

STATE OF CALIFORNIA
FISH AND GAME COMMISSION
INITIAL STATEMENT OF REASONS FOR REGULATORY ACTION

Amend Subsection (b)(91.1) of Section 7.50
Title 14, California Code of Regulations
Re: Klamath River Basin Sport Fishing Regulations

I. Date of Initial Statement of Reasons: November 20, 2018

II. Dates and Locations of Scheduled Hearings

- | | | |
|-------------------------|-----------|-------------------|
| (a) Notice Hearing: | Date: | December 13, 2018 |
| | Location: | Oceanside |
| (b) Discussion Hearing: | Date: | February 6, 2019 |
| | Location: | Sacramento |
| (c) Discussion Hearing | Date: | April 17, 2019 |
| | Location: | Santa Monica |
| (d) Adoption Hearing: | Date: | May 16, 2019 |
| | Location: | Teleconference |

III. Description of Regulatory Action

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

Unless otherwise specified, all section references in this document are to Title 14 of the California Code of Regulations.

The Klamath River Basin, which consists of the Klamath River and Trinity River systems, is managed for fall-run Chinook Salmon (*Oncorhynchus tshawytscha*) through a cooperative system of State, federal, and tribal management agencies. Salmonid regulations are designed to meet natural and hatchery escapement needs for salmonid stocks, while providing equitable harvest opportunities for ocean sport, ocean commercial, river sport, and tribal fisheries.

The Pacific Fishery Management Council (PFMC) is responsible for adopting recommendations for the management of sport and commercial ocean salmon fisheries in the Exclusive Economic Zone (three to 200 miles offshore) off the coasts of Washington, Oregon, and California. When approved by the Secretary of Commerce, these recommendations are implemented as ocean salmon fishing regulations by the National Marine Fisheries Service (NMFS).

The California Fish and Game Commission (Commission) adopts regulations for the ocean salmon sport (inside three miles) and the Klamath River Basin (in-river) sport fisheries, which are consistent with federal fishery management goals.

Tribal entities within the Klamath River Basin maintain fishing rights for ceremonial, subsistence, and commercial fisheries that are managed consistent with federal fishery management goals. Tribal fishing regulations are promulgated by the tribes.

Klamath River Fall-Run Chinook Salmon

Adult Klamath River fall-run Chinook Salmon (KRFC) harvest allocations and natural spawning escapement goals are established by the PFMC. The KRFC harvest allocation between tribal and non-tribal fisheries is based on court decisions and allocation agreements between the various fishery representatives.

For the purpose of PFMC mixed-stock fishery modeling and salmon stock assessment, salmon greater than 22 inches total length are defined as adult (ages 3-5) and salmon less than or equal to 22 inches total length are defined as grilse salmon (age 2).

PFMC Overfishing Review

KRFC stocks have been designated as “overfished” by the PFMC. This designation is the result of not meeting conservation objectives for this stock. Management objectives and criteria for KRFC are defined in the PFMC Salmon Fishery Management Plan (FMP). The threshold for overfished status of KRFC is a three-year geometric mean less than or equal to 30,525 natural area adult spawners. This threshold was not met for KRFC during the 2015-2017 period. The 30,525 KRFC natural area adult spawners is considered the minimum stock size threshold, per the FMP.

Accordingly, the FMP outlines a process for preparing a “rebuilding plan” that includes assessment of the factors that lead to the decline of the stock, including fishing, environmental factors, model errors, etc. The rebuilding plan includes recommendations to address conservation of KRFC, with the goal of achieving rebuilt status. Rebuilt status requires meeting a three-year geometric mean of 40,700 adult natural area KRFC spawner escapement. The plan is currently under development by representatives of NMFS, PFMC, U.S. Fish and Wildlife Service, California Department of Fish and Wildlife (Department), and Tribal entities, with a timeline for completion in spring of 2019. Forthcoming recommendations from the rebuilding plan may alter how KRFC are managed in the future, including changing the in-river allocation number, and/or allocating less than the normal target number.

Klamath River Spring-Run Chinook Salmon

The Klamath River Basin also supports Klamath River spring-run Chinook Salmon (KRSC). Naturally produced KRSC are both temporally and spatially separated from KRFC in most cases.

