

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 set the 2012 Klamath River Basin salmon sport fishing regulations to conform to federal fall Chinook allocation guidelines. Currently, the Klamath River Basin will open for sport salmon fishing, but the possibility of marine fishery closures off California still exists. These ocean closures may result in Pacific Fishery Management Council (PFMC) recommendations for Klamath River Basin sport salmon fishery closures for the take of adult salmon. Adverse impacts to jobs and/or businesses that provide services to Klamath River Basin salmon sport fishermen may be realized if the Klamath River Basin season is curtailed for 2012. Adverse to positive impacts to jobs and businesses that provide services to Klamath River Basin salmon sport fishermen may be realized depending on the exact regulations ultimately adopted by the Commission. Under a normal season, Klamath River sport salmon anglers contribute about \$1,647,000 in net economic value to the State's business sector. This is based on a 2011 NOAA National Marine Fisheries Service (NMFS) report on In-River Sport Fishing Economics of the Klamath River. This revenue provides about 35 jobs in the state. This study excluded the Trinity River, the largest tributary to the Klamath. The Trinity River is allocated 33% of the Klamath basin fall Chinook total allocation. Using the Trinity allocation as a measure of angler effort and associated business that rely on anglers, we estimate the total value anglers contribute to the entire Klamath basin (including the Trinity River) to be \$2,190,510 in net economic value. This revenue, again using a 33% increase to account for the Trinity River, provides 47 jobs in the state. Depending on the final season structure that the Commission adopts, the following statewide impacts to businesses may occur. The proposed regulations range from no salmon fishing on adult Chinook salmon (>22 inches) in 2012 to a normal Klamath River Basin salmon season; therefore, the potential impacts range from 0 to 47 jobs. However, due to the fact that sport fishing for Chinook salmon will be allowed for grilse fall Chinook salmon (2-year-old salmon less than 22 inches) regardless of PFMC regulations, impacts to businesses will be less severe than under a complete closure of fishing. A closure on the take of adult Chinook salmon was instituted in 2006 and only grilse salmon could be legally harvested that year. The effect of the 2006 closure, as measured by angler days on the Klamath River, resulted in an approximate 50% drop in angler days, compared to the 2000- 2005 average (12,000 angler days vs. 23,300 angler days). Thus, the potential impacts of a closed adult fishery will be mitigated by the opportunity to harvest grilse salmon. 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 increase sustainability in fishable salmon stocks and, subsequently, the long-term viability of these same small businesses.

Benefits of the Regulation:

Concurrence with Federal Law:

The PFMC annually reviews the status of west coast salmon populations. As part of that process, it recommends west coast adult salmon fisheries regulations aimed at meeting biological and fishery allocation goals specified in law or established in the Salmon Fishery Management Plan. These recommendations coordinate west coast management of sport and commercial ocean salmon fisheries off the coasts of Washington, Oregon, and California and

California inland sport salmon fisheries. These recommendations are subsequently implemented as ocean fishing regulations by the NMFS and as sport salmon regulations for state marine and inland waters by the Commission.

California's sport fishing regulations need to conform to the new Federal regulations to achieve optimum yield in California.

Benefits to the Environment: Sustainable Management of Klamath River Basin Salmon Resources

It is the policy of this state to encourage the conservation, maintenance, and utilization of the living resources of the ocean and inland waters under the jurisdiction and influence of the state for the benefit of all the citizens of the state and to promote the development of local California fisheries in harmony with federal law respecting fishing and the conservation of the living resources of the ocean and inland waters under the jurisdiction and influence of the state. The objectives of this policy include, but are not limited to, the maintenance of sufficient populations of all species of aquatic organisms to ensure their continued existence and the maintenance of a sufficient resource to support a reasonable sport use, taking into consideration the necessity of regulating individual sport fishery bag limits to the quantity that is sufficient to provide a satisfying sport. Adoption of scientifically-based Klamath River Basin salmon seasons, size limits, and bag and possession limits provides for the maintenance of sufficient populations of salmon to ensure their continued existence.

Promotion of Businesses That Rely on Klamath River Basin Sport Salmon Fishing.

Adoption of scientifically-based inland and ocean salmon seasons, size limits, and bag and possession limits provides for the maintenance of sufficient populations of salmon to ensure their continued existence and future salmon sport fishing opportunities. Under a normal season, Klamath River Basin sport salmon anglers contribute about \$2,190,510 in net economic value to the State's business sector. This is based on a 2011 NOAA National Marine Fisheries Service (NMFS) report on In-River Sport Fishing Economics of the Klamath River Basin. This revenue provides about 47 jobs in the state.

Health and Welfare of California Residents

Salmon is a nutritious food. Providing opportunities for a Klamath River Basin sport salmon fishery encourages consumption of a nutritious food. Salmon sport fishing also contributes to increased mental health of its practitioners as fishing is a hobby and form of relaxation for many. Salmon sport fishing also provides opportunities for multi-generational family activities and promotes respect for California's environment by the future stewards of California's natural resources.