Legislative Analysis



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SPORTSMEN AGAINST HUNGER PROGRAM

House Bill 4071 as enrolled Public Act 116 of 2005

Sponsor: Rep. Dave Hildenbrand

House Bill 4145 as enrolled Public Act 117 of 2005 Sponsor: Rep. Tory Rocca

House Committee: Conservation, Forestry, and Outdoor Recreation Senate Committee: Natural Resources and Environmental Affairs

Second Analysis (1-12-06)

BRIEF SUMMARY: The bills would allow hunters and fishers to donate \$1 to the Sportsmen Against Hunger Program when they apply for a license, beginning January 1, 2006. The donation would be in addition to the license fee. Beginning January 1, 2007, the Department of Natural Resources would use the fees to implement a program to distribute wild game to people in need; however, the department could contract with a nonprofit group to undertake the food distribution program.

FISCAL IMPACT: The apparent intent of the legislation is to generate through donations sufficient revenue to pay for the gathering, processing, and distribution of donated game. There would be an indeterminate fiscal impact on the Department of Natural Resources if sufficient revenue is not collected, and the department is expected to implement the program. There is no fiscal impact on local units of government.

THE APPARENT PROBLEM:

For 15 years the organization Michigan Sportsmen Against Hunger has been providing food to families in need by making contributions to local food banks, soup kitchens, Salvation Army community centers, and other charitable organizations. Since 2001, the nonprofit group has had 501(c)(3) status under the Internal Revenue Code. The program encourages Michigan hunters to donate venison and other game meat for use by hunger relief agencies. The program also accepts cash donations and other food, such as canned goods. (See Background Information below.)

To contribute wild game, a hunter takes it to one of 52 participating meat processors located throughout Michigan, and a voucher is assigned to the hunter's contribution. The processor prepares the meat (generally venison), freezes it, and local charities pick-up the frozen meat to feed hungry people in their community. During the 2003 hunting season, over 50,000 pounds of venison were distributed to charitable organizations in this manner.

According to committee testimony offered by the Michigan Wildlife Federation, other states operate similar programs: hunters in the State of Wisconsin contribute 500,000 pounds of meat annually, while those in Virginia contribute 300,000 pounds. Maryland began its program, called Farmers and Hunters Feeding the Hungry, in 1997. There, voluntary contributions totaled \$40,000 a year. Impressed by the program's success, the Maryland General Assembly enacted a law in 2002 to require that \$1 from the sale of each hunting license be used to support programs that process deer for needy people. According to the Maryland Department of Natural Resources, more than \$100,000 is raised annually.

Michigan has far more hunters than any of these states. In order to increase the size and effectiveness of Michigan's program, but keep it voluntary, legislation has been introduced to allow hunters to contribute \$1 when they buy their hunting or fishing license from the Department of Natural Resources.

THE CONTENT OF THE BILLS:

The bills would amend the Natural Resources and Environmental Protection Act (NREPA) to allow hunters and fishers to donate \$1 to the Sportsmen Against Hunger Program when they apply for a license. The donation would be in addition to the license fee, and the opportunity to donate would be available for license applications made beginning January 1, 2006. Beginning in January 2007, the Department of Natural Resources would use the fees to implement a program to distribute wild game to people in need.

The bills are tie-barred so that neither could become law unless both were enacted. A more detailed explanation of each bill follows.

<u>House Bill 4071</u> would amend Part 435—Hunting and Fishing Licensing—of the Natural Resources and Environmental Protection Act (MCL 324.4354a) to require the Department of Natural Resources (DNR), by January 1, 2007, to implement a Sportsmen Against Hunger Program in order to distribute wild game to people in need. The DNR would have to do the following:

- -- Collect donations of legally taken game that complied with state and federal game laws.
- -- Contract for the processing of the game.
- -- Distribute the processed game to food banks, soup kitchens, and other charitable organizations that provide meals or food to people free of charge.
- -- Promote the program through the license distribution system and other means.

The DNR could contract for the administration of the program by a tax-exempt non-profit organization that met criteria in the bill, if the department determined that doing so would be more efficient. Payments under the contract would have to be adequate to cover the organization's costs in administering the program (subject to a provision in House Bill 4145 that would prohibit the DNR from incurring costs in excess of available revenue in the Sportsmen Against Hunger Fund, a new fund that bill would create).

