

Department of Legislative Services
 Maryland General Assembly
 2009 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 168 (Chair, Education, Health, and Environmental Affairs
 Committee)(By Request - Departmental - Natural Resources)
 Education, Health, and Environmental Affairs Environmental Matters

Department of Natural Resources - Crabs - Public Process

This departmental bill modifies procedures for issuing public notices on blue crab regulations. The bill requires two public hearings, one in Southern Maryland and one on the Eastern Shore, prior to adoption of a final regulation. Notice of a public hearing on crab regulations must be advertised in specified newspapers once a week for two consecutive weeks.

The bill takes effect July 1, 2009.

Fiscal Summary

State Effect: Special fund expenditures decrease \$18,900 in FY 2010 and \$19,700 in FY 2014 due to the bill’s public hearing requirements. Revenues are not affected.

| (in dollars) | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 |
|----------------|----------|----------|----------|----------|----------|
| Revenues | \$0 | \$0 | \$0 | \$0 | \$0 |
| SF Expenditure | (18,900) | (19,100) | (19,300) | (19,500) | (19,700) |
| Net Effect | \$18,900 | \$19,100 | \$19,300 | \$19,500 | \$19,700 |

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: DNR has to hold a public hearing before crab regulations can be effective. The time, place, and purpose of the hearing must be advertised in a newspaper of general daily circulation in the State and in at least one newspaper circulated in the affected region of each affected county for two successive weeks in advance of the hearings. The law does not specify if the notice should be published daily or just once a week during that two-week period.

Background: The Task Force on Fishery Management was established by Chapter 217 of 2007 to review current fishery management processes and develop recommendations for improving, modernizing, and streamlining fishery management in Maryland. The task force is authorized to make legislative and regulatory recommendations to improve fishery management in Maryland at least through the General Assembly's 2010 legislative session. A report of the findings and recommendations of the task force was submitted to the Governor and the General Assembly in December 2008. This report outlines numerous recommendations addressing habitat preservation and restoration, stock monitoring and assessment, data management, fisheries management, alternative management, legal and regulatory updates, and fishery law enforcement. Among the recommendations are several that address ambiguous public process laws related to crabs and oysters. DNR has sought the Attorney General's advice on interpreting these public process provisions on numerous occasions. This bill is a direct result of the task force's recommendations.

State Expenditures: The number of crab regulatory proposals DNR issues annually varies from year to year. However, in fiscal 2008, DNR issued four crab regulatory proposals, each requiring \$5,600 in expenditures for a 14-day newspaper advertisement. DNR advises that two-day newspaper advertisements cost approximately \$800, \$4,800 less than currently required.

DNR typically holds only one public hearing in Annapolis for its annual "housekeeping" regulatory proposal, and two public hearings – one often being on the Eastern Shore – for all other crab proposals. Therefore, the bill requires DNR to coordinate one additional public hearing annually and shifts the location of some public hearings. While the cost of renting a room for public hearings varies greatly, this analysis assumes an additional \$300 is required annually for public hearing room rentals. Also, this analysis assumes DNR may absorb staffing costs associated with the additional public hearing.

Thus, assuming four crab regulatory proposals annually, the bill's two-day advertising requirement effectively decreases special fund expenditures by \$18,900 in fiscal 2010 and \$19,667 in fiscal 2014. This estimate reflects the offsetting additional hearing room rental costs. Future year expenditure estimates assume four crab regulatory proposals annually and are adjusted for inflation.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 15, 2009
mcp/ljm Revised - Senate Third Reader - April 6, 2009

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Department of Natural Resources – Shellfish – Regulatory Authority

BILL NUMBER: SB 168

PREPARED BY: Department of Natural Resources

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND
SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND
SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation will have no impact on small business in Maryland.