



Fiscal Note for Proposed Wildlife Management Rule Amendments

Rule Amendments: 15A NCAC 10B .0113 Big Game Harvest Reporting

Agency Contact: Carrie Ruhlman
Policy Development Manager
NC Wildlife Resources Commission
1751 Varsity Drive, Raleigh, NC
919-707-0011
Carrie.ruhlman@ncwildlife.org

Impact: State Government: Yes
Local Government: No
Private Impact: Yes
Substantial Economic Impact: No

Authority: G.S. 113-134; 113-270.3; 113-276.1; 113-291;

BACKGROUND

The wildlife resources of the State belong to the people of the State as a whole, including the enjoyment of these resources (G.S. § 113-131(a)). The Wildlife Resources Commission (WRC) is tasked with the conservation of wildlife resources of the State (G.S. § 143-239). This responsibility includes managing, as equitably as possible, the various competing interests regarding these resources, including the use and take of such resources (G.S. § 113-131.1(a)). The statutes governing wildlife resources are found in Chapter 113, Subchapter IV of the General Statutes, and WRC has been granted rulemaking authority to implement the provisions of these statutes (G.S. § 113-134).

The WRC is required to implement a system of tagging and reporting big game (bear, wild turkey, and white tailed deer as defined in G.S. 113-129) harvests per G.S 113-276.1. The Commission has historically supplied paper “Big Game Harvest Report Cards” (BGHRC), to individuals to validate their big game harvest(s). These BGHRC are issued with four different annual licenses (sportsman, unified sportsman, comprehensive hunting, and non-resident big game hunting) and three lifetime licenses (unified sportsman, sportsman and comprehensive hunting). BGHRC are issued at the time of license purchase and depending on where the license was purchased, are either printed and mailed from the Commission through CES Mail Communications or printed at the Wildlife Service Agent (agent), official license and vessel agents of the WRC authorized to issue hunting licenses and other items authorized by the

Commission, location and handed to the individual at time of purchase.

The BGHRC is printed with the license, on 28lb, perforated punch-out ID card with void copy pantograph security paper. The Commission purchases the paper and envelopes for printing and mailing. Fulfillment is done through CES Mail Communications. Paper, printers, and toner is purchased for Wildlife Service Agents and shipped to those agents through CES Mail Communications.

Depending on when the annual licenses are issued, some hunters receive one BGHRC and others two BGHRCs per year. Lifetime license holders are sent a BGHRC annually from the Commission upon request.

Registration of harvested big game is required online or by calling an interactive voice response (IVR) toll-free number to obtain an authorization number. This number is then required to be recorded on the paper BGHRC and proves that the hunter is authorized to possess that animal.

15A NCAC 10B .0113 BIG GAME HARVEST REPORTING

The proposed amendments to this rule expand the recording and reporting process to include new technology the WRC is implementing as part of its transition to a third-party license vendor, that will allow hunters to validate, and register their big game harvests through the WRC's mobile app.

In addition to the new app reporting option, the Commission will no longer be providing a paper report card to all big game hunters, unless specifically requested either from the Commission or at an agent location. Licensed hunters will be emailed a printable pdf BGHRC and can access a pdf version in their account and through the app to print themselves if they don't wish to report electronically. If hunters want a paper BGHRC, the document can be requested from the Commission or an agent and will be printed on regular printer paper.

A summary of the proposed rule amendments with anticipated impacts is shown below. Proposed rule text is included in Appendix A.

Impacts & Benefits

State Costs

There are no anticipated costs to the state as a result of the proposed rule changes.

State Benefits

Proposed changes to this rule allow completely paperless reporting of big game harvests. While the agency does not expect that all hunters will use this new method, it is likely that a substantial percentage of the approximately 300,000 licensed hunters that receive a BGHRC annually will.

In FY22 the agency spent approximately \$526,834.31 on paper licenses. Thirty percent of those

licenses had the big game privilege and came with a BGHRC. If all 300,000 hunters use paperless big game harvest reporting methods, agency savings will be approximately \$158,050.29/year ($\$526,834.3 \times 0.30 = \$158,050.29$).

