



**RHODE ISLAND**

**DEPARTMENT OF ENVIRONMENTAL MANAGEMENT**

**DIVISION OF MARINE FISHERIES**

Three Fort Wetherill Road

Jamestown, Rhode Island 02835

## **Regulatory Analysis**

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

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## INTRODUCTION

The Rhode Island Department of Environmental Management (Department) Division of Marine Fisheries (DMF) is proposing regulatory changes to 250-RICR-90-00-2 – Commercial Marine Fishing Licenses, Landing Permits, and Party and Charter Licenses. Specifically, DMF is proposing 7 regulatory amendments:

1. Exit:entry ratio for the issuance of a Standard license with Unlimited Finfish Endorsement (2.7.4(C)(4)(a))
2. Due dates for electronic negative reports (2.7.8(E)(2))
3. Reporting compliance prior to the issuance of a new license upon sale of a license holder's vessel and/or gear (2.7.4(C)(5))
4. Revised prioritization based on new licensing structure (2.7.6(A))
5. Clarification of restricted finfish species (2.7.3(C)(1))
6. Commercial green crab license (2.7.3(A)(6), 2.7.3(F)(18), 2.7.7(B)(1), & 2.7.7(B)(4)(a))

This regulatory analysis has been prepared to estimate the impact of the proposed regulatory changes pursuant to the Administrative Procedures Act (APA), R.I. Gen. Law § 42-35-2.9. As proposed regulatory amendments 4.) & 5.) have no policy impact and are merely meant to formalize current practice, they are not included in this regulatory analysis.

For all proposed regulatory amendments, market conditions, or market changes, cannot be traced in this analysis to these regulations. This is due to the fact that the costs and/or benefits generated from a commercial fishing business, or commercial harvester, are largely dependent on a wide variety of variables including, but not limited to: license type; license endorsement(s); effort (full or part-time); target species; market prices for target species; state quotas; possession limits; gear type; fishing mode (shore or vessel); vessel size; crew; upfront investments for vessel, gear, and administrative tasks; possession of a federal permit; seasonality of fisheries; weather; and catastrophic events. As a result, it is impossible to quantitatively estimate costs and/or benefits to stakeholders under the proposed policy alternatives and this regulatory analysis is strictly qualitative in nature.

## BACKGROUND

### *Exit:entry ratio for the issuance of a Standard License with Unlimited Finfish Endorsement*

The Unlimited Finfish Endorsement (previously restricted finfish endorsement) was established to restrict access to certain species including black sea bass, scup (summer only), striped bass, summer flounder, and tautog. Access to the commercial harvest of these species is restricted to license holders with a Multipurpose Fishing License, resident Standard Fishing License with Unlimited Finfish Endorsement, or a non-resident Standard Fishing License with Unlimited Finfish Endorsement. All three license types are considered restricted access licenses and available to residents pursuant only to the exit:entry ratio of the Unlimited Finfish endorsement. Note that a few non-residents were grandfathered into the new licensing system in 2002 however

new license opportunities for Multipurpose Fishing Licenses and Standard Fishing Licenses with an Unlimited Finfish Endorsement are restricted to Rhode Island residents.

Pursuant to 2.7.4(C)(4)(a) – Exit:entry ratios for the Unlimited Finfish Endorsement, for every two (2) Multipurpose Licenses, or Standard Resident License with Unlimited Finfish Endorsements, or Standard Non-Resident License with Unlimited Finfish Endorsements that is not renewed, one (1) new Standard license with Unlimited Finfish Endorsement will be made available for issuance. If the exit:entry ratio yields a number less than a multiple of three (3) endorsements, the number of endorsements will be rounded up to yield a multiple of three (3) endorsements.

Each year the DMF holds a public engagement workshop to solicit proposals for regulatory amendments to 250-RICR-90-00-2 – Commercial Marine Fishing Licenses, Landing Permits, and Party and Charter Licenses. Specifically, the DMF presents data from the current calendar year on license counts, the number of licenses not renewed or retired, and the availability of new license opportunities based on the exit:entry ratios for the Unlimited Finfish Endorsement currently in rule. Proposals made by the DMF and the commercial fishing industry for changes to the exit:entry ratios are typically in response to changes in effort, stock condition, or resource availability.