Presently, KRSC stocks are not managed or allocated by the PFMC. This in-river sport fishery is managed by general basin seasons, daily bag limit, and possession limit regulations. KRSC harvest will be monitored on the Klamath River below the Highway 96 bridge at Weitchpec to the mouth of the Klamath River in 2019 and ensuing years by creel

survey. The upper Trinity River, upstream of Junction City, will be monitored using tag returns from anglers in 2019 and future years.

KRFC Allocation Management

The PFMC 2018 allocation for the Klamath River Basin sport harvest was 3,490 adult KRFC. Preseason stock projections of 2019 adult KRFC abundance will not be available from the PFMC until March 2019. The 2019 basin allocation will be recommended by the PFMC in April 2019 and presented to the Commission for adoption as a quota for the in-river sport harvest at its May 2019 teleconference meeting.

The Commission may modify the KRFC in-river sport harvest quota, which is normally a minimum of 15 percent of the non-tribal PFMC harvest allocation. Commission modifications need to meet biological and fishery allocation goals specified in law or established in the FMP, otherwise harvest opportunities may be reduced in the California ocean or in-river fisheries.

The annual KRFC in-river sport harvest quota is specified in subsection 7.50(b)(91.1)(D)1. The quota is split between four geographic areas with a subquota for each area, expressed as a percentage of the total in-river quota, specified in subsection 7.50(b)(91.1)(D)2. For angler convenience, the subquotas, expressed as the number of fish, are listed for the affected river segments in subsection 7.50(b)(91.1)(E). The in-river sport subquota percentages are as follows:

1. for the main stem Klamath River from 3,500 feet downstream of the Iron Gate Dam to the Highway 96 bridge at Weitchpec -- 17 percent of the in-river sport quota;
2. for the main stem Klamath River from downstream of the Highway 96 bridge at Weitchpec to the mouth -- 50 percent of the in-river sport quota;
3. for the Trinity River downstream of the Old Lewiston Bridge to the Highway 299 West bridge at Cedar Flat -- 16.5 percent of the in-river sport quota; and
4. for the Trinity River downstream from the Denny Road bridge at Hawkins Bar to the confluence with the Klamath River -- 16.5 percent of the in-river sport fishery quota.

The spit area (within 100 yards of the channel through the sand spit formed at the Klamath River mouth) closes to all fishing after 15 percent of the total Klamath River Basin quota has been taken downstream of the Highway 101 bridge.

These geographic areas are based upon the historical distribution of angler effort to ensure equitable harvest of adult KRFC in the Klamath River and Trinity River. The subquota system requires the Department to monitor or assess angler harvest of adult KRFC in each geographic area. All areas will be monitored on a real time basis, except for the following:

Klamath River upstream of Weitchpec and the Trinity River: Due to funding and personnel reductions, the Department will be unable to deploy adequate personnel to conduct real time harvest monitoring in the Klamath River upstream of Weitchpec and in the Trinity River for the 2019 season. The Department has developed Harvest Predictor Models (HPM) which incorporate historic creel survey data from the Klamath River downstream of Iron

Gate Dam to the confluence with the Pacific Ocean, and the Trinity River downstream of Lewiston Dam to the confluence with the Klamath River. Each HPM is driven by the positive relationship between KRFC harvested in the respective lower and upper subquota areas of the Klamath River and the Trinity River. The HPMs will be used by the Department to implement fishing closures to ensure that anglers do not exceed established subquota targets. Using this method, the upper Klamath River subquota area generally closes between 28-30 days after the lower Klamath River subquota is reached. Similarly, the upper Trinity River subquota area generally closes 28-30 days after the lower Trinity River subquota has been met. The Department also takes into consideration several other factors when implementing closure dates for subquota areas, including angler effort, KRFC run timing, weir counts, and ongoing recreational creel surveys performed by the Hoopa Valley Tribe in the lower Trinity River below Willow Creek.

Sport Fishery Management

The KRFC in-river sport harvest quota is divided into geographic areas, and harvest is monitored under real time subquota management. On the other hand, KRSC in-river sport harvest is managed by general season, daily bag limit, and possession limit regulations.

