

COMMERCIAL FISHING

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4567 (H-3) as referred to second committee
Sponsor: Rep. Jack O'Malley

Analysis available at
<http://www.legislature.mi.gov>

House Bill 4568 (H-1) as referred to second committee
Sponsor: Rep. Pauline Wendzel

House Bill 4569 (H-1) as referred to second committee
Sponsor: Rep. Jim Lilly

1st Committee: Natural Resources and Outdoor Recreation
2nd Committee: Ways and Means
Complete to 1-30-20

SUMMARY:

House Bills 4567, 4568, and 4569 would amend Part 473 (Commercial Fishing) of the Natural Resources and Environmental Protection Act (NREPA) to clarify and reorganize many of its sections. Taken together, the bills would do all of the following:

- Include definitions for many terms related to commercial fishing and wholesale and retail fish dealers. (Several of these terms are already defined and used in current law; the bills would move the definitions to a single section.)
- Provide a list of fish species authorized for commercial fishing and allow the DNR to designate additional species for commercial take, except game fish species.
- Exempt sport fishing from Part 473. (Sport fishing is regulated under Part 487 of NREPA.)
- Define the Department of Natural Resources (DNR) as the authority to issue rules, orders, and commercial fishing permits and license conditions.
- Provide commercial fishing application requirements and mandate that all commercial fishing licenses expire on December 31 of the year the license was issued.
- Provide clarity and uniformity on the enforcement standards to be applied to commercial fishing operations in all Michigan waters.
- Allow the DNR to take commercially caught fish for scientific investigation and require compensation for any fish taken for those purposes.
- Allow the DNR to establish regulations and time tables regarding nets and other fishing gear.
- Require commercial fishers to provide GPS coordinates to the DNR of nets and gear deployed in the Great Lakes and to resubmit coordinates each time the nets and gear are moved.
- Require lost or vandalized commercial fishing gear to be reported to the DNR and prohibit abandoned or unattended gear.
- Require the DNR to conduct a bycatch study from 2020 to 2025 and at least once every 10 years after 2025 on at least three separate, active commercial fisheries and use the results of those studies to adjust harvest quotas, allowable gear, and other license conditions.
- Create a new flat-fee license structure for both commercial and wholesale licensing, with incremental increases through the year 2041.

- Update fines and other penalties for violations listed in Part 473, including the following:
 - Increase penalties from up to 30 days of jail time or a \$25 to \$100 fine, or both, for violating Part 473 to up to 90 days of jail time or a \$500 to \$5,000 fine, or both, plus prosecution costs. The new penalties would also apply to violations of a commercial fishing license, permit, administrative rule, or fisheries order. In addition to these penalties, a violator's license would be suspended for one year (or revoked if the license was set to expire in less than one year) and the violator would be unable to apply for a subsequent license for one year after conviction.
 - Impose civil fines for possession of undersized commercial fish in excess of the allowable possession limit as follows: at least \$200 for the first offense during the same license year; at least \$300 for a second offense during the same license year; and at least \$400 for a third or subsequent offense during the same license year.
 - Impose a misdemeanor for retaining twice the allowable possession limit amount of undersized commercial fish, with penalties following the above described terms of imprisonment and fines.
 - Provide an automatic and mandatory license suspension or revocation for any person found guilty of three misdemeanor violations or administrative rules, orders, or license conditions. The violator would be unable to apply for a subsequent license for one year after suspension or revocation. Revocation also would occur for any person convicted of five designated offenses in a continuous seven-year period; that person would be prohibited from purchasing an interest in any additional commercial fishing or wholesale fish dealer license for seven years.
- Provide restitution to the Game and Fish Protection Account for commercial resource violations of \$5 per fish for small commercial fish and \$10 per fish for small game fish.
- Create a Commercial Fishing Advisory Committee, consisting of 12 members who would represent various interests within the commercial fishing industry, wholesale fish dealers, charter boat captains, and the sport fishing community, which may provide formal recommendations to the DNR regarding the commercial fishing industry.

Finally, the bills would effectively rescind or suspend several administrative rules pertaining to commercial fishing.

MCL 324.47301 et al.

The bills are all tie-barred to one another, which means that none could take effect unless all three were enacted.

FISCAL IMPACT:

The bills would make process changes to commercial fishing licenses and wholesale fish dealer licenses which are likely to increase administrative costs, specifically in the course of promulgating new administrative rules as provided by the bills. House Bill 4568 requires new reporting costs through a departmental study of bycatch in at least three commercial fisheries at least once during 2020 to 2025, and at least once every ten years after 2025.

The department estimates an increase in annual license revenue from \$9,000 under current law to \$70,000 under the reformed fee structure included in HB 4569. This bill also provides for the state to be reimbursed for the illegal taking of fish by commercial anglers and crediting

reimbursements to the Game and Fish Protection Fund, which receives revenue from the sale of hunting and fishing licenses. In FY 2017-18 the fund received \$77.9 million in revenue and carried forward a balance of \$3.6 million into FY 2018-19. The bills are unlikely to affect costs or revenues for local units of government.

POSITIONS:

Representatives of the following organizations testified in support of the bills:

- Department of Natural Resources (10-8-19)
- Michigan Steelhead and Salmon Fishermen’s Association (6-11-19)
- Michigan Trout Unlimited (6-18-19)
- Michigan United Conservation Clubs (10-8-19)

The following organizations indicated support for the bills:

- Michigan Charter Boat Association (10-8-19)
- Hammond Bay Area Anglers Association (6-18-19)
- Lake St. Clair Walleye Association (10-8-19)
- Michigan League of Conservation Voters (6-18-19)
- Michigan Environmental Council (10-8-19)
- Michigan Association of Conventions and Visitors Bureaus (6-18-19)
- Hamilton Rod and Gun Club (6-18-19)
- Metro West Steelheaders (6-18-19)
- White River Steelheaders (6-18-19)
- Michigan Resource Stewards (6-18-19)
- Upper Black River Council (6-18-19)
- Montmorency County Conservation Club (6-18-19)
- Cadillac Sportsman’s Club (6-18-19)
- Huron Valley Conservation Association (6-18-19)
- League of Ohio Sportsmen (10-8-19)
- Upper Peninsula Sportsmen’s Alliance (10-8-19)
- American Sportfishing Association (10-8-19)

A representative of the Michigan Fish Producers testified in opposition to the bills. (6-18-19)

Legislative Analyst: Emily S. Smith
Fiscal Analyst: Austin Scott

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.