#### *Due Dates for Electronic Negative Reports*

The DMF currently requires negative, or did not fish reports, when reporting via a paper commercial catch and effort logbook. Now that the majority of harvesters are reporting via electronic reporting systems, and no longer using paper logbooks, the DMF is adding the same negative report requirement for those using electronic reporting methods. This data on catch and effort, or when a harvester fished and did not fish, is required for the majority of the FMP's the DMF has a declared interest in. This includes those dictated by the Atlantic States Marine Fisheries Commission, New England Fishery Management Council, and Mid-Atlantic Fishery Management Council. The DMF is authorizing harvesters to submit negative reports up to three months in advance as this is consistent with our negative reporting requirement for licensed dealers in 7.11(4)(b). This also alleviates some of the burden of the negative reporting requirement for the harvester.

#### *Reporting Compliance Prior to the Issuance of a New License Upon Sale of a License Holder's Vessel and/or Gear*

The Department may issue a new commercial fishing license when a license holder sells their vessel and/or gear. In many of these instances, the seller or buyer are not in compliance with their fishermen reporting requirements prior to the sale and issuance of new license being processed. The Department is proposing amendments to ensure compliance with all reporting requirements prior to the issuance of a new commercial fishing license with the sale of a vessel and/or gear.

#### *Resident Commercial Green Crab License*

During the 2025 legislative session, a new license type was added to R.I. Gen. Law § 20-2-46 (Appendix A). The Resident Commercial Green Crab License is only available to Rhode Island residents and authorizes licensed persons to take green crabs. The license fee is \$10. The DMF is now codifying the license in rule.

The DMF is proposing the Resident Commercial Green Crab License be held to the standard application deadlines, grace period for renewal, and late fees as outlined in 2.7.7(B)(1)(g). All other commercial fishing licenses issued by the Department are held to the same application deadline, grace period, and late fee per R.I. Gen. Law § 20-2.1-4 – Commercial Licensing. Although the General Assembly placed the Resident Commercial Green Crab License in R.I. Gen. Law § 20-2-46, it still refers to the license as “...a commercial green crab license...” and therefore the DMF felt it most appropriate to subject it to all the same statutory and regulatory requirements as all other commercial licenses. The only exception to this rule is the Student Shellfish License which has a statutory requirement under § 20-2.1-5(1)(iii) to have the application deadline June 30<sup>th</sup>. This exception was to allow students time to return home from college and obtain their license prior to the renewal deadline.

## STATEMENT OF THE PROBLEM

On July 16, 2025, DMF staff held a public workshop where we presented a review of 2025 licensing data, new license opportunities for 2026 based on the existing exit:entry ratio for the unlimited finfish endorsement, and several proposals for amendments to 250-RICR-90-00-2 – Commercial Marine Fishing Licenses, Landing Permits, and Party and Charter Licenses. The policy alternatives presented in this regulatory analysis are being put forward by either the DEM DMF or the commercial fishing industry.

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

Each year the Department evaluates the number of licenses not renewed/retired to determine the number of new license opportunities available pursuant to 2.7.4(C)(4)(a) – Exit:entry ratios for the Unlimited Finfish Endorsement and 2.7.6 – Prioritization in the Issuance of New Licenses. Based on 2025 commercial licensing data, a total of 25 licenses (14 Multipurpose Licenses and 11 Unlimited Finfish Endorsements) were not renewed and are considered retired for 2025. At the current exit:entry ratio of 2:1, 15 new endorsements are available for issuance in 2026 (round up by divisions of 3).

The DMF presented at the July 16, 2025, workshop that 15 new Unlimited Finfish Endorsements would be available in 2025 based on the current 2:1 exit:entry ratio. Proposals were made by industry members to change the current 2:1 ratio to 1:1, 3:1, and 1:0. At a 1:1 exit:entry ratio, 27 new endorsements would be available for issuance in 2026. At a 3:1 exit:entry ratio, 9 new endorsements would be available for issuance in 2026. At a 1:0 exit:entry ratio, 0 new endorsements would be available for issuance in 2026.