The Department presently differentiates the two stocks by the following dates in each sub-area:

Klamath River

1. January 1 through August 14 - General Season KRSC.
For purposes of clarity, daily bag and possession limits apply to that section of the Klamath River downstream of the Highway 96 bridge at Weitchpec to the mouth.
2. August 15 to December 31 - KRFC quota management.

Trinity River

1. January 1 through August 31 – General Season KRSC.
For purposes of clarity, daily bag and possession limits apply to that section of the Trinity River downstream of the Old Lewiston Bridge to the confluence with the South Fork Trinity River.
2. September 1 through December 31 – KRFC quota management.

The daily bag and possession limits apply to both stocks within the same sub-area and time period.

Current regulations in subsections 7.50(b)(91.1)(E)2.a. and b. specify bag limits for KRFC stocks in the Klamath River. Current regulations in subsections 7.50(b)(91.1)(E)6.b., e., and f. specify bag limits for KRFC stocks in the Trinity River. Current regulations in subsection 7.50(b)(91.1)(C)2.b. specify KRFC possession limits.

Proposed Changes

Because PFMC recommendations are not known at this time, ranges (shown in brackets in the text below) of subquotas and bag and possession limits, which encompass historical

quotas, are being proposed for the 2019 KRFC fishery in the Klamath and Trinity rivers. The final KRFC bag and possession limits will align with the final federal regulations to meet biological and fishery allocation goals specified in law, or established in the FMP, otherwise harvest opportunities may be reduced in the California ocean fisheries.

KRFC SPORT FISHERY (QUOTA MANAGEMENT):

Quota: For public notice requirements, the Department recommends the Commission consider a quota range of 0 – 67,600 adult KRFC in the Klamath River Basin for the river sport fishery. This recommended range encompasses the historical range of the Klamath River Basin allocations and allows the PFMC and Commission to make adjustments during the 2019 regulatory cycle.

Subquotas: The proposed subquotas for KRFC stocks are as follows:

- Main stem Klamath River from 3,500 feet downstream of the Iron Gate Dam to the Highway 96 bridge at Weitchpec -- 17 percent of the total quota equates to [0-11,492];
- Main stem Klamath River from downstream of the Highway 96 bridge at Weitchpec to the mouth -- 50 percent of the total quota equates to [0-33,800];
- Trinity River downstream of the Old Lewiston Bridge to the Highway 299 West bridge at Cedar Flat -- 16.5 percent of the total quota equates to [0-11,154]; and
- Trinity River downstream from the Denny Road bridge at Hawkins Bar to the confluence with the Klamath River -- 16.5 percent of the total quota equates to [0-11,154].

Seasons: No changes are proposed for the Klamath River and Trinity River KRFC seasons:

- Klamath River - August 15 to December 31
- Trinity River - September 1 to December 31

Bag and Possession Limits: As in previous years, no retention of adult KRFC is proposed for the following areas once the subquota has been met.

The range of proposed bag and possession limits for KRFC stocks are as follows:

- Bag Limit - [0-4] Chinook Salmon – of which no more than [0-4] fish over 22 inches total length may be retained until the subquota is met, then 0 fish over 22 inches total length.
- Possession limit - [0-12] Chinook Salmon of which no more than [0-4] fish over 22 inches total length may be retained when the take of salmon over 22 inches total length is allowed.

KRSC SPORT FISHERY:

No regulatory changes are proposed for the general (KRSC) opening and closing season dates, and bag, possession and size limits.

OTHER CHANGES

No other changes are proposed, except those described above, and to change the year 2018 to 2019 for the upcoming season.

(b) Goals and Benefits of the Regulation:

It is the policy of this State to encourage the conservation, maintenance, and utilization of the living resources of the ocean and other 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 fisheries and distant water fisheries based in California in harmony with international law, respecting fishing and the conservation of the living resources of the ocean and other 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. 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.

The benefits of the proposed regulations are consistency with federal fishery management goals, sustainable management of Klamath River Basin fish resources, health and welfare of California residents, and promotion of businesses that rely on salmon sport fishing in the Klamath River Basin.

