

ADMINISTRATIVE RULES

Fiscal Estimate & Economic Impact Analysis

14. 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)

This rule will have a minimal economic impact (less than \$50,000 in total) on commercial bait harvesters and their businesses. No new costs are expected as a result of revising the wild bait harvest permit duration and creating a white sucker harvest permit, nor for changes to non-standard gear permit conditions. Commercial bait harvesters are already required to record information on their minnow harvests and disposition and maintain records for inspection upon the request of department staff. The main costs would stem from reporting minnow harvest activities electronically for bait dealers that do not currently own a smartphone; however, paper reporting will be allowed in the short-term after implementing this rule, so additional costs are not expected upon implementation. Additionally, according to the Pew Research Center (1), an estimated 85 percent of American adults owns a smartphone. Based on this estimate, we assumed that about 8 of the 55 commercial bait harvesters do not own a phone with internet access. Assuming a cheap smartphone and plan would cost about \$230 a year, the total compliance cost for the group of bait harvesters without phones would be approximately \$1,840 per year.

1. Demographics of mobile device ownership and adoption in the United States. (2021, April 07). Retrieved June 13, 2023, from <https://www.pewresearch.org/internet/fact-sheet/mobile/>.

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

This rule will facilitate gathering much-needed data on minnow harvest from trout streams and other waterbodies across the state. These data will be used to provide a basis for future regulation changes as well as to manage minnow harvest on high-use waterbodies. Under current rules, commercial bait harvesters are required to record information on their minnow harvest activities, but are not required to submit regular reports to the department. Therefore, there is no efficient way for the department to obtain this minnow harvest information, as the department would have to ask each individual bait dealer for records under the current rules. Reporting as required under this rule would provide this minnow harvest information to the department in a standardized way and on a predictable timeline to enhance the quality of the data that the department receives on minnow harvest. The dataset of wild bait harvest data will serve as a foundation for future management decisions on wild bait harvest across the state. This rule also extends the wild bait harvest permit duration, which reduces the burden on commercial bait harvesters to apply each month for a permit while still meeting the needs of the department to exercise oversight over bait harvest activities from waters of the state. This rule also contains provisions to allow the department to better manage minnow populations, such as through more flexibility in setting permit conditions. This rule also allows for personal bait harvest of minnows on waters currently closed to personal minnow harvest. If this rule is not implemented, some of the key regulation changes that bait harvesters have been requesting for years will remain unfulfilled, and the department will not be able to build an adequate dataset for evaluating future regulation change requests.

16. Long Range Implications of Implementing the Rule

Implementing this rule will provide data on minnow harvest in a more efficient way to build a bait harvest dataset, which will ultimately help inform future management decisions relating to minnow harvest at a waterbody-specific level as well as more broadly across the state.

17. Compare With Approaches Being Used by Federal Government

No federal statutes or regulations apply. States possess inherent authority to manage the fishery and wildlife resources located within their boundaries, except insofar as preempted by federal treaties and laws, including regulations established in the Federal Register.

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

Minnesota requires minnow dealers to obtain a minnow dealer license to harvest bait from the wild to sell as bait.¹ In addition, the minnow dealer must possess a minnow retailer license to sell bait from more than one retail location, a minnow dealer vehicle license to transport more than 12 dozen minnows, and an exporting minnow dealer license to export minnow out of the state. Minnows also may not be harvested from waters infested with invasive species unless the minnow dealer is issued a permit, and all minnow dealers must complete annual invasive species training. Minnow dealers also may only harvest certain species from waters designated as free of viral hemorrhagic septicemia in the past year. A minnow dealer must also obtain a separate permit to

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harvest minnows in trout waters. Minnesota also requires an annual report form of bait sales to be submitted.

