

13104243D

HOUSE BILL NO. 2254**AMENDMENT IN THE NATURE OF A SUBSTITUTE**

(Proposed by the House Committee on Agriculture, Chesapeake and Natural Resources
on January 23, 2013)

(Patrons Prior to Substitute—Delegates Scott, E.T. and Ware, R. L. [HB 1840])

A BILL to amend and reenact §§ 2.2-4002, 28.2-204.1, 28.2-402, 28.2-403, and 28.2-1000.2 of the Code of Virginia and the second enactment of Chapter 41 of the Acts of Assembly of 2007, as amended by Chapters 178 and 728 of the Acts of Assembly of 2010; to amend the Code of Virginia by adding sections numbered 28.2-400.1 through 28.2-400.6; and to repeal § 28.2-1000.2 of the Code of Virginia, relating to management of the menhaden fishery.

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.2-4002, 28.2-204.1, 28.2-402, 28.2-403, and 28.2-1000.2 of the Code of Virginia and the second enactment of Chapter 41 of the Acts of Assembly of 2007, as amended by Chapters 178 and 728 of the Acts of Assembly of 2010, are amended and reenacted and that the Code of Virginia is amended by adding sections numbered 28.2-400.1 through 28.2-400.6 as follows:

§ 2.2-4002. Exemptions from chapter generally.

A. Although required to comply with § 2.2-4103 of the Virginia Register Act (§ 2.2-4100 et seq.), the following agencies shall be exempted from the provisions of this chapter, except to the extent that they are specifically made subject to §§ 2.2-4024, 2.2-4030, and 2.2-4031:

1. The General Assembly.

2. Courts, any agency of the Supreme Court, and any agency that by the Constitution is expressly granted any of the powers of a court of record.

3. The Department of Game and Inland Fisheries in promulgating regulations regarding the management of wildlife and for all case decisions rendered pursuant to any provisions of Chapters 2 (§ 29.1-200 et seq.), 3 (§ 29.1-300 et seq.), 4 (§ 29.1-400 et seq.), 5 (§ 29.1-500 et seq.), and 7 (§ 29.1-700 et seq.) of Title 29.1.

4. The Virginia Housing Development Authority.

5. Municipal corporations, counties, and all local, regional or multijurisdictional authorities created under this Code, including those with federal authorities.

6. Educational institutions operated by the Commonwealth, provided that, with respect to § 2.2-4031, such educational institutions shall be exempt from the publication requirements only with respect to regulations that pertain to (i) their academic affairs, (ii) the selection, tenure, promotion and disciplining of faculty and employees, (iii) the selection of students, and (iv) rules of conduct and disciplining of students.

7. The Milk Commission in promulgating regulations regarding (i) producers' licenses and bases, (ii) classification and allocation of milk, computation of sales and shrinkage, and (iii) class prices for producers' milk, time and method of payment, butterfat testing and differential.

8. The Virginia Resources Authority.

9. Agencies expressly exempted by any other provision of this Code.

10. The Department of General Services in promulgating standards for the inspection of buildings for asbestos pursuant to § 2.2-1164.

11. The State Council of Higher Education for Virginia, in developing, issuing, and revising guidelines pursuant to § 23-9.6:2.

12. The Commissioner of Agriculture and Consumer Services in adopting regulations pursuant to subsection B of § 3.2-6002 and in adopting regulations pursuant to § 3.2-6023.

13. The Commissioner of Agriculture and Consumer Services and the Board of Agriculture and Consumer Services in promulgating regulations pursuant to subsections B and D of § 3.2-3601, subsection B of § 3.2-3701, § 3.2-4002, subsections B and D of § 3.2-4801, §§ 3.2-5121 and 3.2-5206, and subsection A of § 3.2-5406.

14. The Board of Optometry when specifying therapeutic pharmaceutical agents, treatment guidelines, and diseases and abnormal conditions of the human eye and its adnexa for TPA-certification of optometrists pursuant to Article 5 (§ 54.1-3222 et seq.) of Chapter 32 of Title 54.1.

15. The Commissioner of the Department of Veterans Services in adopting regulations pursuant to subdivision 18 of § 2.2-2004.

16. The State Board of Education, in developing, issuing, and revising guidelines pursuant to § 22.1-203.2.

17. The Virginia Racing Commission, (i) when acting by and through its duly appointed stewards or in matters related to any specific race meeting or (ii) in promulgating technical rules regulating actual live horse racing at race meetings licensed by the Commission.

