

## STAFF SUMMARY FOR FEBRUARY 7-8, 2018

**29. UPLAND GAME BIRD (SAGE GROUSE)****Today's Item****Information** ☐**Action** ☒

Authorization to publish notice of intent to change upland game bird regulations regarding sage grouse.

**Summary of Previous/Future Actions**

- |                                 |                                  |
|---------------------------------|----------------------------------|
| • WRC vetting                   | Jan 11, 2018; Santa Rosa         |
| • <b>Today's notice hearing</b> | <b>Feb 7-8, 2018; Sacramento</b> |
| • Discussion hearing            | Apr 18-19, 2018; Ventura         |
| • Adoption hearing              | Jun 20-21, 2018; Sacramento      |

**Background**

FGC annually considers the recommendations of DFW in establishing upland game bird regulations. Section 300 provides definitions, hunting zone descriptions, season opening and closing dates, and daily bag and possession limits for resident and migratory upland game birds.

For the 2018-2019 season, DFW is presenting a recommendation solely for sage grouse permits based on the spring 2018 lek counts. A lek is a communal area in which two or more male greater sage grouse perform courtship displays to mate with females. DFW performs multiple counts of all known leks in California, including leks both within hunt zones and in non-hunted areas. The lek counts are used to estimate population size, and a population model expands the count of males to predict the size of the fall population.

Both the low and high fall population projections for 2018 are considered conservative. The number of permits proposed will not exceed 5% of the projected fall population size, which is among the most conservative scientific recommendations for allowable harvest. In addition to population size, population trajectory is considered in DFW's recommendation, and no permits will be recommended for populations that are in decline and below the long-term average for a hunt zone.

DFW has not recommended issuing any permits in either of the Lassen hunt zones since 2012, the South Mono Hunt Zone since 2014, or the North Mono Hunt Zone in 2017, because of concerns about downward population trajectories, and to allow these populations time to recover from the effects of wildfire and drought. The conservative approach to estimating spring populations and projecting fall populations is designed to avoid any errors that could lead to an overestimation of the population size. The low population projection, assuming no reproduction, is not a likely scenario except for the most extreme possible conditions.

The numbers of permits ultimately recommended for each hunt zone will be based on three criteria:

- a) Size and trend of the spring breeding population in each hunt zone based on lek counts conducted in March and April 2018.

## STAFF SUMMARY FOR FEBRUARY 7-8, 2018

- b) The allowable harvest level will not exceed 5% of the predicted fall population.
- c) If the allowable harvest in any zone is 5 or fewer permits, no permits will be recommended for that zone.

***Proposed Regulation***

Amend subsection 300(a)(1)(D)4.: Adjust the annual number of general season greater sage grouse hunting permits by zone for the 2018-2019 season.

The regulation as set forth proposes a range from which the final numbers of greater sage grouse permits will be determined. A range, instead of a specific number, is necessary at this time because the final number of permits cannot be determined until DFW conducts spring lek counts in March and April 2018.

**Significant Public Comments (N/A)****Recommendation**

**FGC staff:** Authorize publication of notice as proposed by DFW.

**Committee:** WRC recommends that FGC authorize publication of a notice of intent to amend upland game bird regulations for sage grouse quotas for the 2018-2019 season.

**DFW:** Authorize publication of notice as proposed in the draft initial statement of reasons (ISOR, Exhibit 1).

**Exhibits**

1. [Draft ISOR](#)
2. [DFW memo, received Jan 24, 2018](#)
3. [Standard Economic Impact Statement, Std. Form 399](#)

**Motion/Direction**

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_ that the Commission authorizes publication of a notice of its intent to amend subsection (a)(1)(D)4. of Section 300, related to resident upland game bird hunting of sage grouse.

STATE OF CALIFORNIA  
FISH AND GAME COMMISSION  
INITIAL STATEMENT OF REASONS FOR REGULATORY ACTION  
(Pre-publication of Notice Statement)

Amend subsection (a)(1)(D)4. of Section 300  
Title 14, California Code of Regulations  
Re: Resident Upland Game Bird Hunting Regulations

I. Date of Initial Statement of Reasons: December 28, 2017

II. Dates and Locations of Scheduled Hearings:

(a) Notice Hearing: Date: February 8, 2018  
Location: Sacramento, CA

(b) Discussion Hearing: Date: April 19, 2018  
Location: Ventura, CA

(c) Adoption Hearing: Date: June 21, 2018  
Location: Sacramento, CA

III. Description of Regulatory Action:

(a) Statement of Specific Purpose of Regulation Change and Factual Basis for Determining that Regulation Change is Reasonably Necessary:

The Fish and Game Commission (Commission) annually considers the recommendations of the Department of Fish and Wildlife (Department) in establishing upland game bird regulations. Section 300 provides definitions, hunting zone descriptions, season opening and closing dates, and daily bag and possession limits for resident and migratory upland game birds.

