

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

STD. 399 (REV. 12/2013)

**ECONOMIC IMPACT STATEMENT**

DEPARTMENT NAME <b>Fish and Wildlife/HCPB</b>	CONTACT PERSON <b>Margaret.Duncan</b>	EMAIL ADDRESS <b>@wildlife.ca.gov</b>	TELEPHONE NUMBER <b>916 653-4676</b>
DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400 <b>Dreissenid Mussels Prevention and Control (Add Sections 672, 672.1, and 672.2)</b>			NOTICE FILE NUMBER <b>Z</b>

**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 checked="" type="checkbox"/> a. Impacts business and/or employees | <input checked="" 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):          |

*If any box in Items 1 a through g is checked, complete this Economic Impact Statement.**If box in Item 1.h. is checked, complete the Fiscal Impact Statement as appropriate.*

2. The California Department of Fish and Wildlife estimates that the economic impact of this regulation (which includes the fiscal impact) is:

(Agency/Department)

- ☒ Below \$10 million
- ☐ Between \$10 and \$25 million
- ☐ Between \$25 and \$50 million
- ☐ Over \$50 million *[If the economic impact is over \$50 million, agencies are required to submit a [Standardized Regulatory Impact Assessment](#) as specified in Government Code Section 11346.3(c)]*

3. Enter the total number of businesses impacted: 395Describe the types of businesses (Include nonprofits): water supply systems; reservoirs; dreissenid detection trainers; museums; academiaEnter the number or percentage of total businesses impacted that are small businesses: <5%4. Enter the number of businesses that will be created: 0 eliminated: 0Explain: Regulation doesn't create new programs that would create/eliminate businesses; only requires reporting & penalties for failing.

5. Indicate the geographic extent of impacts: ☒ Statewide

☐ Local or regional (List areas): \_\_\_\_\_

6. Enter the number of jobs created: 0 and eliminated: 0Describe the types of jobs or occupations impacted: Staff involved in control and prevention of dreissenid mussels at water supply systems and reservoirs. Individuals or agencies requesting a permit to possess dead dreissenid mussels for various reasons.

7. 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: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**ECONOMIC AND FISCAL IMPACT STATEMENT**SAM Section 6601-6616**(REGULATIONS AND ORDERS)**

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**ECONOMIC IMPACT STATEMENT (CONTINUED)****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? \$ 120K x 5 = 600,000

a. Initial costs for a small business: \$ \_\_\_\_\_ Annual ongoing costs: \$ \_\_\_\_\_ Years: \_\_\_\_\_

b. Initial costs for a typical business: \$ 2,000-4,000 Annual ongoing costs: \$ 3,000 Years: 5c. Initial costs for an individual: \$ n/a Annual ongoing costs: \$ n/a Years: \_\_\_\_\_d. Describe other economic costs that may occur: Reporting costs are the only costs, unless deadlines are not met, then businesses  
may incur penalties if in violation of Fish and Game Code or regulations.2. If multiple industries are impacted, enter the share of total costs for each industry: Water Supply systems and Reservoirs = 95% of the costs;Mussel Detection Trainers, Museums, and Academia = 5% of the costs

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.* \$ 2,000 - 4,0004. Will this regulation directly impact housing costs? ☐ YES ☒ NO

If YES, enter the annual dollar cost per housing unit: \$ \_\_\_\_\_

Number of units: \_\_\_\_\_

5. Are there comparable Federal regulations? ☐ YES ☒ NOExplain the need for State regulation given the existence or absence of Federal regulations: Incidence of invasive mussels is state-specific.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 of the regulation, which may include among others, the health and welfare of California residents, worker safety and the State's environment: Confirmation by the State that California's natural resources are  
being protected; recreational opportunities are continuing based on dreissenid mussel prevention and control efforts; and that there is continued water  
supply from facilities in response to dreissenid mussel prevention and control efforts.2. Are the benefits the result of: ☒ specific statutory requirements, or ☐ goals developed by the agency based on broad statutory authority?Explain: Fish and Game Code 2301 and 2302 that require prevention and control programs be implemented.3. What are the total statewide benefits from this regulation over its lifetime? \$ avoid costs > \$ Millions

4. Briefly describe any expansion of businesses currently doing business within the State of California that would result from this regulation: \_\_\_\_\_

Possible expansion of Dreissenid mussel detection businesses.**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: 1) No Change alternative would involve  
not moving forward with the implementation of Fish & Game Code 2301 & 2302. 2) Second alternative was to propose a standardized, statewide dreissenid  
mussel prevention and control program that would be required to be implemented by all entities subject to Fish & Game Code sections 2301 & 2302.



