

RESIDENT AND NONRESIDENT HUNTING ISSUES STUDY - BACKGROUND MEMORANDUM

House Bill No. 1269 (attached as Appendix A) requires a study of issues to resident and nonresident hunting in this state. The bill requires a study of:

1. The number of licenses issued to residents and nonresidents.
2. The fees for licenses issued to residents and nonresidents.
3. The time periods for which licenses are valid.
4. Whether zones should be established.
5. Effects of resident and nonresident hunters on landowners.
6. Effects of resident and nonresident hunters on guides and outfitters.
7. The economic impact of nonresident hunters.
8. Resident and nonresident hunting in bordering states.

The study mandated by House Bill No. 1269 is a result of the controversies surrounding nonresident waterfowl hunting as addressed in House Bill Nos. 1269 and 1468, as introduced. House Bill No. 1269 would have eliminated the one 7-day waterfowl hunting period for nonresidents and established six zones with the maximum number of licenses specified for each zone. House Bill No. 1468 would have eliminated the requirement that nonresident waterfowl hunters also possess a nonresident small game hunting license and established a 14-day period or two 7-day periods for nonresident small game hunting. The bill also would have increased various nonresident hunting and fishing fees. Because the impetus for this study came from House Bill Nos. 1269 and 1468, this memorandum will focus primarily on waterfowl hunting and secondarily on pheasant hunting. Other hunting seasons will be addressed when information is useful in way of comparison.

HISTORY OF NONRESIDENT GOOSE HUNTING SEASON

There have been many attempts to change the special goose hunting season for nonresidents since the season's creation in 1975. Before 1975 there was no special goose hunting season for nonresidents. For example, under North Dakota Century Code (NDCC) Section 20.1-01-02, in 1973 geese were considered game birds along with pheasants, grouse, ducks, and other birds. Under Section 20.1-03-12, in 1973 state law required a nonresident to obtain a small game license to hunt geese. A small game license allowed the hunting of game birds and cost \$35. In addition,

under Section 20.1-03-02, in 1973 a general game license cost 50 cents.

In 1975 under Senate Bill No. 2379, the Legislative Assembly created a special nonresident waterfowl hunting license. The waterfowl license was required in addition to a small game license. The waterfowl license entitled a nonresident to hunt waterfowl during any period of 10 consecutive days and in specified waterfowl hunting zones. The Governor was required to create waterfowl hunting zones and was allowed to specify the number of licenses that could be issued in each zone. In 1975 the Governor created nine zones. A nonresident was allowed to purchase only one waterfowl hunting license per year. The cost of the additional license was \$5.

The issue addressed in the bill appeared to arise because of the intense hunting pressure in and around the Devils Lake area--a major flyway and staging area for geese. According to standing committee minutes, the sponsor said the intent of the bill was to relieve hunting pressure and to relieve the pressure for the leasing of land by nonresidents. He said the release of pressure would come from the creation of hunting zones that would dissipate hunters and would create some uncertainty as to which zone a nonresident would be able to hunt, thereby making the leasing of land cost-prohibitive. In particular, it has been stated the 3M Company in Minnesota was leasing hunting land in the Devils Lake area for customer entertainment and using it as a tax deduction.

The legislative history reveals that individuals in the hospitality industry were concerned the limitation on the duration of the hunting season would require an individual to pick a time at which there may not be any waterfowl in the state. In addition, there was a concern it was unfair for this state, which was reported to have more national wildlife refuges than any other state, to receive financial support for refuges that are funded through the purchase of a federal license.

In 1979 the Legislative Assembly passed House Bill No. 1326. As introduced, the bill removed the special time limitation (the 10-day period) on nonresidents and made discretionary the creation of hunting zones. As passed, this bill allowed a nonresident to hunt for any one period of 10 consecutive days or any two periods of five consecutive days each and allowed the two 5-day hunting periods to be in different zones. From 1979 to 1984, the Governor proclaimed eight zones. The legislative history suggests the intent of the bill was to increase nonresident hunting by allowing flexibility in

the periods of time in which a nonresident may hunt, which in turn would increase tourism dollars in this state. The flight of migrant waterfowl is not predictable, and allowing two weekends gives the hunter a better chance to be in the area when the waterfowl are present.