- 60 18. The Virginia Small Business Financing Authority.
61 19. The Virginia Economic Development Partnership Authority.
62 20. The Board of Agriculture and Consumer Services in adopting, amending or repealing regulations
63 pursuant to subsection A (ii) of § 59.1-156.
64 21. The Insurance Continuing Education Board pursuant to § 38.2-1867.
65 22. The Board of Health in promulgating the list of diseases that shall be reported to the Department
66 of Health pursuant to § 32.1-35 and in adopting, amending or repealing regulations pursuant to
67 subsection C of § 35.1-14 that incorporate the Food and Drug Administration's Food Code pertaining to
68 restaurants or food service.
69 23. (Expires January 1, 2014) The ~~Secretary of Natural Resources~~ *Commissioner of the Marine*
70 *Resources Commission* in setting a date of closure for the Chesapeake Bay purse seine fishery for
71 Atlantic menhaden for reduction purposes pursuant to § 28.2-1000.2.
72 24. The Board of Pharmacy when specifying special subject requirements for continuing education
73 for pharmacists pursuant to § 54.1-3314.1.
74 25. The Virginia Department of Veterans Services when promulgating rules and regulations pursuant
75 to § 58.1-3219.7.
- 76 B. Agency action relating to the following subjects shall be exempted from the provisions of this
77 chapter:
- 78 1. Money or damage claims against the Commonwealth or agencies thereof.
 - 79 2. The award or denial of state contracts, as well as decisions regarding compliance therewith.
 - 80 3. The location, design, specifications or construction of public buildings or other facilities.
 - 81 4. Grants of state or federal funds or property.
 - 82 5. The chartering of corporations.
 - 83 6. Customary military, militia, naval or police functions.
 - 84 7. The selection, tenure, dismissal, direction or control of any officer or employee of an agency of
85 the Commonwealth.
 - 86 8. The conduct of elections or eligibility to vote.
 - 87 9. Inmates of prisons or other such facilities or parolees therefrom.
 - 88 10. The custody of persons in, or sought to be placed in, mental health facilities or penal or other
89 state institutions as well as the treatment, supervision, or discharge of such persons.
 - 90 11. Traffic signs, markers or control devices.
 - 91 12. Instructions for application or renewal of a license, certificate, or registration required by law.
 - 92 13. Content of, or rules for the conduct of, any examination required by law.
 - 93 14. The administration of pools authorized by Chapter 47 (§ 2.2-4700 et seq.).
 - 94 15. Any rules for the conduct of specific lottery games, so long as such rules are not inconsistent
95 with duly adopted regulations of the State Lottery Board, and provided that such regulations are
96 published and posted.
 - 97 16. Orders condemning or closing any shellfish, finfish, or crustacea growing area and the shellfish,
98 finfish or crustacea located thereon pursuant to Article 2 (§ 28.2-803 et seq.) of Chapter 8 of Title 28.2.
 - 99 17. Any operating procedures for review of child deaths developed by the State Child Fatality
100 Review Team pursuant to § 32.1-283.1.
 - 101 18. The regulations for the implementation of the Health Practitioners' Monitoring Program and the
102 activities of the Health Practitioners' Monitoring Program Committee pursuant to Chapter 25.1
103 (§ 54.1-2515 et seq.) of Title 54.1.
 - 104 19. The process of reviewing and ranking grant applications submitted to the Commonwealth
105 Neurotrauma Initiative Advisory Board pursuant to Article 12 (§ 51.5-178 et seq.) of Chapter 14 of Title
106 51.5.
 - 107 20. Loans from the Small Business Environmental Compliance Assistance Fund pursuant to Article 4
108 (§ 10.1-1197.1 et seq.) of Chapter 11.1 of Title 10.1.
 - 109 21. The Virginia Breeders Fund created pursuant to § 59.1-372.
 - 110 22. The types of pari-mutuel wagering pools available for live or simulcast horse racing.
 - 111 23. The administration of medication or other substances foreign to the natural horse.
- 112 C. Minor changes to regulations published in the Virginia Administrative Code under the Virginia
113 Register Act (§ 2.2-4100 et seq.), made by the Virginia Code Commission pursuant to § 30-150, shall be
114 exempt from the provisions of this chapter.
- 115 **§ 28.2-204.1. Limited sale of gear licenses and permits; regulations.**
- 116 A. The Commission may limit the number of gear licenses or permits to fish, except those licenses
117 issued pursuant to *subdivisions 1 and 2 of § 28.2-402*, issued for use in a specific fishery. The
118 Commission may, despite any such limits, issue such gear licenses or permits to fish to any person who
119 has resided for at least five years on an island in the Commonwealth that is at least three miles from the
120 mainland.
- 121 B. The Commission is authorized to promulgate regulations to carry out the provisions of this

section. In determining whether to limit the sale of gear licenses or permits to fish, and determining who receives licenses, the Commission shall consider all factors relevant to the Commonwealth's fishery management policy, including but not limited to:

1. Economic and social consequences;
2. Food production;
3. Dependence on the fishery by licensees;
4. Efficiency of gear used in the fishery;
5. Impact on species and fisheries; and
6. Abundance of the resource.

