

Economic Impact Analysis

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

The proposed regulations will modify state recreational groundfish regulations to conform to federal rules. Currently, state regulations for groundfish provide for: season lengths, depth restrictions, size limits, bag limits, and retention allowances. In adopting these conforming regulations the state relies on information provided in the federal DEIS which includes analysis of impacts to California (http://www.pcouncil.org/wp-content/uploads/May_2012_Main_Document_13-14_DEIS_SPEX.pdf).

The proposed management actions would relax recreational groundfish fishing regulations in most Groundfish Management Areas and constrain them somewhat in one area (Southern California). However, other proposed changes would liberalize groundfish bag limits by allowing an increase for bocaccio, which would positively impact Southern California. The cumulative effects of the changes statewide may have neutral to positive impacts to businesses in California. No significant changes in fishing effort or revenues to businesses are expected directly as a result of the proposed regulation changes.

Sport fishing business owners, boat owners, tackle store owners, boat manufacturers, vendors of food, bait, fuel and lodging, and others that provide goods or services to those that recreationally pursue groundfish off California may be positively affected to some degree from increases to business that result from the more liberal regulations. However, anticipated impacts are speculative and may vary considerably by geographic location. Additionally, economic impacts to these same businesses may result from a number of factors unrelated to the proposed changes to groundfish fishing regulations, including weather, fuel prices, and success rates in other marine recreational fisheries such as salmon and albacore.

The impacted businesses are generally small businesses employing few individuals and, like all small businesses, are subject to failure for a variety of causes. Additionally, the long-term intent of the proposed action is to ensure stability and minimize mid-year disruptions to the fishery and maintain sustainability in the groundfish resource and the long-term viability of these same small businesses.

Benefits of the Regulation

Concurrence with Federal Law. The Pacific Fishery Management Council reviews the status of groundfish regulations biennially. As part of that process, it recommends regulations aimed at meeting biological and fishery allocation goals specified in law or established in the Groundfish Fishery Management Plan. These recommendations coordinate management of recreational and commercial groundfish in the Federal waters (three to 200 miles offshore) off the coasts of Washington, Oregon, and California. These recommendations are subsequently implemented as ocean fishing regulations by the National Marine Fisheries Service.

California's sport fishing regulations need to conform to, or be more restrictive than, federal regulations to ensure that biological and fishery allocation goals are not exceeded.

Benefits to the Environment: Sustainable Management of the Groundfish Resource. It is the policy of this state to encourage the conservation, maintenance, and utilization of living marine resources under the jurisdiction and influence of the state for the benefit of all citizens (Section 7050, Fish and Game Code). Benefits of the proposed management actions include increased fishing opportunity, continuation of reasonable and sustainable management of recreational groundfish resources, protection of listed and special status species and promotion of California business that rely on the recreational fishery. Adoption of scientifically-based seasons, depth restrictions, size limits, recreational bag limits, and retention allowances provide for the maintenance of sufficient populations of groundfish to ensure their continued existence.

Promotion of Businesses That Rely on Recreational Groundfish Fishing. Adoption of scientifically-based regulations provides for the maintenance of sufficient populations of groundfish to ensure their continued existence and future groundfish sport fishing opportunities. In 2009, saltwater anglers expended approximately \$1.6 billion, of which about \$1.3 billion directly supports merchants and manufacturers in the State's business sector based on a fisheries economic analysis conducted by the National Marine Fisheries Service. Coupled with the indirect and induced effects of this \$1.3 billion direct revenue contribution, the total realized economic benefit to California's is estimated at \$2.0 billion in total economic output annually. This is equivalent to about \$710 million in total wages to Californians, which affects about 14,000 jobs in the state, annually.

Health and Welfare of California Residents. Providing increased fishing opportunities for groundfish in California encourages recreation, which can have a positive impact on human health and welfare. Groundfish taken in the sport fishery and later consumed may have positive human health benefits due to their concentration of omega III fatty acids.