

STATE OF CALIFORNIA
FISH AND GAME COMMISSION
AMENDED INITIAL STATEMENT OF REASONS FOR REGULATORY ACTION
(Pre-publication of Notice Statement)

Amend Section 27.80
Title 14, California Code of Regulations
Re: Ocean Salmon Sport Fishing

- I. Date of Initial Statement of Reasons: January 5, 2006
- II. Date of Amended Initial Statement of Reasons: March 21, 2006
- III. Dates and Locations of Scheduled Hearings:
 - (a) Notice Hearing: Date: February 3, 2006
Location: Sacramento, CA
 - (b) Discussion Hearing: Date: March 3, 2006
Location: Riverside, CA
 - (c) Adoption Hearing: Date: April 7, 2006
Location: Monterey, CA
- IV. Description of Regulatory Action:
 - (a) Statement of Specific Purpose of Regulation Change and Factual Basis for Determining that Regulation Change is Reasonably Necessary:

The proposed regulations are designed to meet natural and hatchery escapement needs for California and West Coast salmon stocks while providing equitable harvest opportunities to ocean (sport and commercial) and in-river (sport and tribal) users. The Pacific Fishery Management Council (PFMC) is responsible for adopting annual recommendations for the management of sport and commercial ocean fisheries in the Federal fishery management zone (3 to 200 miles offshore) off the coasts of Washington, Oregon, and California. When approved by the Secretary of Commerce (SOC), these recommendations are implemented as ocean fishing regulations by the National Marine Fisheries Service.

Management options available to the PFMC for managing the ocean recreational fishery for salmon include size limits, bag limits, area quotas, gear restrictions, and season limitations. The PFMC could use any or all of these options to ensure the ocean sport landings of salmon are within the established harvest allocations. Ocean recreational fishing regulatory authority in State waters (0-3 miles offshore) could be preempted by the SOC if State regulations are in conflict with Federal regulations in the Federal fishery management zone.

Since the development of the Initial Statement of Reasons, the PFMC released their *Preseason Report I: Stock Abundance Analysis of 2006 Ocean Salmon Fisheries* which indicates the Klamath fall chinook stock is

at extremely low ocean abundance in 2006. This projection coupled with above average Klamath fall chinook impacts in the 2005 fall commercial and recreational fisheries indicates the stock will not meet the PFMC natural spawner escapement goal. This goal objective is a minimum of 35,000 adults spawning in natural areas each year. Even with no further fishing of this stock in the ocean and river fisheries in 2006, the expected number of natural spawners would be 29,200.

In response to their meeting on March 5-10, 2006, in Seattle, Washington, the PFMC proposed three options, a near status-quo season, a slightly more conservative season, and a complete closure for the 2006 ocean salmon season.

Under all three options, the season structure is similar to 2005 regulations except as follows: For all areas in 2007, the opening dates between Horse Mountain and Point Arena will be February 17 and April 7 below Point Arena. The San Francisco Bay District will open for salmon fishing from April 1 to November 12 during any ocean closure and there is one editorial change for regulation clarification.

Option 1

Seasons: For north of Horse Mountain and Humboldt Bay (Klamath Management Zone), the open season is May 26 to July 4 and August 14 to September 11 (five fewer days). The area between Horse Mountain and Point Arena (Fort Bragg) is open from February 18 to July 10, July 16 to July 17 and July 23 to November 12 (seven fewer days). The area between Point Arena and Pigeon Point (San Francisco) is open from May 1 to November 12 (30 fewer days). The area between Pigeon Point (Monterey) and Point Sur is open May 1 to September 24 has (30 fewer days). The area below Point Sur is open from April 1 to September 24 (the same number of days).