Proponents of the 1975 law did not want to remove the time limitation because the limitation had prevented the leasing of tracts of land and had promoted the goal of reserving the geese in North Dakota mostly for hunting by North Dakotans. A proponent of 1979 House Bill No. 1326 said it appeared unfair that North Dakota would limit hunting by nonresidents of a transitory bird that is flying over this state, and although the 1975 law may have curtailed some of the leasing of land by nonresidents, it also stopped a lot of nonresidents who did not lease land from coming to hunt.

In 1981 the Legislative Assembly passed House Bill No. 1395, which increased the duration of time allowed for nonresident waterfowl hunting from 10 consecutive days to 14 consecutive days and from any two periods of five consecutive days to seven consecutive days. Much of the legislative history as it relates to the arguments for and against having more or fewer nonresident hunters remained the same as it had throughout the years. The main division in 1981 was between individuals who did not want nonresidents leasing large tracts of land, thereby preventing residents from hunting, and individuals in the hospitality and service industries who wanted nonresident hunters to come to their communities and spend money on services. In short, the conflict was between in-state goose hunters and local merchants and service providers.

One reason for the increase in the duration of the nonresident license was there had been a decrease in nonresident's leasing land for hunting purposes. One reason for the decrease was the Internal Revenue Service became less tolerant of the practice of leasing hunting land for entertainment purposes as a business deduction.

In 1995 the Legislative Assembly passed Senate Bill No. 2143, which excepted nonresident youth who are under age 16 from being required to purchase a nonresident waterfowl hunting license if there is a reciprocal agreement with the youth's state or province. In 1999 the Legislative Assembly enacted Senate Bill No. 2089, which allowed a nonresident to purchase a spring white goose license instead of any other license, including a nonresident waterfowl hunting license.

In 1999 the Legislative Assembly also passed House Bill No. 1459, which added an option that allowed a nonresident waterfowl hunter to purchase a license that is valid for seven consecutive days and is valid statewide. Otherwise, provisions relating to the duration, zones, and license remained the same as they were under the 1981 legislation. However, since 1996 the number of zones proclaimed by the Governor

had been lowered to three, and one of those zones was included with the other two zones when a license was purchased for those other two zones. One notable change in the arguments for and against nonresident hunters concerning the bill was that the legislative history did not reveal any opposition to the bill in the committees.

Under present law a nonresident waterfowl hunter must have a nonresident fishing, hunting, and furbearers certificate that costs \$2, a federal migratory bird stamp that costs \$15, and a nonresident waterfowl license that costs \$93. The license is good for both waterfowl and upland game. A nonresident has three options for fall waterfowl licenses:

1. A 14-day license restricted to zones.
2. A license for two 7-day periods restricted to zones; however, a separate zone may be chosen for each seven-day period.
3. A seven-day statewide license with no zone restrictions.

There is no limit on the amount of nonresident hunters per zone. Attached as Appendix B is a copy of a map showing the present three nonresident waterfowl zones.

GOOSE HUNTING - LAND: THE LIMITED RESOURCE

Goose hunting is different from hunting for deer or upland game because geese migrate through the state in a relatively short period of time, and deer and upland game stay around a certain area. Hunting ducks is different from hunting geese even though both are migratory. Ducks are usually hunted by hunters choosing an area of water that ducks frequent and decoying the ducks to that area of water. Geese may be hunted as they feed or as they leave and return to a body of water to feed. It is difficult to hunt geese as they feed unless a hunter knows the location of the geese the night before hunting the geese.