§ 28.2-400.1. Criteria for qualifying for a limited entry purse seine menhaden bait license.

A. The Commission shall establish and administer a limited entry purse seine menhaden bait license that meets the requirements of this section.

B. In order to qualify for a limited entry purse seine menhaden bait license, an applicant shall have held a purse seine license, as established in § 28.2-402, in 2011 and shall have landed menhaden in the Commonwealth in each of the years 2009, 2010, and 2011. Such person shall also have used purse seine gear to harvest menhaden in at least one those three years. Proof of landings and gear usage shall be in the form of receipts, landing reports, or other verifiable documents as designated by the Commission.

§ 28.2-400.2. Total allowable landings for menhaden.

A. Except as provided for in subsections B, C, and D, the total allowable landings for menhaden shall be 144,272.84 metric tons per year.

B. If the total allowable landings specified in subsection A are exceeded in any year, the total allowable landings for the subsequent year will be reduced by the amount of the overage. Such overage shall be deducted from the sector of the menhaden fishery that exceeded the allocation specified in § 28.2-400.3.

C. The Commissioner may request a transfer of menhaden landings from any other state that is a member of the Atlantic States Marine Fisheries Commission. If the Commonwealth receives a transfer of menhaden in any year from another state, the total allowable landings for only that year shall increase by the amount of transferred landings. The Commissioner may transfer menhaden to another state only if there are unused landings after December 15.

D. Any portion of the one percent of the coast-wide total allowable catch set aside by the Atlantic States Marine Fisheries Commission for episodic events that is unused as of September 1 of any year shall be returned to Virginia and other states according to allocation guidelines established by the Atlantic States Marine Fisheries Commission. Any such return of this portion of the coast-wide total allowable catch to Virginia shall increase the total allowable landings for that year.

§ 28.2-400.3. Allocation of the total allowable landings for menhaden.

A. The total allowable landings for menhaden specified in § 28.2-400.2 shall be allocated among the purse seine menhaden reduction sector, purse seine menhaden bait sector, and non-purse seine menhaden bait sector in proportion to each sector's share of average landings in 2002 through 2011.

B. The Commission shall establish an Individual Transferrable Quota System for any purse seine menhaden bait licensee that meets the requirements of § 28.2-400.1. The Commission shall not consider a limited entry purse seine menhaden bait licensee's landings of menhaden for reduction purposes for any purposes under the Individual Transferrable Quota System required by this subsection.

C. Any landings of menhaden by a limited entry purse seine menhaden bait licensee at a qualified menhaden processing factory, as indicated on the mandatory daily landings reports required to be submitted under § 28.2-400.5, shall be attributed to the menhaden reduction sector for all purposes under this chapter. A qualified menhaden processing factory is one located in the Commonwealth and which has processed at least 100,000 metric tons of menhaden in each of the years 2009, 2010, and 2011.

§ 28.2-400.4. Administration of the menhaden management program.

A. Closure of the menhaden fishery shall occur when the Commissioner projects and announces that 100 percent of the total allowable landings have been taken. The Commissioner shall monitor the mandatory daily landings reports required to be submitted under § 28.2-400.5 by the:

1. Purse seine menhaden reduction sector and promptly announce the date of closure when the portion of the total allowable landings allocated to the purse seine menhaden reduction sector under § 28.2-400.3 are projected to be taken. The Commissioner shall also notify the operators of any qualified menhaden processing factory of the date of closure by the most convenient and expeditious means available;

2. Purse seine menhaden bait sector and promptly announce the date of closure when the portion of total allowable landings allocated to the purse seine fishery for bait under § 28.2-400.3 is projected to be taken. The Commissioner shall also notify the purse seine menhaden bait sector of the date of

183 closure by the most convenient and expeditious means available; and

184 3. Non-purse seine menhaden bait sector and promptly announce the date of closure when the
185 portion of total allowable landings allocated to the non-purse seine fishery for bait under § 28.2-400.3
186 is projected to be taken. The Commissioner shall also notify the operators of the non-purse seine bait
187 fishery of the date of closure by the most convenient and expeditious means available. Once this closure
188 is announced, any person licensed in the non-purse seine menhaden bait sector may possess and land
189 up to 6,000 pounds of menhaden per day, provided that such person is fishing in accordance with all
190 laws and regulations.