Option 2

Seasons: For north of Horse Mountain and Humboldt Bay (Klamath Management Zone), the open season is May 28 to May 31, July 1 to July 4 and August 23 to September 6 (51 fewer days). The area between Horse Mountain and Point Arena (Fort Bragg) is open February 18 to April 30, July 1 to July 9, September 16 to October 15 and November 1 to November 7 (147 fewer days). The area between Point Arena and Pigeon Point (San Francisco) is open from May 1 to May 15, June 24 to July 9, September 1 to September 15 and October 16 to November 6 (158 fewer days). The area between Pigeon Point (Monterey) and Point Sur is open from May 1 to May 31 and September 1 to September 12 (134 fewer days). The area below Point Sur is open from April 1 to September 24 (the same number of days).

Option 3

Seasons: For north of Horse Mountain and Humboldt Bay (Klamath Management Zone), the season will not open in 2006 (74 fewer days). The area between Horse Mountain and Point Arena (Fort Bragg) is open from February 18 to April 30 (193 fewer days). The area between Point Arena and Pigeon Point (San Francisco) will not open during 2006 (266 fewer days). The area between Pigeon Point (Monterey) and Point Sur will not open during 2006 (177 fewer days). The area below Point Sur is open from April 1 to September 24 (the same number of days).

(b) Authority and Reference:

Authority: Sections 200, 202, 205, 220, 240, 316.5, and 2084, Fish and Game Code.

Reference: Sections 200, 202, 205, 316.5 and 2084, Fish and Game Code.

(c) Specific Technology or Equipment Required by Regulatory Change:

None.

(d) Identification of Reports or Documents Supporting Regulation Change:

The Fishery Management Plan for the Commercial and Recreational Salmon Fisheries Off the Coasts of Washington, Oregon, and California Commencing in 1978. Amendment 14. PFMC, Portland Oregon.

Review of 2005 Ocean Salmon Fisheries, PFMC, Portland, Oregon

Preseason Report I: Stock Abundance Analysis of 2006 Ocean Salmon Fisheries, PFMC, Portland, Oregon

Preseason Report II: Analysis of Proposed Regulatory Options for 2006 Ocean Salmon Fisheries, PFMC, Portland, Oregon

(e) Public Discussions of Proposed Regulations Prior to Notice Publication:

No public meetings are being held prior to the notice publication. The PFMC will hold a series of public hearings to receive input prior to finalizing the recreational ocean salmon regulations in April.

V. Description of Reasonable Alternatives to Regulatory Action:

(a) Alternatives to Regulation Change:

The PFMC will examine various alternatives in the process of adopting the management options on March 10, 2006 for public review. These may include such alternatives as:

1. the minimum size of salmon that may be retained;
2. the number of rods anglers may use (e.g., one, two, or unlimited);

3. the type of bait and/or terminal gear that may be used (e.g., amount of weight, hook type, and type of bait or no bait);
4. the number of salmon that may be retained per angler-day or period of days;
5. the definition of catch limits to allow for combined boat limits versus individual angler limits;
6. the allowable fishing dates and areas; and
7. the overall number of salmon that may be harvested, by species and area.

(b) No Change Alternative:

Upon approval of the PFMC's management recommendations by the SOC, the State must move in a timely manner to conform the ocean sport fishing regulations for salmon within State waters (0 to 3 miles offshore) to those adopted by the SOC. Otherwise, preemption of State regulatory authority by the SOC could occur if State regulations are in conflict with Federal regulations in the Federal fishery management zone.

(c) Consideration of Alternatives:

In view of the information currently possessed, no reasonable alternative considered would be more effective in carrying out the purposes for which the regulation is proposed, or would be as effective and less burdensome to affected private persons than the proposed regulation.

VI. Mitigation Measures Required by Regulatory Action:

The proposed regulatory action will have no negative impact on the environment. Therefore, no mitigation is necessary.