A limited number of hunting permits are issued for greater sage-grouse (sage grouse), and that number is based on annual population surveys. Concerns about the potential effects of hunting to sage grouse through additive mortality have been expressed in the scientific literature, including studies from California. The Department has responded to these concerns by recommending highly conservative hunting permit limits for the last 10 years. The permit system used in California is considered one of the best controlled hunts in sage grouse range.

For the 2018-2019 season, the Department will present the Commission a recommendation for permits based on the spring 2018 lek counts as described below. A lek is a communal area in which two or more male greater sage grouse perform courtship displays to mate with females. Male

greater sage grouse attend these leks daily throughout the breeding season, allowing the Department to gather reliable estimates of spring breeding population size. The Department performs multiple counts of all known leks in California, including leks both within hunt zones and in non-hunted areas. These lek counts are used to estimate population size and a population model expands the count of males to predict the size of the fall population (see below).

In 2010, the United States Fish and Wildlife Service (USFWS) determined that greater sage-grouse were “warranted, but precluded” for protection under the Endangered Species Act (ESA) both statewide and as a Distinct Population Segment (DPS) in Mono County. In 2015, the USFWS further determined that greater sage-grouse did not need to be listed under ESA either range-wide or as a DPS largely because of new state conservation plans and federal land use amendments that reduced the threats to the species.

In 2012, the Commission took emergency action because of the Rush Fire, which encompassed more than 272,000 acres almost entirely within the East Lassen Hunt Zone, by reducing the number of sage grouse permits for both Lassen hunt zones to zero. Because of substantial breeding population declines following the fire, the Department has not recommended issuing any permits for either of the Lassen hunt zones since 2012.

Hunting permits were issued for both of the Mono hunt zones through 2013. The Department recommended no permits in the South Mono Hunt Zone beginning in 2014 because of declines in the breeding population following several years of drought. Hunting permits were issued in the North Mono Hunt Zone through 2016. The Department recommended no permits for the North Mono Hunt Zone in 2017 because of declines in lek counts. However, access to conduct lek counts was impacted by accessibility due to persistent snow and there may have been more birds than the Department was able to record.

In 2017, the Department recommended zero permits in all four hunting zones for sage grouse. At its June 21, 2017 meeting in Smith River, the Commission adopted zero permits in all sage grouse zones in subsection 300(a)(1)(D)4 for the 2017-2018 hunting season.

#### METHODS FOR POPULATION ESTIMATION:

The Department will use the following parameters and assumptions to estimate population size in the spring and project it at the time of the hunting season (the second Saturday in September extending for 2 days):

- a) Male population size counted in the spring is  $1.1 \times$  peak lek attendance (the most males counted) from at least three surveys of each lek

statewide. In other words, the Department assumes that 90% of the males are visibly counted on each lek.

- b) The sex ratio for the population is 1:1, assuming there are an equal number of females as males counted.
- c) The recruited population (adult birds) experiences 15% mortality between spring and fall.
- d) The high model assumes the population produces 1.2 chicks per female (this model is used to provide a range of population size, but is not used to derive permit numbers).
- e) The low population model assumes the population produces 0 chicks per female (this model is used to derive permit numbers).

Both the low and high fall population projections are considered conservative by the Department, particularly with regard to the female population size and chick production. Sex ratios of 1:1 are used as a conservative approach, but sage grouse often have skewed sex ratios with more females than males. The low population projection, assuming no reproduction, is not a likely scenario except for the most extreme possible conditions. The Department is using this model to avoid any potential errors in assumptions of chick production

The number of permits proposed will not exceed 5% of the projected fall population size, which is among the most conservative scientific recommendations for allowable harvest. In addition to population size, the Department will consider population trajectory in its recommendation, and will not recommend any permits for populations that are in decline and below the long-term average for that hunt zone. The Department has not recommended issuing any permits in either of the Lassen hunt zones since 2012 or the South Mono Hunt Zone since 2014 and the North Mono Hunt Zone in 2017 because of concerns about downward population trajectories and to allow these populations time to recover from the effects of wildfire and drought. The Department's conservative approach to estimating spring populations and projecting fall populations is designed to avoid any errors that could lead to an overestimation of the population size.

