

ISSUES SUBMITTAL FORM

Date: June 15, 2021

ISSUE: Should the Federal Duck Stamp price be included in Chapter W-0 and raised to cover CPW commissions and shipping costs and to contribute more funds towards the North American Waterfowl Conservation Act (NAWCA) Fall Flights Program?

DISCUSSION (FACTS AND FIGURES, EXPLANATION OF ISSUE):

The fulfillment of the Federal Duck Stamp price was increased this year by the Amplex Corporation by .50 to cover costs of their printing and mailing of the stamp. CPW has been losing money on the sale and issuing of the federal stamp for several years now.

Table 1. \$32 Federal Duck Stamp

Sales Location	If we charged:	USFWS Stamp Base Fee	Amplex Fulfillment	Contractor Commission (3.7%)	Credit Card Fee (2.2%)	Aspira Fulfillment (\$1.45)	External Commission (4.75%)	Total Fees	Amount Leftover after Fees	2020 Sales Volume by Location	Revenue before Fees	Projected Amount after Fees
Internet/Phone	\$32.00	\$25.00	\$2.00	\$1.18	\$0.70	\$1.45		\$30.33	\$1.67	10,135	\$324,320	\$16,925
External Agent	\$32.00	\$25.00	\$2.00	\$1.18			\$1.52	\$29.70	\$2.30	17,086	\$546,752	\$39,298
Internal	\$32.00	\$25.00	\$2.00	\$1.18				\$28.18	\$3.82	2,120	\$67,840	\$8,098
Totals										29,341	\$938,912	\$64,322

Table 2. \$31 Federal Duck Stamp

Sales Location	If we charged:	USFWS Stamp Base Fee	Amplex Fulfillment	Contractor Commission (3.7%)	Credit Card Fee (2.2%)	Aspira Fulfillment (\$1.45)	External Commission (4.75%)	Total Fees	Amount Leftover after Fees	2020 Sales Volume by Location	Revenue before Fees	Projected Amount after Fees
Internet/Phone	\$31.00	\$25.00	\$2.00	\$1.15	\$0.68	\$1.45		\$30.28	\$0.72	10,135	\$314,185	\$7,297
External Agent	\$31.00	\$25.00	\$2.00	\$1.15			\$1.47	\$29.62	\$1.38	17,086	\$529,666	\$23,579
Internal	\$31.00	\$25.00	\$2.00	\$1.15				\$28.15	\$2.85	2,120	\$65,720	\$6,042
Totals										29,341	\$909,571	\$36,918

Table 5. \$30 Duck Stamp

Sales Location	If we charged:	USFWS Stamp Base Fee	Amplex Fulfillment	Contractor Commission (3.7%)	Credit Card Fee (2.2%)	Aspira Fulfillment (\$1.45)	External Commission (4.75%)	Total Fees	Amount Leftover after Fees	2020 Sales Volume by Location	Revenue before Fees	Projected Amount after Fees
Internet/Phone	\$30.00	\$25.00	\$2.00	\$1.11	\$0.66	\$1.45		\$30.22	-\$0.22	10,135	\$304,050	-\$2,230
External Agent	\$30.00	\$25.00	\$2.00	\$1.11			\$1.43	\$29.54	\$0.46	17,086	\$512,580	\$7,860
Internal	\$30.00	\$25.00	\$2.00	\$1.11				\$28.11	\$1.89	2,120	\$63,600	\$4,007
Totals										29,341	\$880,230	\$9,637

\$30 is the minimum price that will cover the fee set by the U.S. Fish & Wildlife Service (\$25), and the additional fees imposed by Amplex (fulfillment entity - \$2), and other costs incurred by CPW (vendor and agent commissions, credit card fees, and our vendor fulfillment of TANs) - see different pricing scenarios in chart above. At \$30, we would continue to lose money for *online* sales (.22/stamp), but when you take into account the other methods of selling the stamp (e.g., external agents) we would net an estimated minimal profit of \$9,637 annually using 2020 sales numbers (until vendor fees go up). Averaging sales over the last three years, 65% of federal stamps were sold at external Division agents, 27% online or by phone through our vendor, and 8% at Parks or Division Offices.

