

FISCAL NOTE
Requested by Legislative Council
01/14/2019

Bill/Resolution No.: HB 1357

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$0		\$0
Expenditures				\$10,000		\$0
Appropriations				\$10,000		\$0

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill amends one section of the NDCC relating to eligibility for gratis licenses to hunt moose.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The proposed bill would allow a landowner who has previously received a moose license the ability to apply annually and would necessitate the Department to create a bonus point system for these individuals, as we currently do for elk landowners who are allowed to apply every year. The language would also allow for a previously successful landowner to now enter the general moose lottery pool.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Unknown. We do not know how many landowners will apply for this option. The general lottery has a nonrefundable application fee of \$5.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Expenditures are estimated at \$10K for one-time IT programming costs to create a bonus point system and make necessary eligibility changes for moose gratis.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

Operating line would be increased by \$10K for estimated one-time IT programming costs.

Name: Kim Kary

Agency: ND Game & Fish Dept

Telephone: 328-6605

Date Prepared: 01/18/2019

2019 HOUSE ENERGY AND NATURAL RESOURCES COMMITTEE

HB 1357

2019 HOUSE STANDING COMMITTEE MINUTES

Energy and Natural Resources Committee Coteau A Room, State Capitol

HB 1357
1/31/2019
31864

- Subcommittee
 Conference Committee

Committee Clerk	Kathleen Davis
-----------------	----------------

Explanation or reason for introduction of bill/resolution:

Relating to eligibility for gratis licenses to hunt moose

Minutes:

Attachment 1,2

Chairman Porter opened the hearing on HB 1357.

Rep. Craig Johnson, Dist.6: Presented Attachment 1.

Rep. Lefor: Your attachment says, "annual application for gratis license". How much land do you have to own to get that and what percentage of people apply?
Percentage that apply get it?

Johnson: minimum of 150 acres either owned or lease to apply for gratis tag. G&F said 92 applications for gratis and of those 16 got a tag.

Rep Bosch: It says will allow members of a corporation. So a corporation can have many members, is that every member of the corporation or one per corporation get to apply for a tag?

Johnson: That's just one member of the corporation.

Chairman Porter: Is it your intention that it's once in a lifetime or once per member per season for that corporation?

Johnson: The way it's worded I believe once per season. If there's a member within the entity that wants to keep applying every year, that would be up to the entities who gets to reapply every year.

Chairman Porter: So the entity is allowed the opportunity for a license so it's no longer a once in a lifetime, the entity is allowed the opportunity and any member inside the entity can apply and reapply for that license.

Johnson: That would be my understanding.

Matt Lovitt, Renville and Ward County, farmer: In the last 5 years the moose have started to over populate the fields. I raise corn and we've had 25-40 moose in these fields. The moose don't walk down roads or between rows, they walk right over the crop and damage and substantial economic loss. In the last year I had 8 different locations hunters took their pickups and drag out their moose. Landowners are more considerate than the hunters. I'm losing a lot of money with the damage these animals cause out there and their population is increasing. 1 in 4 draw to get a tag. We are stewards of the land, and I love wildlife, but moose are a problem. I went up in a plane one day and we had 45 deer in a 3-mile area. Our 10,000-acre farm is like a refuge to these moose.

Chairman Porter: If we're looking at allowing individuals to have more than one permit based on land ownership, should the subsequent permits come after everyone else in a particular unit has been drawn or should they get right back in the pool and be the lucky one and have ongoing licenses?

Lovitt: There's not that many people that have the moose population we have, because of the corn. They offer 15-20 permits and there's approximately 85 applicants for that gratis, not a huge pool of people, maybe a 1 in 4 odds. I think we should be able to get back in, just like a deer permit.

Chairman Porter: You made a comment about reducing herd size and the only way to do that is to shoot a cow. Should subsequent tags be cow only?

Lovitt: No, the bulls are destructive too. When they fight they leave a 100' circle of damage.

John Adams, presented Attachment 2. I also have land in 3 moose units, 9, 10, and 11. I'm in favor to mirror the deer gratis license. It seems to be worded that once one family member gets a tag, that no one else can apply for it on our property again. Address the eligibility of the spouse or dependents. We have 15 miles of tree rows in about 1800 acres in M10, and the moose prefer to be in there and damage trees. I have a wireless camera out there in the trees and this morning there were 7 bulls out there, as well as cows, they're very destructive. By nature, they're browsers. How does that affect the rest of the licenses? 87 applicants last year in M10. In my opinion you could give everybody a gratis moose license.

