

ISSUE REVIEW

Fiscal Services Division
October 4, 2011



Nonresident Deer Hunting

ISSUE

This *Issue Review* provides an overview of nonresident deer hunting licenses in Iowa.

AFFECTED AGENCIES

Department of Natural Resources (DNR)

CODE AUTHORITY

Iowa Code Chapter 483A Chapter 94 Iowa Administrative Code

BACKGROUND

Nonresident deer hunters desire to hunt in Iowa, as hundreds of trophy deer have been recorded locally by the DNR, and nationally in publications such as the <u>Boone and Crockett Club's Big Game Records Program</u>.

A nonresident deer hunter wanting to hunt antlered deer must apply for a combination nonresident any-sex deer license (\$295), an antlerless deer license (\$125), nonresident hunting license (\$110), and pay the wildlife habitat fee (\$11).

CURRENT SITUATION

License Fees

During the 2009 Legislative Session, nonresident hunting license fees were increased in SF 478 (FY 2010 Standings Appropriations Act). The following table compares three hunting seasons—2008 through 2010, and lists the cost of the increase in license fees for nonresident deer licenses (does not include any administrative or licensing fees):

	Nonresident Deer Hunting Licens 2008 Hunting Season			ses Sold and Revenue Generated 2009 Hunting Season				2010 Hunting Season		
License Type	Fee	# Sold	Revenue	Fee	# Sold	Revenue	Fee	# Sold	Revenue	
Nonresident Hunting 18 and Over	\$ 80	33,290	\$2,663,200	\$110	28,045	\$3,084,950	\$110	23,202	\$2,552,220	
Nonresident Hunting Under 18	30	1,235	37,050	30	1,084	32,520	30	808	24,240	
Nonresident Hunting Habitat Fee	11	37,161	408,771	11	31,644	348,084	11	26,270	288,970	
Nonresident Any-Sex Deer	220	5,999	1,319,780	295	5,995	1,768,525	295	5,998	1,769,410	
Required Nonres. Antlerless Deer	100	5,999	599,900	125	5,995	749,375	125	5,998	749,750	
Nonresident Antlerless Deer	150	2,780	417,000	225	2,237	503,325	225	2,257	507,825	
Nonresident Holiday Season	50	262	13,100	75	231	17,325	75	195	14,625	
Nonresident January Season	N/A	N/A	N/A	225	34	7,650	225	51	11,475	
Nonresident Preference Points	10	8,971	89,710	50	10,286	514,300	50	8,103	405,150	
Total		95,697	\$5,548,511		85,551	\$7,026,054		72,882	\$6,323,665	
Dollar Change						\$1,477,543			\$ (702,389)	
% Change						26.6%			-10.0%	

There were fewer permits sold during the 2009 hunting season but revenue increased due to the fee increase. During the 2010 hunting season, there was a decrease in permits sold and in revenue.

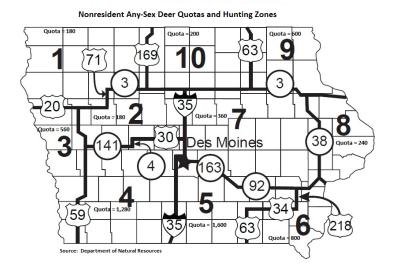
Preference Points

A nonresident applicant can purchase preference points that are applied to the applicant's account when they do not receive a hunting license. Prospective hunters accumulate preference points to increase their chances of obtaining a nonresident license in future years. The drawing process for a nonresident any-sex/antlerless deer combination licenses starts with the group of applicants that have the most preference points and those licenses are awarded. The process continues to the next group of applicants with the next level of preference points and licenses are awarded and the process continues until all quotas are filled. Other information related to preference points includes:

- A nonresident that does not apply for the any-sex/antlerless deer license can purchase a
 preference point for \$50 plus application fees and the money is deposited in the Fish and
 Game Protection Fund.
- A nonresident that does not obtain the any-sex deer license will receive one preference point for that year and receive a refund for the nonresident license fee paid less the \$50 for the preference point.
- A nonresident that is awarded an any-sex/antlerless deer license will receive a refund for the cost of the preference point.
- Preference points do not accrue in a year when the applicant fails to apply, but the applicant retains any preference points previously earned.
- Preference points apply only to obtaining a nonresident any-sex/antlerless deer license.
 Once an applicant receives a license, all preference points are removed.