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

Authority: Sections 200, 205, 265, 270, 315, 316.5, and 399, Fish and Game Code.

Reference: Sections 200, 205, 265, 270, and 316.5, Fish and Game Code.

(d) Specific Technology or Equipment Required by Regulatory Change: None.

(e) Identification of Reports or Documents Supporting Regulation Change:

In-River Sport Fishing Economics Technical Report, National Oceanographic and Atmospheric Administration, National Marine Fisheries Service, September 2011.

(f) Public Discussions of Proposed Regulations Prior to Notice Publication:

No public meetings are being held prior to the notice publication. The 45-day comment period provides adequate time for review of the proposed amendments.

IV. Description of Reasonable Alternatives to Regulatory Action

(a) Alternatives to Regulation Change:

KRFC Stocks

The use of more liberal regulations for KRFC bag limits, possession limits and fishing methods (Alternative 1 in the STD 399; Economic and Fiscal Impact Statement). More

liberal regulations would be less desirable than those proposed, because they could create risk of an intense fishery, reaching or exceeding the quota in a very short time. Reaching the quota in a very short time could be damaging to the local economy, and exceeding the allowable harvest could damage the KRFC stocks.

KRSC Stocks

Presently there are no alternatives for the Commission to consider with regard to KRSC stocks. KRSC stocks are not currently managed by the PFMC, therefore forecast of abundance, and ocean and in-river harvest allocations do not occur on an annual basis.

KRSC stocks are currently managed as a separate life history type by the Commission. In most years, regulatory controls are generally more restrictive for KRSC than KRFC, and include time and area closures and reduced bag and possession limits.

(b) **No Change Alternative:**

The No Change Alternative (Alternative 2 in the STD 399; Economic and Fiscal Impact Statement) would leave the current 2018 daily bag and possession limit regulations in place and would not allow flexibility to develop bag and possession limits based on 2019 PFMC allocations. The change for 2019 is necessary to continue appropriate harvest rates and an equitable distribution of the harvestable surplus.

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. The proposed regulations are projected to range from minor to no impact on the net revenues to local businesses servicing sport fishermen. If the 2019 KRFC quota is reduced, visitor spending may correspondingly be reduced, and in the absence of the emergence of alternative visitor activities, the drop in spending could induce business contraction. If the quotas remain similar to previous quotas, then local economic impacts are expected to be unchanged. Neither scenario is expected to directly affect the ability of California businesses to compete with businesses in other states.

- (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 proposed regulations range from no fishing of KRFC, to normal Klamath River Basin salmon season, size, bag and possession limits.

The Commission anticipates some impact on the creation or elimination of jobs in California. The potential adverse employment impacts range from no impact to the loss of 22 jobs which are not expected to create, eliminate or expand businesses in the State.

An estimated 30-50 businesses that serve sport fishing activities are expected to be directly and/or indirectly affected depending on the final quota. The impacts range from no impact (Projection 1 under the Economic Impact Assessment (EIA), below) to unknown impacts on the creation of new business or the elimination of existing businesses (Projection 3, EIA, below).

The Commission does not anticipate any impacts on the expansion of businesses in California.

For all projections, the possibility of growth of businesses to serve substitute activities exists. Adverse impacts to jobs and/or businesses would be less if fishing of other species and grilse KRFC is permitted, than under a complete closure to all fishing. 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, consequently, promoting the long-term viability of these same small businesses.

The Commission anticipates benefits to the health and welfare of California residents. Providing opportunities for a salmon sport fishery encourages a healthy outdoor activity and the consumption of a nutritious food.

The Commission anticipates benefits to the environment by the sustainable management of California's salmonid resources.

The Commission does not anticipate any benefits to worker safety because the proposed action does not affect working conditions.

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

The agency 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 regulatory amendments of subsection 7.50(b)(91.1) under consideration will set the 2019 Klamath River Basin salmon sport fishing regulations to conform to the PFMC KRFC allocation. The Klamath River Basin is anticipated to be open for salmon sport fishing at levels similar to the 2018 levels; however, the possibility of marine fishery area closures still exists. Ocean closures may in turn result in PFMC recommendations for Klamath River Basin salmon sport fishery closures for the take of adult KRFC. Adverse or positive impacts to jobs and businesses will depend on the 2019 KRFC allocation ultimately adopted by the PFMC, and the specific regulations promulgated by the Commission.

