

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

STD. 399 (REV. 12/2013)

Instructions and Code Citations:

SAM Section 6601-6616**ECONOMIC IMPACT STATEMENT**

DEPARTMENT NAME <u>Department of Fish and Wildlife</u>	CONTACT PERSON <u>Margaret Duncan margaret.duncan</u>	EMAIL ADDRESS <u>@wildlife.ca.gov</u>	TELEPHONE NUMBER <u>916-653-4676</u>
DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400 <u>Amend Sections 650 and 703, Title 14, CCR, Re: Scientific Collecting Permits</u>			NOTICE FILE NUMBER <u>Z 2017-0314-06</u>

A. ESTIMATED PRIVATE SECTOR COST IMPACTS *Include calculations and assumptions in the rulemaking record.***Amended ISOR (July 2017)**

1. Check the appropriate box(es) below to indicate whether this regulation:

- | | |
|--|---|
| <input checked="" type="checkbox"/> a. Impacts business 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): |

*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 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: ~ 1,000Describe the types of businesses (Include nonprofits): Academic researchers, Env. consultants, Government, Museums, Aquariums, etc.Enter the number or percentage of total businesses impacted that are small businesses: ~ 40%4. Enter the number of businesses that will be created: 0 eliminated: 0Explain: No new compliance requirements. Restructuring of existing permit/fee structure to increase efficiencies & reduce costs.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: N/A

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: _____

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ECONOMIC IMPACT STATEMENT (CONTINUED)**B. ESTIMATED COSTS** *Include calculations and assumptions in the rulemaking record.***revised**1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime? \$ Unable to quantifya. Initial costs for a small business: \$ 75-\$341 per permit Annual ongoing costs: \$ N/A Years: ongoingb. Initial costs for a typical business: \$ 75-\$341 per permit Annual ongoing costs: \$ N/A Years: ongoingc. Initial costs for an individual: \$ 75-\$341 per permit Annual ongoing costs: \$ N/A Years: ongoing

d. Describe other economic costs that may occur: _____

2. If multiple industries are impacted, enter the share of total costs for each industry: 38% Academic, 25% Environmental consultants, 16% Govt., 12% Non-Profit Conservation, 4% Pub. Health/Utilities, 3% Private Business, 2% Aquariums, Tribal, Zoos.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/A4. 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: _____

Increased consistency and efficiency in the issuance of scientific collecting permits for research is anticipated to benefit the environment, have no effect on the health and welfare of CA residents or worker safety.2. Are the benefits the result of: ☐ specific statutory requirements, or ☒ goals developed by the agency based on broad statutory authority?Explain: CDFW mandate**revised**3. What are the total statewide benefits from this regulation over its lifetime? \$ Unable to quantify.4. Briefly describe any expansion of businesses currently doing business within the State of California that would result from this regulation: N/A**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: Alt 1) No change to permit structure with fee increases from 348%, 178%, 136% or 97%. Alt 2) Change permit and fee schedule with possible increases of 128%, 41%, 20% or restructure fees to accord with permit complexity such that fees may drop for many or rise for some types of research projects. (See Staffing Fiscal Analysis for detail.)

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ECONOMIC IMPACT STATEMENT (CONTINUED)

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

revised

Regulation: Benefit: \$ N/A Cost: \$ 75 - \$341

Alternative 1: Benefit: \$ N/A Cost: \$ 344 - \$1,837

Alternative 2: Benefit: \$ N/A Cost: \$ 170 - \$744

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

The proposed changes to SCPs structure and fees mayresult in reduced total permit costs for many and for some, increases proportional to the complexity of review.

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

revised

Explain: SCP fees designed to recover program costs.**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/AThe incentive for innovation in products, materials or processes: N/AThe 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: N/A

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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).

revised

\$ 50,699 (12% of \$422,490)

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).

revised

Local entity(s) affected: Local entities that pursue a environmental assessment projects that involve scientific collecting permits.

- ☐ 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.

revised

- ☒ 6. Other. Explain Local governments may experience cost savings from a streamlined SCP process that lowers costs for certain types of scientific collecting permits.

