



Senate Fiscal Agency
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House Bill 4242 (Substitute S-2 as reported)
Sponsor: Representative Julie Alexander
House Committee: Natural Resources and Outdoor Recreation
Senate Committee: Natural Resources

CONTENT

The bill would amend Part 487 (Sport Fishing) of the Natural Resources and Environmental Protection Act to do the following:

- Allow a person to export minnows, wigglers, and crayfish from Michigan, if that person held a permit to do so.
- Increase, from \$25 to \$500, the fee for an export permit.
- Require a permit-holder to provide a monthly report to the DNR that included the quantity of exported minnows, wigglers, or crayfish by species that were taken from Michigan waters.

MCL 324.48729

Legislative Analyst: Dana Adams

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on the DNR and no fiscal impact on local units of government. The Department is responsible for licensing dealers and administering regulations that govern commercial harvesting of bait resources (minnow, wiggler and crayfish). The Department receives revenue annually from a variety of bait dealer licensing fees. The Department also monitors commercial dealers' activities by reviewing monthly activity reports submitted by licensed dealers.

According to research performed by Michigan State University in 2016, the annual retail value of the minnows and wigglers that were harvested from State waters was between \$5.2 million and \$7.8 million. If exportation of bait resources outside the State increased the harvesting of bait resources, the fiscal impact would depend on three variables: 1) the magnitude of the increase in administrative costs, 2) the change in revenue from the newly increased export permit fee, and 3) the number of export permits issued by the Department. Additionally, if an increase in the volume of bait resources harvested strained the bait population, then the bill could lead to an indeterminate increase in costs for the DNR.

Resource	Volume in Gallons	Wholesale Value	Retail Value
Minnows	25,000 to 38,000	\$900,000 to \$1.3 million	\$5.0 million to \$7.5 million
Wiggler	1,200 to 3,500	\$35,000 to \$100,000	\$150,000 to \$270,000
<p><u>Source:</u> Ronald Kinnunen, <i>Michigan has a viable and sustainable bait industry</i>, Michigan State University Extension, July 12, 2016.</p> <p><u>Note:</u> The research did not include estimates for crayfish populations and is the reason they have been omitted.</p>			

Date Completed: 2-15-22

Fiscal Analyst: Ben Dawson

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Bill Analysis @ www.senate.michigan.gov/sfa

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