolished in 1973.

"The quality of people willing to serve has been declining rapidly," said Gen. Batschelet. Each year, about 180,000 young men and women successfully volunteer for America's active-duty forces. An additional 110,000 join the services' reserve and National Guard units. Individual services manage their own recruiting and have the authority to grant waivers to applicants who don't meet broad standards. When the military faced escalating foreign engagement in recent years, recruiting standards were loosened: In 2007, only 79% of those who enlisted in the Army had completed high school, compared with 90% in 2001, while the Army also accepted recruits with more excess body fat during the height of the Iraq war. "We have not adopted a zero-defect mentality. We evaluate each applicant from a whole-person perspective," said Nathan Christensen, a Defense Department spokesman, who added that military services have been meeting their recruiting targets in recent years.

Recruits' Ineligibility Tests the Military - WSJ

Page 3 of 18

To some degree, that has been aided by enlistment bonuses. From 2000 to 2008, the Defense budget for enlistment bonuses more than doubled to \$625 million, and it jumped more than 50% to \$1.4 billion for selective re-enlistment bonuses, according to a Rand Corp. analysis.

Obesity, the single biggest reason for disqualifying new recruits, and other obstacles, such as poor educational attainment, led 90 retired military leaders in 2009 to form Mission: Readiness, a nonprofit aimed at raising awareness and seeking solutions. The group has lobbied state and federal officials to improve nutrition in schools and expand access to early education.

"We're trying to make decision makers see this is a national-security matter—and they need to prioritize it," said retired Major Gen. Allen Youngman. In the past, he said, "a drill sergeant could literally run the weight off a soldier as part of the regular training program," but now, "we have young people showing up at the recruiter's office who want to serve but are 50 or more pounds overweight."

About a quarter of high-school graduates also can't pass the Armed Forces Qualification Test, which measures math and reading skills, Gen. Youngman said. "They aren't educationally qualified to join the military in any capacity, not just the high-tech jobs," he said.

U.S. Army First Sgt. James Sawyer, who heads recruiting across a swath of Los Angeles County, said tattoos have become the most common cosmetic reason that applicants are disqualified. The Army already banned tattoos on the face, neck and fingers, but according to regulations in effect May 1, soldiers also can't have more than a total of four visible tattoos below the elbows and knees, and tattoos must be relatively small. The goal of the tattoo rules is to maintain a professional-looking Army, Sgt. Sawyer said. He added that "the average person in California has a tattoo."

Gabby Guillen, director of tattoo removal at Homeboy Industries, a Los Angeles nonprofit that provides services to former gang members, said that "on a daily basis, people come in saying they don't qualify for the military because of their tattoos. They have visible tattoos. Sometimes it's behind the neck area, on the hands, face, ears."

Sgt. Sawyer's El Monte, Calif., recruiting center serves towns with a total population of 325,000 people. It enlists 10 to 15 people a month. "A lot of times, we don't even get to the interview stage," said the sergeant on a recent afternoon as some would-be soldiers dropped in.

One young man showed up with two gaping holes in his earlobes, the result of wearing ear gauges. "Come back when they're closed," the recruiter said, after jotting down the applicant's information.

David Monzon, a 23-year-old East Los Angeles man, said he had long wanted to join the Army but wasn't able to enlist after graduating; at 5 feet 6 inches tall, he weighed 300 pounds. After researching weight-loss programs, Mr. Monzon eliminated pizza, chili-cheese fries and other fatty foods from his diet, and he began riding his bike everywhere.

In February, Mr. Monzon walked into the recruiting center weighing 210 pounds. Sgt. Sawyer told him he was impressed but that he still needed to drop a few more pounds.

"I was pretty confident I would make it," Mr. Monzon said. He did. Now 190 pounds, Mr. Monzon is heading to South Carolina for basic training in September.

Ms. Crippen, meanwhile, said she was still considering whether to remove her fish tattoo, the only one of four tattoos she has that is problematic. "My parents said they'll pay for it, but right now I really don't know what I'll do," she said. "My tattoo isn't offensive."

Write to Miriam Jordan at miriam.jordan@wsj.com



#3

House Energy and Natural Resources Committee Testimony on HB 1196

North Dakota Game and Fish Department Kim Kary, Chief Administrative Services Division January 22, 2015

Chairman Porter and members of the House Energy and Natural Resources Committee, my name is Kim Kary, Chief of the Administrative Services Division of the North Dakota Game and Fish Department. I am testifying today on HB 1196.

The department definitely supports the National Guard and the sacrifices they make for our country. However, offering a discounted license for resident current and retired National Guard members would have a significant negative effect on department revenue. As shown in the fiscal note, the total reduction in revenue based on current National Guard members would be approx. \$144,800 for a biennium. This basically would allow a \$50 combination license to be discounted to \$8 which results in an 84% decrease. Also, we do not know how many retired National Guard members there are in the state. We contacted the National Guard and, on average, they retire about 75 people a year. They did not know how many retired guard members there are or how many remain in the state. We anticipate, however, that this number would be significant and would have a significant negative affect on department revenue. The department is a special fund agency and receives no general funds.

In addition, the bill would not allow online licensing for these individuals since paperwork would need to be verified before issuing the proposed licenses. As estimated in the fiscal note, these 3,200 licenses would need to be issued by the Bismarck office either by mail or in person. This would require additional staff time to process these licenses which otherwise could've been purchased online.

This concludes my testimony. I would be happy to answer any questions.