While the \$30.00 price point will cover agency costs, we urge the Commission to consider raising the price a little more so that Colorado can contribute more funding towards the North American Waterfowl Conservation Act (NAWCA), which helps fund wetland and grassland projects under the umbrella of the North American Waterfowl Management Plan.

In 1991, 2005, and again in 2011, the Association of Fish and Wildlife Agencies passed resolutions and reaffirmed a goal for the State Fish and Wildlife Agencies collectively to contribute up to \$10 million annually through the Fall Flights program for waterfowl habitat

projects in Canada. These projects produce waterfowl enjoyed by hunters and wildlife watchers in the United States. These contributions are matched multiple times (by NGOs, the U.S. government, and entities in Canada) and by the time each state dollar reaches a project in Canada, it has been multiplied 4-5 times, a tremendous return on investment.

NAWCA has provided \$1.83 billion in federal grants and facilitated the conservation of over 30 million acres of wetlands and associated habitats in all 50 states, Canada, Mexico, Puerto Rico and the U.S. Virgin Islands by more than 6,350 partners that have invested over \$3.75 billion in matching funds. NAWCA requires that a minimum of 30 percent of appropriated funds be used outside the U.S., and further requires that U.S. federal funds sent to Canada through NAWCA be matched at least 1:1 by non-federal funds, of which at least 50 percent of the matching funds must originate from within the United States.

The collective investment of states in the Fall Flights program has ranged from \$3.6 to \$3.8 million over the past five years and is estimated to be approximately \$4 million in 2022. In other words, most states have consistently fallen below their goals (including Colorado), while the threats to these vital habitats in Canada continue.

The Canadian federal government in 2018 announced an investment of \$700 million (Canadian) in nature funding and in the fall of 2020, the Canadian government made a further commitment of \$2.3 billion (Canadian) in nature-based funding. Both these investments included major commitments to wetland conservation that can be used in combination with state investments as match for NAWCA projects.

Colorado's annual goal is currently \$162,344. We have contributed very little in the past. The General Assembly included in the Future Generations Act (Act) a doubling of the state duck stamp fee from \$5 to \$10. The Act also authorized up to 25% of the revenue collected to be available to contribute to NAWCA.

We estimate the 25% will amount to about \$100,000 annually, roughly \$60,000 below our goal. Earmarking the revenues from the sale of federal duck stamps at \$31 minus the cost of the stamp and CPW's vendor-related costs should net about \$37,000 per year, helping Colorado get closer to its goal.

The price of the Federal duck stamp has also not historically been included in Commission regulations as it is not technically a CPW product (it is a federal product). However, for transparency purposes and to ensure annual cost increases are tracked appropriately, we propose adding the stamp price to Chapter W-0, Appendix F regulations. However, the annual stamp will be available to customers beginning on July 1, 2021, which is before the regulation change can be approved and effective. Therefore, CPW will implement the stamp fee change administratively in advance of the regulation change becoming effective, to ensure that the annual stamp is being offered to all customers at the same price point beginning on July 1, 2021.

The following is the recommendation for the addition of the fee to Chapter W-0 - General Provisions, Appendix F:

Appendix F

(2) Special licenses License Fees

Scientific collecting license \$ 29.12
 Importation license \$ 78.01
 Field trial license \$ 23.92
 Commercial lake license \$ 208.03
 Private lake license \$ 14.56
 Commercial wildlife park license \$ 156.02
 Noncommercial park license \$ 29.12
 Wildlife sanctuary license \$ 156.02
 Zoological park license \$ 156.02

(3) The fee for each migratory waterfowl stamp is \$10.40.