License Quotas

Current nonresident deer quotas include 6,000 any-deer/antlerless-only combination licenses and 4,500 antlerless-only deer licenses. The map lists the nonresident hunting zones with the quota for nonresident any-sex deer licenses:



Zone	Quota
Zone 1	180
Zone 2	180
Zone 3	560
Zone 4	1,280
Zone 5	1,600
Zone 6	800
Zone 7	360
Zone 8	240
Zone 9	600
Zone 10	200
Total	6,000

The 6,000 nonresident any-sex deer license quota sells out each year and the licenses are sold on a first-come-first-served basis until a quota is filled. If resident deer hunting quotas are not met during the regular hunting season, then a nonresident can apply for an antlerless-only nonresident deer license for late December also called the holiday season. In addition, if resident deer quotas are not met during the holiday season, a nonresident can apply for the January antlerless-only nonresident deer license. The following table summarizes the number of applications received for nonresident any-sex deer licenses and the number awarded over the past seven years:

Nonresident Any-Sex Deer License Applicant History							
		Applicant	Applicant				
Hunting		Change In	Change		Unsuccessful		
Year	Applicants	Numbers	%	Quota	Applicants		
2004	12,169			6,000	6,182		
2005	12,231	62	0.5%	6,000	6,231		
2006	10,544	-1,687	-13.8%	6,000	4,587		
2007	11,105	561	5.3%	6,000	5,136		
2008	11,470	365	3.3%	6,000	5,470		
2009	10,114	-1,356	-11.8%	6,000	4,190		
2010	9,542	-572	-5.7%	6,000	3,638		
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The data indicates an 11.8% decline in applications during the 2009 hunting season, the first year of the nonresident fee increase, and a 5.7% decline in 2010, the second year of the fee increase.

Nonresident Deer Harvest

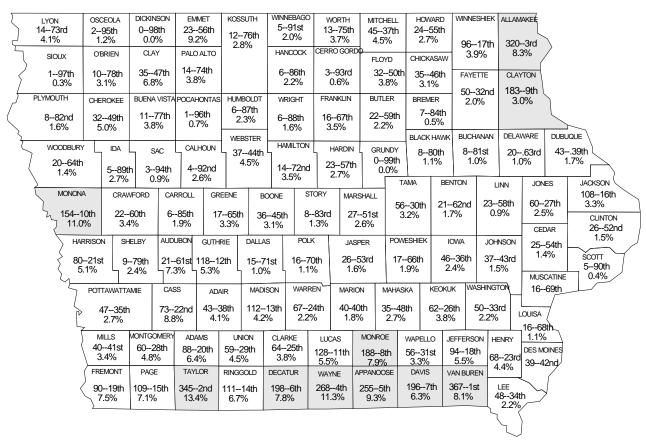
During the 2009 hunting season, 5,628 deer were harvested by nonresident hunters, equal to 4.1% of the total 136,504 deer harvested in Iowa. Ten counties harvested 44.0% of the nonresident deer: Van Buren, Taylor, Allamakee, Wayne, Appanoose, Decatur, Davis, Monroe, Clayton, and Monona.

The following map details nonresident deer harvesting information per county:

- Number of deer harvested by nonresidents.
- County ranking in terms of nonresident deer harvested to the total deer harvested Statewide.
- Percentage of nonresident deer harvested per county to total deer harvested per county.

The top ten counties are shaded.

2009 Nonresident Deer County Harvest



The DNR indicates that increases in land owned by hunting guides or outfitters may have led to a concentration area for the nonresident deer harvest, but no data has been collected to support this theory. In addition, most of the top ten counties are located on an lowa border.

