

Fiscal Estimate Narratives

DNR 1/11/2008

LRB Number	07-2943/1	Introduction Number	SB-357	Estimate Type	Original
Description Minimum harvesting requirements for Great Lakes fish					

Assumptions Used in Arriving at Fiscal Estimate

Summary:

The bill would eliminate the Department of Natural Resources' authority to use annual minimum catch requirements in its rules as a standard for renewing Great Lakes commercial fishing licenses.

Fiscal Effect:

The Department assumes that there would be an indeterminate--yet potentially significant--annualized fiscal impact associated with this bill. The Department issues commercial fishing licenses based on meaningful criteria, particularly including the criterion that, to qualify for a license, an applicant must have harvested in the previous license year at least a minimum amount of fish. The Department assumes, based on state court decisions, that by eliminating the Department's ability to impose the minimum catch requirement, and without replacing it with other equally meaningful relicensing criteria, the bill will move Wisconsin toward the recognition of commercial fishing licenses and quotas as property rights, and could significantly increase the cost of managing and regulating commercial fishing by requiring prior payment by the State for any compensable "takings". That is, if Wisconsin courts were to recognize commercial fishing licenses and quotas as property rights, any DNR rule change that that might reduce the commercial harvest or otherwise affect the productive value of a license may have to be compensated as a regulatory "taking". It is not possible to estimate this potential cost. However, regarding an estimate of the total value of the commercial fishery, the Department estimated in 1999 that the dockside value of the commercial harvest from Lake Michigan during the 1998-99 fishing year was \$4.2 million.

Additionally, because policy and legislative guidance require that standards exist to identify inactive licensees, and because the minimum catch requirement is the Department's primary vehicle for accomplishing that, the Department would incur one-time costs estimated at \$2,000 to promulgate rules specifying new standards by which the Department would identify inactive licensees.

Long-Range Fiscal Implications

None

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description Minimum harvesting requirements for Great Lakes fish			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
\$2,000 associated with promulgating a rule specifying new standards by which the Department will identify inactive commercial fishing licensees.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$		\$
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$		\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev		Decreased Rev
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$		\$
NET ANNUALIZED FISCAL IMPACT			
	State		Local
NET CHANGE IN COSTS	\$		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	Date
DNR/ Joe Polasek (608) 266-2794		Joe Polasek (608) 266-2794	1/11/2008