STATE OF CALIFORNIA — DEPARTMENT OF FINANCE
ECONOMIC AND FISCAL IMPACT STATEMENT
(REGULATIONS AND ORDERS)
See SAM Section 6601 - 6616 for Instructions and Code Citations

DEPARTMENT NAME
Department of Fish and Game

CONTACT PERSON
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TELEPHONE NUMBER
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DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400
Emergency Action to Amend Section 163, Title 14, California Code of Regulations

NOTICE FILE NUMBER
Z

ECONOMIC IMPACT STATEMENT

A. ESTIMATED PRIVATE SECTOR COST IMPACTS (Include calculations and assumptions in the rulemaking record.)

1. Check the appropriate box(es) below to indicate whether this regulation:

☐ a. Impacts businesses and/or employees

☐ b. Impacts small businesses

☐ c. Impacts jobs or occupations

☐ d. Impacts California competitiveness

☐ e. Imposes reporting requirements

☐ f. Imposes prescriptive instead of performance

☐ g. Impacts individuals

☐ h. None of the above (Explain below. Complete the Fiscal Impact Statement as appropriate.)

(If any box in Items 1 a through g is checked, complete this Economic Impact Statement.)

2. Enter the total number of businesses impacted: 8

Describe the types of businesses (Include nonprofits): One to five ocean water herring fishermen per year since 2000 and small number of in-state processors.

Enter the number or percentage of total businesses impacted that are small businesses: 100%

3. Enter the number of businesses that will be created: 0

eliminated: 0

Explain:

4. Indicate the geographic extent of impacts:

☐ Statewide

☑ Local or regional (List areas): Monterey Bay and surrounding area.

5. Enter the number of jobs created: 0

or eliminated: 0

Describe the types of jobs or occupations impacted: See attached Statement of Proposed Regulatory Action (SOP).

6. Will the regulation affect the ability of California businesses to compete with other states by making it more costly to produce goods or services here?

☐ Yes

☑ No

If yes, explain briefly: Proposed regulation will not increase costs to produce goods or services in California.

B. ESTIMATED COSTS (Include calculations and assumptions in the rulemaking record.)

1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime? $ See SOP.

a. Initial costs for a small business: $

Annual ongoing costs: $

Years:

b. Initial costs for a typical business: $

Annual ongoing costs: $

Years:

c. Initial costs for an individual: $

Annual ongoing costs: $

Years:

d. Describe other economic costs that may occur: There are no increased costs due to new fees or reporting requirements.

Based on the ex-vessel value of open ocean caught herring landed from 2004 to 2008 from July through September, if the 2009 season was closed by the Commission on July 1st, the revenue losses to industry could range from $1,100 to $32,200, which represents a loss of $2,000 to $57,000 in total economic output statewide.
2. If multiple industries are impacted, enter the share of total costs for each industry: n/a

3. If the regulation imposes reporting requirements, enter the annual costs a typical business may incur to comply with these requirements. (Include the dollar costs to do programming, record keeping, reporting, and other paperwork, whether or not the paperwork must be submitted): $ n/a

4. Will this regulation directly impact housing costs? ☐ Yes ☑ No If yes, enter the annual dollar cost per housing unit: and the number of units:

5. Are there comparable Federal regulations? ☐ Yes ☑ No Explain the need for State regulation given the existence or absence of Federal regulations: The California Legislature mandates sustainable resource management and provides the Fish and Game Commission authority to implement regulations toward that end. Enter any additional costs to businesses and/or individuals that may be due to State - Federal differences: $ n/a

C. ESTIMATED BENEFITS (Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.)

1. Briefly summarize the benefits that may result from this regulation and who will benefit: Benefits will accrue to fishermen and processors in the form of a sustainable fishery and future harvestable herring populations. See attached SOP.

2. Are the benefits the result of: ☐ specific statutory requirements, or ☑ goals developed by the agency based on broad statutory authority? Explain: The California Legislature mandates sustainable resource management and provides the Fish and Game Commission authority to implement regulations toward that end.

3. What are the total statewide benefits from this regulation over its lifetime? $ See SOP

D. ALTERNATIVES TO THE REGULATION (Include calculations and assumptions in the rulemaking record. Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.)

1. List alternatives considered and describe them below. If no alternatives were considered, explain why not: No other option offers a better balance of environmental and biological safeguards, while minimizing long-term impacts to ongoing business enterprises.