VII. Impact of Regulatory Action:

The potential for significant statewide adverse economic impacts that might result from the proposed regulatory action has been assessed, and the following initial determinations relative to the required statutory categories have been made:

(a) Significant Statewide Adverse Economic Impact Directly Affecting Businesses, Including the Ability of California Businesses to Compete with Businesses in Other States:

Recreational ocean salmon fishing takes place primarily in two modes, (1) anglers fishing from privately owned boats, and (2) anglers employing the services of the charter or party boat fleet. In general, success rates on charter vessels tend to be higher than success rates on private vessels. Nonetheless, there are small amounts of shore-based effort directed toward ocean area salmon, primarily fishing occurring off jetties and piers.

Summary information for year 2004 recreational catches of salmon, indicate that a total of 222,538 salmon were landed by anglers in California. (PFMC 2005 Review of 2005 Ocean Salmon Fisheries). Just in the California counties north of Santa Barbara County*, the number of ocean fishing trips taken by anglers in year 2004, specifically to catch ocean salmon, totaled 248,000, detailed as follows: 36,000 trips taken on piers or manmade structures, 65,000 trips on party or charter boats, and 147,000 trips taken on personal or private boats. (MRFSS 2004).

The year 2004 trip related direct expenditures, by these ocean salmon anglers, are estimated to be approximately \$15,784,000 (in year 2005 dollars), detailed as follows: \$1,779,518 by anglers using manmade structures, \$7,424,805 by anglers using charter boats, and \$6,579,899 by anglers using private boats. These annual trip expenditures cover items like: private transportation, charter fees, food, public transportation, boat fuel, lodging, bait and ice, equipment, and launch fees (in order of greatest to least amount expended). Note, however, these expenditures do not include annual expenses for durable or big-ticket items assumed to last more than one season or be used in catching fish species other than ocean salmon. Since recreational fishing in California produces ripple effects in the State's economy, meaning that each dollar spent on recreational fishing helps fuel the State's economy by stimulating additional activity in the form of jobs, income, and output, we adjust these direct expenditure projections to a total output estimate of \$21,038,742 (in 2005 dollars).

Estimated Ocean Salmon Angler Annual Trip Expenditures, By District And Fishing Mode, From January-December 2004, Presented in 2005 dollars. (MRFSS 2006)				
California Coastal District	Fishing Mode			Totals
	Manmade Structure	Party/Charter Boat	Private Boat	
Central (San Luis Obispo County - Santa Cruz County)	\$0	\$1,941,872	\$1,700,926	\$3,642,798
Bay Area (Marin County - San Mateo County)	1,433,501	3,997,972	2,461,867	7,893,340
Wine (Sonoma County - Mendocino County)	0	1,142,278	984,747	2,127,024
Redwood (Humboldt County - Del Norte County)	346,017	342,683	1,432,359	2,121,060
Total Direct Expenditures	\$1,779,518	\$7,424,805	\$6,579,899	\$15,784,222
Total Direct, Indirect, and Induced Output Estimate for the State				\$21,038,742

As shown in the table above, the majority of recreational angler expenditures in targeting ocean salmon were in the charter boat mode of fishing. As of January 2006, there were 451 California Commercial Passenger Fishing Vessel permits (party boat permits) issued for the 2005-2006 season which runs April through March. All of these party boats are classified as Small Businesses under the definitions established in California Government Code Section 11342.610. However, not all party boats participate in the ocean salmon fishery. In year 2005, the total number of party boats participating in the ocean recreational salmon fishery was 105, with only 76 of those considered to be actively

participating in the ocean salmon fishery. (PFMC 2006, Review of 2005 Ocean Salmon Fisheries).

*The length of coastline impacted by a proposed 2006 federal salmon closure extends from Del Norte County through Monterey County, or about 405.6 nautical miles of California coastline. Due to the way in which angling data is divided into districts, the above impact analyses will tend to be overstated. This is because the geographic range of California counties north of Santa Barbara County covers about 513.1 nautical miles of coast. Thus, the actual maximum impact area covers only 80% of the coastline areas included in the analyses.

Depending on which option the PFMC adopts and implements in May 2006, the following Statewide impacts to businesses may occur.