Typically, a hunter locates geese feeding in the evening before hunting. Generally, geese return to the evening feeding spot in the morning. The hunter must gain permission to hunt the area in which the geese are feeding before hunting those geese early the next morning. This leaves a short period of time to get permission, four to five hours at the most. If resident hunters do not want to pay in advance the cost of leasing land or hunting rights on land to hunt geese, resident hunters need to have open land available to hunt on short notice. Residents must compete against nonresidents for this open land and against guides and outfitters. Sometimes guides and outfitters lease large strips of land, the cost of which they include in hunting packages. This removes land that may have been open from areas that resident hunters may hunt.

HOUSE BILL NO. 1269

The issues addressed in House Bill No. 1269 are some of the main issues directed by this study. The following is a discussion of those issues, namely, those issues surrounding resident and nonresident goose hunters.

During the 2001 legislative session, House Bill No. 1269 addressed the issue of the increased number of nonresidents hunting waterfowl in this state. Under NDCC Section 20.1-03-07.1, the Governor specifies waterfowl hunting zones for nonresident waterfowl hunters and the number of licenses issued in each zone. House Bill No. 1269 would have made six statutory zones and placed caps on the number of licenses issued in each zone. It appears the purpose of the bill was to lessen hunting pressure by nonresident hunters, thereby allowing more hunting opportunities for resident hunters.

Numbers of Hunters and Game

The issue addressed in the bill appeared to arise because of intense hunting pressure in and around Jamestown--a major flyway for geese. When the nonresident goose hunting season began, the issue addressed was hunters in the Devils Lake area. The flyway and the nonresident hunters have moved to the west in the last 25 years. In 1999, ranked by days hunted by county, Stutsman County is ranked third

after McLean and Ward Counties for ducks, and ranked fourth after McLean, Ward, and Burleigh Counties for goose hunting. In 1999 Ramsey County is ranked sixth in ducks and geese.

Testimony for the bill reveals that residents lack a place to hunt waterfowl even when there is an adequate number of birds for residents and nonresidents to hunt. There has been increased competition from nonresident hunters for areas to hunt geese. There has been a steady increase in nonresident waterfowl hunters since 1990. In 1990 there were approximately 5,500 nonresident waterfowl hunters. In 1993 there were approximately 9,500 nonresident waterfowl hunters. In 1996 there were approximately 13,750 nonresident waterfowl hunters. In 1999 there were approximately 22,000 nonresident waterfowl hunters. In 2000, the Game and Fish Department issued approximately 25,000 nonresident waterfowl licenses, and there were approximately 36,000 resident waterfowl hunters. While the number of nonresident waterfowl hunters has increased, the number of resident waterfowl hunters has stayed relatively stable. In the early 1990s, there were approximately 30,000 resident waterfowl hunters. In the mid- and late-1990s, this number increased to approximately 39,000 waterfowl hunters. For perspective, however, in 1975 there were approximately 67,500 resident waterfowl hunters.

The following table depicts the number of licenses issued for or number of waterfowl hunters and limitations on waterfowl hunters.

NUMBER OF LICENSES OR HUNTERS AND LIMITATIONS				
	Resident Waterfowl	Nonresident Waterfowl	Special Zones for Nonresidents	License Caps for Nonresidents
North Dakota	35,992	25,165	Yes	No
South Dakota	42,034	5,624	Yes	Yes
Minnesota	136,000	Ducks - 2,505 Geese - 1,225	No	No
Nebraska	23,073	2,800	No	No

There are five populations of geese that migrate through this state:

1. Light geese including snows, blues, and Ross'.
2. Midcontinent white front or speckled belly.
3. Great Plains Canada geese that nest in this state.
4. Western prairie Canada geese that nest in central Canada.
5. Tall grass prairie Canada geese.

All populations are large and growing. In fact, a population of light geese and Great Plains Canada geese are being managed to reduce numbers through special hunting seasons. There is a spring season for the light geese and an early September season for the resident Canada geese.