2. Summarize the total statewide costs and benefits from this regulation and each alternative considered:

<table>
<thead>
<tr>
<th>Regulation</th>
<th>Benefit: $ unknown</th>
<th>Cost: $ none</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alternative 1</td>
<td>Benefit: $</td>
<td>Cost: $</td>
</tr>
<tr>
<td>Alternative 2</td>
<td>Benefit: $</td>
<td>Cost: $</td>
</tr>
</tbody>
</table>

3. Briefly discuss any quantification issues that are relevant to a comparison of estimated costs and benefits for this regulation or alternatives: Future resource benefits and resource health are difficult to predict in light of other biological and environmental factors beyond Agency's control. Consequently, future benefits are sometimes difficult to monetize.

4. Rulemaking law requires agencies to consider performance standards as an alternative, if a regulation mandates the use of specific technologies or equipment, or prescribes specific actions or procedures. Were performance standards considered to lower compliance costs? ☐ Yes ☑ No

Explain:
1. Will the estimated costs of this regulation to California business enterprises exceed $10 million? □ Yes □ No (If No, skip the rest of this section.)

2. Briefly describe each equally as an effective alternative, or combination of alternatives, for which a cost-effectiveness analysis was performed:
   Alternative 1: 
   Alternative 2: 

3. For the regulation, and each alternative just described, enter the estimated total cost and overall cost-effectiveness ratio:
   Regulation: $__________ Cost-effectiveness ratio: $__________
   Alternative 1: $__________ Cost-effectiveness ratio: $__________
   Alternative 2: $__________ Cost-effectiveness ratio: $__________

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**FISCAL IMPACT STATEMENT**

A. FISCAL EFFECT ON LOCAL GOVERNMENT (Indicate appropriate boxes 1 through 6 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.)

1. Additional expenditures of approximately $__________ in the current State Fiscal Year which are reimbursable by the State pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code. Funding for this reimbursement:
   □ a. is provided in ___________, Budget Act of ____________ or Chapter ____________, Statutes of ____________
   □ b. will be requested in the ____________ Governor's Budget for appropriation in Budget Act of ____________

2. Additional expenditures of approximately $__________ in the current State Fiscal Year which are not reimbursable by the State pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code because this regulation:
   □ a. implements the Federal mandate contained in ____________
   □ b. implements the court mandate set forth by the _____________________________ vs. _____________________________
   □ c. implements a mandate of the people of this State expressed in their approval of Proposition No. ____________ at the ____________ election;
   □ d. is issued only in response to a specific request from the _____________________________, which is/are the only local entity(s) affected;
   □ e. will be fully financed from the _____________________________ authorized by Section ____________ of the _____________________________ Code;
   □ f. provides for savings to each affected unit of local government which will, at a minimum, offset any additional costs to each such unit;
   □ g. creates, eliminates, or changes the penalty for a new crime or infraction contained in ____________

3. Savings of approximately $__________ annually.

4. No additional costs or savings because this regulation makes only technical, non-substantive or clarifying changes to current law regulations.
ECONOMIC AND FISCAL IMPACT STATEMENT cont. (STD. 399, Rev. 12/2008)

5. No fiscal impact exists because this regulation does not affect any local entity or program.

6. Other.

B. FISCAL EFFECT ON STATE GOVERNMENT (Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.)

☐ 1. Additional expenditures of approximately $___________ in the current State Fiscal Year. It is anticipated that State agencies will:
   a. be able to absorb these additional costs within their existing budgets and resources.
   b. request an increase in the currently authorized budget level for the ________ fiscal year.

☐ 2. Savings of approximately $___________ in the current State Fiscal Year.

☐ 3. No fiscal impact exists because this regulation does not affect any State agency or program.

☐ 4. Other. The revenue to the Department of Fish and Game receives from this fishery is insignificant. Since 2004 landing taxes for this fishery has ranged from approximately $700.00 to $6,300 per year.

C. FISCAL EFFECT ON FEDERAL FUNDING OF STATE PROGRAMS (Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.)

☐ 1. Additional expenditures of approximately $___________ in the current State Fiscal Year.

☐ 2. Savings of approximately $___________ in the current State Fiscal Year.

☐ 3. No fiscal impact exists because this regulation does not affect any federally funded State agency or program.

☐ 4. Other.

FISCAL OFFICER SIGNATURE ______________________ DATE 11-09

AGENCY SECRETARY 1 APPROVAL/CONCURRENCE ______________________ DATE

DEPARTMENT OF FINANCE 2 APPROVAL/CONCURRENCE ______________________ DATE

1. The signature attests that the agency has completed the STD.399 according to the instructions in SAM sections 6601-6616, and understands the impacts of the proposed rulemaking. State boards, offices, or department not under an Agency Secretary must have the form signed by the highest ranking official in the organization.

2. Finance approval and signature is required when SAM sections 6601-6616 require completion of Fiscal Impact Statement in the STD.399.