Resident and Nonresident Comparison

The following table summarizes license fees from all resident and nonresident hunting licenses for the 2002 through 2010 hunting seasons.

	Resident Versus Nonresident Hunting Licenses Fee Revenue Includes All Hunting Licenses									
	Total Hunters % Total % Resident % Nonresident % % Res. To % NR to									
Year	In Iowa	Change	License Fee	Change	License Fee	Change	License Fee	Change	Total Lic.	Total Lic.
2002	257,899		\$18,480,807		\$12,127,515		\$6,353,292		65.6%	34.4%
2003	269,014	4.3%	21,117,249	14.3%	13,583,630	12.0%	7,533,619	18.6%	64.3%	35.7%
2004	257,899	-4.1%	22,174,009	5.0%	13,997,339	3.0%	8,176,670	8.5%	63.1%	36.9%
2005	269,014	4.3%	22,614,577	2.0%	14,607,846	4.4%	8,006,731	-2.1%	64.6%	35.4%
2006	286,607	6.5%	23,755,952	5.0%	14,784,513	1.2%	8,971,439	12.0%	62.2%	37.8%
2007	280,398	-2.2%	23,714,887	-0.2%	15,035,945	1.7%	8,678,942	-3.3%	63.4%	36.6%
2008	291,424	3.9%	23,384,356	-1.4%	15,311,067	1.8%	8,073,290	-7.0%	65.5%	34.5%
2009	290,171	-0.4%	24,168,760	3.4%	15,113,358	-1.3%	9,055,402	12.2%	62.5%	37.5%
2010	271,434	-6.5%	23,999,616	-0.7%	15,258,497	1.0%	8,741,119	-3.5%	63.6%	36.4%
Average	274,873	0.7%	\$22,426,324	3.4%	\$ 14,320,151	3.0%	\$ 8,106,173	4.4%	63.9%	36.1%

The nine-year average indicates there are approximately 275,000 hunting licenses sold generating \$22.4 million, with \$14.3 million (63.9%) from residents and \$8.1 million (36.1%) from nonresidents.

Economic Activity

The Association of Fish and Wildlife Agencies 2006 Report, estimated the following economic activity in Iowa related to deer hunting for 2006:

2006 Iowa Deer Hunting Economic Activity (In Millions)									
Description	% Nonres.								
Retail Sales	\$137.4	\$ 120.6	87.8%	\$ 16.8	12.2%				
Output	213.8	188.1	88.0%	25.7	12.0%				
Earnings	67.3	58.9	87.5%	8.4	12.5%				
Federal Taxes	15.2	13.4	88.2%	1.8	11.8%				
State Taxes	14.7	13.1	89.1%	1.6	10.9%				
Total	\$448.4	\$ 394.1	87.9%	\$ 54.3	12.1%				

During 2006, approximately 87.9% of the economic activity from hunting was generated by residents and approximately 12.1% was generated by nonresidents. The full report is available at: http://www.wildlifedepartment.com/responsive/AFWA HuntingReport 2007.pdf.

ALTERNATIVES

In previous years there have been discussions on increasing the 6,000 nonresident any-sex/antlerless deer licenses in lowa. Currently, the 6,000 licenses generate approximately \$3.3 million in fee revenue. In FY 2010, the total hunting and fishing fees deposited in the Fish and Game Trust Fund was \$28.7 million, and \$3.3 million is 11.3% of that total. It is estimated that an increase of 1,000 nonresident any-sex deer licenses would generate an additional \$540,000 to the Fish and Game Trust Fund.

Raising the nonresident license quota would increase revenue for the Fish and Game Protection Fund; however, this could create other issues. There are concerns that nonresidents may purchase more land in lowa that would limit hunting access for residents. In addition, the increase in nonresident hunters would decrease the chances for a resident to harvest a trophy deer.

BUDGET IMPACT

Hunting and fishing license fees are deposited in the Fish and Game Trust Fund. Any fees generated from an increase in the number of nonresident deer licenses sold would generate additional income for the Fund. The following table summarizes the receipts for the past six years to the Fish and Game Trust Fund and indicates that the sale of hunting and fishing licenses generate approximately 63.9% of the revenue to the Fish and Game Trust Fund.