Between 1990 and 1999, the average seasonal goose bag by residents went from around 3.9 geese in

the early 1990s to 4.5 geese in the late 1990s. The average seasonal goose bag for nonresidents went from about 3.9 geese in 1990 to a high of 4.57 geese in 1993 and dropped to 2.3 geese in 1999. In short, the daily success rate of residents seems to be fairly stable, as does the number of resident waterfowl hunters. However, as nonresident numbers increase, there appears to be a decrease in the success of nonresident hunters. It is unknown whether this is a measure of the ability of hunters or the availability of geese.

In the testimony the only concern with the number of birds was with the breeding stock for ducks being reduced too drastically by nonresident hunters. The daily success ratio for resident and nonresident duck hunters, as expressed by the average seasonal duck harvest, shows both have increased from around three ducks in 1990 to around four ducks in 1993 to around 5.5 ducks in 1996 and around 6.25 ducks in 1999.

While residents and nonresidents have been successful in duck hunting, duck numbers have increased. The number of broods per square mile has increased fairly steadily from approximately one brood in 1992 to 6.23 broods in 2001. This includes an 8 percent increase from 2000. The May breeding duck index was up 14 percent from 2001, 129 percent above the 1948-2000 average and the second highest on record. Indices for all species of duck were above the long-term average, and the mallard index was the highest on record. The increase in duck numbers is not unexpected considering this is the ninth summer of exceptional water conditions across the state, conservation reserve acreage remains high, and dry conditions continue throughout much of the Canadian prairie. In addition, the fall flight of ducks in 2001, which includes adults plus young representing North Dakota's contribution to the total fall duck flight, is expected to be the highest on record. It is expected to increase 30 percent from the fall flight of 2000, which was the second highest on record.

Zone, Number, and Time Limitations

If there is certainty in receiving a license to hunt waterfowl in a certain area by nonresident hunters, nonresident hunters are able to lease hunting rights or land in the area to be guaranteed a place to hunt. At minimum, it provides more time for a nonresident to plan a hunt and make arrangements to have a place to hunt. This increases the nonresident hunting pressure. There are three ways in which hunting pressure may be reduced--geographically, numerically, and temporally. The major way to limit hunting pressure geographically is through the creation of zones. At minimum, this prevents hunters in one zone from traveling to another zone upon the migration of waterfowl through this state. The major way to limit hunting pressure numerically is through reducing the number of hunters. Another kind of numerical limitation would be the number of birds allowed to be harvested; however, this is used more for game management than hunter management. If geographical limitations are combined with numerical limitations on hunters, zones may be tailored to provide the appropriate amount of hunting pressure caused by nonresident hunters that is tolerated by resident hunters. Under present law, there are not any numerical limitations on nonresident hunters. If the Governor or the Legislative Assembly created a maximum number of licenses to be issued in certain zones, it would create administrative issues. To count the licenses sold, there would need to be a centralized system of license administration. This could be done on a first-come, first-served basis or a lottery system. However, this would interfere with local sales of hunting licenses. If local sales points could be included within the centralized system, the issue of local sales would be

addressed; however, it would require a real-time administration system connected to each sales point.

The major way to lessen hunting pressure temporally is to limit the time hunters may hunt. The variable of time may be entered into a zone to allow times in which resident hunters are preferred over nonresident hunters. As for nonresident waterfowl hunters, they generally do not hunt longer than a week. In 1999 approximately 85 percent of nonresident waterfowl hunters hunted seven or fewer days. Approximately 61 percent hunt five or fewer days.

One issue raised in the testimony was to disallow nonresidents from hunting in the first seven days of the fall waterfowl season. However, prohibiting nonresident hunters for this period of time may not provide an opportunity for resident hunters. Waterfowl hunting is dependent upon the timing of the migration, which is dependent on the weather. There are no guarantees with the weather. However, recently most ducks and geese are harvested in the first few weeks of the season. In 1998 and 1999, about 95 percent of ducks harvested were taken in the first 30 days of the season. In 1998, 78 percent of the geese harvested and in 1999, 73 percent of the geese harvested were taken in the first 30 days of the season.

