

Office of Regulatory Management
Economic Review Form

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| Agency name | Virginia Marine Resources Commission |
| Virginia Administrative Code (VAC) Chapter citation(s) | 4VAC 20-252 |
| VAC Chapter title(s) | Pertaining to Atlantic Striped Bass |
| Action title | To adjust the commercial Chesapeake Bay striped bass quota from 983,393 pounds to 914,555 pounds and to remove language that prohibits commercial striped bass harvesters from obtaining both Chesapeake area and Coastal area tags at one time. |
| Date this document prepared | August 22, 2024 |
| Regulatory Stage (including Issuance of Guidance Documents) | Final |

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

| | | |
|--|---|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | <p>Direct Costs: Lowering the Chesapeake Bay commercial striped bass quota will decrease all harvester's quotas by 7 percent. This will lower the revenue for the small group of commercial harvesters who catch their entire Bay quota each year. The harvesters who do not regularly catch their entire quota will likely not see a loss in revenue.</p> <p>Indirect Costs: Changing these regulations will have no indirect costs.</p> <p>Direct Benefits: Concerns about rebuilding the striped bass spawning stock biomass (SSB) to the target level by the 2029 deadline were raised after preliminary recreational harvest rates for the 2022 fishing year were incorporated into the projection model. This regulation change will help rebuild the coastal striped bass stock. If the reduction is not taken, ASMFC would find our state out of compliance and close the commercial striped bass fishery. Reducing the quota will comply with ASMFC and the commercial fishery will remain open.</p> <p>Indirect Benefits: Currently all 10 harvesters that fish both Bay and Ocean tags reside on the Eastern shore, approximately a 2–3 hour drive from the main office at Fort Monroe where the tags are stored. The varying spring weather conditions make it difficult for harvesters to know whether they will need to fish Chesapeake area quota or Coastal area quota on any given day and can cause a hardship for individuals who must make multiple trips to the main office to switch out tags. Removing this language will decrease the burden on these 10 harvesters as well as staff.</p> | |
| (2) Present Monetized Values | Direct & Indirect Costs | Direct & Indirect Benefits |
| | (a) \$95,562. This is estimated as a 3.5% (half the full decrease) decrease in value compared to 2023 value. The full 7 percent reduction in revenue will not happen with many anglers not catching their entire quota or not fishing at all. | (b) \$0 |
| (3) Net Monetized Benefit | \$ | |
| (4) Other Costs & Benefits (Non-Monetized) | This change in regulation will help rebuild the coastal striped bass stock and will keep Virginia in compliance allowing the commercial fishery to remain open. Allowing harvesters to obtain both Bay and Ocean striped | |

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| | bass tags will reduce time and burden on harvesters that live several hours from the main office and allow them to fish each area when conditions are most appropriate. |
| (5) Information Sources | VMRC's mandatory harvest reporting |

Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

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|--|--|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | <p>Direct Costs: Leaving the commercial Chesapeake Bay quota status quo will result in Virginia being found out of compliance and Virginia's commercial striped bass fishery shut down by ASMFC. This will result in millions of dollars in lost revenue.</p> <p>Indirect Costs: Leaving the commercial Chesapeake Bay quota status quo will result in Virginia being found out of compliance and the fishery closed. This results in lost revenue for many tackle shops and companies that sell supplies to commercial fishermen.</p> <p>Direct Benefits: The status quo regulation would have had no direct benefits.</p> <p>Indirect Benefits: The status quo regulation would have had no direct benefits.</p> | |
| (2) Present Monetized Values | Direct & Indirect Costs | Direct & Indirect Benefits |
| | (a) Close to 3 million dollars in lost revenue will result by keeping the regulation status quo and ASMFC finding Virginia out of compliance and the entire commercial being fishery closed. | (b) \$0 |
| (3) Net Monetized Benefit | \$0 | |

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| (4) Other Costs & Benefits (Non-Monetized) | |
| (5) Information Sources | VMRC Mandatory Harvest Reporting |

Table 1c: Costs and Benefits under Alternative Approach(es)

| | | |
|--|--|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | There were no alternative options considered other than status quo (listed above). | |
| (2) Present Monetized Values | Direct & Indirect Costs | Direct & Indirect Benefits |
| | (a) | (b) |
| (3) Net Monetized Benefit | | |
| (4) Other Costs & Benefits (Non-Monetized) | | |
| (5) Information Sources | | |

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

| | | |
|--|---|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | This regulatory change will have no direct or indirect cost to local partners. This regulatory change will have no direct or indirect benefits for local partners. | |
| (2) Present Monetized Values | Direct & Indirect Costs | Direct & Indirect Benefits |
| | (a) \$0 | (b) \$0 |
| (3) Other Costs & Benefits (Non-Monetized) | None | |

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| (4) Assistance | |
| (5) Information Sources | |