The numbers of permits ultimately recommended for each hunt zone will be based on the following criteria:

- a) Size and trend of the spring breeding population in each hunt zone based on lek counts conducted in March and April.
- b) The allowable harvest level will not exceed 5% of the predicted fall population.

- c) If the allowable harvest in any zone is 5 or fewer permits, no permits will be recommended for that zone.

#### PROPOSED REGULATIONS:

Amend subsection 300(a)(1)(D)4.: Adjust the annual number of General Season greater sage grouse hunting permits by zone for the 2018-2019 season.

The regulation as set forth in this ISOR proposes a range from which the final numbers of greater sage grouse permits will be determined. A range, instead of a specific number, is necessary at this time because the final number of permits cannot be determined until the Department conducts spring lek counts in March and April as previously described. Based on recent population size in each of the hunt zones, the proposed ranges are as follows:

- a. East Lassen Zone: [0 - 25] (2-bird) permits
- b. Central Lassen Zone: [0 - 15] (2-bird) permits
- c. North Mono Zone: [0 - 45] (1-bird) permits
- d. South Mono Zone: [0 - 20] (1-bird) permits

- (b) Authority and Reference Sections from Fish and Game Code for Regulation:

Authority cited: Sections 200, 203, 265 and 355, Fish and Game Code.

Reference: Sections 200, 203, 203.1, 215, 220, 265, 355 and 356, Fish and Game Code.

- (c) Specific Technology or Equipment Required by Regulatory Change: None.
- (d) Identification of Reports or Documents Supporting Regulation Change: None.
- (e) Public Discussions of Proposed Regulations Prior to Notice publication: None.

#### IV. Description of Reasonable Alternatives to Regulatory Action:

- (a) Alternatives to Regulation Change:

No Alternatives were identified.

- (b) No Change Alternative:

Without a regulation change to subsection 300(a)(1)(D)4.:

Greater sage grouse permit numbers would not change from 2017 and permits for 2018 would not be calculated based on current year data.

- (c) Alternatives considered but rejected:

No Alternatives were identified

- (d) Consideration of Alternatives: In view of information currently possessed, no reasonable alternative considered would be more effective in carrying out the purpose for which the regulation is proposed, would be as effective and less burdensome to affected private persons than the proposed regulation, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

V. Mitigation Measures Required by Regulatory Action:

The proposed regulatory action will have no negative impact on the environment. Therefore, no mitigation measures are needed.

VI. Impact of Regulatory Action:

The potential for significant statewide adverse economic impacts that might result from the proposed regulatory action has been assessed, and the following initial determinations relative to the required statutory categories have been made:

- (a) Significant Statewide Adverse Economic Impact Directly Affecting Businesses, Including the Ability of California Businesses to Compete with Businesses in Other States:

The proposed action will not have a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states, because the regulations propose only minor changes not affecting business.

- (b) Impact on the 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; Benefits of the Regulation to the Health and Welfare of California Residents, Worker Safety, and the State's Environment.

The Commission does not anticipate any impacts on the creation or elimination of jobs or businesses in California or on the expansion of businesses in California; and, does not anticipate benefits to worker safety, because the regulations propose only minor changes not affecting jobs.

The Commission anticipates benefits to the health and welfare of California residents. The proposed regulations are intended to provide continued recreational opportunity to the public. Hunting provides opportunities for multi-generational family activities and promotes respect for California's environment by the future stewards of the State's resources.

The Commission anticipates benefits to the environment by the sustainable management of California's upland game resources. The fees that hunters pay for licenses and stamps are used for conservation.

(c) Cost Impacts on a Representative Private Person or Business:

The Commission is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

(d) Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: None.

(e) Nondiscretionary Costs/Savings to Local Agencies: None.

(f) Programs Mandated on Local Agencies or School Districts: None.

(g) Costs Imposed on Any Local Agency or School District that is Required to be Reimbursed Under Part 7 (commencing with Section 17500) of Division 4, Government Code: None.

(h) Effect on Housing Costs: None.

VII. Economic Impact Assessment:

The following amendments to the regulations are proposed:

Amend subsection 300(a)(1)(D)4.: Adjust the annual number of General Season greater sage grouse hunting permits by zone for the 2018-2019 season.

