

Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

SFA**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 5053 (as reported without amendment)
Sponsor: Representative Mike Kowall
House Committee: Great Lakes and Tourism
Senate Committee: Natural Resources and Environmental Affairs

Date Completed: 12-3-99

RATIONALE

Michigan is among the most popular states for recreational fishing because of the abundant natural resources found in the Great Lakes and many inland lakes and streams. According to the Department of Natural Resources (DNR), Michigan has an estimated 2 million anglers, including 334,000 nonresident tourists, who spend nearly \$1 billion annually on sport-fishing expenses, such as licenses, bait, equipment and boat rental, transportation, and fuel. When other economic factors, such as food and lodging, are taken into account, the expenditure by anglers is reported to be closer to \$1.4 billion.

Currently, the DNR may designate one day or two consecutive days each year as free fishing days, during which a resident or nonresident may fish for all species of fish in all State waters designated by the DNR without purchasing a license or permit. Since recreational fishing is important to the State's economy, many people believe the State should further increase interest in fishing and encourage involvement in the sport by conducting two additional free fishing days during the winter months.

CONTENT

The bill would amend Part 435 (Hunting and Fishing Licensing) of the Natural Resources and Environmental Protection Act to require the Department of Natural Resources to designate a Saturday and Sunday in January and February each year as "Free Winter Fishing Days".

Currently, the DNR may designate one day or two consecutive days each year as free fishing days, during which a resident or nonresident may fish for all species of fish in all State waters designated by the DNR without purchasing a license or permit. The bill would allow the DNR to designate one other day or two other consecutive days each year as free fishing days, in addition to the free winter fishing days that the bill would require.

Under the Act, a person who fishes during the free fishing days has the same privileges as a holder of a

limited fishing license issued under the Act. A holder of a limited fishing license is entitled to take all aquatic species as prescribed by law. ("Aquatic species" means any fish, reptile, amphibian, mollusk, aquatic insect, or crustacea or part thereof.)

MCL 324.43534

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

License-free fishing days have been held successfully during summer months (usually in the middle of June) for 13 years. The bill would provide for free fishing days in January and February, as well, to promote winter fishing and tourist business in the State. The attraction of fishing without having to buy a license would entice more people to try the sport; as a result, many could eventually get hooked on it and purchase fishing licenses. Other areas of the economy would benefit when tourists visited the State and spent money on winter fishing and related activities: Allowing for two more free days in the winter months would aid in attracting out-of-State tourists as well as luring residents from the Lower Peninsula to travel to Upper Peninsula recreational areas.

Legislative Analyst: N. Nagata

FISCAL IMPACT

This bill would reduce the funds available for game and fish protection programs in the State by a small, indeterminate amount. The Department of Natural Resources estimates this loss at \$5,000 to \$10,000.

Under current law, revenues from the sale of State hunting and fishing licenses flow to the Game and Fish Protection Fund. These funds are used to support Statewide hunting and fishing programs. A

variety of State fishing licenses may be purchased, including those valid only for specific species or limited duration. This bill would reduce the revenues generated on the sale of fishing licenses that otherwise would be sold on the designated "free winter fishing days".

The exact revenue loss cannot be calculated. However, the DNR sells approximately 800-900 fishing licenses each January. These figures include the sales of short-term (24-hour) licenses as well as annual fishing permits. Fishing permits range in price from \$3, for 24-hour senior licenses, to \$39 for an annual, nonresident license. Annual permits are valid from March 1 through March 31 of each year. January license sales generate approximately \$3,000 to \$3,500 in Game and Fish Protection revenue. This bill would reduce these sales collections. In addition, the Department would have to shift additional Game and Fish Protection revenue from other programs to support and promote the designated "free winter fishing days". These additional costs cannot be calculated.

Fiscal Analyst: P. Alderfer

H9900\5053a

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.