Option I

In general, Option I would result in a 9.84 percent reduction in the available days of ocean salmon fishing. On a pro-rata basis, reducing the estimated business output for the State by this same percentage would result in a reduction of \$2,069,849 in total economic output.

Option II

Option II would result in a 66.04 percent reduction in the available angling days for ocean salmon. On a pro-rata basis, reducing the estimated business output for the State by this same percentage would result in a reduction of \$13,893,509 in total economic output.

Option III

Option III would result in a 90.3 percent reduction in the available angling days for ocean salmon. On a pro-rata basis, reducing the estimated business output for the State by this same percentage would result in a reduction of \$18,997,247 in total economic output.

The above impacts to economic output would primarily affect small businesses that cater to recreational fishing. However, some measure of impacts may occur to larger businesses such as those that manufacture fishing tackle, but these are assumed to be minor impacts to large businesses and corporations with a diverse array of products.

- (b) Impact on the Creation or Elimination of Jobs Within the State, the Creation of New Businesses or the Elimination of Existing Businesses, or the Expansion of Businesses in California:

Option I

In general, Option I would result in a 9.84 percent reduction in the available days of ocean salmon fishing. On a pro-rata basis, reducing the estimated business output for the State by this same percentage could result in a reduction of 19.2 jobs.

Option II

Option II would result in a 66.04 percent reduction in the available angling days for ocean salmon. On a pro-rata basis, reducing the estimated business output for the State by this same percentage could result in a reduction of 129.2 jobs.

Option III

Option III would result in a 90.3 percent reduction in the available angling days for ocean salmon. On a pro-rata basis, reducing the estimated business output for the State by this same percentage could result in a reduction of 176.6 jobs.

(c) Cost Impacts on a Representative Private Person or Business:

The agency is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. There are no new reporting requirements imposed as a result of the proposed regulations.

(d) Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State:

There are no new reporting requirements to State agencies as a result of the proposed regulations. However, reduced recreational fishing opportunities would likely result in revenue impacts to the State, estimated to be about -\$526,986. This is due to reduced demand for recreational fishing licenses, permits, and or stamps, normally purchased from the State during the 2006 ocean salmon season.

(e) Other Nondiscretionary Costs/Savings to Local Agencies: None.

(f) Programs Mandated on Local Agencies or School Districts: None

(g) Costs Imposed to Any Local Agency or School District that is Required to be Reimbursed Under Part 7 (commencing with Section 17500) of Division 4: None.

(h) Effect on Housing Costs: None.

Updated Informative Digest (Policy Statement Overview)

The Pacific Fishery Management Council (PFMC) annually reviews the status of west coast salmon populations. As part of that process, it recommends ocean fishing regulations aimed at meeting biological and fishery allocation goals specified in law or established in the Salmon Fishery Management Plan.

The PFMC is expected to adopt regulation recommendations, similar to recent years, for the recreational ocean salmon fisheries in Federal waters (3 to 200 miles offshore) off the states of Washington, Oregon, and California for 2006. The various alternatives the PFMC will examine in the process of adopting the management options on March 10, 2006, for public review may include:

1. the minimum size of salmon that may be retained;
2. the number of rods anglers may use (e.g., one, two, or unlimited);
3. the type of bait and/or terminal gear that may be used (e.g., amount of weight, hook type, and type of bait or no bait);
4. the number of salmon that may be retained per angler-day or period of days;
5. the definition of catch limits to allow for combined boat limits versus individual angler limits;
6. the allowable fishing dates and areas; and
7. the overall number of salmon that may be harvested, by species and area.

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The final regulation recommendations will be made by the PFMC on April 7, 2006. Upon approval of the PFMC's management recommendations by the Secretary of Commerce (SOC), the State must move in a timely manner to conform its ocean sport fishing regulations for salmon in State waters (0 to 3 miles offshore) to those agreed upon by the PFMC. Otherwise, preemption of State regulatory authority by the SOC could occur if State regulations are in conflict with Federal regulations. **The Federal regulations are expected to be implemented effective May 1, 2006.**