(a) Effects of the regulations on the creation or elimination of jobs within the state:

The proposed regulations will not adversely impact the creation or elimination of jobs because there are no changes in fees, addition of fees, or addition of costs to businesses or individuals. Generally, positive impacts to jobs and/or businesses that provide services to hunters are anticipated with the adoption of the proposed hunting regulations for the 2018-2019 season. The U.S. Fish and Wildlife National Survey of Fishing, Hunting, and Wildlife-Associated Recreation for California (revised Feb. 2014) estimates that small game hunters contributed about \$143 million to businesses in California during the 2011 small game hunting season. The long-term intent of the proposed regulations is to sustainably manage upland game bird populations, which will additionally support the long-term viability of the primarily small businesses that serve hunting activities. The 2014 report is posted on the US Dept. of Commerce website at [http://www.census.gov/prod/013pubs/fhw11\\_ca.pdf](http://www.census.gov/prod/013pubs/fhw11_ca.pdf).



- (b) Effects of the regulations on the creation of new businesses or the elimination of existing businesses within the state:

The effect of the regulations on the creation of new businesses or the elimination of existing businesses within the state will be neutral. Minor variations in the number of greater sage grouse hunting permits as proposed in the regulations are, by themselves, unlikely to stimulate the creation of new businesses or cause the elimination of existing businesses. The number of hunting trips and the economic contributions from them are expected to remain more or less the same.

- (c) Effects of the regulations on the expansion of businesses currently doing business within the state:

The effect of the regulations on the expansion of businesses currently doing business within the state will be neutral. The long-term intent of the proposed regulations is to sustainably manage upland game bird populations, and consequently, the long-term viability of small businesses that serve recreational upland game bird hunters.

- (d) Benefits of the regulations to the health and welfare of California residents:

Hunting is an outdoor activity that can provide several benefits for those who partake in it and for the environment as well. The fees that hunters pay for licenses and stamps are used for conservation. In addition, the efforts of hunters can help to reduce wildlife depredation on private lands. Hunters and their families benefit from fresh game to eat, and from the benefits of outdoor recreation. People who hunt have a special connection with the outdoors and an awareness of the relationships between wildlife, habitat, and humans. With that awareness comes an understanding of the role humans play in being caretakers of the environment. Hunting is a tradition that is often passed on from one generation to the next creating a special bond between family members and friends.

- (e) Benefits of the regulations to worker safety.

The regulations will not affect worker safety because they do not address working conditions.

- (f) Benefits of the regulations to the state's environment:

It is the policy of this state to encourage the conservation, maintenance, and utilization of upland game bird resources for the benefit of all the citizens of the state. The objectives of this policy include, but are not limited to, the maintenance of sufficient populations of upland game birds to ensure their continued existence and the maintenance of a sufficient resource to support recreational opportunity. Adoption of scientifically-based upland game bird seasons, bag and possession limits provides for the maintenance of

sufficient populations of game birds to ensure those objectives are met.

(g) Other Benefits of the Regulations:

None

DRAFT

## **Informative Digest/Policy Statement Overview**

The regulations in Section 300, Title 14, California Code of Regulations (CCR), provide general hunting seasons for taking resident and migratory upland game birds. The Department is recommending the following regulation changes:

Amend subsection 300(a)(1)(D)4.: Adjust the annual number of General Season greater sage grouse hunting permits by zone for the 2018-2019 season.

Additionally, non-substantive changes to the authority and reference sections, are the result of changes to the Fish and Game Code by SB 1473 which took effect on January 1, 2017.

### **Benefits of the Proposed Regulations**

Adoption of sustainable upland game seasons, bag and possession limits, and authorized methods of take provides for the maintenance of sufficient populations of upland game birds to ensure their continued existence.

### **Non-monetary Benefits to the Public**

The Commission anticipates benefits to the health and welfare of California residents through the sustainable management of sage grouse populations. The Commission does not anticipate non-monetary benefits to worker safety, the prevention of discrimination, the promotion of fairness or social equity and the increase in openness and transparency in business and government.

### **Consistency and Compatibility with Existing Regulations**

The Commission has reviewed its regulations in Title 14, CCR, and conducted a search of other regulations on this topic and has concluded that the proposed amendments to Section 300 are neither inconsistent nor incompatible with existing State regulations. No other State agency has the authority to promulgate hunting regulations.

## REGULATORY LANGUAGE

Section 300, Title 14, CCR, is amended to read as follows:

### **§ 300. Upland Game Birds.**

(a) Resident Upland Game Birds

(1) General Seasons: Shotgun; Crossbow; and Pistol/Revolver for Sooty/Ruffed Grouse Only; Bag and Possession Limits and Open Areas  
(see Authorized Methods of Take, Section 311)

*... [No Changes subsections 300(a)(1)(A) through (a)(1)(D)3.]*

4. Number of Permits:

- a. East Lassen Zone:    0    [0 - 25] (2-bird) permits
- b. Central Lassen Zone: 0    [0 - 15] (2-bird) permits
- c. North Mono Zone:    0    [0 - 45] (1-bird) permits
- d. South Mono Zone:    0    [0 - 20] (1-bird) permits

*... [No Changes subsections 300(a)(1)(D)5. through (b)]*

Note: Authority cited: Sections 200, 203, 265 and 355, Fish and Game Code.