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**ECONOMIC IMPACT STATEMENT (CONTINUED)**

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

Regulation: Benefit: \$ >0 Cost: \$ 120,000

Alternative 1: Benefit: \$ 0 Cost: \$ 0

Alternative 2: Benefit: \$ >0 Cost: \$ not specified

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

The Dept. received a small sample of cost estimates from water supply facilities, which may not be representative. The benefits of preventing infestation are difficult to quantify.

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 do not mandate use of specific technologies or equipment, or prescribe specific actions or procedures.

**E. MAJOR REGULATIONS** *Include calculations and assumptions in the rulemaking record.*

*California Environmental Protection Agency (Cal/EPA) boards, offices and departments are required to submit the following (per Health and Safety Code section 57005). Otherwise, skip to E4.*

1. Will the estimated costs of this regulation to California business enterprises exceed \$10 million? ☐ YES ☒ NO*If YES, complete E2. and E3**If NO, skip to E4*

2. Briefly describe each alternative, or combination of alternatives, for which a cost-effectiveness analysis was performed:

Alternative 1: \_\_\_\_\_

Alternative 2: \_\_\_\_\_

*(Attach additional pages for other alternatives)*

3. For the regulation, and each alternative just described, enter the estimated total cost and overall cost-effectiveness ratio:

Regulation: Total Cost \$ \_\_\_\_\_ Cost-effectiveness ratio: \$ \_\_\_\_\_

Alternative 1: Total Cost \$ \_\_\_\_\_ Cost-effectiveness ratio: \$ \_\_\_\_\_

Alternative 2: Total Cost \$ \_\_\_\_\_ Cost-effectiveness ratio: \$ \_\_\_\_\_

4. Will the regulation subject to OAL review have an estimated economic impact to business enterprises and individuals located in or doing business in California exceeding \$50 million in any 12-month period between the date the major regulation is estimated to be filed with the Secretary of State through 12 months after the major regulation is estimated to be fully implemented?

☐ YES☒ NO

*If YES, agencies are required to submit a [Standardized Regulatory Impact Assessment \(SRIA\)](#) as specified in Government Code Section 11346.3(c) and to include the SRIA in the Initial Statement of Reasons.*

5. Briefly describe the following:

The increase or decrease of investment in the State: n/a

The incentive for innovation in products, materials or processes: There may be incentive for Dreissenid prevention and control innovations.

The benefits of the regulations, including, but not limited to, benefits to the health, safety, and welfare of California residents, worker safety, and the state's environment and quality of life, among any other benefits identified by the agency: Benefits from protection of resources & recreational activities; and avoidance of costly remediation of water treatment facilities.

**ECONOMIC AND FISCAL IMPACT STATEMENT  
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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 in the current State Fiscal Year which are reimbursable by the State. (Approximate)  
(Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).

\$ \_\_\_\_\_

- ☐ a. Funding provided in \_\_\_\_\_  
Budget Act of \_\_\_\_\_ or Chapter \_\_\_\_\_, Statutes of \_\_\_\_\_

- ☐ b. Funding will be requested in the Governor's Budget Act of \_\_\_\_\_  
Fiscal Year: \_\_\_\_\_

- ☒ 2. Additional expenditures in the current State Fiscal Year which are NOT reimbursable by the State. (Approximate)  
(Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).

\$ 2,000 - \$4,000

Check reason(s) this regulation is not reimbursable and provide the appropriate information:

- ☐ a. Implements the Federal mandate contained in \_\_\_\_\_
- ☐ b. Implements the court mandate set forth by the \_\_\_\_\_ Court.

Case of: \_\_\_\_\_ vs. \_\_\_\_\_

- ☐ c. Implements a mandate of the people of this State expressed in their approval of Proposition No. \_\_\_\_\_

Date of Election: \_\_\_\_\_

- ☐ d. Issued only in response to a specific request from affected local entity(s).

Local entity(s) affected: \_\_\_\_\_

- ☒ e. Will be fully financed from the fees, revenue, etc. from: entities required to implement a prevention program per F&G Code section 2302.

Authorized by Section: 2301 (d), (e) and (g) of the Fish and Game Code;

- ☐ f. Provides for savings to each affected unit of local government which will, at a minimum, offset any additional costs to each;

- ☐ g. Creates, eliminates, or changes the penalty for a new crime or infraction contained in \_\_\_\_\_

- ☐ 3. Annual Savings. (approximate)

\$ \_\_\_\_\_

- ☐ 4. No additional costs or savings. This regulation makes only technical, non-substantive or clarifying changes to current law regulations.