The proposed quota range of 0 to 67,600 adult KRFC in 2019 represents a range from 0 percent or no salmon fishing on adult KRFC to greater than 100 percent of the 2018 Klamath River Basin KRFC quota. Under all scenarios, sport fishing may be allowed for other sportfish species and for grilse KRFC regardless of PFMC regulations, thus any adverse impacts to businesses could be less severe than under a complete closure of fishing.

The preservation of Klamath River salmon stocks is necessary for the success of Klamath River Basin businesses which provide goods and services related to fishing. Scientifically-based KRFC allocations are necessary for the continued preservation of the resource and therefore the prevention of adverse economic impacts.

Based on a 2011 NMFS report on In-River Sport Fishing Economics of the Klamath River, and adding a 33 percent increase to account for the Trinity River^a, in a normal year, non-resident Klamath River salmon and steelhead sport anglers together contribute about \$3,442,750 in direct expenditures, resulting in about \$4,221,945 (2017\$) in total economic output to California businesses. The NMFS study found that non-resident (outside the immediate locale) salmon or steelhead angler average expenditures are estimated to be \$108.82 (2017\$) per angler day (for lodging, food, gasoline, fishing gear, boat fuel, and guide fees). The projections do not distinguish between spring and fall runs, however, the in-river harvest is almost exclusively fall-run.

Local resident average expenditures per angler day are estimated to be 60 percent less

^a The NMFS study excluded the Trinity River, the largest tributary to the Klamath. The Trinity River is allocated 33 percent of the KRFC total quota. Using the Trinity quota as a measure of salmon and steelhead angler effort, and thus impacts on associated businesses that support anglers, the Department added 33 percent to the total economic output listed in the NMFS report.

(markedly reduced lodging, gasoline and food expenditures), which yields an estimate of \$43.53 per angler-day. Local resident anglers comprise about 36 percent of Klamath River Basin anglers. Any decreases to expenditures by resident anglers associated with reduced fishing opportunities may be offset by increased expenditures on other locally purchased goods and services – with no net change in local economic activity. Thus, this economic impact assessment focuses on non-resident angler expenditures that represent new money whose injection serves to stimulate the local economy.

The total impact of non-resident angler direct expenditures support about 45 jobs for salmon alone or up to 70 jobs for all salmon and steelhead spending.

Table 1. Klamath Salmon and Steelhead Total Economic Output (Non-resident anglers)

Klamath Sport Fishing	Salmon	Steelhead	Total
Total Output	\$ 2,733,115	\$ 1,488,830	\$ 4,221,945
Labor Income	\$ 1,264,576	\$ 688,862	\$ 1,953,438
Jobs	45.7	24.9	70.6

To demonstrate the potential economic impacts that may result from a quota anywhere within the range of 0 - 67,600 KRFC, three adult salmon catch projections are as follows: 100 percent of the 2018 adult KRFC catch limit; 50 percent of the 2018 adult KRFC catch limit; and 0 percent of the 2018 adult KRFC catch limit.

(a) Effects of the Regulation on the Creation or Elimination of Jobs Within the State:

Projection 1. 100 percent of the 2018 adult KRFC catch limit: The Commission does not anticipate any adverse impacts on the creation or elimination of jobs, as the quotas would not decrease effort nor curtail the number of visitors and thus probable visitor expenditures in the fisheries areas.

Projection 2. 50 percent of the 2018 adult KRFC catch limit: The Commission anticipates some impact on the creation or elimination of jobs, which may be partially offset by the potential for continued sport fishing allowed for other sportfish and grilse KRFC. A 50 percent salmon catch reduction will likely reduce visitor spending by slightly less than 50 percent, given price elasticities of demand for salmon fishing activity of less than one. As the “price” of fishing per unit catch increases, the demand for fishing trips declines by a lesser extent, particularly in the short-run. While difficult to predict, job losses associated with a 50 percent reduction in the adult KRFC catch limit are expected to be less than half of the 45 estimated total jobs supported by salmon angler visits (i.e. fewer than 22 jobs).

