

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**HB 367 - SB 1385**

March 19, 2019

**SUMMARY OF ORIGINAL BILL:** Authorizes the Tennessee Wildlife Resource Agency (TWRA) to issue permanent sport combination hunting and fishing licenses to any Tennessee residents who are honorably discharged veterans, for a 10 dollar fee.

**FISCAL IMPACT OF ORIGINAL BILL:**

State Revenue – Net Impact – Not Significant/Wildlife Resources Fund

Increase State Expenditures – \$2,247,900/FY19-20/General Fund  
\$3,024,900/FY20-21 and Subsequent Years/  
General Fund

**SUMMARY OF AMENDMENT (006261):** Deletes all language after the enacting clause. Authorizes the Tennessee Wildlife Resource Agency (TWRA) to issue a sportsman package at a 50 percent discount and a general fishing package for an annual \$10 fee to any Tennessee residents who are honorably discharged veterans, pursuant to the receipt of a DD form 214 or an NGB Form 22, or from a reserve component as defined in 10 U.S.C. § 10101.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

State Revenue – Net Impact – Not Significant/Wildlife Resources Fund

Increase State Expenditures – \$1,228,800/General Fund

Assumptions for the bill as amended:

- According to the United States Department of Veterans Affairs (USDVA), there are approximately 470,390 veterans in Tennessee. Of that population, approximately 78.29 percent are honorably discharged.
- It is therefore estimated that 368,268 (470,390 veterans x 78.29%) honorably discharged veterans live in Tennessee.
- Statistics from the USDVA show that 116,490 veterans in Tennessee receive disability compensation. Veterans that are 100 percent disabled or 30 percent disabled from

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wartime efforts are currently eligible for discounted licenses in Tennessee pursuant to rules promulgated by the TWRA and Tenn. Code Ann. §70-2-104(a)(4)(B).

- It is assumed that 75 percent of these disabled veterans or 87,368 (116,490 x 75%), who are currently eligible for a discounted license, will not purchase a license under the proposed legislation. Therefore, 280,900 veterans (368,268 - 87,368) will be eligible for the discounted license proposed under this legislation.
- Furthermore, it is assumed that 25 percent of eligible veterans or 70,225 veterans (280,900 x 25%), will purchase a license as a direct result of the proposed legislation.
- According to the USDVA, approximately 45.19 percent of veterans are over the age of 65. It is therefore assumed that 31,735 veterans (70,225 x 0.4519) that will purchase the proposed license, are 65 years of age or older, and currently possess annual licenses.
- The average senior citizen buying an annual sportsman license or fishing license would spend less under the current senior citizen discounts and are therefore assumed to not participate in the discounts provided under this proposed legislation.
- The average hunter buying an annual combination license spends \$60.43 each year. The remaining 38,490 veterans (70,225 veterans utilizing - 31,735 senior veterans) are assumed to purchase the proposed licenses.
- Based on information provided by the TWRA, it is assumed that 32,717 (38,490 x 85%) will purchase the fishing package and that 5,774 (38,490 x 15%) will purchase the sportsman package.
- Currently, these veterans would be purchasing a Type 001 license for fishing, which costs \$33, and a Type 004 Sportsman license which costs \$166.
- The recurring decrease in revenue to the Wildlife Resources Fund (WRF) from the fishing license discount is estimated to be \$752,491 [(32,717 veterans x (\$33 - \$10))]; the recurring decrease in revenue to the WRF from the sportsman license discount is estimated to be \$476,355 [5,774 veterans x (\$165 x 50% discount)].
- The total recurring decrease in revenue to the WRF is estimated to be \$1,228,846 (\$752,491 + \$476,355).
- Tenn. Code Ann. § 70-2-104(f) requires the TWRA to be reimbursed for any lost revenue resulting from the issuance of a free or partially-discounted combination hunting and fishing license.
- Reimbursement in the full amount will be paid from the General Fund to WRF; the net impact to the WRF will be not significant.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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