

Rhode Island Department of Environmental Management Division of Marine Fisheries

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Fiscal Note

Proposed Amendments to RIDEM Marine Fisheries regulations "Part 2 - Commercial Marine Fishing Licenses, Landing Permits, and Party and Charter Licenses"

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State of Rhode Island Department of Administration Office of Management and Budget

Fiscal Note for Proposed Administrative Rules (R.I.G.L. § 22-12-1.1)

Name of Administrative Rule: PART 2 – Commercial Marine Fishing Licenses, Landing Permits, and Party and Charter Licenses (250-RICR-90-00-2)

Exit:entry ratio for the issuance of a Standard license with Unlimited Finfish Endorsement

	FISCAL IMPACT*					
State Rev	State Revenues Proposal 1) State Revenues Proposal 2) State Revenues Proposal 3)					
FY 2025	-\$9,600	FY 2025	-\$9,600	FY 2025	-\$9,600	
FY 2026	\$8,100	FY 2026	\$2,700	FY 2026	\$0	
FY 2027	\$8,100	FY 2027	\$2,700	FY 2027	\$0	
FY 2028	\$8,100	FY 2028	\$2,700	FY 2028	\$0	

^{*}Actual revenue depends on whether each applicant has an existing base license and what if any, additional endorsements they add to their license. No state expenditures or city/town expenditures are anticipated.

Summary of Policy Change:

Commercial Fishing Industry Proposals:

- 1) Amend the current exit:entry ratio for the unlimited finfish endorsement to 1:1, resulting in 27 new licenses with the unlimited finfish endorsement being available for issuance in 2026 (Section 2.7.4(C)(4)(a)).
- 2) Amend the current exit:entry ratio for the unlimited finfish endorsement to 3:1, resulting in 9 new licenses with the unlimited finfish endorsement being available for issuance in 2026 (Section 2.7.4(C)(4)(a)).
- 3) Amend the current exit:entry ratio for the unlimited finfish endorsement to 1:0, resulting in 0 new licenses with the unlimited finfish endorsement being available for issuance in 2026 (Section 2.7.4(C)(4)(a)).

Summary of State Fiscal Impact:

A total of 14 multipurpose fishing licenses and 11 standard fishing licenses with an unlimited finfish endorsement were not renewed in 2025. The base cost of these 25 licenses totals \$9,600 resulting in a loss for FY2025 for these licenses not being renewed. It is very challenging to quantify the new level of revenue that will be realized when new licenses are issued in 2026. This is due to the fact that those applicants selected may already possess a base license to which they would be adding an unlimited finfish endorsement, or they may not have a base license and would be receiving a new license entirely. Depending on the applicant, this may generate \$75 - \$300 per applicant for the base license. This does not include any additional endorsements they may elect to add to their license.

At the current exit:entry ratio of 2:1, a total of 15 licenses with the unlimited finfish endorsement would be available for 2026. Assuming that these are issued to all residents, and no other endorsements are purchased, the fee per license is \$300 resulting in \$4,500 revenue for 2026.

If the current exit:entry ratio of 2:1 is changed to:

- 1) 1:1, a total of 27 licenses with the unlimited finfish endorsement would be available for 2026 resulting in \$8,100 revenue for 2026. An additional \$3,600 in revenue compared to status quo.
- 2) 3:1, a total of 9 licenses with the unlimited finfish endorsement would be available for 2026 resulting in \$2,700 revenue for 2026. A loss of \$1,800 in revenue compared to status quo.
- 3) 1:0, a total of 0 licenses with the unlimited finfish endorsement would be available for 2026 resulting in \$0 revenue for 2026. A loss of \$4,500 in revenue compared to status quo.

City or Town Impact: None	$\mathcal{S} \cdot \mathcal{A} \cap \mathcal{A}$		
Reviewed/Approved by CFO:	Emily Cahoon	Dated: 8/8/25	

Due Dates for Electronic Negative Reports

FISCAL IMPACT						
State Revenues State Expenditures City/Town Expenditures					penditures	
FY 2026	\$0	FY 2026	\$0	FY 2026	\$0	
FY 2027	\$0	FY 2027	\$0	FY 2027	\$0	
FY 2028	\$0	FY 2028	\$0	FY 2028	\$0	

Summary of Policy Change:

<u>Proposal:</u> Division proposal to establish due dates for electronic negative reporting in rule consistent with current requirement for paper logbook reports.

Section 2.7.8(E)(2):

- Add requirement to submit negative reports each month during which no commercial seafood product was harvested.
- Add due dates for negative reports.
- Add that negative reports may be submitted for a maximum of three (3) months in advance.

