Does this proposal mean fees will be raised?

This legislation will not change license structure or fees by itself, however, it will authorize the Commission to set the license structure and fees through a public process that is responsive to customer needs and current conditions. It is a tool that will allow increased flexibility to provide better products offering more value.

Currently, the Commission already has the authority to raise fees up to the fee ceiling established by the Legislature in 2007. **It is important to note that fees have not been raised since 2007**. When those fees were established, the Commission made a commitment to sportsmen not to raise fees again for five years. The Commission has exceeded that commitment despite having to navigate the challenges posed by the economic downturn of the past few years as well as the cumulative effect of inflation and increasing costs. Any new structure or fees would not be implemented before 2014.

Fees will likely change—some may be raised and some may be lowered, based on factors such as value, principles of the North American Model, customer input and feedback, and Commission direction.

What happens if the legislation does not pass?

If the legislation doesn't pass, the current complex license structure would remain in place and the Commission would not have the ability to respond to customer needs in a timely fashion. The Commission could still raise fees up to the statutory cap established by the Legislature in 2007 under its current authority.

How has the Department involved/informed the public on this proposal?

The Department deployed an extensive outreach campaign from October through December 2012 to inform the public and constituents regarding this proposal and to solicit feedback and support. This campaign included:

- Public meetings in Tucson, Flagstaff, Pinetop, Kingman, Yuma, Prescott and Phoenix (the Phoenix meeting was also webcast through the Department website).
- A dedicated web page (*www.azgfd.gov/LicenseSimplification*) that includes a copy of the proposed legislation, the presentation used during the public meetings, FAQs, other related information.
- A dedicated email address for comments and suggestions.
- Press releases announcing the public meetings and directing people to the web page.
- Meetings with several conservation groups to discuss the proposal.
- The Department will continue to update the web page, including information related to the status of the legislation.

More information is located at www.azgfd.gov/LicenseSimplification.

For more information, contact:

- Tony Guiles, Legislative Liaison
  (623) 236-7280
  aguiles@azgfd.gov
- Jorge Canaca
  Assistant Legislative Liaison
  (623) 236-7533
  jcanaca@azgfd.gov

Arizona Game and Fish Department
5000 W. Carefree Highway
Phoenix, AZ 85086
(602) 942-3000 • www.azgfd.gov

The Arizona Game and Fish Department prohibits discrimination on the basis of race, color, sex, national origin, age, or disability in its programs and activities. If anyone believes that they have been discriminated against in any of the AGFD's programs or activities, including employment practices, they may file a complaint with the Director's Office, 5000 W. Carefree Highway, Phoenix, AZ 85086, (602) 942-3000, or with the U.S. Fish and Wildlife Service, 4040 N. Fairfax Dr., Ste. 130, Arlington, VA 22203. Persons with a disability may request a reasonable accommodation or this document in an alternative format by contacting the Director's Office as listed above.

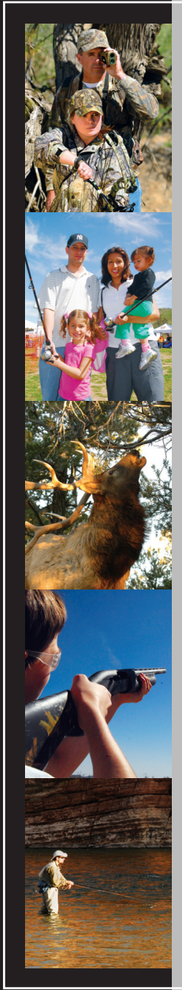
IERD 2/13

FACTS ABOUT SB 1223

Arizona Game and Fish Commission
License Simplification

SB 1223 is supported by:

- Arizona BASS Federation Nation
- Arizona Bowhunters Association
- Arizona Deer Association
- Arizona Desert Bighorn Sheep Society
- Arizona Elk Society
- Arizona Flycasters Club
- Arizona Outdoor Sports, Inc.
- Arizona Sportsmen for Wildlife Conservation
- The Bass Federation
- Desert Christian Archers
- Desert Fly Casters
- Mogollon Sporting Association
- Mohave Sportsman Club
- Mule Deer Foundation
- National Wild Turkey Federation AZ
- Northern Arizona Flycasters
- Safari Club International – AZ Chapter
- Sportsmen's Constituent Group
- Trout Unlimited – Gila Trout Chapter
- Trout Unlimited – Old Pueblo Chapter
- Trout Unlimited – Zane Grey Chapter
- White Mountain Fly Fishing Club
- Yuma Valley Rod and Gun Club



SB 1223 Overview:

Why:

- Customers have asked for a simpler license structure.
- The Arizona Game and Fish Department receives no general fund revenue. It operates like a business and needs the ability to react to market conditions.
- More flexibility in offering new products or pricing in response to changing conditions and customer needs.

If the legislation passes:

- A new license structure would be established through a customer-focused rulemaking process. The Commission and Department would still be under Legislative oversight.

Benefits:

- Opportunity to offer better products, increased value.
- More flexibility, better timeliness to be responsive to customers.
- Simpler, easier-to-understand license structure.
- Smaller, more efficient government.

The draft legislation is posted at www.azgfd.gov/LicenseSimplification.