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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)\$ 100,000 (Internet app development)*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.
revised☒ 4. Other. Explain Proposed changes to scientific collecting permits structure and fees are set to recover program costs. Revised SCP application
and review costs can lead to increased costs for some state agencies and universities.**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

8/9/17*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

8/9/2017*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

2/13/18

DEPARTMENT OF FINANCE
CAPITAL OUTLAY

17 DEC 20 PM 12: 51

STD399 CALCULATIONS WORKSHEET

Amend Section 650 and 703 Title 14, California Code of Regulations Re: Scientific Collecting Permits

Fiscal Impact Statement

Section A. Fiscal Effect on Local Government

Question 2. Additional expenditures or savings are estimated to vary from savings of 45% per permit to 100% more depending on the complexity of the project 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).

The proposed fee structure for General and Specific Use level permits provides a streamlined set of options for applicants, and it is expected that some applicants will see a reduction in SCP fees as they might only be working within one permit use level for one taxonomic group. For example, the proposed General Use combined application and permit fee for Individual and Entities (\$230.10) is 45% lower than the existing 2017 combined SCP fees (\$421.58). Similarly, the Specific Use combined application and permit fee for Individual and Entities (\$340.70) is 19% lower than the 2017 combined SCP fees. While less likely for local governments, some applicants may see an increase in overall fees because they may need to obtain permits from multiple review programs to conduct their work.

The proposed structure represents a change from the current model for the SCP community, and may lead to the need for an estimated 33% of permitholders to obtain multiple permits for take activities or work previously approved under a single permit. The majority of these permitholders fall within environmental consulting and public university categories, while the remainder of the estimated 66% of permitholders may only need one permit. The proposed permit structure triggering the need for more permits could be construed to be a fee increase, but the proposed SCP fees have been crafted with pre-notice public input in mind, while trying to balance basic necessary cost recovery to fund dedicated SCP staff, and are not anticipated to have a significant fiscal effect on local government.

Question 2(d). Issued only in response to a specific request from affected local entities. The proposed regulation would result in a decrease or increase in compliance costs for local governments that request scientific collecting permits for local government projects.

Question 6. Other. Any expense or savings incurred by local agencies are an incidental impact of the regulation that apply generally to all state entities; public and private entities are affected alike. There is no unique burden on public entities.

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

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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 B. Fiscal Effect on State Government

Question 1. Additional expenditures are estimated to be approximately \$100,000 to develop the online application interface in the current State Fiscal Year.

Question 1(a). The proposed regulation will result in a decrease or increase in compliance costs for state agencies that require scientific collecting permits for state government projects. Box (a) is checked to indicate that the increased fees are expected to be “absorbed within their existing budgets and resources.”

Question 4. Other. The proposed changes to scientific collecting permits structure and fees are set to recover program costs. The Department of Fish and Wildlife anticipates an increase in its revenue to fully recover the reasonable administration and issuance costs of Scientific Collecting Permits as shown below in Table 1. CDFW Annual SCP Program Revenue Projection. More detail can be found in Table 3, (p. 5) and in Attachments 2, 3, and 4 (pgs. 16-19) of the attached, “Scientific Collecting Permits Staffing Fiscal Analysis, December 2016 (revised June 2017).”

Table 1. CDFW Annual SCP Program Revenue Projection

License Year	2013	2014	2015	2016	2017 ^a	2018 ^b
Revenues	\$ 236,400	\$ 382,672	\$ 231,684	\$ 211,314	\$ 262,757	\$ 633,481
Expenditures	\$ 601,292	\$ 601,292	\$ 755,203	\$ 759,350	\$ 759,350	\$ 633,804
Balance	\$ (364,892)	\$ (218,620)	\$ (523,519)	\$ (548,036)	\$ (496,593)	\$ (323)

^a Projected from license data available through May 2017, from LRB Special Licenses & Permits, License Statistics

<https://www.wildlife.ca.gov/Licensing/Statistics>

^b Projected from SCP Fiscal Analysis, revised June 2017