

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 198** HLS 15RS 916

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 29, 2015 7:46 AM	Author: ST. GERMAIN
Dept./Agy.: Wildlife and Fisheries	Analyst: Drew Danna
Subject: Commercial crab fishing fees	

FISHING/CRABS OR +\$1,354,000 SD RV See Note
Increases fees for participation in the commercial crab fishery

Present law provides for a \$35 commercial crab trap gear license fee for any number of legal crab traps and dedicates \$5 to both the Crab Promotion and Marketing Account and the Derelict Crab Trap Removal Program Account. Present law also exempts commercial senior fishing license holders from fees.

Proposed bill increases the fees for participation in the commercial crab fishery and increases the dedications to the Derelict Crab Trap Removal Program and the Crab Promotion and Marketing Account. Proposed bill also authorizes a tag fee of up to \$2 per tag if Wildlife and Fisheries implements a buoy tagging system for identification of the owners of crab traps.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						
REVENUES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$1,354,000	\$1,354,000	\$1,354,000	\$1,354,000	\$1,354,000	\$6,770,000
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$1,354,000	\$1,354,000	\$1,354,000	\$1,354,000	\$1,354,000	\$6,770,000

EXPENDITURE EXPLANATION

This legislation is anticipated to increase expenditures by an indeterminable amount annually due to the creation of the buoy tag system. These costs are associated with the software and tag writing/reading equipment (hardware) used to create the tags in addition to the operating costs necessary to locate and tag the traps. The Department of Wildlife and Fisheries (LDWF) anticipates 650,000 crab trap tags will be renewed annually. This bill allows the Wildlife and Fisheries Commission may charge a \$2 per tag fee that could generate approximately \$1.3 M. However, this is subject to change based upon determination of the Wildlife and Fisheries Commission during the finalization of the program. Revenue from the fee will be used to fund expenditures for the program.

REVENUE EXPLANATION

The proposed legislation will increase the resident Commercial Crab Trap Gear license fee from \$35 to \$50. Based upon 3,288 commercial crab licenses outstanding currently, the legislation will likely produce an additional \$49,320 in revenue from Crab Trap Gear licenses, which will be divided equally among the Conservation Fund, Derelict Crab Trap Removal Account and the Crab Promotion and Marketing Account. This is anticipated to result in a \$16,440 increase in revenue for each fund/account.

Note: Pursuant to R.S. 56:305 (C)(1), an increase in the resident Crab Trap Gear license fee will result in the increase of the nonresident license fee to four times that of the resident fee amount. Therefore, by raising the resident fee from \$35 to \$50, the nonresident fee will increase from \$140 to \$200, indirectly resulting in additional revenue. Based upon 78 nonresident license sales, the \$60 increase is anticipated to result in \$4,680 of additional revenue. These additional revenues will flow into the Conservation Fund, Derelict Crab Trap Removal Account, and the Crab Promotion and Marketing Account.

Proposed bill also authorizes a tag fee of up to \$2 per tag if Wildlife and Fisheries implements a buoy tagging system for identification of the owners of crab traps. LDWF estimates there are 650,000 crab traps that will be issued tags, resulting in a potential revenue increase of \$1.3 M annually for the Conservation Fund. Commercial senior license holders are exempt from the gear fee, but not the buoy tag fee.

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S} |
| <input checked="" type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

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