*(4) The fee for each Federal Waterfowl Stamp is \$31.00. *The stamp is \$25.00, Amplex receives \$2.00 for the amount the state will owe for each stamp it sells to a customer, \$3.00 covers costs for credit card fees, commissions, and mailing costs. \$1.00 goes to NAWCA Fall Flights fundraising.*

~~(4)~~ (5) The nonrefundable application-processing fee for each limited license is \$7.00 for resident applications and \$9.00 for nonresident applications.

~~(5)~~ (6) Colorado State Wildlife Area passes.

STATE LAW REQUIRES CPW TO SOLICIT INPUT FROM STAKEHOLDERS THAT MAY BE AFFECTED POSITIVELY OR NEGATIVELY BY THE PROPOSED RULES. THE FOLLOWING STAKEHOLDERS HAVE BEEN ADVISED OF AND INVITED TO PROVIDE INPUT ON THE REGULATORY CHANGES PROPOSED IN THIS ISSUE PAPER:

***IT IS ASSUMED THAT ALL NECESSARY INTERNAL PARTIES HAVE BEEN NOTIFIED*.**

Duck hunters would be the primary group impacted by this proposed change. If hunters would like to avoid paying a higher price for the stamp, the stamp can also be purchased from other vendors at the \$25 price point including from many U.S. post offices or from the U.S. postal service online, many National Wildlife Refuges, and the American Birding Association.

A meeting was held with Ducks Unlimited to make them aware of the proposed price increase and where the additional funds would be spent.

ALTERNATIVES: (POSSIBLE OUTCOMES or POSSIBLE REGULATIONS):

1. Add the \$31.00 price of the Federal Duck Stamp to Appendix F in W-0. Adjust annually as necessary to cover future cost increases from the USFWS or Amplex, and annually increase with the CPI to help meet Colorado's fundraising goals towards the NAWCA Fall Flights program.
2. Status Quo, no change. Increase the fee administratively to cover costs, but do not include in regulation.

	Danielle Isenhart and Michael Lloyd	
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CC:	Danielle Isenhart	
APPROVED FOR FURTHER CONSIDERATION BY:	Danielle Isenhart	
REQUIRES NEW SPACE IN THE BROCHURE?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
ARE ADEQUATE STAFF AND FUNDING RESOURCES AVAILABLE TO IMPLEMENT?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	

REGION, BRANCH, OR SECTION LEADING IMPLEMENTATION	LICR
RECOMMENDED FOR CONSENT AGENDA?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

E-Duck Stamp Cost Survey

States	2020-21 Season Vendor	2020-21 Season Internet	2020-21 Season ALL	2021-22 Season Vendor	2021-22 Season Internet	2021-22 Season ALL
Colorado			\$25.00			\$31.00
Alabama			\$27.50			
Arkansas			\$28.50			
Florida			\$28.00			\$28.50
Georgia			\$29.00	\$30.00		
Idaho	\$28.25	\$32.70		\$28.75	\$33.22	
Iowa	\$28.50	\$31.78		\$29	\$32.29	
Louisiana			\$27.22	\$27.72		
Maryland	\$27.00	\$25.00				
Massachusetts			\$26.50	\$27.00		
Michigan			\$27.50			
Minnesota			\$27.50	\$28.00		
Mississippi			\$28.79			
Missouri			\$28.50			\$29.50
Nebraska			\$29.50			\$30.00
Nevada			\$27.00			
New Mexico			\$27.50	\$28.00		
North Carolina			\$26.50	\$27		
North Dakota	\$27.30	\$26.50		\$27.81	\$27	
Oklahoma	\$26.50	\$29.50		\$27.00	\$30.00	
Pennsylvania			\$28.40	\$28.97		
South Carolina			\$27.50			
South Dakota			\$25.00			
Tennessee			\$25.00			
Texas			\$28.50			
Virginia			\$27.50	\$28.00		
Wisconsin			\$28.00	\$28.50		
Wyoming			\$27.16			