Economic Impact

Limitations on nonresident hunters not only affect nonresident and resident hunters but also affect small-town business, including guides and outfitters. Generally, smalltown businesses are against limitations on nonresident waterfowl hunters. There was copious testimony on House Bill No. 1269 received from small-town restaurants, hotels, merchandise stores, and similar businesses stating the importance to the livelihood and survival of those businesses from nonresident hunters.

In *Characteristics, Expenditures, and Economic Impact of Resident and Nonresident Hunters and Anglers in North Dakota, 1996-1997, Season and Trends* by Tina D. Lewis, Jay A. Leitch, and Aaron J. Meyer, it was shown that in the 1996-97 hunting season, a resident small game hunter hunted approximately eight days and spent approximately \$1,250. A nonresident small game hunter spent an average of six days hunting and expended an average of \$705 per season. The total direct resident small game hunter expenditures in 1996-97 were \$113,006,000. The total direct nonresident small game hunter expenditures in 1996-97 were \$13,887,000.

Small game hunters have a great impact on the rural economy. Urban resident waterfowl hunters make 45 percent of their expenditures in rural areas. At \$494 per hunter, this results in \$10,827,000 spent in rural areas. For upland game, urban resident hunters make 42 percent of their expenditures in rural areas. At \$637 per hunter, this results in \$17,995,000 spent in rural

areas. This results in urban resident hunters spending \$28,822,000 in rural areas. Nonresident hunters make 78 percent of their expenditures in rural areas. At \$536 per hunter, this results in \$10,566,000 spent in rural areas. Although nonresidents do not spend as much as residents as individuals or a group, the money spent is new money in the state's economy.

Mr. Larry Leistriz, Department of Agribusiness and Applied Economics, North Dakota State University, Fargo, prepared a summary of the economic impact of nonresident hunters in North Dakota for the year 2001. This summary was included in the legislative history for House Bill No. 1269. Reflecting the total effects of nonresident hunting, including initial expenditures plus multiplier effects, the summary:

. . . indicates that the 23,209 nonresident hunters resulted in a total economic contribution of more than \$62,000,000 to North Dakota's economy in 2000. Guided hunters accounted for almost \$30,000,000 of this total.

The increase level of economic activity resulted in about 890 new jobs being generated in the state economy, in addition to the persons directly employed in guided hunting activities. Guided hunting alone accounted for about 375 new secondary jobs.

The increased economic activity also resulted in added state tax revenues totaling more than \$1.5 million.

Guides and Outfitters

Under NDCC Chapter 20.1-03, guides and outfitters are licensed by the Game and Fish Department. There are two kinds of guides and outfitters--certified and regular. Certified guides must have insurance and be certified in adult cardiopulmonary resuscitation and first aid. Certified guides are allowed to obtain up to five whitetail deer licenses to sell to nonresident hunters. In 2000 there were 270 guide licenses. This was an increase from 82 licenses in 1990 and 141 in 1995.

Under 2001 Senate Bill No. 2449, an individual may not act as a hunting guide or outfitter on land owned by or private land enrolled by the department for purposes of hunting. Although this does not prevent all nonresidents from hunting on land owned by or private land enrolled by the Game and Fish Department for hunting purposes, it does prevent nonresident hunters who use a guide from using this land as well as resident hunters.

Generally, testimony from guides and outfitters is against limitations on nonresident hunters. Guides and outfitters have invested money and leveraged property to provide food, lodging, and hunting services, mainly used by nonresident hunters. To market these packages, guides and outfitters require some certainty that

a client will receive a license to hunt in an area in which the guides and outfitters are located and have the opportunity to hunt. One way in which guides and outfitters guarantee land will be available to hunt on is by leasing land for hunting rights, which are historically prime areas for waterfowl hunting.

