## **Legislative Analysis**



## COMMERCIAL FISHING STATUTE UPDATES

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

House Bill 4567 as introduced Sponsor: Rep. Jack O'Malley

Analysis available at http://www.legislature.mi.gov

House Bill 4568 as introduced Sponsor: Rep. Pauline Wendzel

House Bill 4569 as introduced Sponsor: Rep. Jim Lilly

**Committee: Natural Resources and Outdoor Recreation** 

**Complete to 6-10-19** 

## **SUMMARY:**

Collectively, House Bills 4567, 4568, and 4569 would amend Part 473 (Commercial Fishing) of the Natural Resources and Environmental Protection Act (NREPA) to clarify and reorganize many of its sections. The bills are all tie-barred to one another, which means that none of the bills could take effect unless all of the bills were enacted.

Briefly, the bills would do all of the following:

- Include definitions for many terms related to commercial fishing and wholesale and retail fish dealers. (Several of these terms are already defined and used in current law; the bills would move the definitions to a single section.)
- Provide a list of fish species authorized for commercial fishing.
- Exempt sport fishing from Part 473. (Sport fishing is regulated under Part 487 of NREPA.)
- Define the Department of Natural Resources (DNR) as the authority to issue rules, orders, and commercial fishing permits and license conditions.
- Provide clarity and uniformity on the enforcement standards to be applied to commercial fishing operations in all Michigan waters.
- Allow the DNR to take commercially caught fish for scientific investigation and require compensation for any fish taken for those purposes.
- Allow the DNR to establish regulations and time tables regarding nets and other fishing gear.
- Require commercial fishers to provide GPS coordinates to the DNR of nets and gear deployed in the Great Lakes and to resubmit coordinates each time the nets and gear are moved.
- Require lost or vandalized commercial fishing gear to be reported to the DNR and prohibit abandoned or unattended gear.
- Require the DNR to conduct a bycatch study at least once every three years in at least
  three active commercial fisheries and use the results of those studies to adjust harvest
  quotas, allowable gear, and other license conditions.

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- Create a new flat-fee license structure for both commercial and wholesale licensing, with incremental increases through the year 2041.
- Update fines and other penalties for violations listed in Part 473, including the following:
  - o Increase penalties from up to 30 days of jail time or a \$25 to \$100 fine, or both, for violating Part 473 to up to 90 days of jail time or a \$500 to \$5,000 fine, or both, plus prosecution costs. The new penalties would also apply to violation of a commercial fishing license, permit, administrative rule, or fisheries order.
  - Provide an automatic and mandatory license suspension or revocation for any person found guilty of three misdemeanor violations or administrative rules, orders, or license conditions.
- Provide restitution to the Game and Fish Protection Account for commercial resource violations of \$5 per fish for small commercial fish and \$10 per fish for small game fish.
- Create a Commercial Fishing Advisory Committee, consisting of nine members who would represent various interests within the commercial fishing industry, wholesale fish dealers, charter boat captains, and the sport fishing community.

Finally, the bills would effectively rescind or suspend several administrative rules pertaining to commercial fishing.

MCL 324.47301 et al.

## **FISCAL IMPACT:**

House Bills 4567, 4568, and 4569 are likely to have varied fiscal impacts on the DNR. The bills would make process changes to commercial fishing licenses and wholesale fish dealer licenses which are likely to increase administrative costs, specifically in the course of promulgating new administrative rules as provided by the bills. House Bill 4568 requires new reporting costs through a departmental study of bycatch in at least three commercial fisheries every three years.

The department estimates an increase in annual license revenue from \$9,000 under current law to \$70,000 under the reformed fee structure included in HB 4569. This bill also provides for the state to be reimbursed for the illegal taking of fish by commercial anglers and crediting reimbursements to the Game and Fish Protection Fund, which receives revenue from the sale of hunting and fishing licenses. In FY 2017-18 the fund received \$77.9 million in revenue and carried forward a balance of \$3.6 million into FY 2018-19. The bills are unlikely to affect costs or revenues for local units of government.

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<sup>■</sup> This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.