

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
MRC	0	2	2	2	2	2
TOTAL	0	2	2	2	2	2

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

Fiscal Analysis: This fiscal impact statement is preliminary, with an anticipated general fund expenditure impact. The fiscal impact statement will be updated as additional information is received.

This bill requires the Commission to develop a quota period management system for the Bay Cap, as well as that 10 percent of trips for the menhaden reduction fishery carry at least one trained observer to document the catch and that these reports are documented. MRC anticipates requiring an additional fisheries observer position and additional non-personnel resources to support these expanded observations, data collection, and reporting requirements. The agency states that these expected increases in expenses cannot be absorbed within current resources.

According to the agency, this bill would result in approximately 35 to 55 required observations each year for menhaden reduction fishery vessels. MRC does not currently conduct onboard observations of these vessels. The agency estimates that the maximum number of trips that an FTE can observe is two per week. However, commercial fishing is not distributed uniformly throughout the year and is highly dependent on species availability and weather. Therefore, many of the trips would occur on the same day and season. MRC estimates needing two additional Natural Resource Specialist II positions at a total ongoing general fund cost of \$172,677. According to the agency, the skillset required for the work required by this bill is specific to the fishing industry and obtaining contractual workers with this skill set would be highly unlikely.

MRC currently conducts onboard observations under a federal funded grant program that monitors endangered species. According to the agency, the program's staffing and workload are fully allocated and do not include monitoring or data collection for the menhaden reduction fishery. MRC states that existing staff do not have the capacity to absorb the additional workload required by this bill, and the duties and funding justification for the activities under this bill would be separate from the agency's existing federal funded observer activities.

The agency also anticipates additional travel, contractual, supplies and materials, and equipment costs to fulfill the provisions of this bill. MRC anticipates travel costs due to required observer deployment to coastal ports, participation in required training and safety briefings, and attendance at meetings related to fisheries management, as well as contractual services costs related to short-term technical support for data systems and training associated with observer protocols, at an ongoing cost of approximately \$30,000. The Commission states that \$16,636 in ongoing costs would be required to acquire, maintain, and replace field gear required for observer deployment, personal protective equipment, computer hardware and software for data entry and management, and limited vehicle-related costs. Field sampling materials, data collection forms, safety supplies, and outreach materials may also be required at an expected ongoing cost of \$4,000.

Other: None.