Rep. Keiser: One of the things we try to do in the Legislature is think of unanticipated consequences of legislation. You're a landowner that may want to acquire adjacent land if it were to become available. North of Lemon, SD is prime pheasant hunting country. One of the unanticipated consequences that has occurred, there are extremely wealthy people with big money come in and bought land, post it. They have eliminated the opportunity for adjacent property owners who have been waiting for years to buy land. If you pass this bill and those people come in and buy up this land, they don't care what it costs, don't you worry that will happen here? If you pass this bill, that could happen here. There will be people who would like to shoot a moose every year and they don't care what the land costs. It will create a disadvantage for farmers and ranchers to expand their operation.

Adams: I get it, this is different, I don't see people buying it for just hunting. This is farmland.

Rep. Keiser: I agree with that but the irony is they will maximize planting to produce pheasants or moose to shoot.

Adams: Natural habitat draws them anyway. The question on property values. I don't see it. With the ability to get a gratis license every year, more landowners might do food plots, to get them there. It's only going to benefit the whole state. We're going to have more moose.

Rep. Zubke: I'm not clear if you post your land currently or not. If we approved this would you be willing to open your land up to other hunters in spite of the fact sometimes it gets dicey?

Adams: We historically have not posted in M10. But with the increase in moose and some unfortunate incidents where people are shooting moose in fields without asking if they can go into an unharvested field, we do post it all now. The last years we do post it all now because I've learned in the law we can't even get a moose license ourselves. Currently we do post it all now. I will continue to post because of the damage those hunters do. As far as allowing the public, open? No. Shooting a moose is a big deal. If you don't have a tractor, you don't have permission to get in to a field, you're going to cause a lot of destruction.

Chairman Porter: There isn't anything inside of a limited liability partnership that makes the members also be actively farming or ranching. So the loophole this creates is that you own 51% of the limited liability partnership; every year you sell off 1% to me, and then I can apply for the tag, and you sell 1% to someone else and there are minority ownership situations that would allow a person to kind of steal gratis moose permits the way this is currently written. How do we firm that up so that doesn't happen?

Adams: The way it's written for gratis deer it's essentially that. In deer you can have as many members in that partnership. The wording to help that is one license per entity. I don't see it being a problem. We're not taking an opportunity away from anybody else.

Chairman Porter: Deer is not once in a lifetime. Rather than buy up the land, all I need to do is buy into the partnership and then you are picking and choosing who gets a moose license and potentially benefit financially. How do we close that loophole if we open it up to that level?

Adams: You could maybe address the actively farm and ranch aspect. Right now you either own it or actively farm or lease it. You could lease and actively farm and ranch and qualify as it is the owner has precedence on the once in a lifetime tag. That's a loophole that exists right now I don't think anyone knows about.

Chairman Porter: I think plenty know about it.
Further testimony in support of HB 1357? Opposition? Closed the hearing.

2019 HOUSE SUBCOMMITTEE MINUTES
Energy and Natural Resources Subcommittee

32473
2/8/2019

HB 1357

Committee Clerk, Kathleen Davis

Meeting location: Coteau A Room, State Capitol

Date of meeting: 2/8/2019 10:30 PM

Members present: Chairman Anderson, Rep. Marschall, Rep. Mitskog

Others present:

Scott Peterson, ND G&F
Terry Steinwand, ND G&F

Topics discussed:

1. Kill HB 1357, move any desired language to HB 1246
2. Kill HB 1430, move any desired language to HB 1246
3. **HB 1246**
 - Allow elk gratis to be corporations, partnerships, etc. All new.
 - Add new language from Subsection 8 to Subsection 9 of 20.1.-03-11.
 - Add language to say only one application may be submitted, deer, moose, elk, e.g., i.a. “is eligible to submit one application” instead of “apply for a license”
 - Add Damschen amendment and change to “active member”

Time of Adjournment 11:20 am

Explanation or reason for introduction of bill/resolution:
HB 1357 relating to eligibility for gratis licenses to hunt moose

2019 HOUSE STANDING COMMITTEE MINUTES

Energy and Natural Resources Committee Coteau A Room, State Capitol

HB 1357
2/14/2019
32726

- Subcommittee
 Conference Committee

Committee Clerk, Kathleen Davis

Explanation or reason for introduction of bill/resolution:

Relating to eligibility for gratis licenses to hunt moose

Minutes:

Chairman Porter: called the hearing to order on HB 1357.