Summary of State Fiscal Impact:

No state fiscal impact as there is no anticipated change in the number of licenses issued

Reviewed/Approved by CFO:	Civily Cahoon	Dated: 8/8/25	

Reporting Requirements Upon Sale of a Vessel or Gear/License Transfer

FISCAL IMPACT					
State Revenues State Expenditures City/Town Expenditures					
FY 2026	\$0	FY 2026	\$0	FY 2026	\$0
FY 2027	\$0	FY 2027	\$0	FY 2027	\$0
FY 2028	\$0	FY 2028	\$0	FY 2028	\$0

Summary of Policy Change:

<u>Proposal:</u> Division proposal to require transferee and/or transferer catch and effort reporting compliance prior to the issuance of a new license upon sale of a license holder's vessel and/or gear.

Section 2.7.4(C)(5):

- Add requirement that prior to the sale of a license holders vessel and/or gear, the license holder must be in compliance with all applicable reporting requirements.
- Add requirement that prior to issuance of a new license, if the applicant currently holds a commercial license, the applicant must be in compliance with all applicable reporting requirements.

Summary of State Fiscal Impact:

No state fiscal impact as there is no anticipated change in the number of licenses issued

Reviewed/Approved by CFO:_	Civily Cahoon	Dated: 8/8/25
		

Prioritization Categories for the Issuance of New Licenses Under Revised Licensing Structure

FISCAL IMPAC	Т					
State Revenues State Expenditures City/Town Expenditures					oenditures	
FY 2026	\$0	FY 2026	\$0	FY 2026	\$0	
FY 2027	\$0	FY 2027	\$0	FY 2027	\$0	
FY 2028	\$0	FY 2028	\$0	FY 2028	\$0	

Summary of Policy Change:

<u>Proposal:</u> Division proposal to remove instances of CFL and PEL in rule as these are no longer valid license types.

Section 2.7.6(A):

• Remove all instances of CFL and PEL

Summary of State Fiscal Impact:

No state fiscal impact as there is no anticipated change in the number of licenses issued

Reviewed/Approved by CFO:	Emily Cahoon	Dated: 8/8/25
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Clarification of Restricted Finfish Species

FISCAL IMPAC	Т					
State Revenues State Expenditures City/Town Expenditures					oenditures	
FY 2026	\$0	FY 2026	\$0	FY 2026	\$0	
FY 2027	\$0	FY 2027	\$0	FY 2027	\$0	
FY 2028	\$0	FY 2028	\$0	FY 2028	\$0	

Summary of Policy Change:

<u>Proposal:</u> Division proposal to clarify the rule that scup is restricted only when harvested from May 1 through September 30; and that black sea bass, summer flounder, striped bass, and tautog are restricted for the entire year.

Section 2.7.3(C)(1):

• Separate scup from other restricted species to make it clear that only scup is restricted from May 1 through September 30, and all other restricted species are restricted all year.

Summary of State Fiscal Impact:

No state fiscal impact as there is no anticipated change in the number of licenses issued

Reviewed/Approved by CFO:	mily Cahoon	Dated: 8/8/25

Resident Commercial Green Crab License

FISCAL IMPACT					
State Revenues State Expenditures City/Town Expenditures					
FY 2026	\$0	FY 2026	\$0	FY 2026	\$0
FY 2027	\$10	FY 2027	\$0	FY 2027	\$0
FY 2028	\$10	FY 2028	\$0	FY 2028	\$0

Summary of Policy Change:

<u>Proposal:</u> Division proposal to add a resident commercial green crab license to rule consistent with statute that will be effective on January 1, 2026.

Sections 2.7.3(A)(6) & 2.7.3(F)(18):

- Add ability to obtain a resident commercial green crab license if not otherwise authorized by another applicable commercial fishing license.
- Add fee of \$10.

Sections 2.7.7(B)(1) & 2.7.7(B)(4)(a):

• Add resident commercial green crab license to the list of licenses subject to the licensing application period and grace period.

Summary of State Fiscal Impact:

State fiscal impact is expected to be minimal since the license cost is \$10. There is no way to predict the number of Rhode Island residents who will purchase this license. At least one individual has expressed interest, therefore the expected impact will be at least \$10. The license will not be available until January 1, 2026, therefore, the fiscal impact for FY 2025 is \$0. Issuance of these licenses has the potential to increase the number of Direct Sale Dealer licenses for those fishermen who would like to sell green crabs direct to the consumer. This potential increase would be considered to be negligible at this time and has not been calculated. This calculation would depend on angler preference and DMF currently does not have data on how many harvesters would purchase the resident commercial green crab license or how many of those would want to sell direct and purchase the Direct Sales Dealers License.

City or Town Impact: None

Reviewed/Approved by CFO:	ey Canoon	Dated: 8/8/25

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