

## Department of Planning and Budget 2023 Fiscal Impact Statement

**1. Bill Number:** SB899

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed

**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:**    Stuart

**3. Committee:** Agriculture, Conservation and Natural Resources

**4. Title:**    Oyster-planting grounds; fees.

**5. Summary:** Reduces the lease application fees and lease transfer fees for general oyster-planting grounds and riparian oyster-planting grounds to \$300 for leases of less than 10 acres, \$400 for leases of 10 acres or more but less than 100 acres, and \$500 for leases of 100 acres or more. Such fees in current law are \$300 for leases of less than five acres, \$500 for leases of five to 25 acres, and \$1,000 for leases of more than 25 acres. The bill increases the fee for transferring a riparian planting ground assignment from \$5 to \$300 when ownership of such riparian assignment is transferred with ownership of the adjacent highland.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Indeterminate. See item 8.

**8. Fiscal Implications:** The Marine Resources Commission (MRC) anticipates a revenue reduction of approximately \$31,000 a year in fees paid into the Oyster Leasing, Conservation, and Repletion Programs Fund (the Fund), based on the 10-year average number of transfers and the size of all current leases. According to MRC, revenues in the Fund support three dedicated positions and programmatic expenses in the Shellfish Management program.

The Fund has been established for two full fiscal years. Revenues into the Fund have averaged \$360,000 per year. MRC started expending from this fund in FY 2023. MRC anticipates annual expenses associated with the shellfish management positions to be \$250,000 per year. The remaining funds support other oyster ground leasing, conservation, and repletion activities.

MRC further anticipates a negligible reduction in mailing costs resulting from a decrease in notifications required to be sent for transfers, and a reduction in processing time for applications.

**9. Specific Agency or Political Subdivisions Affected:** Marine Resources Commission

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.