The leasing of land by guides and outfitters limits the geographic area in which resident hunters may hunt without paying for access. It also requires long-term planning for resident hunters that wish to use guide and outfitter services. This long-term planning and expense may not provide as good an opportunity as waiting for geese to arrive and then securing a location to hunt because the availability of waterfowl is dependent upon the weather. If a hunter is to plan to hunt for a certain period of time with a guide or outfitter on certain property owned or leased by the outfitter, there may be no waterfowl on that land at that time.

Landowners

There are impacts on others besides nonresident hunters if zones are created. The creation of zones creates a problem for nonresident landowners with land in different zones and with resident landowners who lease land or provide fee hunting to nonresidents with land in different zones. Zones limit the full use of the land by landowners.

During the 1999-2000 interim, the Legislative Council's Agriculture Committee studied depredation caused by wildlife and damage caused by hunters. The committee received testimony from landowners. Historically, the major concern of landowners has been depredation caused by waterfowl and damage caused by hunters. More recently landowners have been concerned with gaining a secondary income through hunting. Sometimes this secondary income is needed to cover the cost of depredation. The legislative history for House Bill No. 1269 did not reveal any opponents against nonresident hunters over resident hunters.

HOUSE BILL NO. 1468

The issues addressed in House Bill No. 1468 are some of the main issues directed by this study. The following discussion is of those issues surrounding resident and nonresident pheasant hunting.

As introduced, House Bill No. 1468 decoupled nonresident waterfowl licenses from small game licenses. Small game includes upland game. The main upland game species hunted by out-of-state hunters is pheasant. The bill also would have raised the fees for nonresident small game licenses and waterfowl licenses. This bill mainly affected the nonresident hunter who wanted to hunt small game and waterfowl instead of just one or the other. The bill limited nonresident small game hunting to a period of 14 consecutive days or two periods of seven

consecutive days each. Under present law, there is not any time limitation for nonresident pheasant hunters beyond those limits for resident hunters.

Again, the main controversy was between small-town businesses that want nonresident hunters to come pheasant hunting and resident hunters who want less competition from nonresident hunters to hunt pheasant. To decrease competition, the bill placed time limitations on nonresident hunters.

Number of Hunters and Game

Since 1997 the total number of pheasant hunters has increased from 48,132 to 67,176 in 2000. The increase in resident hunters has been from 37,039 in 1997 to 52,651 in 2000. The increase in nonresident hunters has been from 11,093 in 1997 to 14,525 in 2000. However, there were 14,365 nonresident pheasant hunters in 1998, which is comparable to 2000 numbers. In short, total pheasant hunters have increased by approximately 19,000 hunters with approximately 15,000 of that increase coming from residents and 4,000 coming from nonresidents.

The birds harvested per hunter have increased from 2.83 in 1987 to 3.84 in 1998 to 4.34 in 1999 and down to 4.22 in 2000. The total number of pheasants harvested has more than doubled in this time. In addition, it appears the 2001 spring pheasant breeding population has increased between 25 and 30 percent over last year. This is the fourth year in a row showing an increase since the severe winter of 1996-97 reduced the pheasant population.

Time Limitations

The effectiveness of any future time restrictions on nonresident pheasant hunters would benefit from information on the amount of birds harvested, the number of nonresident hunters, and how many days were hunted by nonresident hunters. In 1999 approximately 75 percent, 8,800 of the 11,857 nonresident hunters hunted five days or less and harvested approximately 55 percent, 32,400 of the total 58,513 harvested pheasants. This group harvested approximately 3.6 birds per hunter during the pheasant season. Approximately 24 percent, 2,800 nonresident hunters hunted 6 to 14 days and harvested approximately 21,000 pheasants or 36 percent of the total. This group harvested approximately 8.5 birds per hunter during the pheasant season. Only 56 nonresident hunters hunted 21 or more days and harvested approximately 1,850 pheasants or 3 percent of the total. This last group harvested approximately 33 birds per hunter during the pheasant season.

