

Department of Planning and Budget 2011 Fiscal Impact Statement

1. Bill Number: HB2165

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Abbitt

3. Committee: Finance

4. Title: Menhaden assessment; penalty.

5. Summary: Authorizes the Marine Resources Commission to assess a fee of \$10 for each ton of menhaden harvested with a purse net. The fees are to be paid to the Commission semiannually and are to be used by the Commission to evaluate the condition of the menhaden fishery. The persons harvesting menhaden are also required to submit a monthly catch report to the Commission. The bill will sunset on July 1, 2016. The bill also provides for a \$1000 per day civil penalty upon any violations. The penalty will be deposited into the Menhaden Assessment Fund also created by the bill.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates:

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2013	1,090,000	0	Menhaden Assess. Fund
2014	1,090,000	0	Menhaden Assess. Fund
2015	1,090,000	0	Menhaden Assess. Fund
2016	1,090,000	0	Menhaden Assess. Fund

7b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2013	1,090,000	Menhaden Assess. Fund
2014	1,090,000	Menhaden Assess. Fund
2015	1,090,000	Menhaden Assess. Fund
2016	1,090,000	Menhaden Assess. Fund

8. Fiscal Implications: Based on current law, the maximum tonnage of menhaden that may be harvested each year is 109,000 tons. Therefore, multiplying 109,000 tons x \$10 per ton would yield a potential maximum amount of revenue each year of \$1,090,000. It is expected that all of the revenues collected until July 1, 2016 the expiration date for this new fee, would be spent on the evaluation of the menhaden fishery that is described in the bill. Monies would be

used for an annual aerial survey of the menhaden population in Virginia waters. In addition, on-going species research would be done by staff at Virginia Institute of Marine Sciences (VIMS) or at other Virginia research institutions.

In addition, the bill calls for a civil penalty of \$1,000 assessed to any person found in violation of the provisions of this bill. Any monies collected in penalties are to be deposited into the Menhaden Assessment Fund. It is difficult to ascertain how much in civil penalties will be collected.

9. Specific Agency or Political Subdivisions Affected: Marine Resources Commission, Virginia Institute of Marine Science

10. Technical Amendment Necessary: Yes, to establish the Menhaden Assessment Fund.

11. Other Comments: None

Date: 1/20/2011