191 B. The Commissioner may reopen a fishery sector closed pursuant to this section if, after all reports
192 have been received, the portion of the total allowable landings has not been harvested by that sector.
193 The Commission may establish any regulations it deems necessary and advisable, including trip limits or
194 a time-limited reopening, to ensure that the allowable landings for a reopened sector is not exceeded.
195 Any such reopening and subsequent closure shall be done by direct notice to the relevant sector of the
196 fishery.

197 C. The Commission shall maintain on its website a periodically updated tally of the menhaden
198 harvest for each sector receiving an allocation under this section.

199 D. Except as provided in subdivision A 3, no person shall harvest menhaden for bait or reduction
200 purposes after the portion of the total allowable landings for the sector in which that person holds a
201 license has been closed. Any person violating this provision is guilty of a Class 1 misdemeanor.

202 **§ 28.2-400.5. Reporting requirements.**

203 A. Any person licensed for the purse seine menhaden reduction sector or purse seine menhaden bait
204 sector shall submit landings reports to the Commissioner each non-weekend or non-holiday day that the
205 applicable sector of the menhaden fishery is open for harvest utilizing the Captain's Daily Fishing
206 Report produced by the National Marine Fisheries Service.

207 B. Persons licensed for the non-purse seine menhaden bait sector shall submit a report on a form
208 and on a schedule established by the Commission. The reporting period established by the Commission
209 shall be longer than one week.

210 C. The reporting form required to be developed by the Commission shall require the following
211 information:

- 212 1. Trip start date;
- 213 2. Vessel identification number;
- 214 3. Individual fisherman identifier;
- 215 4. Identification of dealer purchasing landings;
- 216 5. Trip number;
- 217 6. Species harvested;
- 218 7. Quantity of fish landed and discarded in pounds or metric tons;
- 219 8. Disposition of the landings;
- 220 9. County or port landed;
- 221 10. Gear type used;
- 222 11. Quantity of gear used;
- 223 12. Number of sets made during each trip;
- 224 13. Time fishing gear is in the water;
- 225 14. Days or hours at sea;
- 226 15. Number of crewmembers;
- 227 16. Area fished; and
- 228 17. Date of unloading.

229 **§ 28.2-400.6. Biological sampling program and adult abundance index.**

230 A. The Commission shall:

231 1. Establish a biological sampling program to collect one 10-fish sample per 200 landed metric tons
232 for length and weight-at-age data from the commercial menhaden harvest; and

233 2. Initiate a program to add Atlantic menhaden to the Virginia Marine Resources Commission's
234 finfish biological sampling program in order to develop an adult menhaden survey index from Virginia
235 pound nets.

236 B. By no later than December 1, 2013, the Commission shall submit a report to the General
237 Assembly and the Governor that (i) describes progress in establishing the biological sampling program
238 and development of the adult menhaden survey index called for by this section, (ii) discusses any
239 difficulties in implementing the requirements of this section, including a lack of resources to properly
240 implement the program, and (iii) provides a list of resources the Commission believes are necessary to
241 properly implement the sampling program and index, with detailed justification, including an estimate of
242 the cost of each item requested.

243 **§ 28.2-402. License fee to take menhaden with purse nets.**

244 Any person desiring to take or catch menhaden with purse nets shall pay to the officer or agent a

license fee as follows or as subsequently revised by the Commission pursuant to § 28.2-201:

1. On each boat or vessel under ~~seventy~~ 70 gross tons fishing with purse net, \$3 per gross ton, but not more than \$150 for the purse seine menhaden reduction sector, \$249.

2. On each vessel ~~over~~ 70 gross tons or over fishing with purse net, \$5 per gross ton, provided the maximum license fee for such vessels shall not be more than \$600 for the purse seine menhaden reduction sector, \$996.

3. On each boat or vessel under 70 gross tons fishing for the purse seine menhaden bait sector, \$249.

4. On each vessel 70 gross tons or over fishing for the purse seine menhaden bait sector, \$996.

The officer or agent shall thereupon grant a license to use such net or other device and state in the license the name or names of the person or persons who shall use the same and the amount of the license fee.

§ 28.2-403. Action of Commissioner on such application; transfer of license of disabled vessel; delegation of authority; appeals.

