

Minutes of the Telephonic Meeting of the
Arizona Game and Fish Commission
Monday, March 4, 2013 – 1:00 p.m.
Arizona Game and Fish Department
5000 W. Carefree Highway
Phoenix, Arizona 85086

PRESENT: (Commission)

(Director's Staff)

Via telephone:
Chairman Jack F. Husted
Vice Chairman John W. Harris
Commissioner Robert E. Mansell
Commissioner Kurt R. Davis
Commissioner Edward "Pat" Madden

In person:
Deputy Director Gary R. Hovatter
Assistant Attorney General Linda Pollock

Via telephone:
Director Larry D. Voyles
Assistant Attorney General Jim Odenkirk

Chairman Husted called the meeting to order. Deputy Director Hovatter conducted roll call and confirmed that all Commissioners were present. There were no members of the public present. Several Department staff were present. This meeting followed an agenda dated March 1, 2013.

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1. Call to the Public

There were no requests from the public to speak.

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2. State and Federal Legislation

Presenter: Anthony Guiles, Legislative Liaison

Mr. Guiles briefed the Commission on SB1223, license classifications, fees. The Commission was provided with a Floor Amendment to SB1223 dated 03/01/2013 at 02:28 PM (attached). SB1223 has been held up in Committee because the Senate President has an issue with the bill.

Commissioner Davis explained that the issue was not with the opportunities or the direction of the bill, but with concerns about unbridled fee authority and that it needs to be in line with Prop 108 regarding how the Legislature deals with fee increases/tax increases. The Senate President, in conversations with Mr. Guiles and Commissioners Husted and Davis, suggested that the best way to proceed with this bill was to have some kind of cap on the fee structure. Discussions led to a type of umbrella cap (a total cap on all license and tag revenues), that the Department could operate under, yet maintain the flexibility to add or subtract product lines, new ideas, eliminate certain license classifications, create license classifications, etc. The Senate President was not concerned about the umbrella amount, but wanted to make sure that this is treated as a Prop 108, which requires a two-thirds vote of both Houses.

The Commission discussed what percentage increase the cap should be, ranging from 20% to 50%. The Department's rates on licenses are dynamically set by the market and what its constituents are willing to pay, making the cap somewhat meaningless. No Commissioner is going to want to double the license fees – it would not be sellable and Department constituents would never approve. At the same time, there are new potential products of significant value that drive revenues and the Commission needs to have maximum flexibility in revenue production. The Commission discussed that the 50% cap would provide the maximum flexibility for new products.

Motion: Davis moved and Madden seconded THAT THE COMMISSION VOTE TO SUPPORT THE ATTACHED AMENDMENT WITH THE 50% CAP ON THE GAME AND FISH FUND AND THE PROP 108 PROVISION.

Vote: Unanimous

Commissioner Davis stated that he and Mr. Guiles included the Watercraft Fund in their discussions because it is part of the same statutory construct. The Watercraft Fund is different because new products are more limited in opportunity; however, there may be product lines related to Watercraft that we don't know about yet, and so we don't want to close that door.

The Commission discussed what the cap amount should be on the Watercraft Fund.

Mr. Guiles added that a 30% cap would only bring the Watercraft Fund to what it was before the recession hit.

Motion: Madden moved and Davis seconded THAT THE COMMISSION VOTE TO SUPPORT THE ATTACHED AMENDMENT WITH THE 50% CAP ON THE WATERCRAFT FUND.

Vote: Unanimous

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Motion: Madden moved and Mansell seconded THAT THE COMMISSION VOTE TO ADJOURN THIS MEETING.

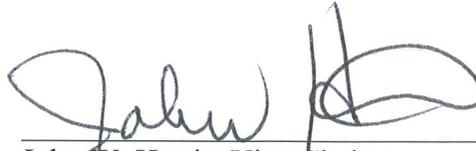
Vote: Unanimous

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Meeting adjourned at 1:30 p.m.

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Jack F. Husted, Chairman



John W. Harris, Vice Chair



Robert E. Mansell, Member



Kurt R. Davis, Member



Edward "Pat" Madden, Member

ATTEST:



Larry D. Voyles
Secretary and Director

PIERCE FLOOR AMENDMENT
SENATE AMENDMENTS TO S.B. 1223
(Reference to printed bill)

1 Page 4, between lines 34 and 35, insert:

2 "Sec. 4. Title 5, chapter 3, article 3, Arizona Revised Statutes, is
3 amended by adding section 5-328, to read:

4 5-328. Fee limitation

5 THE DEPARTMENT MAY ESTABLISH FEES PURSUANT TO SECTIONS 5-321, 5-322 AND
6 5-327, BUT THE TOTAL AMOUNT OF FEES COLLECTED IN ANY FISCAL YEAR MAY NOT
7 EXCEED ____ PER CENT OF THE AMOUNT APPROPRIATED FROM THE WATERCRAFT LICENSING
8 FUND FOR FISCAL YEAR 2012-2013."

9 Renumber to conform

10 Page 11, between lines 37 and 38, insert:

11 "Sec. 14. Title 17, chapter 3, article 2, Arizona Revised Statutes, is
12 amended by adding a new section 17-333.01, to read:

13 17-333.01. Fee limitation

14 THE DEPARTMENT MAY ESTABLISH FEES PURSUANT TO THIS ARTICLE, BUT THE
15 TOTAL AMOUNT OF FEES COLLECTED IN ANY FISCAL YEAR MAY NOT EXCEED ____ PER
16 CENT OF THE AMOUNT APPROPRIATED FROM THE GAME AND FISH FUND FOR FISCAL YEAR
17 2012-2013."

18 Renumber to conform

19 Page 18, line 21, after "5-321" insert ", 5-322"

20 Line 22, strike "section"

21 Line 23, strike "17-333" insert "title 17, chapter 3, article 2"; strike "added"
22 insert "amended"

23 After line 45, insert:

24	"8. Registration transfer fee	\$ 4.00
25	9. Duplicate certificate of number or annual decal	\$ 2.00
26	10. Registration expiration penalty	\$15.00

1 11. Dealer or manufacturer demonstration watercraft
2 certificate of number and annual decal \$ 2.50"

3 Page 19, after line 24, insert:

4 "Sec. 29 Requirements for enactment: two-thirds vote

5 Pursuant to article IX, section 22, Constitution of Arizona, this act
6 is effective only on the affirmative vote of at least two-thirds of the
7 members of each house of the legislature and is effective immediately on the
8 signature of the governor or, if the governor vetoes this act, on the
9 subsequent affirmative vote of at least three-fourths of the members of each
10 house of the legislature."

11 Amend title to conform

1223sp.doc
03/01/2013
02:28 PM
C: ld