

Department of Legislative Services
 Maryland General Assembly
 2007 Session

FISCAL AND POLICY NOTE
 Revised

House Bill 1158 (Chair, Environmental Matters Committee)
 (By Request – Departmental – Natural Resources)
 Environmental Matters Education, Health, and Environmental Affairs

Shellfish Dealers - Licensure

This departmental bill requires a person to obtain a license from the Department of Natural Resources (DNR) in order to buy, sell, ship, transport, or otherwise deal in shellfish. Specified exceptions apply, including when a person is otherwise licensed by DNR to catch finfish or shellfish for sale or catches and sells shellfish defined as bait. DNR must adopt regulations to define the species that are included as shellfish under the bill as well as those shellfish that are considered bait.

The bill takes effect July 1, 2007.

Fiscal Summary

State Effect: Special fund revenues could increase by at least \$5,400 annually due to collection of additional license fees. No effect on expenditures.

(in dollars)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
SF Revenue	\$5,400	\$5,400	\$5,400	\$5,400	\$5,400
Expenditure	\$0	\$0	\$0	\$0	\$0
Net Effect	\$5,400	\$5,400	\$5,400	\$5,400	\$5,400

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

Local Effect: None.

Small Business Effect: DNR has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Current Law: With certain exceptions, a person must be licensed by DNR to buy, sell, ship, transport, or otherwise deal in finfish. A \$150 fee applies to certain licensees who land fish caught in out-of-state tidal waters.

A person licensed by DNR to catch a fish resource, or in the business of packing or dealing in any fish resource within DNR's jurisdiction, must make any report the department requires.

Background: DNR advises that federally permitted harvesters of certain types of shellfish such as conch, whelk, and scallops from federal waters (3 to 200 miles offshore) are not required to report the catch or the landing of the shellfish in Maryland to the department. The bill's change would require these harvesters to obtain a license to land (sell) the shellfish in Maryland. Requiring these harvesters to be licensed would help DNR in developing harvest statistics for these species for resource and economic forecasting as well as developing consistent regulations with neighboring states.

State Revenues: Special fund revenues could increase by at least \$5,400 annually due to the issuance of seafood landing licenses to federally permitted shellfish harvesters.

While the species included under "shellfish" would be determined by regulations, DNR advises species such as scallops, conch, and whelk would likely be included. According to DNR, approximately 36 individuals landed scallops in Maryland in 2006, based on discussions with shellfish dealers in Maryland. DNR advises that, while it is unlikely, some of these individuals may be otherwise licensed and excepted from the bill's license requirement.

According to DNR, the same license would apply to persons landing shellfish as currently applies to persons licensed to land finfish. Thus, the annual fee applicable to the license would be \$150. Assuming 36 individuals who are not already licensed to land finfish or shellfish, and are not otherwise covered by an exemption, would land scallops in Maryland each year, special fund revenues would increase by at least \$5,400 annually due to the bill's requirement that those individuals be licensed by DNR. Additional license revenue could be collected from currently unlicensed individuals that land other species that DNR includes by regulation as "shellfish."

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 12, 2007
ncs/ljm Revised - Enrolled Bill - May 7, 2007

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