

**ECONOMIC AND FISCAL IMPACT STATEMENT****(REGULATIONS AND ORDERS)**

STD. 399 (REV. 12/2008)

See **SAM Section 6601 - 6616 for Instructions and Code Citations**

DEPARTMENT NAME <b>Department of Fish and Game</b>	CONTACT PERSON <b>Terry Tillman, Senior Biologist</b>	TELEPHONE NUMBER <b>530-669-3564</b>
DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400 <b>Amendments to Section §29.15. Title 14 CCR. Abalone.</b>		NOTICE FILE NUMBER <b>Z</b>

**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:

- |   |   |
|---|---|
| <input type="checkbox"/> a. Impacts businesses and/or employees | <input type="checkbox"/> e. Imposes reporting requirements  |
| <input checked="" type="checkbox"/> b. Impacts small businesses | <input type="checkbox"/> f. Imposes prescriptive instead of performance   |
| <input type="checkbox"/> c. Impacts jobs or occupations         | <input checked="" type="checkbox"/> g. Impacts individuals  |
| <input type="checkbox"/> d. Impacts California competitiveness  | <input type="checkbox"/> h. None of the above (Explain below. Complete the Fiscal Impact Statement as appropriate.) |

h. (cont.) \_\_\_\_\_

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

2. Enter the total number of businesses impacted: unknown Describe the types of businesses (Include nonprofits.): Coastal businesses that provide goods and services to recreational abalone fishers in Northern California.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: Under the recommended regulatory option, the direct effect on industry is unlikely to create or eliminate businesses in California.4. Indicate the geographic extent of impacts:  Statewide  Local or regional (List areas.): Northern California coastal regions in Marin, Sonoma, Mendocino, Humboldt, and Del Norte counties.5. Enter the number of jobs created: 0 or eliminated: 0-82 Describe the types of jobs or occupations impacted: See attached Initial Statement of Reasons (ISOR).

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 ISOR.

- |   |                                |              |
|---|--------------------------------|--------------|
| 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, nor new fees or reporting requirements. However, indirect losses may occur as demand for business goods and services decline due to diminished activity in the recreational abalone fishery.

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2. If multiple industries are impacted, enter the share of total costs for each industry: 29% Food and Retail/Wholesale Sales, 16% Automotive Service/Fuel, 14% Boat Maintenance/Building, 14% Sporting Equipment Sales/Rent/Lease, 12% Lodging and Recreational Services.

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: \_\_\_\_\_

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 sport fishers in the form of a sustainable North Coast abalone fishery and future sport harvest opportunities. See attached ISOR.

2. Are the benefits the result of:  specific statutory requirements, or  goals developed by the agency based on broad statutory authority? Explain: See attached ISOR

3. What are the total statewide benefits from this regulation over its lifetime? \$ see ISOR

**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 sports fishers and the businesses that provide goods and services to them.

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

Regulation:	Benefit: \$ _____	Cost: \$ _____
Alternative 1:	Benefit: \$ _____	Cost: \$ _____
Alternative 2:	Benefit: \$ _____	Cost: \$ _____

3. Briefly discuss any quantification issues that are relevant to a comparison of estimated costs and benefits for this regulation or alternatives: \_\_\_\_\_

Depending on the option the Fish and Game Commission chooses, the resulting loss in total economic output could range from negligible to \$1.1 million and up to \$8.5 million, including losses in wage earnings and employment from zero to \$625K and as high as \$4.8 million, and from zero up to 82 jobs. See attached ISOR.

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: The proposed regulations represent changes in performance standards, in the form of changes to the daily or the annual take of sport caught abalone.

**E. MAJOR REGULATIONS (Include calculations and assumptions in the rulemaking record.) Cal/EPA boards, offices, and departments are subject to the following additional requirements per Health and Safety Code section 57005.**

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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: \$ _____

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 \_\_\_\_\_  
(FISCAL YEAR)

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 \_\_\_\_\_  
court in the case of \_\_\_\_\_ vs. \_\_\_\_\_

c. implements a mandate of the people of this State expressed in their approval of Proposition No. \_\_\_\_\_ at the \_\_\_\_\_  
election; (DATE)

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  
(FEES, REVENUE, ETC.)  
\_\_\_\_\_ 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.

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5. No fiscal impact exists because this regulation does not affect any local entity or program.
6. Other. **Depending on which regulatory option is selected, there is a potential adverse impact to local governments of zero up to \$266K in lost sales tax revenue annually. See attached ISOR.**

**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.

**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 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
		6/10/11
AGENCY SECRETARY <sup>1</sup> APPROVAL/CONCURRENCE		DATE
		6/23/11
DEPARTMENT OF FINANCE <sup>2</sup> APPROVAL/CONCURRENCE	PROGRAM BUDGET MANAGER 	DATE
		4/30/11

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.