Projection 3. 0 percent of the 2018 adult KRFC catch limit: In the event of fisheries closures for adult KRFC in some or all Klamath River Basin areas, the Commission anticipates less than 50 percent reduction in fishery-related jobs. As mentioned earlier, sport fishing for other species and grilse KRFC may still be allowed, thus mitigating potential job losses.

A closure on the take of all KRFC was instituted in 2017, and only steelhead could be legally harvested during the fall season. The impact of the 2017 closure on angler days

and consumer demand is still being evaluated. However, job creation or elimination tends to lag in response to short-term changes in consumer demand. Thus, the potential impacts of a 2019 closure on the take of adult KRFC are estimated to result in the loss of less than 22 jobs due to adjustment lags and the continued sport fishing allowed for other species and potentially for grilse KRFC.

(b) Effects of the Regulation on the Creation of New Businesses or the Elimination of Existing Businesses Within the State:

Projection 1. 100 percent of the 2018 adult KRFC catch limit: The Commission does not anticipate any impacts on the creation of new business or the elimination of existing businesses, as the quotas would not decrease effort nor curtail the number of visitors and thus probable visitor expenditures in the fisheries areas.

Projection 2. 50 percent of the 2018 adult KRFC catch limit: The Commission anticipates a decline in visits to the fishery areas of less than 50 percent due to the continued sport fishing allowed for other species and grilse KRFC. This may result in some decline in business activity, but the Commission does not anticipate any impacts on the creation of new business or the elimination of existing businesses directly related to fishing activities. However, with less effort being expended on salmon fishing, the possibility of substitute activities and the growth of businesses to serve those activities exists.

Projection 3. 0 percent of the 2018 adult KRFC catch limit: In the event of salmon fisheries closures for adult KRFC in some or all Klamath River Basin areas, the Commission anticipates a decline in regional spending and thus reduced revenues to the approximately 30 to 50 businesses that directly and indirectly serve sport fishing activities with unknown impacts on the creation of new business or the elimination of existing businesses. However, adverse impacts may be mitigated by the continued opportunity to harvest other sportfish and the potential for take of grilse KRFC. Additionally, the long-term intent of the proposed action is to increase sustainability in fishable salmon stocks and, consequently, the long-term viability of these same small businesses.

(c) Effects of the Regulation on the Expansion of Businesses Currently Doing Business Within the State:

Projection 1. 100 percent of the 2018 adult KRFC catch limit: The Commission does not anticipate any impacts on the expansion of businesses in California as the quotas would not increase effort nor increase the number of visitors and thus probable visitor expenditures in the fisheries areas.

Projection 2. 50 percent of the 2018 adult KRFC catch limit: The Commission does not anticipate any impacts on the expansion of businesses currently doing business within the State. Decreases in expenditures by resident anglers associated with reduced fishing opportunities may be offset by increased expenditures on other locally purchased goods and services – with no net change in local economic activity. For non-resident anglers, however, decreases in local expenditures associated with decreases

in local fishing opportunities may result in increases in other expenditures outside the Klamath River Basin area.

Projection 3. 0 percent of the 2018 adult KRFC catch limit: In the event of salmon fisheries closures for adult KRFC in some or all Klamath River Basin areas, the Commission does not anticipate any expansion of businesses in California. Decreases in expenditures by anglers associated with reduced fishing opportunities may be partially offset by increased expenditures on other locally purchased goods and services as visitors fish for other sportfish, potentially including grilse KRFC, or the substitution of salmon fishing with other recreational pursuits.

(d) Benefits of the Regulation to the Health and Welfare of California Residents:

Under all projections, the Commission anticipates benefits to the health and welfare of California residents. Providing opportunities for a Klamath River Basin salmon sport fishery and other sport fisheries encourages a healthy outdoor activity and the consumption of a nutritious food. Sport fishing also contributes to increased mental health of its practitioners, as fishing is a hobby and form of relaxation for many. 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.