The Arizona Game and Fish Commission is proposing legislation to allow the Commission to set future license structure and fees directly through a streamlined, customer-focused process as opposed to the existing complex legislative and rulemaking process.

For more information visit www.azgfd.gov/LicenseSimplification.

Q&A's

Why is this being proposed?

Customer feedback.

Customers have asked for a simpler license structure. The complexity of the current structure has been identified as a barrier to hunter and angler recruitment and retention.

Flexibility to respond to customer needs and changing market conditions.

The current process for changing license structure and fees is complex and time-consuming, and it prevents timely reaction to changing conditions or customer needs. Currently, the Arizona Game and Fish Commission needs legislative approval (i.e., passage of a bill) in order to revise the license structure. This is the case even if the Commission wanted to offer customers a simplified structure or discounted or incentive pricing. If the bill passes, the Commission then must go through a regular rulemaking process to implement the structure. All of this can take three years or more to complete.

Ability to operate more like a business.

Wildlife and fish resources—and their associated recreational opportunities—are important to Arizona and play an integral role in the state's economy. By law, the Arizona Game and Fish Commission and Arizona Game and Fish Department have the responsibility to manage these vital resources.

The Department receives no Arizona tax dollars (general fund) and, like a business, operates primarily with revenue it generates. For an agency to operate like a business, it must have the ability to react to changing conditions or customer needs in a timely manner.

If this legislation were to pass, what would be the new process to set license structure and fees?

License structure and fees would be established through a new customer-focused rulemaking process. It would not require passage of a bill through the Legislature, although the Commission and Department would still be under Legislative oversight (see "checks and balances" on next page).

The following processes would be followed depending on the scenario as listed below:

Scenario 1: For proposed temporary fee reductions (discounts/promotions):

- The proposed action would be on the agenda of a publicly noticed Commission meeting.
- The Commission would discuss the proposed action and provide direction to the Department in the public meeting, during which public input would be accepted.
- Upon Commission direction/approval, the Department would then inform the public of the fee reduction and timelines.

This would allow the Commission to respond to market conditions and allow implementation of temporarily discounted fees in a timely manner.

Scenario 2: For proposed new products, new fees, or fee increases:

- The proposed action would be on the agenda of a publicly noticed Commission meeting and public input would be accepted during the meeting.
- The Department would present its recommendations to the Commission, which would provide the Department with direction.
- Public outreach would follow the meeting, along with a minimum 30-day public comment period.
- After internal Department review of the public comments, the proposed action would be on the agenda of a second publicly noticed Commission meeting, and public input would be accepted up through the meeting.
- The Department would present its recommendations to the Commission, and the Commission would provide direction.
- Upon Commission approval and determination of the effective date, the Department would file final rules with the Secretary of State and inform the public of new products or fees.

The process for this scenario is estimated to take approximately six months.

What oversight or "checks and balances" would there be on the Commission?

This proposed legislation contains language that requires the Commission to submit an Annual Report to the Legislature regarding license structure and fees. In addition, the legislation requires the Joint Legislative Audit Committee to, every five years, assign a committee to hold a public hearing and review any changes made under this authority. In addition to the legislative requirements, other checks and balances include:

- This authority expires July 1, 2019, unless otherwise reauthorized through the Legislature.
- The Legislature may deny or grant statutory authority at any time.
- The Department is still subject to financial or performance audits as directed by the Legislature.
- The Legislature maintains the ability to approve, deny or modify spending authority for any agency.
- The Legislature established the Commission Appointment Recommendation Board, which provides another layer of checks and balances in regards to who the Governor appoints to the Commission.

What are the benefits of the proposed legislation?

There are a number of benefits to the proposed new process. They include:

Simpler, easier-to-understand license structure

- More than 40 license types that currently exist could be significantly decreased to reduce customer confusion.
- The 13 definitions for "youth" are reduced to one.

Better products, increased value

- A 365-day license could be offered rather than an annual license that is only valid for the calendar year.
- Licenses could include stamp privileges. For example, a fishing license might include a trout stamp, two-pole stamp, urban, and Colorado River stamp privileges all rolled into one license.
- Bundled privileges would help eliminate confusion customers may have regarding whether they possess the correct license.
- Products such as discounted licenses for youth, or unlimited one-day combo licenses, could be implemented more quickly and easily.

Flexibility

- The Commission could react more quickly in response to customer needs, marketing opportunities or biological factors. Examples may include reduced prices for large numbers of leftover tags or temporarily discounting license fees as incentives.
- The proposal would provide the Commission authority similar to that already provided to the Arizona State Land Department, Arizona Department of Water Resources, and the Arizona Department of Environmental Quality.

Hunter and angler input

- The proposal offers direct customer access and input opportunities with the five-member Game and Fish Commission.
- The Commission would have the ability to be more responsive to customer input in a timely manner.
- The proposal would involve one less layer of government in setting license structures and fees, with the Legislature still maintaining oversight of the Commission and Department.

Arizona receives huge economic benefit from hunting and fishing recreation. Hunters and anglers spend more than $1.4 billion each year on equipment and trip-related expenditures in the state.

Source: U.S. Fish and Wildlife Service, 2011 National Survey of Fishing, Hunting and Wildlife-Associated Recreation, preliminary state overview.

The draft legislation is posted at www.azgfd.gov/LicenseSimplification.