The DMF now has four Unlimited Finfish Endorsement exit:entry ratio alternatives for consideration, maintain 2:1 or change to 1:1, 3:1, or 1:0. These different alternatives could result

in a fiscal impact to the state as well as a change in fishing effort that could impact quota utilization of restricted species available for harvest with the Unlimited Finfish Endorsement.

#### *Due Dates for Electronic Negative Reports*

In recent years, there has been a transition from fishermen reporting catch and effort data on paper logbooks to fishermen using electronic applications for reporting catch and effort data. In rule, there is currently a requirement for fishermen using paper logbooks to submit negative, or did not fish reports, for the months during which no fishing activity occurs. The rule also specifies that these reports are due to DMF quarterly. Now that the vast majority of fishermen are using electronic reporting methods, the DMF is proposing to add the same negative reporting requirements for electronic reporting.

#### *Reporting Compliance Prior to the Issuance of a New License Upon Sale of a License Holder's Vessel and/or Gear*

Pursuant to 2.7.4(C)(5), the Department may issue a new commercial fishing license when a license holder sells their vessel and/or gear. In this case, the commercial fishing license holder selling their vessel and/or gear forfeits their license to the Department, and a new commercial fishing license is issued to the person purchasing the vessel and/or gear. Because these transactions occur throughout the calendar year, it frequently happens that the license holder selling their vessel/or gear, and/or the applicant making the purchase and applying for the new license, are not up to date with their commercial fishing reporting requirements. After the sale of vessel and/or gear and issuance of the new license is final, there is no incentive for license holders to submit fishing reports to the Department for the activity that occurred during that calendar year prior to the sale, which can impact catch and effort estimates.

#### *Resident Commercial Green Crab License*

During the 2025 legislative session, a new license type was added to R.I. Gen. Law § 20-2-46 (Appendix A). The Resident Commercial Green Crab License is only available to Rhode Island residents and authorizes licensed persons to take green crabs. The license fee is \$10. The DMF is now codifying the license in rule.

## SCOPE OF THE REGULATORY ANALYSIS

The proposed regulatory amendments are for 2026 only. All the proposed regulatory amendments may be evaluated annually and subject to amendments each year. As a result, the scope of this analysis is discrete and limited to 2026.

The fiscal note associated with the proposed policy alternatives presents three years of fiscal impact even though these policies are expected to be re-visited annually.

## BASELINE

The baseline for this analysis, or what we anticipate would happen with no regulatory change, is maintaining the current 2:1 Exit/Entry Ratio for the Unlimited Finfish Endorsement, not

implementing due dates for electronic negative reports, not requiring reporting compliance with issuance of a license with the sale of a vessel and/or gear, and no issuance of Resident Commercial Green Crab Licenses.

## STAKEHOLDERS AFFECTED WITH ANTICIPATED COSTS AND BENEFITS

### *Exit:entry ratio for the Issuance of a Standard license with Unlimited Finfish Endorsement*

The stakeholders affected by the policy alternatives would be all commercial harvesters that currently hold a Multipurpose Fishing License or Standard Fishing License with Unlimited Finfish Endorsement (  $n = 1,017$  in 2025) and all stakeholders who would like to obtain a Standard Fishing License with Unlimited Finfish Endorsement but are unable to do so due to the exit:entry ratio presenting a barrier for new entrants.

Commercial harvesters that currently hold a Multipurpose Fishing License or Standard Fishing License with Unlimited Finfish Endorsement all share restricted access to quota-managed species and therefore replacing retired commercial harvesters with new commercial harvesters could impact effort and have resource impacts. If annual quotas for restricted finfish species (black sea bass, scup (summer only), striped bass, summer flounder, and tautog) were to remain the same from 2025 to 2026, and there were no changes in resource availability from 2025 to 2026, there would be no anticipated impact to the resource as total removals (in pounds of fish) would be limited by state quotas.

