§ 80.34 How does an agency calculate net revenue from a license?

The State fish and wildlife agency must calculate net revenue from a license by subtracting the per-license costs of issuing the license from the revenue generated by the license. Examples of costs of issuing licenses are vendors’ fees, automated license-system costs, licensing-unit personnel costs, and the costs of printing and distribution.

§ 80.35 What additional requirements apply to multiyear licenses?

The following additional requirements apply to multiyear licenses:

(a) A multiyear license may be valid for either a specific or indeterminate number of years, but it must be valid for at least 2 years.

(b) The agency must receive net revenue from a multiyear license that is in close approximation to the net revenue received for a single-year license providing similar privileges:

(1) Each year during the license period; or

(2) At the time of sale as if it were a single-payment annuity, which is an investment of the license fee that results in the agency receiving at least the minimum required net revenue for each year of the license period.

(c) An agency may spend a multiyear license fee as soon as the agency receives it as long as the fee provides the minimum required net revenue for the license period.

(d) The agency must count only the licenses that meet the minimum required net revenue for the license period based on:

(1) The duration of the license in the case of a multiyear license with a specified ending date; or

(2) Whether the license holder remains alive.

(e) The agency must obtain the Director’s approval of its proposed technique to decide how many multiyear-license holders remain alive in the certification period. Some examples of techniques are statistical sampling, life-expectancy tables, and mortality tables.

§ 80.36 May an agency count license holders in the annual certification if the agency receives funds from the State to cover their license fees?

If a State fish and wildlife agency receives funds from the State to cover fees for some license holders, the agency may count those license holders in the annual certification only under the following conditions:

(a) The State funds to cover license fees must come from a source other than hunting- and fishing-license revenue.

(b) The State must identify funds to cover license fees separately from other funds provided to the agency.

(c) The agency must receive at least the average amount of State-provided discretionary funds that it received for the administration of the State’s fish and wildlife agency during the State’s five previous fiscal years.

(1) State-provided discretionary funds are those from the State’s general fund that the State may increase or decrease if it chooses to do so.

(2) Some State-provided funds are from special taxes, trust funds, gifts, bequests, or other sources specifically dedicated to the support of the State fish and wildlife agency. These funds typically fluctuate annually due to interest rates, sales, or other factors. They are not discretionary funds for purposes of this part as long as the State does not take any action to reduce the amount available to its fish and wildlife agency.

(d) The agency must receive State funds that are at least equal to the fees charged for the single-year license providing similar privileges. If the State does not have a single-year license providing similar privileges, the Director must approve the fee paid by the State for those license holders.