Proposed Rule Summary

Part 2 – Commercial Marine Fishing Licenses, Landing Permits, and Party and Charter Licenses

- 1. Fishery endorsement for species other than Finfish, Shellfish or Crustacean (section 2.7.3(C)(1)&(2)):
 - Division proposal to amend rule to add "marine species other than shellfish and crustacean" to the Unlimited and Limited Finfish endorsement to provide for the commercial harvest and sale of marine species other than finfish, shellfish, and crustacean (e.g., kelp).
- 2. Fee for Standard Resident License with three (3) unlimited fishery endorsements (section 2.7.3(F)(9): Delete section as this license type is no longer available for issuance. Any license holder who previously held a Commercial Fishing License (CFL), or Principal Effort License (PEL), with all three fishery endorsements, was converted to a multipurpose fishing license (MPURP) in 2023.
- 3. <u>Issuance of Mid-Water/Pair Trawl Endorsement (sections 2.7.3(D)(3), 2.7.3(F)(14)), and 2.7.4(C)(2)(1):</u>
 - Division proposal to specify that this endorsement is not available for issuance while midwater trawling is prohibited in state waters.
- 4. Exit:entry ratio for the issuance of a Standard license with Unlimited Finfish endorsement (section 2.7.4(C)(4)(a)): Industry proposal to amend this ratio from 1:1 to 2:1.
 - There were 33 licenses not renewed/retired in 2023.
 - At status quo 1:1, there would be 33 new Standard License with Unlimited Finfish endorsement available for issuance in 2024.
 - At 2:1, 18 new Standard License with Unlimited Finfish endorsement available for issuance (round up by 3's per rule).
- 5. Exit:entry ratio for the issuance of a Standard license with Unlimited Shellfish endorsement (section 2.7.4(C)(4)(b)): Industry proposal to amend this ratio from 1:1 to 3:1.
 - There were 138 licenses not renewed/retired in 2023.
 - At 1:1, 138 new Standard License with Unlimited Shellfish endorsement would be available for issuance in 2024.
 - At 3:1, 46 new Standard License with Unlimited Finfish endorsement would be available for issuance in 2024.
- 6. Multipurpose Vessel License (section 2.7.4(C)(2)(e)): This license type was adopted by the General Assembly effective July, 2022. A proposed rule was noticed in August 2022 to issue 31 licenses, or 10% of the actively fished multipurpose licenses (MPURP). The RI Marine Fisheries Council then voted to postpone any issuance until 2024, to which the Director then concurred. A legislative effort to eliminate the license was started but ultimately did not move forward. The Division has conducted numerous public meetings discussing the matter, the most recent a public workshop on July 10, 2023 to further discuss the elements of the license issuance. A total of three proposals (2 from industry and/or their legislative representatives and one from the Division) are noticed as follows:

Proposal #1 (as noticed): Division proposal.

- Principal components of rule include:
 - Available only to a resident "natural person" MPURP holder who is the owner of the commercial fishing vessel or has a vested interest in the business or corporation that owns the vessel and is "Actively Fishing."
 - Vessel will be assigned to the MVL. The vessel is eligible for being assigned to the MVL only if the landings used to meet the activity standard occurred on the vessel.
 - Vessel must be commercially declared per current rules.
 - o Approved Vessel Monitoring System (VMS) device required.
 - Required for all opt-in programs for improved monitoring and assessment of program
 - Operator(s) must be designated and will be identified on operator permit issued by the Department.
 - O Violations: Actions taken on both the operator and license holder
 - o 15 licenses available for issuance on January 1, 2024. If # of applications exceeds 15, issuance by lottery.
 - Per the request of certain industry members and their legislative representative
 - License issued for 2 consecutive years renewed annually; after which the program will be reviewed by the Department to determine whether the license will be issued going forward.
 - Per the request of certain industry members and their legislative representative
 - No transfer of MVL during the initial 2 year period. If vessel is to be sold as part of a commercial fishing business to a RI resident, the MVL shall first be reverted back to an MPURP. Once converted back to MPURP, that MPURP holder not eligible for a new MVL
 - o One-time issuance for initial 2 year period
 - Vessel may only be replaced in instances of catastrophe only. If the vessel owner is replacing their vessel, they must apply to the Department.
 - New licenses January 1 through last day of February consistent with other licenses issuance, including 60-day grace period for renewals with a \$200 late fee.
- <u>Proposal #2 (not included in the proposed rule):</u> Industry proposal to amend rule to prohibit issuance of licenses indefinitely.
- **Proposal #3 (not included in the proposed rule):** Industry proposal to:
 - Amend rule to provide for the issuance of 70 licenses beginning January 1, 2024.
 - License issued for 2 consecutive years renewed annually; after which the program will be reviewed by the Department to determine whether the license will be issued going forward.

Note for industry proposals 2 and 3 regarding the Multipurpose Vessel License:

Please note that proposals 2 and 3 were not included in the proposed rule due to requirements of Chapter 42-35 "Administrative Procedures", which prohibits and additional language that is not specially a proposed addition or deletion. The noticed rule therefore includes only the Division proposal, however please be advised that proposals 2 and 3 are still viable options that may be considered for adoption.

- 7. <u>Issuance of a new license for family members or crew (section 2.7.4(D)):</u> Division proposal to eliminate rule as unnecessary. All license "transfers" to qualified applicants are processed under rule 2.7.4(E) "Issuance of a new license upon sale of a license holders vessel and/or gear" as requirements for a license transfer are less restrictive than requirements as provided in section 2.7.4(D) "Issuance of a new license for family members or crew", thus rendering section 2.7.4(D) unnecessary.
- 8. Appeal of license renewal application denials due to Medical Hardship (section 2.7.4(I)): Division proposal to eliminate rule as is administered by others (Division of Administrative Adjudication) with requirements/conditions specified is statute (see § 20-2.1-2 "Purposes." and § 20-2.1-4 "Licenses General provisions governing licenses issued."). The Division has no role in this process.
- 9. Prioritization categories for the issuance of new licenses/endorsements (section 2.7.6(A): Division proposal to include priority categories for persons enlisted in or honorably discharges from military service and/or who have completed a Department approved commercial fishing training program, consistent with statutory amendments adopted in 2022 (see R.I. Gen. Laws § 20-2.1-5(5)(i)).
- 10. Other minor non-substantive changes