Changes in effort however would be dependent on how active those harvesters who retired their licenses in 2025 had been previously and how active those harvesters who are issued new licenses in 2026 will be. For example, if a retired harvester who held a license but did not engage in fishing is replaced by a harvester who seeks to fish full-time, an increase in effort would occur in 2026 relative to 2025. Conversely, if a retired harvester who held a license and was a full-time active fisher is replaced by a harvester who seeks to fish part-time, a decrease in effort would occur in 2026 relative to 2025. Given the graying of the fleet phenomenon that has been documented in New England, or the age composition of the commercial fishing fleet increasing significantly in recent years (Cutler et al., 2022), it is more likely that older and less active harvesters are retiring to be replaced by new entrants who would have a higher level of activity.

If annual quotas were to change from 2025 to 2026, or changes in resource availability were to occur, we might expect resource-level impacts from the policy alternatives. All the restricted access species included in the Unlimited Finfish Endorsement are quota managed, and those annual quotas are set by the Atlantic States Marine Fisheries Commission (ASMFC) and/or Mid-Atlantic Fisheries Management Council (MAFMC) depending on which agency manages the species or whether they are jointly managed by both agencies. The ASMFC and MAFMC are both meeting in late 2025, to discuss 2026 management measures for species whose harvest is restricted under the Unlimited Finfish Endorsement. For several species, e.g., striped bass, quota reductions in 2026 are possible. Should quota reductions occur, an overall reduction in harvest per license holder would be anticipated for the current pool of license holders. This would only be exacerbated by adding new, active harvesters in 2026.

For simplicity, under baseline conditions, or keeping a 2:1 exit:entry ratio, it is assumed that the number of participants, and therefore effort, will remain constant. If participation and effort remain constant, there is no anticipated costs or benefits to the stakeholder or the resource except in the case of annual quota adjustments or changes in resource availability.

If this ratio is altered however (i.e., changing to a 1:1, 3:1, or 1:0 ratio), the number of participants and fishing effort may also change accordingly. Changing the ratio to 1:1 would increase the number of participants and potentially also increase effort which could result in shorter seasons, a lower x-vessel value, and a more unstable income for those already licensed if no quota adjustments occur in 2026.

Changing the ratio to 3:1 or 1:0, would decrease the number of participants compared to the baseline. This could potentially decrease effort which could result in longer seasons, a higher x-vessel value, and a more stable income for those already licensed if no quota adjustments occur in 2026.

If quota adjustments, or reductions, were to occur in 2026, reducing the exit:entry ratio to 3:1 or 1:0, and thereby reducing effort, may ease the financial burden imposed on the current license holders from the quota reductions. This was the intent of the industry members who proposed this policy alternative.

Any tertiary effects on supporting industries (e.g., bait, ice, fuel, crew) would only be anticipated should changes in effort or annual changes in quotas occur.

Stakeholders who would like to obtain a standard fishing license with Unlimited Finfish Endorsement but are unable to do so due to the exit:entry ratio presenting a barrier for new entrants could potentially experience a future loss of income. The potential for generating income by establishing a commercial fishing business is highly dependent on the factors listed in introduction section of this document and highly dependent on upfront investment costs. These future costs and benefits are not possible to trace as a result.

#### *Due Dates for Electronic Negative Reports*

The stakeholders affected by the policy alternatives would be all commercial harvesters that currently report their commercial catch and effort data electronically or plan to report electronically in the future. As negative reports are not currently required, there may be a cost to the stakeholder from additional time that it will take to enter negative reports. Conversely, electronic reporting is free for stakeholders, whereas paper reporting has a \$25 fee. These stakeholders reporting electronically are already benefiting by not having to pay the \$25 fee. In this case, the savings (\$25 fee) and costs (extra time for completing reports) may balance each other.

