

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

Senate Bill 7

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

Education, Health, and Environmental Affairs

Environment and Transportation

Natural Resources – Regulation and Use of Commercial Finfish Gear

This departmental bill repeals the June 30, 2019 termination provision of Chapter 86 of 2016, making the Act permanent. The bill also establishes a commercial blue and flathead catfish finfish trotline license and authorizes the Department of Natural Resources (DNR) to adopt regulations to authorize the use of a monofilament gill net to catch fish. **The bill takes effect June 1, 2019, and the provisions governing the new license terminate June 30, 2022.**

Fiscal Summary

State Effect: The bill is not expected to materially affect State finances. Fee revenues from the newly established license are expected to be relatively minimal.

Local Effect: None.

Small Business Effect: DNR has determined that this bill has minimal or no impact on small business (attached). (The attached assessment does not reflect amendments to the bill.) The Department of Legislative Services advises that the enrolled version of the bill is expected to have a meaningful impact on small business, as discussed below.

Analysis

Bill Summary: The bill makes permanent Chapter 86, which generally (1) authorizes the Secretary of Natural Resources to adopt regulations to define and govern the use of finfish trotlines as a type of commercial fishing gear and (2) authorizes the use of more than

two hooks or two sets of hooks for each rod or line when using a finfish trotline. The bill also authorizes DNR to adopt regulations to authorize the use of a monofilament gill net to catch fish.

The bill establishes a commercial blue and flathead catfish finfish trotline license, which authorizes the holder to catch for sale blue and flathead catfish in the tidal waters of the State using a finfish trotline, as defined in DNR regulations. A licensee must fish in accordance with DNR regulations.

A person who wishes to obtain the license must complete and submit an application for the license to DNR or any person designated by DNR. An applicant does not need to hold a tidal fish license to be eligible for the license. The term of the license is one-year, from September 1 through August 31, and the annual license fee is \$15. The bill also makes a seafood dealer license available to a commercial blue and flathead catfish finfish trotline licensee at the reduced fee (\$50, rather than \$250) applicable to a person authorized to harvest fish under a tidal fish license.

A licensee may not transfer a license and must have the license in their possession when fishing under the license.

Current Law:

Chapter 86 of 2016

Chapter 86 of 2016 authorizes the Secretary of Natural Resources, after consultation with the Tidal Fisheries Advisory Commission and the Sport Fisheries Advisory Commission, to adopt regulations to define and govern the use of finfish trotlines as a type of commercial fishing gear. In addition, DNR must consider relevant biological, ecological, and socioeconomic factors before adopting the regulations. Chapter 86 also authorizes tidal fish licensees to use more than two hooks or two sets of hooks for each rod or line when using a finfish trotline. Chapter 86 took effect July 1, 2016, and terminates June 30, 2019.

Tidal Fish License

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 – which include catching finfish for sale – 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.

Seafood Dealer License

A seafood dealer license (a tidal fish license with a seafood dealer authorization) is needed to buy, process, pack, resell, market, or otherwise deal in fish caught in tidal waters. The fee is \$50 for a person also authorized to harvest fish under a tidal fish license (or who holds a specialty, commercial northern snakehead bowfishing license) and \$250 for any other person. DNR's tidal fish license application indicates that harvesters must either sell to a licensed dealer or be a licensed dealer in order to sell their catch.

Monofilament Nets

Generally, a person may not install, set, operate, or maintain in any tidal water of the Chesapeake Bay or its tributaries any monofilament gill net webbing of any description to catch fish. However, a person may use a monofilament cast net or a monofilament throw net to catch baitfish in any tidal water of the Chesapeake Bay or its tributaries provided the net does not have a radius of greater than 10 feet and is cast only by hand.

Background: DNR proposed the legislation enacted as Chapter 86 with the intent of using the authority to allow commercial watermen to use finfish trotline gear to target invasive blue and flathead catfish, while also addressing concerns about the gear possibly interacting with spawning striped bass. DNR indicated that prior ambiguity in the law about the legality of finfish trotlines kept a number of commercial watermen from using the gear.

Small Business Effect: By making Chapter 86 permanent, the bill may have some, positive impact on small businesses that use, or will use, finfish trotline gear. DNR created a free finfish trotline permit in 2017 to better understand the effects of the gear and DNR indicates that there are currently 57 permits issued. The temporary establishment of a commercial blue and flathead catfish finfish trotline license may also create new small business opportunities for those who are not already commercially licensed to catch finfish. Finally, the bill's allowance for use of monofilament gill nets is expected to meaningfully benefit commercial striped bass harvesters that use gill nets by allowing them to continue to use gill net gear. DNR indicates that the type of gill net currently used by harvesters is no longer readily obtainable, if obtainable at all.

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 11, 2019
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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

**TITLE OF BILL: NATURAL RESOURCES – REGULATION AND USE OF
FINFISH TROT LINES – REPEAL OF SUNSET PROVISION**

BILL NUMBER: SB 7

PREPARED BY: Allison Cordell, Legislative Director

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