Rep. Anderson: moved a Do Not Pass on HB 1357.

Rep. Keiser: Second.

Chairman Porter: we have a motion and a second for a Do Not Pass on HB 1357. Is there Discussion?

14 yes 0 no 0 absent. Motion carried. Rep. Anderson is carrier.

Date: 2-14-19
 Roll Call Vote #: 1

**2019 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 1357**

House Energy and Natural Resources Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Anderson Seconded By Keiser

Representatives	Yes	No	Representatives	Yes	No
Chairman Porter	✓		Rep. Lefor	✓	
Vice Chairman Damschen	✓		Rep. Marschall	✓	
Rep. Anderson	✓		Rep. Roers Jones	✓	
Rep Bosch	✓		Rep. Ruby	✓	
Rep. Devlin	✓		Rep. Zubke	✓	
Rep. Heinert	✓				
Rep. Keiser	✓		Rep. Mitskog	✓	
			Rep. Eidson	✓	

Total (Yes) 14 No 0

Absent 0

Floor Assignment Rep Anderson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1357: Energy and Natural Resources Committee (Rep. Porter, Chairman)
recommends **DO NOT PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).
HB 1357 was placed on the Eleventh order on the calendar.

2019 TESTIMONY

HB 1357

NORTH DAKOTA HOUSE OF REPRESENTATIVES



STATE CAPITOL
600 EAST BOULEVARD
BISMARCK, ND 58505-0360

Representative Craig A. Johnson

District 6
8080 17th Avenue NW
Maxbass, ND 58760-9769

R: 701-362-7528
C: 701-263-1712
craigjohnson@nd.gov

COMMITTEES:
Industry, Business and Labor
Government and Veterans Affairs

Jan 31, 2019

Good morning Chairman Porter and members of the House Energy and Natural Resources committee.

My name is Craig Johnson and I am a representative from District 6. I am here to introduce House Bill 1357 which relates to gratis licenses to hunt moose. The current law only allows individuals to apply for gratis licenses to hunt moose. This bill will allow members of a corporation, LLC, LLP, partnership, trust or life estate to apply for a gratis license to hunt moose.

The other change that this bill makes is to go from a once in a lifetime license to an annual application for a gratis license. There is a perception that allowing the farmers and landowners to apply for a moose license every year is not fair to the other people that apply for the once in a lifetime tag. I say that is just a perception because making this change does not affect the number of licenses available nor does it reduce the odds of anyone to be drawn for the once in a lifetime tag. If fairness is an issue I ask if it is fair to have the farmers and landowners provide the shelter belts of trees and field crops that the moose use for shelter and food? Think of this bill as rewarding the farmers and landowners for being good stewards of the land and the wildlife

Thank you for your time and consideration.

Craig Johnson
District 6 Representative

December 26, 2018

John R. Adams
6634 Kingswood Road
Bismarck, ND 58503
701 471 9180
Singlebarrelranch@hotmail.com