- ☐ 5. No fiscal impact exists. This regulation does not affect any local entity or program.

- ☒ 6. Other. Explain The expenses incurred by local agencies are an incidental impact of the regulation that apply generally to all state residents and entities.

Public and Private entities are affected alike; there is no unique burden on public entities.

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Instructions and Code Citations:

SAM Section 6601-6616**FISCAL IMPACT STATEMENT (CONTINUED)****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 in the current State Fiscal Year. (Approximate)

\$ \_\_\_\_\_

*It is anticipated that State agencies will:*☐ a. Absorb these additional costs within their existing budgets and resources.☐ b. Increase the currently authorized budget level for the \_\_\_\_\_ Fiscal Year☐ 2. Savings in the current State Fiscal Year. (Approximate)

\$ \_\_\_\_\_

☒ 3. No fiscal impact exists. This regulation does not affect any State agency or program.☐ 4. Other. Explain \_\_\_\_\_**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 in the current State Fiscal Year. (Approximate)

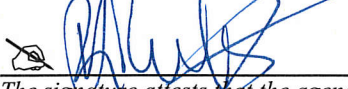
\$ \_\_\_\_\_

☐ 2. Savings in the current State Fiscal Year. (Approximate)

\$ \_\_\_\_\_

☒ 3. No fiscal impact exists. This regulation does not affect any federally funded State agency or program.☐ 4. Other. Explain \_\_\_\_\_

FISCAL OFFICER SIGNATURE



DATE

12/31/14

*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 departments not under an Agency Secretary must have the form signed by the highest ranking official in the organization.*

AGENCY SECRETARY



DATE

12/15/14

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

DEPARTMENT OF FINANCE PROGRAM BUDGET MANAGER

 for KF

DATE

8/26/15



## STD399 CALCULATIONS WORKSHEET

Section 672, 672.1, and 672.2  
Title 14, California Code of Regulations  
Re: Dreissenid mussel prevention and control

### Fiscal Impact Statement

#### Section A. Fiscal Effect on Local Government

Question 2. Additional expenditures are estimated to be approximately \$2,000 to \$4,000 per water supply system in the current State Fiscal Year.

The proposed regulation will result in compliance costs for water supply systems and /or reservoirs. Cost estimates for personnel time to produce annual status reports on prevention and control programs to the Department were requested from the affected parties and are summarized in Table 1.

Table 1. Costs Estimate.

<b>Quagga and Zebra Mussel Prevention Program Summary and Annual Report</b>				
<b>Cost Description</b>	<b>Hours</b>	<b>Wages</b>	<b>Benefits</b>	<b>Total</b>
Facility Staff	15-35	\$ 65	35%-40%	\$1,300-\$3,100
Administrative Assistant	8-10	\$ 35	35%-40%	\$380-\$500
General Manager	2-3	\$ 95	35%-40%	\$250-\$400
<b>Report Development Total Costs</b>				<b>\$2,000-\$4,000</b>

These costs 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). The California Constitution prohibits the State from imposing costs of a new program or increased level of service on a local agency or school district without providing a subvention of funds, except under certain circumstances. (Cal. Const. Art. XIII, Sec. 6, Govt. Code § 17514). The California Supreme Court has held that the constitutional provision applies to “programs that carry out the governmental function of providing services to the public, or laws which, to implement a state policy, impose unique requirements on local governments and do not apply generally to all residents and entities in the state.” (County of Los Angeles v. State of California (1987) 43 Cal.3d 46, 56.)

The bar against state mandates was intended to require reimbursement for the costs involved in carrying out functions peculiar to government, not for expenses incurred by local agencies as an incidental impact of laws that apply generally to all state residents and entities. In addition, Government Code 17556 (d) states that the Commission on State Mandates cannot find that a mandate has been imposed if the Commission finds that the local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the mandated program or increased level of

service. This applies regardless of whether the local agency or district has enacted or adopted such fees or assessments.

Section 2302 and the related draft regulations apply to “any person, federal, state, or local agency, district, or authority that owns or manages a reservoir...where recreational, boating, or fishing” is permitted.” Therefore, this includes any person or entity that owns or manages a reservoir where recreational, boating, or fishing is allowed, regardless of whether they are a local agency, and the reporting requirement is not a governmental service being provided to the public. The reporting requirements do not impose a state mandate on local agencies.