License Fees

Another way to limit competition is by increasing the cost to nonresident hunters. However, the legislative history reflected that the increase in the bill was not enough to stop most nonresident hunters. The other reason for increasing the fees was to make them equal with surrounding states. The following table lists the hunting fees in this state, surrounding states, and select states.

HUNTING LICENSE FEE COMPARISON FOR 2000						
	Resident Small Game	Nonresident Small Game	Resident Deer	Nonresident Deer	Resident Waterfowl	Nonresident Small Game and Waterfowl
North Dakota	\$15.00 ¹	\$85.00	\$20.00 ¹	\$170.00	Generally	\$95.00
South Dakota	\$27.00 ²	\$100.00	\$30.00	\$155.00	included in	\$205.00 ³
Minnesota	\$25.00 ⁴	\$66.00	\$23.00	\$111.00	small game	\$71.00
Montana	\$10.00 ⁵	\$115.00	\$13.00 ⁵	Whitetail - \$78.00 Mule deer - \$248.00	license	\$120.00
Wyoming	\$20.00 ⁶	\$55.00	\$22.00 ⁶	\$195.00		\$55.00
Nebraska	\$19.50 ⁷	\$65.00	\$22.25 ⁷	\$150.00		\$65.00
Average	\$19.42	\$81.00	\$21.71	\$158.14		\$101.83

¹ North Dakota deer hunters need a certificate and general game and habitat license costing \$9. This is included in the small game license cost but not the deer license cost.

² South Dakota nonresident small game license is good for two 5-day periods. Additional licenses can be purchased for \$100 each.

³ The South Dakota nonresident waterfowl license is good for 10 consecutive days with a cap of 6,000 licenses that are issued by lottery. There also is a three-day waterfowl license for the four counties along the Missouri River. It is valid only on private land.

⁴ Minnesota resident small game includes small game license (\$15) plus waterfowl stamp (\$5) plus pheasant stamp (\$5).

⁵ Montana hunters must purchase one \$4 conservation license. The cost is included on the chart for small game licenses but is not included in the deer license cost.

⁶ Wyoming hunters must purchase one \$5 conservation stamp. This cost is included on the chart for small game licenses but is not included in the deer license cost.

⁷ Nebraska hunters must purchase one \$10 habitat stamp. This cost is included on the chart for small game license cost but is not included in the deer license cost.

One solution that was discussed in the testimony-- to make fees equal besides raising this state's fees-- was reciprocity, having nonresidents pay what residents of this state would pay in that nonresident's state. This idea was considered administratively burdensome.

A concern with increased fees was what the Game and Fish Department would do with the fees. The Game and Fish Department presently has \$18 million to \$20 million in reserve. One area in which it was suggested extra income could be spent by the Game and Fish Department was increased habitat and access programs, including the private lands open to sportsmen program. This would take money from nonresidents and use it for more access to hunting for residents. During the 1999-2000 biennium, the Game and Fish Department spent in excess of \$1.2 million for habitat and access programs on private lands. Proposed budgets for habitat and access programs for the 2001-03 biennium are in excess of \$2.5 million.

According to the Game and Fish Department, if additional revenue were generated through increases in

license fees, habitat and access programs would be the focus for expenditures of those funds.

SUGGESTED STUDY APPROACH

Because of the controversial nature of nonresident hunting issues, the committee should provide ample opportunity to receive testimony on the issues. Interested parties are nonresident hunters, resident hunters, guides and outfitters, landowners, smalltown businesses, and the Game and Fish Department. The committee may want to receive testimony from the Game and Fish Department, the North Dakota Guides and Outfitters Association, the North Dakota Wildlife Federation, Cass County Wildlife Club, North Dakota Farm Bureau, North Dakota Farmers Union, North Dakota Sportsmen's Alliance, the North Dakota Hospitality Association, the North Dakota Sports Fishing Congress, and the Tourism Division of the Department of Commerce.

ATTACH:2