Approximately 47% of the total annual license costs are for Commission fulfillment through CES for paper, envelopes, labor, printing and mailing of licenses to hunters. Because the WRC will no longer be supplying a paper license or BGHRC to hunters, the agency is expecting to save approximately \$74,283.64 per year ($\$526,834.31 \times 0.47 = \$247,612.13 \times 0.30 = \$74,283.64$).

Approximately 53% of the total annual license costs are for agent supplies, including paper, printers, toner, and distribution (labor and mailing of supplies to agents). The discontinuance of paper BGHRCs will result in a cost savings of up to approximately \$83,766.66 per year ($\$526,834.31 \times 0.53 = \$279,222.18 \times 0.30 = \$83,766.66$).

Additionally, with the implementation of services from the third-party vendor, the agency will no longer host the IVR number for registering big game harvests. This service will be hosted by the vendor, saving the agency approximately \$38,000 per year.

Local Impact

There are no anticipated impacts to local government.

Private Costs

Because agents will no longer be required to print licenses or the BGHRC, the agency will not be supplying printers and toner. Of the 750 agent locations, approximately 300 of them currently have an agency-supplied printer. These 300 agents will be permitted to keep the printers; however, the agency will no longer supply the printer toner. Printer paper will still be supplied at no cost to all agents. We believe that the number of hunters that will visit one of the 750 agent locations across the state and request a paper BGHRC will be minimal. The individuals that may still go to an agent location are likely those who will go there to purchase a license and can get both the license and BGHRC printed at the same time if they wish. Thus, the agency believes that the cost of printing will be minimal.

A potential implication of fewer hunters using paper BGHRC is that agents may experience decreased license sales and associated decreased traffic to their business. Agents currently make \$2 for each license they sell, and as of 7/1/2023, they will receive \$4 for each license they sell. In FY22, approximately 173,993 licenses with BGHRCs were sold at agent locations resulting in a profit of \$347,896 collectively ($173,993 \text{ licenses} \times \$2/\text{license}$). Because hunters no longer need a paper license or report card, they may choose to not go to an agent to purchase their license. The agency doesn't know how many hunters will still purchase licenses at agent locations, but it is likely that a significant number of hunters will opt to purchase a license with BGHRC electronically. Assuming the total number of licenses with BGHRCs purchased in the future remains unchanged, and hunters no longer use agent to purchase those licenses, the maximum potential future revenue loss to agents would be \$695,972 ($173,993 \text{ licenses} \times \$4/\text{license}$). This potential future loss of revenue, if assumed to be spread evenly across approximately 750 agents,

equates a potential maximum annual revenue loss due to decreased license sales of approximately \$928 per agent. However, the agency does not believe that this will be the case and anticipates that many hunters will continue to use agents.

Additionally, if license sales are a factor in driving foot traffic to agents' businesses, the decreased foot traffic of hunters in agent locations also has the potential to decrease business revenue. Unfortunately, the agency has no way to estimate that potential impact.

Because the benefits of revenue from license sales and the draw of business from license buyers is no longer as substantial, some agents may decide that they no longer want to be agents, thus reducing the options for hunters to have their licenses printed. However, because of the low cost associated with being an agent, along with the alternative options for license purchases, the agency does not believe that agents will stop offering this service, nor will the sparsity of agents be a barrier to participation.

Private Benefits

While the proposed changes may decrease use of agents, the third-party license vendor may benefit, as they collect a larger fee for online sales (\$1 at an agent vs. \$3 online). Thus, the increase of online license sales with the big game privilege could shift up to \$347,986 (173,993 licenses x \$2 additional per license) from agents to the vendor. The agency anticipates that some hunters will continue to use agents, so the total fees shifted to vendors is likely to be less than this estimated maximum.

The proposed changes also increase options for big game hunters to report their harvest. While there is no way of knowing how many hunters will use the app, allowing big game harvest reporting through a mobile app will provide a convenient option.

SUMMARY

Quantifiable Impacts

State

No quantifiable costs to the state were identified.

