License Simplification of Structure & Fees
Budget Challenges

Cost of doing business has increased since 2006

Examples:

• Helicopter Surveys - 43%
• Fuel for vehicles - 40%
• Fish prices
  ▪ Urban Stocking - Catfish 44%, Trout 11%
  ▪ Hatchery Production – 13%
• Mandated Employee Benefit Costs
  ▪ Insurance – 69%
  ▪ Retirement (PSPRS) – 92%
• Stagnant revenue stream
Game and Fish Fund

$ in thousands

Revenue
Expense

FY 2005
FY 2006
FY 2007
FY 2008
FY 2009
FY 2010
FY 2011
FY 2012
FY 2013
Current License Structure

Class A, General Fishing License
Class B, Four-month Fishing License
Class C, Five-day Fishing License
Class D, One-day Fishing License
Class E, Colorado River Only Fishing License
Class F, Combination Hunting and Fishing License
Class F, Combination Hunting and Fishing License Youth
Class F, Combination Hunting and Fishing License Honorary Scout
Class F, Combination Hunting and Fishing License Child
Class G, General Hunting License
Class G, General Hunting License Child
Class H, Three-day Hunting License
Resident Youth Group Two-day Fishing License
Class J, Resident Family Hunting License
• Primary adult
• Spouse
• Any child in the immediate family
Class K, Combination Resident Family Hunting and Fishing Licenses
• Primary adult
• Spouse
• Any child in the immediate family
Class I, Resident Family Fishing License:
• Primary Adult
• Spouse
• Any child in the immediate family
Class L, Super Conservation Fishing License
Class M, Super Conservation Hunting License
Class N, Combination Super Conservation Hunting and Fishing License
Urban Fishing License
November/December fishing license
Lifetime Licenses (all Classes)
Trout Stamp, CA, NV, UT Stamps
Kaibab 12-A Stamp
Two-pole
Migratory Bird (HIP) Stamp
Duck Stamp
Signed into Law May 7, 2013

- Simplification of license structure
- Allows the Commission/Department to operate like a business
  - The Department receives no state general tax dollars
- Provides Commission flexibility to adjust license, permit-tag structure and pricing to meet customer demand and market conditions
- Supported by 24 Sportsmen/Wildlife Conservation organizations
Checks & Balances

- Legislature retains budgetary oversight
- **Annual reporting requirements to Legislature**
- Commission authority to set license structure and fees “sunsets” in 2019
- **Financial Audit of AGFD by Jan 1, 2015**
- GF Fund can’t exceed 50% more than FY13 App.
License Structure/Fee History

- Prior to SB1223, the Commission could not change license structure
- The Commission was already authorized to raise fees up to the statutory maximum (cap)
- Fees have not been raised since 2007
- New structure/fees cannot be implemented before January 2014

New Structure and Fees will be based on:

- Value
- Customer input and feedback
- Commission decision

Simpler, Easier, Better Value
Commission Guidance
Conceptual Structure & Fees

License & Tag Considerations:

- Remove barriers for recruitment of new hunters/anglers
  - Simplified structure
  - Bundled privileges
  - Reduced costs for youth
- Maintain revenue & services
- Hunters/Anglers pay for wildlife conservation
  - Consider prior statutory fee caps
- Western State comparisons
## Public Input Process

<table>
<thead>
<tr>
<th>Initial concepts presented for Commission consideration</th>
<th>May 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public input gathered on concepts <em>(meetings, web, etc.)</em></td>
<td>May – June 2013</td>
</tr>
<tr>
<td>Commission reviews public input and approves draft structure/fees <em>(Rules)</em></td>
<td>June 2013</td>
</tr>
<tr>
<td>Public comment period on Draft structure/fees <em>(Rules)</em></td>
<td>June – July 2013</td>
</tr>
<tr>
<td>Commission reviews public input and approves Final structure/fees <em>(Rules)</em></td>
<td>Aug 2013</td>
</tr>
<tr>
<td>New license structure/fees implemented</td>
<td>Jan 1, 2014</td>
</tr>
</tbody>
</table>
Public Comments

- Premium, 34%
- Operational, 6%
- General cost, 7%
- Deer/Elk, 5%
- Specific License, 7%
- App Fee, 7%
- Simplify, 8%
- Misc, 15%
- 365, 5%
- Youth, 5%
- Lifetime, 1%
Public Input
License Structure

• General support for:
  ▪ simplifying license structure
  ▪ bundling/combining privileges
  ▪ youth fee reductions/youth combo
  ▪ 365 day license
• Some opposition over paying for unwanted privileges
• Some concern that license structure has been simplified but tag structure has not (Premium)
• Recognition that maintenance of funding is important
SUMMARIZED PUBLIC INPUT

- Support for 365 day license (survey 67% to 23%)
- Liked added value including added Community Fishing
- 60% to 22% liked bundling
- Some opposition over paying for unwanted privileges
- Survey indicates minimal buyer resistance

COMMISSION APPROVED PRIVILEGES AND FEE

- Valid for the taking of all aquatic wildlife
  - trout
  - commission designated “community waters”
- Up to 2 poles allowed
- Reciprocal use of Colorado River*
- Expires 1 year from date of purchase
- Fee: $37

* Stamps dependent upon agreements w/ CA and NV
**SUMMARIZED PUBLIC INPUT**

- General support of fee
- Some perception (e-mail comments) of lowering fees for NR

**COMMISSION APPROVED DRAFT PRIVILEGES AND FEE**

- Valid for the taking of all aquatic wildlife
  - trout
  - commission designated “community waters”
- Up to 2 poles allowed
- Reciprocal use of Colorado River*
- Expires 1 year from date of purchase
- Fee: $55

