

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1024 (Delegate Mautz)
Environment and Transportation

Natural Resources - Crabbing Authorizations - Reciprocity

This bill prohibits the Department of Natural Resources (DNR) from issuing an authorization to catch crabs to a nonresident unless the state of residence of the nonresident (1) issues a like crabbing license or authorization and (2) makes the crabbing license or authorization available to Maryland residents. **The bill takes effect July 1, 2019.**

Fiscal Summary

State Effect: Special fund revenues decrease by up to \$50,200 annually beginning in FY 2020. Expenditures are not affected.

Local Effect: None.

Small Business Effect: Meaningful.

Analysis

Current Law: DNR uses a single, commercial license, known as a tidal fish license, which authorizes a licensee to engage in each activity indicated on the license. The department may issue authorizations for activities listed in statute, including crab harvesting, for which the indicated fee has been paid. DNR is authorized to set, by regulation, specified targets for the number of tidal fish license authorizations and may modify the target number of authorizations for specified reasons. The department must provide for reallocation of any authorizations that are revoked or voluntarily relinquished and, pursuant to DNR regulations, those authorizations are reallocated to individuals on the commercial waiting list maintained by the department.

DNR must assess an annual surcharge on a nonresident tidal fish license, in addition to the normal license fees, which must be the greater of (1) an amount equal to the difference between the total fees charged to a Maryland resident engaged in like fishing activities in the state of residence of the nonresident applicant and the total of normal license fees for fishing activities in Maryland or (2) \$450.

State Revenues: Special fund revenues decrease by up to \$50,200 annually beginning in fiscal 2020, due to the loss of nonresident surcharge revenues from nonresidents whose state of residence does not issue a like crabbing license or authorization or does not make a crabbing license or authorization available to Maryland residents.

DNR indicates that there were 100 crabbing authorizations issued to nonresidents for the 2018-2019 license year from nine different states (with the majority, 79, issued to Delaware and Pennsylvania residents). The minimum surcharge is \$450 and the maximum surcharge currently being applied is \$1,187, with \$50,200 total being collected from the surcharges. DNR indicates that (1) three of the nine states (Ohio, Pennsylvania, and West Virginia) do not allow nonresidents to commercially fish or do not have a crabbing license or authorization; (2) New Jersey has a limited entry program; and (3) the other states have crabbing licenses/authorizations, but it has not been confirmed whether they are available to Maryland residents.

Small Business Effect: The bill likely has a meaningful small business impact as a result of crabbing authorizations being relinquished by nonresidents and being reallocated to Maryland residents on the waiting list who will be able to harvest crabs under the authorizations.

Additional Information

Prior Introductions: HB 1547 of 2018 received an unfavorable report from the House Environment and Transportation Committee.

Cross File: None.

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

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sb/lgc

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