(e) Benefits of the Regulation to Worker Safety:

Under all projections, the Commission does not anticipate benefits to worker safety because the proposed regulations will not impact working conditions.

(f) Benefits of the Regulation to the State's Environment:

Under all projections, the Commission anticipates benefits to the environment in the sustainable management of Klamath River Basin salmonid resources. It is the policy of this State to encourage the conservation, maintenance, and utilization of the living resources of the ocean and other 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 fisheries and distant water fisheries based in California in harmony with international law, respecting fishing and the conservation of the living resources of the ocean and other 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. 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.

(g) Other Benefits of the Regulation:

Consistency with Federal Fishery Management Goals: California's salmon sport fishing regulations need to align with the new Federal regulations to achieve optimum yield in

California. 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 FMP. These recommendations coordinate west coast management of sport and commercial ocean salmon fisheries off the coasts of Washington, Oregon, and California and state inland salmon sport fisheries. These recommendations are subsequently implemented as ocean fishing regulations by the NMFS, and as salmon sport regulations for California marine and inland waters by the Commission.

Informative Digest/Policy Statement Overview

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The FMP outlines a process for preparing a “rebuilding plan” that includes assessment of the factors that lead to the decline of the stock, including fishing, environmental factors, model errors, etc. The rebuilding plan includes recommendations to address conservation of KRFC, with the goal of achieving rebuilt status. The plan is currently under development by representatives of NMFS, PFMC, U.S. Fish and Wildlife Service, California Department of Fish and Wildlife (Department), and Tribal entities, with a timeline for completion in spring of 2019. Forthcoming recommendations from the rebuilding plan may alter how KRFC are managed in

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KRFC Allocation Management

The PFMC 2018 allocation for Klamath River Basin sport harvest was 3,490 adult KRFC. Preseason stock projections of 2019 adult KRFC abundance will not be available from the PFMC until March 2019. The 2019 basin allocation will be recommended by the PFMC in April 2019 and presented to the Commission for adoption as a quota for the in-river sport harvest at its May 2019 teleconference meeting.

The Commission may modify the KRFC in-river sport harvest quota, which is normally a minimum of 15 percent of the non-tribal PFMC harvest allocation. Commission modifications need to meet biological and fishery allocation goals specified in law or established in the FMP, otherwise harvest opportunities may be reduced in the California ocean or in-river fisheries.

The annual KRFC in-river sport harvest quota is specified in subsection 7.50(b)(91.1)(D)1. The quota is split between four geographic areas with a subquota for each area, expressed as a percentage of the total in-river quota, specified in subsection 7.50(b)(91.1)(D)2. For angler convenience, the subquotas, expressed as the number of fish, are listed for the affected river segments in subsection 7.50(b)(91.1)(E). The in-river sport subquota percentages are as follows:

1. for the main stem Klamath River from 3,500 feet downstream of the Iron Gate Dam to the Highway 96 bridge at Weitchpec -- 17 percent of the in-river sport quota;
2. for the main stem Klamath River from downstream of the Highway 96 bridge at Weitchpec to the mouth -- 50 percent of the in-river sport quota;
3. for the Trinity River downstream of the Old Lewiston Bridge to the Highway 299 West bridge at Cedar Flat -- 16.5 percent of the in-river sport quota; and
4. for the Trinity River downstream from the Denny Road bridge at Hawkins Bar to the confluence with the Klamath River -- 16.5 percent of the in-river sport quota.

The spit area (within 100 yards of the channel through the sand spit formed at the Klamath River mouth) closes to all fishing after 15 percent of the total Klamath River Basin quota has been taken downstream of the Highway 101 bridge.

These geographic areas are based upon the historical distribution of angler effort to ensure

equitable harvest of adult KRFC in the Klamath River and Trinity River. The subquota system requires the Department to monitor or assess angler harvest of adult KRFC in each geographic area. All areas will be monitored on a real time basis, except for the following:

Klamath River upstream of Weitchpec and the Trinity River: The Department has developed Harvest Predictor Models which it will use to implement fishing closures to ensure that anglers do not exceed established subquota targets. Using this method, the upper Klamath River generally closes between 28-30 days after the lower Klamath River quota is reached. Similarly, the upper Trinity River subquota area generally closes 28-30 days after the lower Trinity River subquota has been met.

