

Vermont Fish and Wildlife Department

2019 Fee Bill Proposal

Updated 4/8/2019



Background

Lifetime licenses provide an individual with a lifetime fishing, hunting, or combination license for a one-time fee. Additional licenses such as archery, turkey, muzzleloader, etc. must still be purchased. The Department sells lifetime licenses to individuals under the age of 66 and the fee for a license is based on the individual's age and the annual license price. The Department has sold these licenses since 1995 and as required by statute all receipts from sales are deposited in the Fish and Wildlife Trust Fund. The principal from lifetime licenses must remain in the trust for perpetuity and only the interest is available for Department operations.

2018 Lifetime License Sales

A total of 1,252 lifetime licenses were sold in 2018. Below is summary of those sales.

- 98% were sold to residents
- 96% were sold to the under age 1 cohort
- The most popular license was the under age 1, resident combination license, which accounted for 85% of license sales.
- An estimated 1 in 5 children under age 1 have a lifetime license.

2018 Activation of Lifetime Licenses

In 2016 the Department began requiring lifetime license holders to reprint licenses for each year of use. In 2018 a total of 5,263 lifetime license holders reprinted a license including 1,792 adults. The activation rate is 40-52% depending on the age groups included.

What is the proposed change?

- For individuals under the age of 1 the current multiplier is 6 times the annual license price, for ages 1-15 the multiplier is 16, for ages 16-24 the multiplier is 31, and for ages 25-65 the multiplier is 26. The Department's proposal is to increase the multiplier from 6 to 8 for the under 1 age group. Below is a list of the impacted license types and the pricing for current and proposed multipliers. All changes should have an effective date of January 1, 2020 to correspond to the license sale year.

Lifetime License Pricing for Under Age 1

License Type	Lifetime License Price at 6X (Current)	Lifetime License Price at 8X (Proposed)	Lifetime License Price at 8X (Adjusted for H.527)
Resident Fishing	\$156	\$208	\$224
Resident Hunting	\$156	\$208	\$224
Resident Combination	\$252	\$336	\$376
Non-Resident Fishing	\$312	\$416	\$432
Non-Resident Hunting	\$600	\$800	\$816
Non-Resident Combination	\$828	\$1,104	\$1,152

Why is the change proposed?

The lifetime license program should generate enough interest, through the investment of principle, to offset revenue loss from annual license sales. The three variables that determine the financial outlook for this program are the rate of return from investments, the activation rate for lifetime licenses, and the initial license price. The rate of return has decreased since 2005. The 10-year average return rate is 5.74%, the 5-year average rate is 5%, and the 3-year average rate is 4.4%. The average activation rate for lifetime licenses is 40% for individuals over age 7 and 52% for individuals over age 11. Increasing the multiplier from 6X the annual license price to 8X will reduce financial uncertainty. This is particularly important for the lifetime license program since it has long-term implications and problems cannot be corrected instantaneously. Based on a 4.4% return rate, if the multiplier remains at 6X the activation rate cannot exceed 25% and if the multiplier is increased to 8x then the activation rate cannot exceed 34%.

How do surrounding states administer lifetime license programs for their youngest age group?

State	Eligibility	Price for Resident Combination License
New Hampshire	Under the age of 1	\$304.50
New York	Under the age of 5	\$380.00
Massachusetts	Not offered	N/A
Maine	Under the age of 6	\$250.00
Connecticut	Not offered	N/A

Other Fee Changes

Under 10 App. V.S.A. §15a the Commissioner of the Vermont Fish and Wildlife Department can adopt and publish regulations for reasonable fees for the use of Department lands and set tuition for Green Mountain Conservation Camps. On January 1, 2020 the Department will increase Green Mountain Conservation Camp tuition from \$250 to \$275, the dining room rental fee at the Buck Lake Conservation Camp from \$50 to \$100 and meeting room rental fees from \$25 to 50.