Although the baseline for this analysis, or what would be expected with no policy change, would be not requiring negative reports in 2026, there was just cause for the requirement for negative reports being proposed by the Department. When negative reports are not required, it is not possible for the Department to determine if the fishermen forgot to enter their reports or actually



did not fish. By entering did not fish reports, this lets the Department know that there was no effort. The impact of this regulatory amendment is considered negligible and there were no comments in opposition to this proposed amendment at the public workshop.

*Reporting Compliance Prior to the Issuance of a New License Upon Sale of a License Holder's Vessel and/or Gear*

The stakeholders affected by the policy alternatives would be all commercial harvesters that plan to sell their vessel and/or gear with a commercial fishing license or those who plan to purchase a vessel and/or gear in the future. As catch and effort reports are currently required by all license holders, there will be no cost to the stakeholder from being compliant with current rules. Conversely, by requiring reporting compliance prior to the sale of a vessel and/or gear with a commercial fishing license, the department will benefit by receiving the catch and effort reports currently required in rule.

Although the baseline for this analysis, or what would be expected with no policy change, would be not requiring reporting compliance prior to the sale of a vessel and/or gear with a commercial fishing license in 2026, there was just cause for the reporting compliance requirement being proposed by the Department. When catch and effort reports are not submitted prior to the sale of a vessel and/or gear with a commercial fishing license, it is likely that the fisherman will not submit their reports after the sale. In this case, the Department will not have accurate estimates of effort which could impact fishery management plans and quota specifications. The impact of this regulatory amendment is considered negligible and there were no comments in opposition to this proposed amendment at the public workshop.

*Resident Commercial Green Crab License*

The stakeholders affected by the policy alternatives would be all RI resident stakeholders that do not currently hold a Multipurpose Fishing License or Standard Fishing License with limited Crustacean Endorsement. These stakeholders are currently unable to harvest green crab. The proposed regulatory amendment would benefit these stakeholders by allowing them to harvest green crabs by purchasing this license for \$10. Alternatively, these stakeholders would have to purchase a Standard Fishing License with limited Crustacean Endorsement (\$150) in order to harvest green crabs. This is a savings of \$140 and a benefit for these stakeholders. Additionally, the potential revenue of \$10 per license is a benefit to the Department.

It is not possible to predict the number of stakeholders who would purchase this license, therefore, there is no way to quantify the benefit, but it is expected to be minimal.

## REFERENCES

Cutler, M., Silva, A., Gentile, L., & Colburn, L. (2022). Tracking shifts in the vulnerability and resiliency of commercial fishing vessel crew and hired captains in New England and the Mid-Atlantic. *Marine Policy*, 138, 104980. <https://doi.org/10.1016/j.marpol.2022.104980>

APPENDIX A. RESIDENT COMMERCIAL GREEN CRAB STATUTE

**2025 -- S 0938 SUBSTITUTE A**

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LC002663/SUB A

**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2025**

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A N A C T

RELATING TO FISH AND WILDLIFE -- LICENSING

Introduced By: Senators Sosnowski, Britto, DiMario, Murray, and McKenney

Date Introduced: April 04, 2025

Referred To: Senate Environment & Agriculture

It is enacted by the General Assembly as follows:

1           SECTION 1. Chapter 20-2 of the General Laws entitled "Licensing" is hereby amended by  
2       adding thereto the following section:

3           **20-2-46. Green crab harvest and license.**

4           (a) Any person may take the aquatic invasive species commonly known as green crabs,  
5       more specifically known as the species carcinis maenas.

6           (b) Rhode Island residents may be granted a commercial green crab license for a fee of ten  
7       dollars (\$10.00) per season.

8           (c) The director is hereby authorized to promulgate regulations for the commercial green  
9       crab license.

10          SECTION 2. This act shall take effect on January 1, 2026. 10

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LC002663/SUB A

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

A N A C T

RELATING TO FISH AND WILDLIFE -- LICENSING

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1           This act would authorize the taking of green crabs and provide for a commercial green crab  
2       license subject to a license fee of ten dollars (\$10.00).

3           This act would take effect on January 1, 2026.

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LC002663/SUB A

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