

# License Revenue History



## 25-YEAR HISTORY OF TRADITIONAL FUNDING SOURCES FOR WILDLIFE

Like many other states, Colorado Parks and Wildlife (CPW) relies primarily on license fees and Pitman-Robertson (PR) and Dingell-Johnson (DJ) excise taxes to fund wildlife agency operations. Together, these sources provide 78% of all wildlife revenue. Great Outdoors Colorado (a program funded by the Colorado Lottery) provides an additional 12% of wildlife revenue.

Over the past 25 years, CPW has gradually increased the number of licenses sold. Substantial increases in fishing licenses offset the decrease in hunting and combination licenses (Figure 1). The revenue we have accrued from licenses sales has increased fairly dramatically, from about \$45 million in 1990 to almost \$70 million today (Figure 2). However, when adjusted for inflation, the real value of our license revenue has declined over time. \$45 million in 1990 would have had the value of over \$140 million today. The main reason for this decline is periodic resident price increases that fail to keep up with inflation. Non-resident prices were tied to the Consumer Price Index (CPI) for the Denver-Boulder-Greeley area and increase (or decrease) annually with inflation.

Dingell-Johnson funds have been rising steadily over time, essentially keeping up with inflation. Pittman-Robertson funds have dramatically increased in recent years because of increased sales of both weapons and ammunition, which has allowed CPW to prevent more dramatic cuts. These funds are projected to decline to normal levels over the next two fiscal years.

In recent years, CPW has increased funds through price increases in non-resident elk tags, proposing changes to our refund policy, and offering fishing licenses with all non-resident big game licenses. Future increases in revenue will result either from a fee increase (preferably tied to CPI) or from increasing sales. As in other states, CPW has noticed the majority of our anglers do not purchase a license every year. Turning periodic anglers into consistent anglers could have a dramatic effect on our revenue, especially as interest in purchasing fishing products grows. As noted in the last update on license simplification, the agency is working on a new licensing system that will allow for better data collection on our users as well as track purchases. We also seek to simplify our license structure to provide more value in our products.

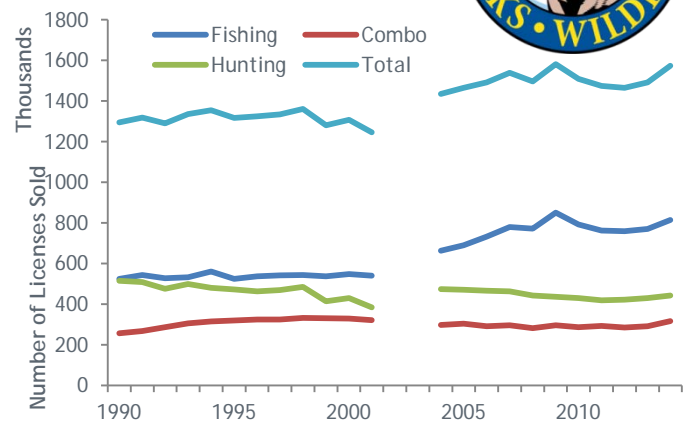


Figure 1. Total license sales 1990-2014.

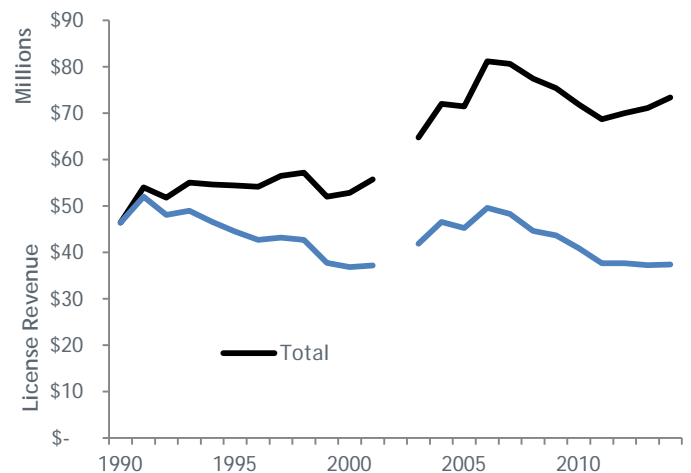


Figure 2. Total license revenue 1990-2014.

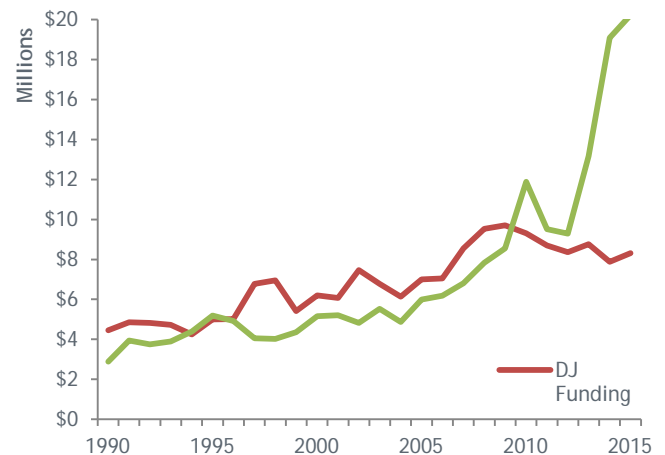


Figure 3. PR and DJ funds from 1990-2015.