

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	Virginia Marine Resources Commission
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	4VAC20-1190-55 4VAC20-1090-10
<b>VAC Chapter title(s)</b>	1190: Pertaining to Gill Net Control Date 1090: Pertaining to Licensing Requirements and License Fees
<b>Action title</b>	Creation of 4VAC20-1190-55 subsection 55 “Extend Drift Gill Net” to create a specific drift gill net up to 6000 ft targeting pelagic fishes in Virginia state waters.  Adding an “Extending Drift Gill Net” License in 4VAC20-1090-30 subsection 9 with a fee of \$100.
<b>Date this document prepared</b>	February 20, 2025
<b>Regulatory Stage (including Issuance of Guidance Documents)</b>	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: Changing this regulation will have no direct costs.</p> <p>Indirect Costs: Changing this regulation will have no indirect costs.</p> <p>Direct Benefits: This extended drift gillnet gear has showed promise in the commercial Spanish mackerel fishery with experimental permits issued from 2022 to 2024. Shifting this gear from experimental to a licensed gear type available to all Virginia commercial harvesters will allow for increased Spanish mackerel landings.</p> <p>In 2024 experimental drift gillnets accounted for 228,495 pounds of Spanish mackerel. The Virginia five-year average harvest of Spanish mackerel) prior to the start of the experiment permits (2017-2021 was 79,910 pounds. The 2024 experimental drift gill net harvest was 286 percent above the five-year average harvest prior to the experimental permits being issues starting in 2022.</p> <p>These 228,495 pounds harvested associated with the experimental drift gillnet fishery is valued at \$361,554. Opening this fishery to all commercial harvesters should result in at least a 286 percent increase in Spanish mackerel landings compared to years when this gear was not being permitted.</p> <p>Indirect Benefits:</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) An increase of 228,495 lbs (286%), valued at \$361,554 will result from opening this gear type to all commercial harvesters that target Spanish mackerel in Virginia.
(3) Net Monetized Benefit	\$ 361,554	
(4) Other Costs & Benefits (Non-Monetized)		
(5) Information Sources	VMRC's mandatory harvest reporting	

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

(1) Direct & Indirect Costs & Benefits (Monetized)	Direct Costs:  Indirect Costs:  Direct Benefits: The status quo regulation would have had no direct benefits.  Indirect Benefits: The status quo regulation would have had no direct benefits.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) \$0
(3) Net Monetized Benefit	\$0	
(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	
(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)	There are no direct or indirect costs for families. There are 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>This new extended drift gill net license will cost each fisherman \$100 annually. There were 60 fishermen with Spanish mackerel harvest in 2024. If all obtain the license the direct cost to small businesses (fishermen) would total \$6,000 annually.</p> <p>Direct Benefits:</p> <p>Indirect Benefits:</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$6,000	(b) An increase of \$361,554 (286%) annually to the commercial Spanish mackerel fishery.
(3) Other Costs & Benefits (Non-Monetized)		
(4) Alternatives	Reduce the cost of the license.	
(5) Information Sources	VMRC Mandatory Harvest Reporting	

**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 20-1190-55	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	0	+6	(286% * 15 original D/R lines in the reg) = -42.9 lines reduced	-36.9
<b>Grand Total of Changes in Requirements:</b>					(M/A):0 (D/A):0 (M/R):0 (D/R):-15

\*The original Chapter 1190 has 15 D/R elements. This action adds an additional +6 elements to the Chapter increasing it to a total of 21 D/R elements. However, this regulatory action increases value to the Commonwealth by 286%. This reduction in burden of 286% is applied to the total of 21 D/R elements bringing the final net total down to zero.

*Change in Regulatory Requirements*

**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)*

<b>VAC Section(s) Involved</b>	<b>Description of Regulatory Change</b>	<b>Overview of How It Reduces or Increases Regulatory Burden</b>

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

<b>Title of Guidance Document</b>	<b>Original Length</b>	<b>New Length</b>	<b>Net Change in Length</b>

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