

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

House Bill 1316 (Delegates McClenahan and W. Baker)

Environmental Matters

Natural Resources - Tidal Fish Licenses - Number of Authorizations

This bill requires the Department of Natural Resources (DNR) to adopt regulations that establish procedures for a person who holds a valid tidal fish license to relinquish the person's existing license and be issued a new license in another category (except a fishing guide authorization or unlimited tidal fish authorization). Licenses relinquished will be retired and will reduce the cap on the number of licenses available in the category of the relinquished license. New licenses issued must increase the number of licenses available in the category of the new license.

Fiscal Summary

State Effect: General fund expenditure increase of \$10,400 in FY 2001 only to upgrade DNR's information network system and application forms. To the extent that license fees for relinquished and new licenses vary, the bill could affect special fund finances.

Local Effect: None.

Small Business Effect: Potential meaningful.

Analysis

Current Law: DNR must issue a tidal fish license authorizing participation in a particular fishing activity to a person who has completed the requirements of an apprenticeship. DNR by regulation must set targets for the number of tidal fish license authorizations to be the number issued between September 1, 1998, and March 31, 1999. DNR by regulation may modify the target number of authorizations based on specified recommendations and factors. DNR by regulation must limit the total number of authorizations to fish for striped bass to

1,231 participants in the commercial fishery and 499 participants in the charter boat fishery. DNR must provide in its regulations for reallocation of any authorizations that may be revoked or voluntarily relinquished to DNR. There are several categories of tidal fish license authorizations and associated license fees. License fees are paid into the Fisheries Research and Development Fund.

Background: As of March 1999, DNR had issued 8,662 tidal fish licenses. Chapters 418 and 419 of 1998 (SB 679 and HB 1260) established an apprenticeship program to provide a mechanism for individuals to enter the commercial fishery after acquiring practical experience relating to commercial fishing activities. To date, DNR has issued 184 permits to participate in the apprenticeship program. DNR advises that 525 people are on the waiting list for the apprenticeship program.

State Fiscal Effect: General fund expenditures would increase by an estimated \$10,400 in fiscal 2001 only. This estimate includes \$10,000 for DNR to upgrade its existing consumer-oriented information network system and \$400 to update the annual tidal fish application renewal forms to include transfer provisions. DNR could handle any increased workload related to transfers with existing resources.

To the extent that individuals take advantage of the bill's flexibility relating to relinquishing and obtaining new tidal fish licenses, the bill could result in a net increase in special fund revenues or a net increase in special fund expenditures. License fees range from \$37.50 to \$250. It is assumed that any difference between fees for relinquished and new licenses would be paid by the licensee (if the new fee is greater than the fee for the relinquished license) or reimbursed by DNR to the licensee (if the new fee is less than the fee for the relinquished license). Legislative Services advises, however, that because the number and types of licenses that would be involved cannot be predicted, a reliable estimate of any net effect cannot be made at this time. Because the total number of authorizations would be adjusted to reflect any changes between categories, however, the bill would not affect the total number of authorizations issued.

Small Business Effect: To the extent that a tidal fish licensee takes advantage of the bill's flexibility, it would have a positive impact if the licensee transfers to a fishery that is more profitable than the current fishery. Because the bill does not limit the number of times a licensee could transfer categories, a licensee could do so as often as it desires. Depending on the difference between the relinquished and new license fees, a licensee would either be required to pay the difference in the fees or would be reimbursed the difference by DNR.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Natural Resources, Department of Legislative Services

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