



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HCR 55** HLS 22RS 2016
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

| | | |
|---|----------|--------------------------------|
| Date: May 3, 2022 | 10:08 AM | Author: OWEN, ROBERT |
| Dept./Agy.: Natural Resources and Wildlife and Fisheries | | Analyst: Kimberly Fruge |
| Subject: Defining Charter Fishing Guides as Commercial Fisherman | | |

FISHING/COMMERCIAL OR INCREASE SG EX See Note Page 1 of 1
 Provides relative to charter fishing guides and commercial fishing

Present law provides for the definition of commercial fisherman as it pertains to the Fisherman's Gear Compensation Fund. Proposed resolution adds to that definition any citizen who possesses a valid charter boat fishing as defined in R.S. 56:302.9 or a certified endorsement as defined by R.S. 56:303.

| EXPENDITURES | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | INCREASE | INCREASE | INCREASE | INCREASE | INCREASE | |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | | | | | | |
| REVENUES | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 5 -YEAR TOTAL |
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

Proposed resolution is likely to result in an increase in expenditures out of the Fisherman's Compensation Gear Fund by adding additional entities able to make claims for reimbursement from the Fisherman's Gear Compensation Fund. The Fisherman's Gear Compensation Fund is currently funded by fees assessed on lessees of state mineral leases and grantees of state pipeline right-of-way in the coastal zone of Louisiana on a per-unit basis. Commercial fishermen are able to make claims for losses to equipment and vessels resulting from hitting or snagging underwater obstructions in the coastal zone. The claims are reviewed and investigated by the Department of Natural Resources. The proposed resolution classifies charter guide fishermen as commercial fishermen as it pertains to the Fisherman's Gear Compensation Fund.

The Department of Wildlife and Fisheries reports there are approximately 790 charter licensees in FY 22. However, only charter guides that earn more than half of their income with for-hire fishing would be eligible to make claims for reimbursement from the Fisherman's Gear Compensation Fund. According to committee testimony by a representative of the Louisiana Charter Boat Association, this would likely equate to about 500 charter boat guides.

The Department of Natural Resources notes that the nature of claims made by charter guides is unknown at this time and thus the following information is based on current claims made to the Fisherman's Gear Compensation Fund. **To the extent more claims are made than expected or the claims made are consistently higher than the current average, then the estimated increase in expenditures will increase accordingly.** The department reports that the current average approved claim is \$4,360. The department expects there to be an additional ten (10) claims made against the fund and expects to only approve 7-8 of those claims. Based on the average claim of \$4,360, the department expects the additional eight (8) claims would increase expenditures by \$34,880. The department assumes this increase to remain constant through all fiscal years.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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 Interim Deputy Fiscal Officer