Reference: Sections 200, 203, 203.1, 215, 220, 265, 355 and 356, Fish and Game Code.

## Memorandum

2018 JAN 24 PM 2:05

Date: January 23, 2018

To: Valerie Termini  
Executive Director  
Fish and Game Commission

From: Charlton H. Bonham  
Director



Subject: **Agenda Item for the February 7-8, 2018, Fish and Game Commission Meeting**  
**Re: Request to Publish Notice of the Commission's Intent to Amend**  
**Subsection 300(a)(1)(D)4., Title 14, CCR, regarding resident upland game bird**  
**hunting regulations**

The Department of Fish and Wildlife (Department) requests that the Fish and Game Commission (Commission) authorize publishing notice of its intent to amend subsection 300(a)(1)(D)4., Title 14, California Code of Regulations. The Department proposes to amend this subsection to adjust the annual number of sage grouse hunting permits by zone for the 2018-19 season. No other changes are proposed.

If you have any questions regarding this item, please contact Kari Lewis, Wildlife Branch Chief, at (916) 445-3789. The public notice should identify Scott Gardner, Senior Environmental Scientist, as the point of contact at (916) 801-6257 or [Scott.Gardner@wildlife.ca.gov](mailto:Scott.Gardner@wildlife.ca.gov).

### Attachments

cc: Stafford Lehr, Deputy Director  
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Valerie Termini, Executive Director  
Fish and Game Commission  
January 23, 2018  
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**ECONOMIC AND FISCAL IMPACT STATEMENT  
(REGULATIONS AND ORDERS)**

STD. 399 (REV. 12/2013)

**ECONOMIC IMPACT STATEMENT**

DEPARTMENT NAME <b>Fish and Wildlife Commission</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>Amend Subsection 300(a)(1)(D)4., Title 14, CCR, resident upland game bird hunting regulations</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 type="checkbox"/> a. Impacts business and/or employees  | <input type="checkbox"/> e. Imposes reporting requirements                |
| <input type="checkbox"/> b. Impacts small businesses           | <input type="checkbox"/> f. Imposes prescriptive instead of performance   |
| <input type="checkbox"/> c. Impacts jobs or occupations        | <input type="checkbox"/> g. Impacts individuals                           |
| <input type="checkbox"/> d. Impacts California competitiveness | <input checked="" type="checkbox"/> h. None of the above (Explain below): |

The proposed changes to sage grouse do not impact private sector cost*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 \_\_\_\_\_ 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: \_\_\_\_\_

Describe the types of businesses (Include nonprofits): \_\_\_\_\_

Enter the number or percentage of total businesses impacted that are small businesses: \_\_\_\_\_

4. Enter the number of businesses that will be created: \_\_\_\_\_ eliminated: \_\_\_\_\_

Explain: \_\_\_\_\_

5. Indicate the geographic extent of impacts: ☐ Statewide  
☐ Local or regional (List areas): \_\_\_\_\_

6. Enter the number of jobs created: \_\_\_\_\_ and eliminated: \_\_\_\_\_

Describe the types of jobs or occupations impacted: \_\_\_\_\_

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****(REGULATIONS AND ORDERS)**

STD. 399 (REV. 12/2013)

**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? \$ \_\_\_\_\_

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: \_\_\_\_\_

2. If multiple industries are impacted, enter the share of total costs for each industry: \_\_\_\_\_

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.* \$ \_\_\_\_\_4. 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 ☐ 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: \$ \_\_\_\_\_

**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: \_\_\_\_\_

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

Explain: \_\_\_\_\_

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

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

**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: \_\_\_\_\_



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

STD. 399 (REV. 12/2013)

**ECONOMIC IMPACT STATEMENT (CONTINUED)**

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: \_\_\_\_\_

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: \_\_\_\_\_

**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: \_\_\_\_\_

The incentive for innovation in products, materials or processes: \_\_\_\_\_

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: \_\_\_\_\_

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

STD. 399 (REV. 12/2013)

**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).

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

*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: \_\_\_\_\_

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;

- ☐ 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 \_\_\_\_\_  
\_\_\_\_\_

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

STD. 399 (REV. 12/2013)

**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



1/23/18

*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



1/23/18

*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

DATE