For personal bait harvest, Minnesota requires that the water in live bait buckets be exchanged for tap or bottled water before moving minnows away from the waterbody. Minnesota also restricts personal minnow harvest on certain waters without a permit, and restricts harvest on waters infested with invasive species, specifying that bait taken from these waters may not be moved live away from these waters. Gear regulations also apply for personal bait harvest, as well as a variety of species-specific restrictions to prevent the spread of VHS.²

Iowa requires a bait dealer license to sell bait. Bait dealers may not export bait taken from the wild. To use gear larger than specified in the bait dealer regulations, the bait dealer must apply for a permit. The Iowa Department of Natural Resources can restrict waters where bait harvest is allowed to protect minnow populations for management purposes. Anglers can harvest bait for personal use, but may not transport the bait in lake or river water and instead must bring clean water in which to transport the bait to prevent the spread of invasive species. Certain gear regulations apply for legal minnow harvest gear.³

Illinois allows personal bait harvest of certain bait species with specific gear types to be used on the waterbody where collected. Live baitfish may not be transported between waterbodies. Bait harvest gear are restricted to certain dimensions. Minnow dealers must obtain a retail minnow dealers license or wholesale minnow dealers license.⁴

Michigan requires anglers to use bait fish in the waters where collected. Some waters are protected from bait harvest for fishery management purposes. Species that are considered to be VHS species must be labeled with their scientific and common name, location of capture, and testing status prior to being imported.⁵ Michigan also requires two types of bait dealer licenses—retail or wholesale—with a commercial bait catcher license for dealers that harvest minnows from the wild to sell by retail or wholesale. Commercial bait catchers are required to submit monthly reports of daily fishing activity online. Commercial bait catchers are also restricted to certain waters and certain gear types and sizes when harvesting bait.⁶

1. "Minnow Dealer License." *Minnesota Department of Natural Resources*, Minnesota Department of Natural Resources, 2023. <https://www.dnr.state.mn.us/fishing/commercial/minnowdealer/index.html>.
2. *MINNESOTA FISHING REGULATIONS*. Minnesota Department of Natural Resources, 2023. https://files.dnr.state.mn.us/rlp/regulations/fishing/fishing_regs.pdf?v=2023.05.26-15.32.04
3. "BAIT DEALER 481A.144 LICENSED BAIT DEALER REQUIREMENTS." Iowa Department of Natural Resources. https://www.iowadnr.gov/portals/idnr/uploads/fish/programs/files/wholesale_bait_dealer_regs.pdf
4. "2023 REGULATION INFORMATION." Illinois Department of Natural Resources, 2022. <https://www.ifishillinois.org/regulations/FishingDigest.pdf>
5. *Michigan Fishing Guide*. Michigan Department of Natural Resources, 2022. https://www.michigan.gov/dnr/-/media/Project/Websites/dnr/Documents/LED/digests/2023_fishing_guide.pdf?rev=ed5c7998ed65405985b458199c14a67c
6. "Bait." *Michigan.gov*, Michigan Department of Natural Resources, 2023, www.michigan.gov/dnr/managing-resources/fisheries/business/bait.

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ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

ATTACHMENT A

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)

This rule will mainly impact bait dealers who harvest minnows from waters of the state. This rule will have a minimal economic impact (less than \$50,000 in total) on bait harvesters and their businesses. No new costs are expected as a result of revising the wild bait harvest permit duration and creating a white sucker harvest permit, nor for changes to the non-standard gear permit. Commercial bait harvesters are already required to record information on their minnow harvests and disposition and maintain records for inspection upon the request of department staff. The main costs would stem from reporting minnow harvest activities electronically for bait dealers that do not currently own a smartphone; however, paper reporting will be allowed in the short-term after implementing this rule, so additional costs are not expected upon implementation.

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

According to the Pew Research Center (1), an estimated 85 percent of American adults owns a smartphone. Based on this estimate, we assumed that about 8 of the 55 Wisconsin commercial bait harvesters do not own a phone with internet access. Assuming a cheap smartphone and plan would cost about \$230 a year, the total compliance cost for the group of bait harvesters without phones would be approximately \$1,840 per year.

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: Reduce the number of wild bait harvest permit applications that need to be submitted through extension of the permit duration

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

This rule will extend the wild bait harvest permit duration to Dec. 31 instead of the permits expiring after 30 days. This will reduce the burden and paperwork for commercial bait harvesters when applying for monthly permits.

5. Describe the Rule's Enforcement Provisions

Enhanced recording and reporting of minnow harvest activities will allow law enforcement to verify the accuracy of minnow harvest onsite where the minnows are being harvested.

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

- Yes No
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