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**FISCAL IMPACT STATEMENT**

**LS 7412**  
**BILL NUMBER: HB 1552**

**NOTE PREPARED: Jan 11, 2003**  
**BILL AMENDED:**

**SUBJECT:** Natural Resources Issues.

**FIRST AUTHOR:** Rep. Bischoff  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill includes the following provisions:

A) This bill provides for the special property tax assessment for the wildlands program. It converts property under the wildlife habitat program to the wildlands program. The bill makes changes to the windbreak and riparian program.

B) The bill increases and establishes several fees. It deposits certain fees into new or existing funds.

C) The bill requires the Department of Natural Resources (DNR) to issue registration decals for off-road vehicles.

D) - 1) It increases the injury or damage level required for an off-road vehicle operator to file an accident report. 2) It prohibits gathering plants or artifacts on private land without the owner's consent. 3) It defines "farmland" for certain hunting license requirements. 4) It requires a court to suspend a person's driver's license for failure to appear in response to a summons issued by a conservation officer.

E) The bill allows DNR to regulate the safety and maintenance of certain dams and structures. It removes references to geologists in the dam inspection laws. The bill also provides that dams have an engineering inspection.

F) This bill establishes requirements to transfer an oil or gas well permit. It makes technical corrections.

G) The bill also repeals certain provisions concerning classified land programs and state parks and reservoir

funds. (The introduced version of this bill was prepared by the Natural Resources Study Committee.)

**Effective Date:** June 30, 2003; July 1, 2003.

**Explanation of State Expenditures:** *Provision A & G* - This provision combines the forest and wildlife habitat land classification programs by creating the wildlands land classification within the forest land classification language in statute. As of July 1, 2003, lands classified as wildlife habitat before June 30, 2003 will be considered classified wildlands. The provision also eliminates the windbreak land classification program while grand-fathering lands currently classified under the program, and it removes the wildlife habitat language from the riparian lands language. Current land that is designated under one of these programs would not be affected by this provision. However, if the level of future designations is affected by this provision, then the amount of property valuation removed from the property rolls will similarly be affected.

The Department should be able to streamline expenses related to administering these programs as changed by this proposal.

*Provision B - Plant Nurseries:* The annual net fiscal impact of this provision on the Division of Entomology and Plant Pathology is \$114,000. This is generated from additional fee collections (see *Explanation of State Revenues* below) and reduced publication expenses. The cost for a directory of Nursery Dealers License holders is eliminated because the Division will publish the directory on the Internet. The Division expects a reduced expenditure of \$5,500 due to publication cost savings of the directory.

*Provision C* - This provision would require the Division of Outdoor Recreation to issue registration decals that show the registration number as well as the year in which the registration will expire. Currently the expected cost for issuing such registration decals is indeterminable. The Division has not chosen a method by which it would provide the decals.

*Provision D* - 1) This provision raises the level of damage one must incur before an accident report must be filed and forwarded to the DNR. Currently, if an accident results in injury or at least \$100 in property damage, an accident report must be filed. The provision specifies the type of injury as severe bodily injury or death, and raises the level of property damage to \$750. This provision could cause the number of accident reports filed with the DNR to decrease, which may also decrease the DNR's administrative costs related to the accident reports. This provision may also cause for the decrease of costs associated with Conservation Officers responding to accidents.

2) This provision modifies the part of statute which designates what activities are prohibited on private property unless given consent of the owner or tenant of the land. Shooting with archery equipment, searching or gathering for plant life, and searching and gathering for artifacts are added to the list of prohibited activities. This provision may have a minimal fiscal impact if more citations are issued for trespassing.

3) This provision includes a definition of farmland so as to clarify the section of statute that necessitates a hunting license. This provision would have a minimal impact as it could potentially cause additional licenses to be purchased or increase citations for people hunting illegally.

4) This provision would require the Bureau of Motor Vehicles to forward a notice of a person's failure to appear before the court by the summons of a conservation officer to the state in which the offender lives. This provision may have a minimal fiscal impact on the BMV.

*Provision E* - No fiscal impact.

**Explanation of State Revenues:** *Provision B - Ginseng Dealer License Fees:* This provision proposes that the Ginseng Dealer's annual license fee be increased from \$25 to \$100. The Division of Nature Preserves estimates the additional revenue will be \$3,750 annually. Revenue from the Ginseng Dealer's license fee is deposited in the Fish and Wildlife Fund.

*Provision B - Plat Nursery Fees:* This provision increases the annual Nursery Dealer License fee from \$30 to \$50, and the reduced fee for those dealers who have paid an inspection fee is increased from \$10 to \$20. It raises the annual Inspection Certification fee for a nursery from \$20 to \$50 and raises the additional fee per acre of land from \$1.50 to \$3.00. The Division of Entomology and Plant Pathology estimates additional revenue of \$80,000 due to the Nursery Dealer License fee and \$28,500 due to the Inspection Certification fee.

This provision also requires the fees to be deposited into the existing Entomology and Plant Pathology Fund instead of the General Fund. As of June 30, 2002, the General Fund received \$90,425 for Nursery Dealer License and Inspection Certification fee revenue. Beginning July 1, 2003, the remaining balance of the General Fund sub-account will revert to the General Fund. Future revenues from both fees will be deposited in the dedicated fund.

*Provision B - Timber Buyers License Fee:* This provision proposes that the application fee or renewal fee for a Timber Buyers Certificate be increased from \$80 to \$105, and the Timber Buyers Agent License fee be increased from \$5 to \$10. The fee for an actual certificate is to remain \$20. The Division of Forestry estimates the additional income to be \$19,050. The Division's revenue generated from these fees was \$67,079 for FY 2002.

*Provision C* - This provision increases the off-road vehicle fee from \$6 to \$30 every three years. The Division of Outdoor Recreation expects to generate \$192,000 in additional revenue from this fee increase. Revenues collected in relation to off-road vehicle registration are to be deposited in the Off-Road Vehicle and Snowmobile Fund, which this provision creates. Money in the Fund is to be used for the enforcement, construction, and maintenance of both off-road and snowmobile trails. The Fund is to be administered by the Department, and the entire amount in the Fund is to be annually appropriated to the Department.

*Provision F* - This provision increases the fee for an oil and gas permit from \$100 to \$250. The Division of Oil and Gas expects the fee to generate approximately \$45,000 in additional revenue. A person may also pay a fee of \$750 to have an expedited review of the permit application. This provision also creates the oil and gas permit transfer fee of \$10 or \$15 depending on the number of permits transferred at one time. The Division expects the fee to generate approximately \$6,000 in additional revenue. Money generated from these fees is deposited in the Oil and Gas Fund.

*Provision G* - This provision has no fiscal impact. The Division of Parks and Reservoirs currently manages the parks and reservoirs together. By combining the two special revenue funds, this provision will help simplify the Division's accounting procedures.

**Explanation of Local Expenditures:** *Provision D - 4)* Currently, upon failure to appear before the court by summons of a conservation officer, the court is to issue a warrant for the arrest of the offender. This provision provides that in addition to the warrant for arrest, the court shall issue an order to suspend the defendant's drivers license until the defendant appears in court. This provision also has a minimal fiscal

impact.

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Natural Resources, Bureau of Motor Vehicles.

**Local Agencies Affected:** Local Courts.

**Information Sources:** Dan Mathis, Legislative Liaison, Department of Natural Resources (317) 233-6904; Revenue Trial Balance, FY 2002.

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