

## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

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1. Type of Estimate and Analysis

Original    Updated    Corrected

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2. Administrative Rule Chapter, Title and Number

NR 20, Fishing in Inland and Outlying Waters; NR 25, Commercial Fishing in Outlying Waters

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3. Subject

Lake trout harvest limits in Lake Superior

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4. Fund Sources Affected

GPR    FED    PRO    PRS    SEG    SEG-S

5. Chapter 20, Stats. Appropriations Affected

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6. Fiscal Effect of Implementing the Rule

No Fiscal Effect    Increase Existing Revenues    Increase Costs  
 Indeterminate    Decrease Existing Revenues    Could Absorb Within Agency's Budget  
 Decrease Cost

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7. The Rule Will Impact the Following (Check All That Apply)

State's Economy    Specific Businesses/Sectors  
 Local Government Units    Public Utility Rate Payers  
 Small Businesses (if checked, complete Attachment A)

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8. Would Implementation and Compliance Costs Be Greater Than \$20 million?

Yes    No

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9. Policy Problem Addressed by the Rule

The welfare of state-licensed commercial fishers, Chippewa tribal commercial fishers, recreational fishers, and associated businesses is threatened by a decline in the lake trout population in the Apostle Islands vicinity of Lake Superior. The emergency rule is necessary to implement harvest limits for the 2014-15 lake trout harvest seasons.

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10. Summary of the businesses, business sectors, associations representing business, local governmental units, and individuals that may be affected by the proposed rule that were contacted for comments.

The department is meeting with the state-licensed commercial fishers and holding a public meeting in late 2014 to inform stakeholders of the current status of lake trout in Wisconsin waters of Lake Superior and to discuss the direction of management as it relates to the need for reduced lake trout harvest during the 2014-15 fishing season.

A public hearing for the emergency rule will be held within 45 days of rule promulgation.

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11. Identify the local governmental units that participated in the development of this EIA.

N/A

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12. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

The rule will impact the harvest of lake trout by state-licensed commercial fishers, Chippewa-licensed fishers, and recreational fishers. Because of the decline in lake trout populations, all three groups that fish in Lake Superior would have a reduction in overall harvest limits, resulting in potential short-term income reduction (compared to prior years) for commercial fishers. However, impact on commercial fishing businesses may be buffered by the ability to transfer individual license catch quotas – through lake trout tags designated for use in WI-1 and WI-2 – between state-licensed commercial fishers. Quota transfers are already a common practice that are approved and documented by the department, as authorized by s. NR 25.08.

This rule imposing harvest reductions is necessary in order to ensure a sustainable lake trout fishery over the long-term, an economic and natural resource benefit for all affected. The rule may have a moderate economic impact in the Lake Superior region, but an exact amount of impact is unknown at this time.

The proposed rule will have an effect on small commercial fishing businesses but does not impose any compliance or

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reporting requirements nor would any design or operational standards be contained in the rule. Minimal impact is expected for businesses or business associations that do not rely on harvest of lake trout (e.g., charter fishers that promote catch and release, commercial fishers that use trap nets).

The rule does not allow for the potential to establish a reduced fine for small businesses, nor does it establish “alternative enforcement mechanisms” for “minor violations” of administrative rules made by small businesses. Public utility rate payers and local governmental units will not be affected by the rule.

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### 13. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

The rule imposing harvest reductions is necessary in order to ensure a sustainable lake trout fishery over the long-term, an economic and natural resource benefit for all affected. The rule may have a moderate economic impact in the Lake Superior region, but an exact amount of impact is unknown at this time.

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### 14. Long Range Implications of Implementing the Rule

The continued decline of the lake trout population necessitates harvest reductions in order to ensure a sustainable lake trout fishery over the long-term.

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### 15. Compare With Approaches Being Used by Federal Government

The department is not aware of any existing or proposed federal regulation that would govern commercial fishing in Wisconsin’s waters of Lake Superior.

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### 16. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

Of the four adjacent states, only Minnesota and Michigan have lake trout fisheries on the Great Lakes. The commercial harvest of lake trout from Minnesota waters of Lake Superior is limited to a population assessment fishery. In Michigan waters of Lake Superior there is no state-licensed commercial fishery, but tribal harvest is guided by the same modeling approach as in Wisconsin.

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<h3>17. Contact Name</h3>	<h3>18. Contact Phone Number</h3>
Terry Margenau, Lake Superior Fisheries Supervisor	715-779-4035 ext. 15

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## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

### ATTACHMENT A

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1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

The proposed rule does not impose any compliance or reporting requirements on small businesses nor are any design or operational standards contained in the rule. The rule does not allow for the potential to establish a reduced fine for small businesses, nor does it establish "alternative enforcement mechanisms" for "minor violations" of administrative rules made by small businesses.

The rule will impact the harvest of lake trout by state-licensed commercial fishers, Chippewa-licensed fishers, and sport fishers. Because of the decline in lake trout populations, all three groups that fish in Lake Superior would have a reduction in overall harvest limits, resulting in potential short-term income reduction (compared to prior years) for commercial fishers. However, impact on commercial fishing businesses may be buffered by the ability to transfer individual license catch quotas – through lake trout tags designated for use in WI-1 and WI-2 – between state-licensed commercial fishers. Quota transfers are already a common practice that are approved and documented by the department, as authorized by s. NR 25.08.

This rule imposing harvest reductions is necessary in order to ensure a sustainable lake trout fishery over the long-term, an economic and natural resource benefit for all affected. The rule may have a moderate economic impact in the Lake Superior region, but an exact amount of impact is unknown at this time.

Minimal impact is expected for businesses or business associations that do not rely on harvest of lake trout (e.g., charter fishers that promote catch and release, commercial fishers that use trap nets).

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2. Summary of the data sources used to measure the Rule's impact on Small Businesses

The department is meeting with the state licensed commercial fishers and holding a public meeting in late 2014 to discuss the rule's lake trout quotas, allocations, and options for the 2014-15 lake trout management actions on Lake Superior.

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3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements
- Other, describe:

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4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

No additional compliance or reporting requirements will be imposed on small businesses as a result of these rule changes.

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5. Describe the Rule's Enforcement Provisions

The rule will be enforced by Department Conservation Wardens under the authority of chapter 29, Stats., through routine patrols, record audits of wholesale fish dealers and state-licensed commercial fishers, and follow up investigations of citizen complaints.

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6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes     No
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