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

| | | |
|--|---|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | This regulatory change will have no direct or indirect costs for families. | |
| | This regulatory change will have no direct or indirect benefits for families. | |
| (2) Present Monetized Values | Direct & Indirect Costs | Direct & Indirect Benefits |
| | (a) | (b) |
| (3) Other Costs & Benefits (Non-Monetized) | | |
| (4) Information Sources | | |

Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

| | |
|--|--|
| (1) Direct & Indirect Costs & Benefits (Monetized) | <p>Direct cost: Lowering the Chesapeake Bay commercial striped bass quota will decrease all harvester's quotas by 7 percent. This will lower the revenue for the small group of commercial harvesters that catch their entire Bay quota each year. The harvesters who do not regularly catch their entire quota will likely not see a loss in revenue.</p> <p>This regulatory change will have no indirect cost to small businesses.</p> |
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|--|---|----------------------------|
| | <p>Direct Benefits: This regulation change will help rebuild the coastal striped bass stock. Enforcing the 7 percent quota reduction will allow the commercial striped bass fishery in the Chesapeake Bay to continue. If the reduction is not taken, ASMFC can find our state out of compliance and close Virginia's commercial fishery.</p> <p>Indirect Benefits: Changing this regulation will have no indirect benefits</p> | |
| (2) Present Monetized Values | Direct & Indirect Costs | Direct & Indirect Benefits |
| | (a) \$95,562 (~3.5% decrease in value compared to 2023 value) | (b) \$0 |
| (3) Other Costs & Benefits (Non-Monetized) | Close to 3 million dollars in lost revenue will result if the regulation is unchanged and not leaving the Chesapeake Bay commercial quota unchanged | |
| (4) Alternatives | | |
| (5) Information Sources | | |

Changes to Number of Regulatory Requirements

Table 5: Regulatory Reduction

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

Change in Regulatory Requirements

| VAC Section(s) Involved* | Authority of Change | Initial Count | Additions | Subtractions | Total Net Change in Requirements |
|--------------------------|---------------------|---------------|-----------|--------------|----------------------------------|
| 4 VAC 20-252-150 | (M/A): | 0 | 0 | 0 | 0 |
| | (D/A): | 3 | 0 | 0 | 0 |
| | (M/R): | 2 | 0 | 0 | 0 |
| | (D/R): | 0 | 0 | 0 | 0 |
| | | | | | (M/A):0 |
| | | | | | (D/A):0 |

| | |
|--|-----------------|
| Grand Total of Changes in Requirements: | (M/R):0 |
| | (D/R): 0 |

Key:

Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:

(M/A): Mandatory requirements mandated by federal and/or state statute affecting the agency itself

(D/A): Discretionary requirements affecting agency itself

(M/R): Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

(D/R): Discretionary requirements affecting external parties, including other agencies

Change in Regulatory Requirements

| VAC Section(s) Involved* | Authority of Change | Initial Count | Additions | Subtractions | Total Net Change in Requirements |
|---------------------------------|----------------------------|----------------------|------------------|--|---|
| 4 VAC 20-252-160 | (M/A): | 1 | 0 | 0 | 0 |
| | (D/A): | 5 | 0 | 0 | 0 |
| | (M/R): | 6 | 0 | 0 | 0 |
| | (D/R): | 19 | 0 | 1 | -1 |
| | | | | Grand Total of Changes in Requirements: | (M/A):0 |
| | | | | | (D/A):0 |
| | | | | | (M/R):0 |
| | | | | | (D/R): -1 |

Key:

Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:

(M/A): Mandatory requirements mandated by federal and/or state statute affecting the agency itself

(D/A): Discretionary requirements affecting agency itself

(M/R): Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

(D/R): Discretionary requirements affecting external parties, including other agencies

Cost Reductions or Increases (if applicable)

| VAC Section(s) Involved | Description of Regulatory Requirement | Initial Cost | New Cost | Overall Cost Savings/Increases |
|--------------------------------|--|---------------------|-----------------|---------------------------------------|
| | | | | |

Other Decreases or Increases in Regulatory Stringency (if applicable)

| VAC Section(s) Involved | Description of Regulatory Change | Overview of How It Reduces or Increases Regulatory Burden |
|--------------------------------|---|---|
| 4 VAC 20-252-150 | To adjust the commercial Chesapeake Bay striped bass quota from 983,393 pounds to 914,555 pounds. | Lowering the Chesapeake Bay commercial striped bass quota will decrease all harvester's quotas by 7 percent. This will lower the revenue for the small group of commercial harvesters that catch their entire Bay quota each year. The harvesters who do not regularly catch their entire quota will likely not see a loss in revenue. This regulation change will help rebuild the coastal striped bass stock and if the reduction is not done ASMFC can find our state out of compliance and close the commercial striped bass fishery. Reducing the quota will comply with ASMFC and the fishery will remain open. |

Length of Guidance Documents (only applicable if guidance document is being revised)

| Title of Guidance Document | Original Length | New Length | Net Change in Length |
|-----------------------------------|------------------------|-------------------|-----------------------------|
| | | | |

*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).