The following quantifiable benefits (cost savings) were identified for the proposed rule changes:

- \$74,283.64 per year for Commission fulfillment of license/BGHRC paper, envelopes, printing, postage and labor through CES
- \$83,766.66 per year on supplies (paper, printers, toner, and shipping costs) and labor for agents
- \$38,000 per year on IVR for 800-I-GOT-ONE

Total annual cost savings to the state are estimated at approximately \$185,050.30.

Local

There are no quantifiable impacts for local government.

Private

The following quantifiable maximum cost to agents was identified for the proposed rule changes:

- A maximum of \$695,972 per year in potential revenue loss collectively from the sale of licenses at 750 agent locations. Actual revenue loss to agents is likely to be less as the agency expects some hunters to continue purchasing their license at agent locations.

The following quantifiable maximum benefit to the vendor was identified for the proposed rule changes:

- Up to \$347,986 in potential revenue shifted from agents to the license vendor for online sale of licenses with the big game privilege. Actual revenue shifted to the vendor is likely to be less as the agency expects some hunters to continue to use agents.

Unquantifiable Impacts

State

There are no unquantifiable impacts to the State.

Local

There are no unquantifiable impacts to local government.

Private

The following unquantifiable costs were identified:

- Hunters will be able to request paper licenses and BGHRC at agent locations. Printers and toner will no longer be supplied by the agency. However, 350 agents have agency printers that they can continue to use.

The following unquantifiable benefits were identified:

- Allowing big game harvest reporting through a mobile app will provide a convenient option to hunters.

The following additional potential implications of the proposed rule changes include:

- Allowing big game harvest reporting through a mobile app may cause hunters to purchase their licenses electronically instead of at an agent. This could decrease traffic at agent locations, causing decreased revenue from sales to these hunters.

While some unquantifiable costs have been identified for private individuals, the Commission believes they will be minimal and that benefits to both the state and private entities outweigh those costs.

15A NCAC 10B .0113 ~~BIG GAME HARVEST REPORTS~~ REPORTING

(a) Definitions. The following definitions shall apply in this Rule:

- (1) "Authorization number" means the number or code issued by the ~~Electronic Big Game Reporting System~~ Commission upon completion of big game harvest registration, which shall serve as proof of registration and allow continued possession of the carcass.
- (2) "Big Game" means bear, wild turkey, and white-tailed deer, as defined in G.S. 113- 129.
- (3) "Big Game Harvest Report Card" means the non-transferrable physical or electronic reporting card supplied issued to the hunter an individual by the Commission as part of ~~the~~ their big game license, upon which ~~the successful hunter validates and records~~ they validate and record the authorization number for a big game harvest.
- (4) "DMAP" means Deer Management Assistance Program as defined in G.S. 113-291.2(e).
- (5) "Field Dress" means the bleeding or removal of the digestive, respiratory, and circulatory organs.
- ~~(5)(6)~~ "Validate" or "validation" means electronically recording a harvest or cutting or punching-out the day and month of the harvest occurred on the appropriate line of the Big Game Harvest Report Card or Bonus Antlerless Deer Harvest Report Card or by affixing a Commission-issued DMAP tag. Deer Management Assistance Program (DMAP) tag, as required by G.S. 113-291.2(e).
- ~~(6)(7)~~ "Register" or "Registration" means the process by which the big game harvest of big game is reported through the Electronic Big Game Reporting System to the Commission and an authorization number is issued. issued by the Commission.
- ~~(7)(8)~~ "Remote Area" means an area where access to the Electronic Big Game Reporting System cellular phone signal, internet access or the Mobile app is unavailable.
- ~~(8)(9)~~ "Site of kill" or "site of harvest" means the location that a person takes possession of harvested big game.
- ~~(9)(10)~~ "Successful hunter" means a person that has lawfully taken and reduced to possession a big game animal.
- (11) "Mobile app" means a unique Commission application that may be downloaded to a mobile device allowing successful hunters to validate and register a big game harvest.

(b) Any individual hunting big game animals, including license exempt individuals, shall have an electronic or paper version of the Big Game Harvest Report Card, Bonus Antlerless Deer Harvest Report Card, or DMAP tag pursuant to G.S. 113-291.2, on their person while hunting.