The increase in revenue for "Fees and Permits" for FY 2010 is due to the inclusion of boat registration fees that are paid every three years. In previous years, boat registration fees were not included in the Fish and Game Trust Fund. In addition, the nonresident deer license fee increase is included for FY 2010.

Fish and Game Trust Fund Receipts								
							Six Year	
Description	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	Average	
Federal Funds	\$11,134,856	\$11,566,472	\$12,996,244	\$15,155,639	\$17,296,250	\$17,515,889	\$14,277,558	
Intra State Transfers	1,535,920	2,478,280	260,529	485,726	5,095,822	1,390,264	1,874,424	
Reimbursement Other Agencies						121	121	
Interest	141,064	291,685	335,994	347,048	97,076	80,095	215,494	
Fees and Permits	25,809,316	27,035,673	33,397,824	27,452,835	28,751,689	34,905,970	29,558,885	
Refunds and Reimbursements	636,293	55,520	643,442	250,070	503,486	250,537	389,891	
Sale of Real Estate						12,870	12,870	
Sale of Equipment	433	1,660	2,491	3,629	20,669	807	4,948	
Rent and Leases	16,042	5,792	77,442	273,554	218,740	236,599	138,028	
Agriculture Sales	570	24,127	143,699	198,279		167,166	106,768	
Other Sales	468,445	456,710	685,361	1,026,802	945,306	1,141,447	787,345	
Unearned Receipts	72,274	72,419	186,844	136,148	42,848	341,864	142,066	
Income Tax Checkoff	136,703	118,382	109,514	120,460	112,041	115,379	118,747	
Other	257,747	427,190	386,069	464,184	353,162	424,614	385,494	
Total Receipts	\$40,209,663	\$42,533,910	\$49,225,453	\$45,914,375	\$53,437,089	\$56,583,622	\$46,264,098	
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Fish and Game Appropriation	\$34,288,895	\$38,355,335	\$38,370,766	\$34,322,525	\$36,371,314	\$38,793,154	\$36,750,332	
% to Receipts	85.28%	90.18%	77.95%	74.75%	68.06%	68.56%	79.44%	
% License Fee to Total Receipts	64.19%	63.56%	67.85%	59.79%	53.80%	61.69%	63.89%	

OTHER STATES

Several surrounding states do not have a quota for nonresident deer licenses. The following table summarizes 2006 data from the federal Fish and Wildlife Service comparing all resident and nonresident hunters. South Dakota has a larger percentage of nonresident hunters; however, pheasants were hunted more than deer in 2006. Of the 171,000 South Dakota hunters, 128,000 hunted pheasants and 67,000 hunted deer.

2006 Resident Versus Nonresident Hunters Midwestern States									
	Total	Resident	%	Nonresident	%				
State	Hunters	Hunters	To Total	Hunters	To Total				
Iowa	251,000	208,000	82.9%	44,000	17.5%				
Illinois	316,000	258,000	81.6%	58,000	18.4%				
Indiana*	272,000	237,000	87.1%	35,000	12.9%				
Minnesota*	536,000	509,000	95.0%	26,000	4.9%				
Missouri*	608,000	540,000	88.8%	68,000	11.2%				
Nebraska*	118,000	102,000	86.4%	16,000	13.6%				
South Dakota*	171,000	89,000	52.0%	81,000	47.4%				
Wisconsin*	697,000	649,000	93.1%	48,000	6.9%				
*States that do	*States that do not have nonresident deer license quotas								

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REFERENCE

[&]quot;A Review of Iowa's Deer Management Program," January 10, 2009, Iowa Deer Study Advisory Committee, http://www.iowadnr.gov/wildlife/files/files/draft_report.pdf

[&]quot;Trends in Iowa Wildlife Populations and Harvest—2009" http://www.iowadnr.gov/wildlife/files/files/logbook 2009.pdf