

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	Virginia Marine Resources Commission
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	4VAC 20-510
<b>VAC Chapter title(s)</b>	Pertaining to Amberjack and Cobia
<b>Action title</b>	Recreational cobia reporting program update
<b>Date this document prepared</b>	September 7, 2023
<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: This change will have no direct cost to recreational anglers as the season and bag limits will not be modified through this amendment and anglers can still target cobia without the additional permit and reporting requirements. Anglers can volunteer to contribute their discard length and age data but there will be no requirement to report.</p> <p>Indirect Costs: There will be no indirect cost by changing the cobia program from mandatory to voluntary, recreational cobia anglers will still be able to target cobia during the open season while in possession of a current Virginia saltwater fishing license. No extra permit or license will be required.</p> <p>Direct Benefits: This amendment will reduce the reporting burden on recreational cobia anglers by removing unnecessary reporting requirements for data that is redundant and not statistically significant in comparison to</p>
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	<p>data already collected by the Access Point Angler Intercept Survey (APAIS). Close to 3,000 anglers in 2022 were ineligible to receive the permit due to issues with reporting in 2021, removing this section of the regulations will open the recreational cobia fishery to all anglers with an active saltwater license or fishing from a licensed boat or pier. Also, over 1,000 cobia anglers submit their yearly reports through the mail, removing this requirement will decrease the financial burden on these anglers.</p> <p>With for-hire anglers accounting for about 8 percent of the total recreational fishery of the 3,000 ineligible anglers in 2022, 2,760 are private anglers and 240 are for-hire captains. Most private cobia anglers do not fish alone due to the main style of fishing for cobia in Virginia, sight casting. This type of fishing often requires a minimum of 3 anglers, one to captain the boat, one angler to cast at the cobia, and one angler to net and land the cobia. According to “The Economic Contribution of Marine Angler Expenditures on Fishing Trips in the United States, 2017” fishing on privately owned boats costs on average \$50.99 per angler and \$287.56 per angler on a for-hire boat. Based on an estimate of at least 3 anglers on each privately owned boat targeting cobia and for-hire boats often requiring a minimum of 4 anglers per trip, removing the recreational permit allowed at least 8,280 private and 960 for-hire recreational anglers the opportunity to target cobia. This increased effort in the recreational fishery brings at least \$698,255 in revenue each year to the state. Each year over 1,000 anglers send in their mandatory report through the mail. The price of a stamp in 2022 was 60 cents removing at least \$600 in financial burden to this group of anglers each year. Yearly, the recreational cobia fishery brings approximately 2.2 million dollars in revenue into the state of Virginia. Thus, the removal of the Recreational Cobia Mandatory Reporting Program will have a 31.8% increase in revenue to the recreational cobia fishery each year.</p> <p>Indirect Benefits: This new regulation will increase the quality of discard length and age data used in the stock assessment for Atlantic cobia which is used to manage this species and decrease the financial and regulatory burden on recreational cobia anglers.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) \$698,855
(3) Net Monetized Benefit	A \$698,855 increase in revenue linked to this fishery and yearly savings to anglers who submitted their mandatory reports through the mail.	

(4) Other Costs & Benefits (Non-Monetized)	Increased release length and age data used in future cobia stock assessments.
(5) Information Sources	Access Point Angler Intercept Survey (APAIS) The Economic Contribution of Marine Angler Expenditures on Fishing Trips in the United States, 2017 conducted by NOAA

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: If this regulation remained status quo, the 1,000+ recreational cobia anglers that mailed in their annual mandatory report would need to continue reporting and the cost of printing and mailing a report would stay the same or continue to rise due to the increasing cost of postage and mailing supplies.</p> <p>Indirect Costs: Under status quo, approximately 3,000 anglers were ineligible to receive their annual permit for having failed to report in the previous year. These anglers would not be able to target cobia resulting in lost revenue for local businesses that sell tackle, bait, gas, and food to anglers.</p> <p>Direct Benefits: There would be no direct benefits by keeping this regulation status quo.</p> <p>Indirect Benefits: There would be no indirect benefits by keeping this regulation status quo.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) A \$698,855 loss in revenue and cost for submitting mandatory reports.	(b) \$0
(3) Net Monetized Benefit	There would be no monetary benefit to keeping this regulation the way it was.	
(4) Other Costs & Benefits (Non-Monetized)	Loss of usable release length data due to known issues with the data submitted through the mandatory program.	
(5) Information Sources	Access Point Angler Intercept Survey (APAIS) The Economic Contribution of Marine Angler Expenditures on Fishing Trips in the United States, 2017 conducted by NOAA	

**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 for 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)	<p>This regulatory change will have no direct or indirect cost for families.</p> <p>Indirect Costs: This regulatory change will have no indirect cost for families.</p> <p>Direct Benefits: This regulatory change will allow all families to recreationally target cobia. Some of these families would not have been eligible to receive a current cobia permit because of reporting issues from the previous year. These benefits cannot be monetized.</p> <p>Indirect Benefits: This regulatory change will allow all families to recreationally target and harvest cobia they may catch while targeting other fish. Any cobia caught while not having a valid cobia permit was required to be released, even if it was not the targeted species. With this regulation change the extra permit is no longer needed to harvest a legal-size cobia caught while targeting other species. Many recreational anglers did not enroll in this program because they do not target cobia; now if they unintentionally catch a legal-sized cobia it can be harvested.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) \$0
(3) Other Costs & Benefits (Non-Monetized)	<p>This regulation change will allow families to harvest a legal-sized cobia while targeting other species. Before this regulation change anglers were required to hold a valid cobia permit to harvest a cobia and an angler may have been ineligible.</p>	
(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 Costs: This regulatory change will have no direct cost for local partners.</p>
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	<p>Indirect Costs: This regulatory change will have no indirect cost for local partners.</p> <p>Direct Benefits: This change in regulation will increase the revenue brought to small businesses involved in the recreational cobia fishery. These businesses include local tackle shops, gas stations, small businesses that sell food and drinks, and charter captains that run cobia fishing trips.</p> <p>Indirect Benefits: The influx of cobia anglers that are now able to fish each year are likely to purchase additional items to target other species they may catch while targeting cobia. This will increase the revenue these local partners receive during the recreational cobia season.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) Over \$698,255 from the revenue linked directly to cobia and any revenue linked to other species angler may catch while fishing for cobia.
(3) Other Costs & Benefits (Non-Monetized)	None	
(4) Alternatives	Keeping the regulation unchanged is the only alternative. This would limit the number of recreational anglers being able to take part in the cobia fishery resulting in lost revenue to local small businesses that are involved in the recreational cobia fishery.	
(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*

<b>VAC Section(s) Involved</b>	<b>Initial Count</b>	<b>Additions</b>	<b>Subtractions</b>	<b>Net Change</b>
4VAC20-510-15	7	0	-7	-7
Additional Burden Reduction *see table below for more detail*	17	0	-31.8%	-5.41

*Cost Reductions or Increases (if applicable)*

<b>VAC Section(s) Involved</b>	<b>Description of Regulatory Requirement</b>	<b>Initial Cost</b>	<b>New Cost</b>	<b>Overall Cost Savings/Increases</b>

*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>
4VAC20-510-15	Removing the mandatory cobia reporting program.	Removing this program will allow all recreational saltwater anglers the ability to target and land a cobia without holding an extra permit. This regulation change also removes the mandatory regulatory burden on all cobia anglers and the financial burden on anglers who submit their yearly report through the mail. This regulatory change will result in a 31.8% increase in value to the recreational cobia fishery.

*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>