~~(c)~~ Validation. The A successful hunter shall validate the their Big Game Harvest Report Card or the Bonus Antlerless Deer Harvest Report Card or affix a Commission-issued DMAP tag before moving any big game from the site of kill. Deer harvested pursuant to the Deer Management Assistance Program (DMAP), that are not validated by the Big Game Harvest Report Card or the Bonus Antlerless Deer Harvest Report Card, shall be validated by affixing a Commission-issued DMAP tag.

~~(e)~~ (d) Field Dressing. Harvested big game may be field dressed at the site of kill or before registration. Further processing that obscures the identification of the harvested animal's species, age, or sex shall be prohibited without a valid authorization number.

~~(d)~~(e) Registration. Harvested big game shall be registered via ~~the Electronic Big Game Reporting System the Commission's mobile app, online at www.newwildlife.org or www.ncwildlife.org, by calling 1-800-446-8663, 1-800-446-8663, or as described in the DMAP license.~~ Harvested big game shall be registered before the animal is:

- (1) skinned; or
- (2) dismembered; or
- (3) left unattended by the successful hunter; or
- (4) placed in the possession of another person.

Harvested big game animals that are not skinned, dismembered, left unattended by the successful hunter, or placed in the possession of another person, shall be registered by 12pm noon the day following the harvest.

~~(e)~~(f) Registration in Remote Areas. Big game harvested in remote areas shall be registered by 12pm noon, the day after leaving the remote area. Notwithstanding the registration requirements in Paragraph ~~(d)~~ of this Rule, big game harvested in remote areas may:

- (1) be placed in the possession of another, provided that the person in possession of the big game has the successful hunter's name and date of kill on their person; and
- (2) be skinned and dismembered before registration, if the carcass cannot be transported intact.

~~(f)~~(g) Authorization number. Successful hunters using the paper Big Game Harvest Report Card or Bonus Antlerless Deer Harvest Report Card, the The authorization number shall be recorded in the space provided for the appropriate harvested big game animal. animal on the Big Game Harvest Report Card or on the Bonus Antlerless Deer Harvest

~~Report Card.~~ Successful hunters ~~validating a deer harvest by affixing using~~ a Commission-issued DMAP tag shall record and maintain the authorization number ~~upon registration as described in the DMAP license.~~

~~(g)~~(h) Unattended Harvests. Except as otherwise provided by rule or law, successful hunters that leave a harvested big game animal unattended or in the possession of another person shall identify the carcass by attaching the authorization number issued at the time of registration. Except as provided in Paragraph ~~(e)~~ (f) of this Rule, a person that takes possession of a big game animal from a successful hunter shall retain the authorization number of that animal.

~~(h) Exceptions. Requirements of this Rule shall not be applicable to special deer tags issued pursuant to G.S. 113-291.2(e).~~

~~(i) Any person hunting big game animals, including license exempt persons, shall have a valid Big Game Harvest Report Card, valid Bonus Antlerless Deer Harvest Report Card, or special tag pursuant to G.S. 113-291.2 in their possession. The Big Game Harvest Report Card or Bonus Antlerless Deer Harvest Report Card is part of the big game license and shall not be transferrable.~~

~~(j) Any persons who has requested a Big Game Harvest Report Card by phone or internet but has not yet received the Big Game Harvest Report Card by mail, shall validate the kill by affixing the harvest ID number provided by the Commission to the carcass and shall register in accordance with Paragraphs (d) or (e) of this Rule. The successful hunter shall retain all authorization numbers from reported harvests and shall transcribe those authorization numbers to the Big Game Harvest Report Card upon receipt of the card.~~

*History Note: Authority G.S. 113-134; 113-270.3; 113-276.1; 113-291;
Eff. February 1, 1976;
Amended Eff. July 1, 1998; July 1, 1997; July 1, 1995; July 1, 1994; July 1, 1993; July 1, 1989;
Temporary Amendment Eff. July 1, 1999;
Amended Eff. August 1, 2017; August 1, 2012; August 1, 2010; June 1, 2009; May 1, 2007; May 1,
2004; July 1, 2000;
Readopted Eff. August 1, 2020.*