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SFA**BILL ANALYSIS**

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Senate Bill 769 (Substitute S-1 as reported)
Sponsor: Senator George A. McManus, Jr.
Committee: Appropriations

CONTENT

The bill would amend Part 473 of the Natural Resources and Environmental Protection Act (NREPA) to establish commercial fishing permits and fees, and increase commercial fishing license fees, based on the type of gear, fish, and vessels used. The Department of Natural Resources would be prohibited from issuing licenses for which the required fees had not been paid.

License and Permit Fees. The Department currently charges \$16 per license for lake trout sport trolling for hire, and \$3 per foot, \$1 per ton (over 10 gross tons) per license for all other commercial fishing. This bill would maintain these fees, and authorize additional fees for commercial fishing based on the type of net or hooks, and the location fished. It also would establish a new “commercial fishing permit” and related fees. The fee for inactive licenses would not be affected.

Current law establishes the minimum total license fee per resident at \$50, with a \$200 maximum. The bill would increase the minimum to \$100 and remove the maximum. Including the new fees based on type of net or hooks, and location fished, the total minimum license fees would be \$250 per year. The minimum permit fee per year would be \$100.

Current law authorizes a \$5 fee to operate a wholesale fish market. The bill would increase this fee to \$500; with the exception of fish cleaning stations that process fish eggs, which would be charged a \$25 fee.

Current law authorizes a \$1 fee to transfer or replace the license, if lost. Under the bill, the fee would be increased to \$25, and also would apply to transferred or replaced permits.

These license and permit fees would be repealed in five years after the bill was enacted.

Other Provisions. Unless the Department approved a change, the bill would restrict license renewal from year to year to only the type and amount of nets and set hooks licensed in the previous year.

The bill would delete the requirement that the funds obtained by the Department for sales of spawn and ripe and unripe fish be used exclusively toward defraying the expenses incurred in taking the fish, and fertilizing and planting the spawn from the fish. The bill also would delete reference to the size of boat, type of net, fishing under ice, or number of crew in assessing the \$16 annual license fee for lake trout sport trolling for hire.

MCL 324.47315 et al.

FISCAL IMPACT

According to Department of Natural Resources estimates, the bill is anticipated to generate approximately \$110,000 in additional annual revenue to the Game and Fish Protection Fund.

The Department currently obtains over \$16,000 in revenue from license fees. The bill would increase this total amount to \$126,000. The Department estimates that the commercial fishing program costs \$130,000 in the Fisheries Division, and \$248,000 in the Law Enforcement Division. This is funded primarily from the Game and Fish Protection Fund.

	Current Revenue	Proposed Fee	Estimated Number	New Revenue	Total Revenue
COMMERCIAL FISHING LICENSES					
Large Mesh Trap Nets (per Sec. 47309f)					
Lake Huron		\$100	0	\$0	
Lake Michigan		\$100	238	\$23,800	
Lake Superior		\$25	78	\$1,950	
Small Mesh Trap Nets (per Sec. 47309g)					
Lake Huron		\$30	310	\$9,300	
Lake Michigan		\$10	60	\$600	
Lake Superior		\$10	0	\$0	
Small Mesh Gill Nets (per Sec. 47309b)					
Lake Huron		\$15	0	\$0	
Lake Michigan		\$15	120	\$1,800	
Lake Superior		\$10	216	\$2,160	
Large Mesh Gill Nets (per Sec. 47309m)					
Lake Huron		\$5			
Seines (per Sec. 47309k)					
Lake Huron		\$10	27	\$270	
Lake Erie		\$35	20	\$700	
Set Hooks (per Sec. 47308)					
Lake Huron		\$15	15	\$225	
Subtotal - Licensed Gear Fees				\$40,805	\$40,805
Subtotal - Licensed Vessel Fees	\$14,508				\$14,508
Total License Fees	\$14,508			\$40,805	\$55,313
COMMERCIAL FISHING PERMITS					
Large Mesh Trap Net (per Sec. 47309f,h)					
Trawl		\$400	40	\$16,000	
		\$9,600	1	\$9,600	
Subtotal - Permit Gear Fees				\$25,600	\$25,600
Subtotal - Permit Vessel Fees	\$1,131				\$1,131
Total Permit Fees	\$1,131			\$25,600	\$26,731
WHOLESALE LICENSE FEES					
Estimated Fish Wholesalers	\$915	\$500	85	\$42,500	
Estimated Egg Wholesalers		\$25	22	\$550	
Total Wholesale Licenses	\$915			\$43,050	\$43,965
TOTAL LICENSE & PERMIT FEES	\$16,554			\$109,455	\$126,009

Date Completed: 11-10-97

Fiscal Analyst: G. Cutler

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.