

Department of Legislative Services
 Maryland General Assembly
 2007 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 1012

(Senator Astle)

Education, Health, and Environmental Affairs

Environmental Matters

Natural Resources - Fishery Management Reform Act

This bill increases the license fees for resident and nonresident nontidal angler’s licenses and sport fishing licenses. The bill also authorizes the Governor to include in the budget bill each fiscal year, beginning with fiscal 2009, general fund appropriations for the State Fisheries Management and Protection Fund and the Fisheries Research and Development Fund. The bill also establishes a Task Force on Fishery Management.

The bill takes effect July 1, 2007 and terminates June 30, 2010.

Fiscal Summary

State Effect: Special fund revenue increase of \$2.3 million in FY 2008 and \$2.2 million in FY 2009 and 2010 due to fee increases; special fund revenues would increase further in FY 2009 and 2010 to the extent general funds are provided. Potential increase in general fund expenditures in FY 2009 and 2010. Minimal increase in special fund expenditures to support the work of the task force and its related peer review panel.

(in dollars)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
SF Revenue	\$2,296,100	\$2,243,600	\$2,199,000	\$0	\$0
GF Expenditure	0	-	-	0	0
SF Expenditure	-	-	-	0	0
Net Effect	\$2,296,100	\$2,243,600	\$2,199,000	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: Minimal or none.

Analysis

Bill Summary: License fees are increased as shown in **Exhibit 1**.

Exhibit 1 License Fees under Current Law and SB 1012

<u>License</u>		<u>Fee (Current Law)</u>	<u>Fee (SB 1012)</u>
Nontidal Angler's License	Resident	\$10.50	\$20.50
	Nonresident	\$20.50	\$30.50
Sport Fishing License	Resident	\$9.00	\$15.00
	Nonresident	\$14.00	\$15.00
	Non-Charter Boat	\$40.00	\$50.00

The Task Force on Fishery Management must oversee a full review of current fishery management processes and develop recommendations for methods to improve, modernize, and streamline fishery management. A report of the findings and recommendations of the task force must be submitted to the Governor and the General Assembly on or before December 1, 2008. The Department of Natural Resources (DNR) has to staff the task force.

The bill states the intention of the General Assembly that DNR manage specified fisheries to optimize the yield of fishery resources for the benefit of all citizens of the State. Finally, the bill states that the General Assembly urges DNR to recognize and abide by a specified provision of current law that requires DNR to consult with stakeholders through the Sports Fisheries Advisory Commission before spending the proceeds from fishing license fees.

Current Law: Under current law, revenue generated from the sale of angler's licenses is deposited into the Fisheries Management and Protection Fund and used only for the scientific investigation, protection, propagation, and management of nontidal finfish. Revenue generated from the sale of Chesapeake Bay sport fishing licenses is deposited into the Fisheries Research and Development Fund to be used for the replenishment,

protection, and conservation of fish stocks caught by recreational anglers; enhancement of recreational fishing opportunities; and research regarding tidal fishery resources.

Background: DNR advises that current license fees do not accurately reflect fisheries management costs. According to DNR, the revenue generated under the bill would likely be used for additional positions to support existing fisheries management programs. In general, fees for recreational fishing licenses have not been substantively increased in Maryland in over a decade.

State Fiscal Effect: The bill's fee increases could generate an additional \$2.3 million in special fund revenues in fiscal 2008 and approximately \$2.2 million in both fiscal 2009 and 2010. These estimates are based on the number of licenses sold in 2006. Based on information provided by DNR, the estimates assume that the number of nontidal angler's licenses and non-charter boat sport fishing licenses issued remains the same, but that the number of resident and nonresident sport fishing licenses issued decreases by 15% annually.

The bill authorizes the Governor, beginning with fiscal 2009, to include an appropriation in the budget bill for the affected special funds. Accordingly, general fund expenditures could increase beginning in fiscal 2009 to the extent funds are provided as a result of the bill, but any such increase cannot be predicted at this time. Special fund revenues would further increase correspondingly.

Special fund expenditures could increase minimally from fiscal 2008 through 2010 to support the work of the task force and the related peer review panel.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 22, 2007
mll/ljm Revised - Senate Third Reader - April 5, 2007

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