North Dakota Representative Todd Porter
Chairman-Energy and Natural Resources

Re: Unit M10 Gratis Moose Licenses

Dear Representative Porter,

Over the last decade, Canadian moose have made their home and flourished in Northwestern ND. This has been largely due to changing farming practices and shorter maturity corn being highly successfully grown in Northern North Dakota. North Dakota moose licenses have vastly increased during this time. My family farm and ranch are both in NW North Dakota and we have seen an unbelievable increase in the moose population on our property. My family has always been both farmers and conservationists. My grandfathers planted miles of trees, my father, with tradition, planted miles of trees and I, along, with my kids continue to do so. We plant various food plots to help the wildlife through the winters. The history of hunting has ran in my family for many years. We enjoy hunting where we can, but more specifically on our own land to see the fruits of generations and conservation labor implemented by all of us. Over the last decade, we have had many moose on our property all year long because of our farming and conservation practices. I can visit there any given day and find moose. We hold all age classes of bulls and cows year round. Moose live, eat and breed on our property. As I write this, this morning we have had at least a dozen moose on our property. My family and I enjoy seeing the moose thriving but that comes at a cost to the crops and some of our conservation efforts. Moose love to eat soybeans when they are green but quickly move into the corn as it ripens. The incredible amount of damage just one moose can do in a corn field is implausible, not to mention 10 or more! As the corn harvest comes to a close, many more moose move onto our property. We winter up to several dozen moose every year now. Our land in Western Bottineau County contains many tree plantings that we have established over the last 85 years. We continue to replace old plantings as some planted in the 1930s are dying. The moose are by nature browsers and do a lot of damage to small trees and shrubs as well.

With this all being said, last spring I applied for and received a Gratis moose license on our land we own in a Family Partnership in moose unit M10. I was excited to say the least! About a month after the draw results came out, I received the tag in the mail. Soon after, I was contacted by North Dakota Game and Fish licensing personnel and told that my gratis moose license had to be voided as I didn't qualify for a

Gratis Moose license. I contacted Bob Timian, Enforcement Division Chief for NDGF. Mr. Timian explained that the current wording of the ND Century Code for Moose gratis only applies to individually owned land and currently excludes land owned in a Trust, Life Estate, Family Partnership, LLLP or Corporation from obtaining a gratis moose license. This wording was removed from the ND Century Code in a past legislative session for Gratis Deer licenses as follows:

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. *Subsection 3 of section 20.1-03-11 of the North Dakota Century Code is amended and reenacted as follows:*

3. An individual who is a resident, corporation, limited liability company, limited liability partnership, limited partnership, or partnership that has executed a lease for at least one hundred sixty acres [64.75 hectares] of land and that actively farms or ranches that land or an individual, corporation, limited liability company, limited liability partnership, limited partnership, or partnership that holds title to at least one hundred sixty acres [64.75 hectares] of land is eligible to apply for a license to hunt deer without charge, or if that entity is a nonresident upon payment of the fee requirement for a nonresident big game license, upon filing a signed application describing that land. If the license is issued to a corporation, limited liability company, limited liability partnership, limited partnership, or partnership, only one license may be issued and the license must be issued in the name of an individual shareholder, member, or partner.

Landowners in North Dakota wanting to apply for a Gratis Deer license were being discriminated against previously if they held title using any of these ownership types. It was brought to the Legislature in a previous session and the ND Century code was amended to allow these owners to apply for and receive a Gratis Deer license.

I would encourage you to introduce a bill this session to remove old wording and add this wording as it applies for Gratis Deer to be the same for Gratis Moose. I would also like to ensure that my spouse and dependent children would also qualify. I agree with current legislation that only allows for 1 gratis license per year per owner or entity, but this should not exclude a spouse or dependent children from qualifying.

It was also brought to my attention by Bob Timian, from NDGF, that the wording was also never addressed for Gratis Pronghorn licenses. My family and I do not own any land that qualifies for Gratis Pronghorn, but I would encourage you to introduce a bill for Pronghorn Gratis at the same time for the benefit of those landowners currently being discriminated against by how they hold title to the land.

My next concern is regarding that currently the Gratis Moose license is considered a "Once in a lifetime tag" for landowners. The moose population has exploded and like I addressed above, our land continually produces and holds a large number of moose each year. Gratis elk tags in certain units were addressed in the past to allow landowners to apply again after receiving a gratis elk license. Gratis elk tags were also addressed in past legislation to allow landowners in certain units to apply for and receive a Gratis Elk tag every year and/or transfer that eligibility to their spouse or dependents. Please introduce legislation similar to N.N.C.C. 20.1-03-11(7) which addressed similar issues for landowners in Elk Unit E4. I am asking that you also introduce a bill that would allow individuals, corporation, limited liability company, limited liability partnership, limited partnership, or partnership that holds title to at least one

hundred sixty acres [64.75 hectares] of land is eligible to apply for a license to hunt moose every year without charge in Moose UNIT M10.

I would be happy to discuss further in more detail. I can provide maps, pictures and or give a tour of our land to show the numbers of moose it holds.

Sincerely,

John R. Adams