Before entering into a contract, the DNR would have to issue a request for proposals. If the request for proposals did not yield a bid that met the bill's requirements, the DNR would not be required to implement the program. Within 30 days, the department would have to report to the Senate and House committees with responsibility for hunting issues. The report would have to explain that no bids were received or specify why each bid received was unacceptable, and indicate whether the DNR intended to implement the program.

House Bill 4145 would amend Part 435—Hunting and Fishing Licensing—of the Natural Resources and Environmental Protection Act (MCL 324.43540c) to require the Department of Natural Resources (DNR) or its agent, when a person applied for a license under Part 435, to ask whether he or she would like to donate \$1 to the Sportsmen Against Hunger Program (proposed by House Bill 4071). If so, the DNR would have to collect the donation with the license fee. A person designated by the DNR to issue licenses could not receive a commission for the donation. These provisions would apply to license applications beginning January 1, 2006.

The bill would create the "Sportsmen Against Hunger Fund" and require the DNR to transfer donations to the state treasurer for deposit in the fund. The DNR could spend money in the fund, upon appropriation, only for one or both of the following:

- -- The costs of administering the fund, including the costs of collecting donations.
- -- The administration of the Sportsmen Against Hunger Program, including, if applicable, the costs of a contract with a nonprofit organization to administer the program.

The bill would prohibit the DNR from incurring costs described above in excess of the amount in the fund available to cover the costs.

BACKGROUND INFORMATION:

Sportsmen Against Hunger was founded by the Safari Club International, Michigan United Conservation Clubs, Ted Nugent United Sportsmen of America, Michigan Bowhunters Association, the United Methodist Men's Club, the Food Bank Council of Michigan, and the Michigan Department of Natural Resources. For further information, visit the group's website at http://www.sportsmenagainsthunger.org

ARGUMENTS:

For:

The money raised through the donations would support a worthy program. Now, a hunter who wants to make a donation can take wild game meat to a participating meat processor, and after the meat is frozen, local charitable organizations can use it at food kitchens in their communities. While the processing costs are typically borne by the donor, the Michigan Sportsmen Against Hunger does have a voucher program in place that pays processors about 60 cents per pound to offset their processing fee for whole deer donations. One of the biggest hurdles for the organization is funding, even though the

program is run entirely by volunteers. The donations collected by this bill can be used to offset some of the meat processing costs and, hopefully, further expand the program and provide more assistance to persons in need.

For:

The National Wildlife Federation says that virtually every national homeless, poverty, and hunger statistic in America is currently increasing, some by over 10 percent a year. They claim there are over 34 million Americans living below the poverty level, with more than 23 million seeking emergency hunger relief services. This represents almost 12 percent of Americans, and includes entire families classified as "working poor" and their children. Indeed, one in eight children under age 12 goes to bed hungry each night; and, over 13 million American children live in 'food insecure' households.

Over time inadequate food energy leads to cumulative, long-term learning deficits; lower academic achievement; higher rates of school failure, and mental impairment. The single most challenging item for emergency hunger relief organizations to obtain is meat source protein. The average deer donated in this program provides 200 meals, usually replacing peanut butter as the family's only potential protein source. This legislation is urgently needed in Michigan to combat huger.

Against:

A spokesman for Department of Natural Resources noted that although this program is very worthwhile and its volunteers are to be commended, feeding the hungry does not fall within the core mission of the department, as determined by the decision-making and prioritizing process recommended by legislative leaders known as the Price of Government, or POG. Further, a department spokesman points out that even if the department were to contract with the lowest bidder to have these services provided, the ultimate liability for the program's safety and success would rest with the State of Michigan. Currently hunting and fishing licenses are sold by a network of licensing agents—who are not department employees—at 1,600 different locations. It would be impossible for department officials to monitor agents for compliance. Finally, the spokesman asked, Is this the proper role of government—to solicit contributions for a private, nonprofit organization? If so, how can one reasonably turn down the appeals of other equally worthy organizations?

Response:

The state has already solicited funds for nonprofit groups. For example, the state has offered tax check-offs to solicit contributions to protect children and fund the Olympic training center. In addition, the state forwards alumni contributions to public universities through the sale of specialty fund-raiser license plates and passes on contributions from the sale of license plates to selected programs having a statewide purpose, such as lighthouse restoration and agricultural land preservation.

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[■] This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.