A. If the Commissioner is satisfied that the disclosures required by § 28.2-400 have been made and that the application conforms in other respects to the provisions of that section or to § 28.2-400.1, and upon payment of the license fee specified in § 28.2-402, the Commissioner, or the officer through whom or in whose district the application was made, shall issue to the applicant a license for each of the purse seines, vessels, or other watercraft specified in the application. The license shall state the name of the licensee and the name of the vessel or other watercraft licensed.

If any vessel or other watercraft so licensed becomes disabled during the period of such license, the licensee may, with the consent of the Commissioner, hire or charter a vessel or other craft belonging to a nonresident to replace the disabled one for the unexpired period of such license. In such a case, the officer shall transfer the license issued for the disabled vessel or other craft to the one so hired or chartered without requiring any additional license.

B. The Commissioner may delegate to the officers his authority under this section. However, any person aggrieved by any action of an officer exercising such delegated authority shall have the right to appeal to the Commissioner for a review and correction of the actions of the officer. The appeal may be made by mailing a statement of the officer's action, together with the appellant's objections and the grounds for his objections, to the Commissioner. Upon receipt of such appeal, the Commissioner shall immediately notify the officer involved, who shall, within three days, deliver to the Commissioner all papers in his possession concerning the subject matter of the appeal, together with a written statement of and reasons for his actions. The Commissioner shall issue his ruling granting, transferring, refusing, or refusing to transfer the license within ten days after receipt by him of the appeal.

§ 28.2-1000.2. (Expires January 1, 2014) Annual closure of the Chesapeake Bay purse seine fishery for Atlantic menhaden.

A. For the purpose of this section:

"Chesapeake Bay" means the territorial waters of the Commonwealth lying west of the Chesapeake Bay Bridge-Tunnel.

"Purse seine fishery for Atlantic menhaden" means those vessels licensed pursuant to § 28.2-402 that harvest menhaden for the purpose of manufacturing them into fertilizer, fish meal, or oil.

B. Upon ~~notification by the National Marine Fisheries Service of the date on which a determination that the purse seine fishery for Atlantic menhaden meets the annual menhaden harvest cap in the Chesapeake Bay, the Secretary of Natural Resources~~ Commissioner shall promptly publish a notice in the Virginia Register announcing the date of closure. The ~~Secretary of Natural Resources~~ Commissioner shall also notify the operators of the purse seine fishery for Atlantic menhaden by the most convenient and expeditious means available. The date of closure shall be based on mandatory daily ~~catch~~ landings reports ~~submitted to the National Marine Fisheries Service required to be submitted under § 28.2-400.5~~ by the purse seine fishery for Atlantic menhaden.

C. The annual menhaden harvest cap for the purse seine fishery for Atlantic menhaden shall be ~~109,020~~ 87,216 metric tons, subject to annual adjustment for underages or overages as specified in subsection D. In no event, however, shall the harvest of this fishery exceed ~~122,740~~ 98,192 metric tons in any one year.

D. If the harvest of the purse seine fishery for Atlantic menhaden does not exceed ~~109,020~~ 87,216 metric tons in any year to which the harvest cap applies, then the difference between the actual harvest and the harvest cap shall be applied as a credit applicable to the allowable harvest for the purse seine fishery for Atlantic menhaden for the following year. The credit may be used only for the subsequent annual harvest and shall not be spread over multiple years. Any annual harvest in excess of the harvest cap shall be deducted from the harvest cap, as modified pursuant to this subsection and subsection C for the subsequent annual harvest.

E. The 2007 harvest cap for the purse seine fishery for Atlantic menhaden shall be adjusted for any

306 underage or overage, as specified in subsection D, from the actual 2006 harvest of the purse seine
307 fishery for Atlantic menhaden.

308 F. No person shall take Atlantic menhaden by purse seine for reduction purposes from the
309 Chesapeake Bay after the later of the date of closure implemented pursuant to subsection B or the date
310 that actual notice is provided of such closure pursuant to subsection B. Any person violating this
311 provision shall be guilty of a Class 1 misdemeanor.

312 2. That the second enactment of Chapter 41 of the Acts of Assembly of 2007, as amended by
313 Chapters 178 and 728 of the Acts of Assembly of 2010, is amended and reenacted as follows:

314 2. That the provisions of this act shall expire on January 1, 2014 2015.

315 3. That § 28.2-1000.2 of the Code of Virginia is repealed effective January 1, 2015.

316 4. That the provisions of this act shall expire on January 1, 2015.

317 5. That an emergency exists and this act is in force from its passage.