

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 112

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

Education, Health, and Environmental Affairs

Environment and Transportation

Natural Resources - Tidal Fish Licenses

This departmental bill modifies the commercial license requirements to catch crabs of the genus *Cancer*, by adding crabs of the genus *Cancer* to the conch, turtles, and lobster authorization available to tidal fish (commercial) licensees. The bill also repeals a restriction on when a beneficiary form (indicating who a license or authorization is to be transferred to on the death of the licensee) can be submitted.

Fiscal Summary

State Effect: The bill does not materially affect State finances.

Local Effect: None.

Small Business Effect: The Department of Natural Resources (DNR) has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment.

Analysis

Current Law/Background:

Commercial Fishing License and Authorizations

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 fees paid by the licensee

are based on the authorizations issued to the licensee, pursuant to a statutory fee schedule which establishes the various authorizations and associated fees.

Crabs of the Genus Cancer

Jonah crabs are the only type of crab of the genus *Cancer* that DNR currently regulates. DNR requires a person to have a crab authorization to harvest Jonah crabs, in addition to any other authorization(s) the person needs for other fisheries or gear they are participating in or using; alternatively, a person may simply hold an unlimited tidal fish license, which authorizes generally all commercial fishing activity. Jonah crabs are typically harvested as bycatch (ancillary or incidental harvest when targeting other fisheries) by those authorized to harvest conch, turtles, and lobster (whether through an independent conch, turtles, and lobster authorization or as part of an unlimited tidal fish license). The bill's change provides those harvesters with the flexibility of not having to retain a crab authorization (which is clarified under the bill to be applicable specifically to blue crabs) to harvest the Jonah crabs, if the harvester does not otherwise want or need to retain a crab authorization.

Designation of Beneficiary

Pursuant to statute, if a licensee dies, DNR reviews, and may approve, the permanent transfer of a license or authorization to the person indicated on the beneficiary form that was submitted by the deceased licensee *at the time of the license's issuance*. The personal representative of the estate of the deceased licensee may retain the license or authorization for up to two years and arrange for a transfer to a qualified individual if (1) the deceased licensee did not indicate a license beneficiary; (2) DNR determines that the license beneficiary is not qualified to receive the license or authorization; or (3) the license beneficiary does not accept the license or authorization.

DNR indicates that it occasionally receives requests to change a beneficiary designation at times other than the time of annual license issuance/renewal and the bill's change allows for those beneficiary changes to be made throughout the year.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - January 12, 2018
nb/lgc Third Reader - January 24, 2018

Analysis by: Scott D. Kennedy

Direct Inquiries to:
(410) 946-5510
(301) 970-5510

ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: **Tidal Fish License – Cancer Crab Authorization and Beneficiary Designation**

BILL NUMBER: SB 112

PREPARED BY: Sarah Widman

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 bill offers greater business flexibility to commercial watermen. It is indeterminable how and to what extent the flexibility in adding or changing a commercial license beneficiary would benefit commercial fishing licensees.

By adding crabs of the genus *Cancer* to the conch, turtle, lobster license, it is possible that some licensees may save money in not having to purchase additional licenses for harvesting certain types of crabs falling under this genus. The extent to which this benefit will be realized is indeterminable because it is not known how many current licensees hold multiple authorizations in order to harvest crabs of the genus *Cancer* that would be able to continue their harvest practices while holding only one authorization under the provisions of this bill.