* Stamps dependent upon agreements w/ CA and NV
Colorado River & Lake Powell Stamps

- Amending Agreements with:
  - California
  - Nevada

Lake Powell:
- Proposing Utah residents be able to fish on AZ side of Lake Powell without additional stamp
- Negligible cost vs. revenue
SUMMARIZED PUBLIC INPUT

- Concern about subsidizing urban program with general fishing license
- Some feel Urban priced too high at conceptual fee amount
- Survey indicates:
  - Minor buyer resistance between $20-$22
  - Negligible buyer resistance between $22-$24
  - 68% potentially migrate to GF

COMMISSION APPROVED PRIVILEGES AND FEE

- Valid for taking all aquatic wildlife from Commission designated “community” waters
- Up to 2 poles allowed
- Expires 1 year from DOP
- Fee: $24
## Non-Resident Combo

### Summarized Public Input
- **Support for conceptual fee**
  - Support for added privileges (fishing)
  - License certification
- **Perception of decreasing NR combo fee**
  - Less than 500 sold
- **Survey indicates minimal buyer resistance on NR Hunt**
  - Didn’t account for added privileges (fishing)

### Commission Approved Privileges and Fee
- Valid for the taking of small and big game (applicable tags required)
- Valid for the taking of all aquatic wildlife
  - trout
  - commission designated “community waters”
- Up to 2 poles allowed
- Reciprocal use of Colorado River*
- Expires 1 year from date of purchase
- Fee: $160

*Dependent upon agreements w/ CA and NV*
<table>
<thead>
<tr>
<th>SUMMARIZED PUBLIC INPUT</th>
<th>COMMISSION APPROVED DRAFT PRIVILEGES AND FEE</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Support for fee &amp; value added</td>
<td>• Valid for the taking of small and big game (applicable tags required)</td>
</tr>
<tr>
<td>• Appreciation for added privileges</td>
<td>• Valid for the taking of all aquatic wildlife</td>
</tr>
<tr>
<td>• Survey indicates no buyer resistance at $57</td>
<td>• trout</td>
</tr>
<tr>
<td>• Comments: Raise to $60, no difference between $57 - $60</td>
<td>• commission designated “community waters”</td>
</tr>
<tr>
<td>• Concern over Draw issues</td>
<td>• Up to 2 poles allowed</td>
</tr>
<tr>
<td></td>
<td>• Reciprocal use of Colorado River*</td>
</tr>
<tr>
<td></td>
<td>• Expires 1 year from date of purchase</td>
</tr>
<tr>
<td></td>
<td>• Fee: $57</td>
</tr>
</tbody>
</table>

*Dependent upon agreements w/ CA and NV
SUMMARIZED PUBLIC INPUT

- Overwhelming support for simplification of definitions/structure
- Broad support for fee
- Varied Comments:
  - Fee too low - should be $10
  - 10-13 requirement
  - Lower age to 16
  - Raise age to 21
- “Gaming” bonus points
- NR Youth paying less than R Adults

COMMISSION APPROVED DRAFT PRIVILEGES AND FEE

- Youth ages 10-17
- Valid for the taking of small and big game (applicable tags required)
- Valid for the taking of all aquatic wildlife including from commission designated “community waters”
- Up to 2 poles allowed
- Expires 1 year from date of purchase
- Reciprocal use of Colorado River (CA/NV)
- Fee: $5
### Short Term R/NR Combo

<table>
<thead>
<tr>
<th>SUMMARIZED PUBLIC INPUT</th>
<th>COMMISSION APPROVED PRIVILEGES AND FEE</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Some concern that fee is too high for R/NR who are just fishing</td>
<td>• Valid for the taking of small game and all aquatic wildlife including:</td>
</tr>
<tr>
<td>• Varied suggestions on term of license</td>
<td>▪ Trout</td>
</tr>
<tr>
<td>• Few concerns over losing 3-day NR hunt</td>
<td>▪ commission designated “community waters”</td>
</tr>
<tr>
<td></td>
<td>• Valid for 1 day</td>
</tr>
<tr>
<td></td>
<td>• Resident Fee: $15</td>
</tr>
<tr>
<td></td>
<td>• Non-Resident Fee: $20</td>
</tr>
</tbody>
</table>
### Commission Approved License Structure and Fees

<table>
<thead>
<tr>
<th>License/stamp</th>
<th>Old Fee</th>
<th>Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fishing – R</td>
<td>23.50-65.00</td>
<td>$37</td>
</tr>
<tr>
<td>Fishing – NR</td>
<td>63.00-75.00</td>
<td>$55</td>
</tr>
<tr>
<td>Combination – R</td>
<td>54.00-84.50</td>
<td>$57</td>
</tr>
<tr>
<td>Combination – NR</td>
<td>225.75-256.25</td>
<td>$160</td>
</tr>
<tr>
<td>Youth Combo - R/NR</td>
<td>26.50</td>
<td>$5</td>
</tr>
<tr>
<td>1 Day Combo – R</td>
<td>16.25</td>
<td>$15</td>
</tr>
<tr>
<td>1 Day Combo – NR</td>
<td>17.25</td>
<td>$20</td>
</tr>
<tr>
<td>Community Fishing (Urban) – R/NR</td>
<td>18.50</td>
<td>$24</td>
</tr>
</tbody>
</table>
Future Items to Consider?

- “Frequent” discounts
- Temporary fee reductions; marketing
- Come Home to Fish/Hunt
- “Scratcher” licenses
- Other?
Questions?

www.azgfd.gov/licensesimplification