Sport Fishery Management

The KRFC in-river sport harvest quota is divided into geographic areas, and harvest is monitored under real time subquota management. On the other hand, KRSC in-river sport harvest is managed by general season, daily bag limit, and possession limit regulations.

The Department presently differentiates the two stocks by the following dates in each sub-area:

Klamath River

1. January 1 through August 14 - General Season KRSC.
For purposes of clarity, daily bag and possession limits apply to that section of the Klamath River downstream of the Highway 96 bridge at Weitchpec to the mouth.
2. August 15 to December 31 - KRFC quota management.

Trinity River

1. January 1 through August 31 – General Season KRSC.
For purposes of clarity, daily bag and possession limits apply to that section of the Trinity River downstream of the Old Lewiston Bridge to the confluence with the South Fork Trinity River.
2. September 1 through December 31 – KRFC quota management.

The daily bag and possession limits apply to both stocks within the same sub-area and time period.

Current regulations in subsections 7.50(b)(91.1)(E)2.a. and b. specify bag limits for KRFC stocks in the Klamath River. Current regulations in subsections 7.50(b)(91.1)(E)6.b., e., and f. specify bag limits for KRFC stocks in the Trinity River. Current regulations in subsection 7.50(b)(91.1)(C)2.b. specify KRFC possession limits.

Proposed Changes

Because PFMC recommendations are not known at this time, ranges (shown in brackets in the text below) of subquotas and bag and possession limits, which encompass historical quotas, are being proposed for the 2019 KRFC fishery in the Klamath and Trinity rivers. The final KRFC bag and possession limits will align with the final federal regulations to meet biological and fishery allocation goals specified in law, or established in the FMP, otherwise harvest opportunities may

be reduced in the California ocean fisheries.

KRFC SPORT FISHERY (QUOTA MANAGEMENT):

Quota: For public notice requirements, the Department recommends the Commission consider a quota range of 0 – 67,600 adult KRFC in the Klamath River Basin for the river sport fishery. This recommended range encompasses the historical range of the Klamath River Basin allocations and allows the PFMC and Commission to make adjustments during the 2019 regulatory cycle.

Subquotas: The proposed subquotas for KRFC stocks are as follows:

- Main stem Klamath River from 3,500 feet downstream of the Iron Gate Dam to the Highway 96 bridge at Weitchpec -- 17 percent of the total quota equates to [0-11,492];
- Main stem Klamath River from downstream of the Highway 96 bridge at Weitchpec to the mouth -- 50 percent of the total quota equates to [0-33,800];
- Trinity River downstream of the Old Lewiston Bridge to the Highway 299 West bridge at Cedar Flat -- 16.5 percent of the total quota equates to [0-11,154]; and
- Trinity River downstream from the Denny Road bridge at Hawkins Bar to the confluence with the Klamath River -- 16.5 percent of the total quota equates to [0-11,154].

Seasons: No changes are proposed for the Klamath River and Trinity River KRFC seasons:

- Klamath River - August 15 to December 31
- Trinity River - September 1 to December 31

Bag and Possession Limits: As in previous years, no retention of adult KRFC is proposed for the following areas once the subquota has been met.

The range of proposed bag and possession limits for KRFC stocks are as follows:

- Bag Limit - [0-4] Chinook Salmon – of which no more than [0-4] fish over 22 inches total length may be retained until the subquota is met, then 0 fish over 22 inches total length.
- Possession limit - [0-12] Chinook Salmon of which no more than [0-4] fish over 22 inches total length may be retained when the take of salmon over 22 inches total length is allowed.

KRSC SPORT FISHERY:

No regulatory changes are proposed for the general (KRSC) opening and closing season dates, and bag, possession and size limits.

OTHER CHANGES

No other changes are proposed, except those described above, and to change the year 2018 to 2019 for the upcoming season.

Benefits of the Proposed Regulations

The Commission anticipates benefits to the environment in the sustainable management of Klamath River Basin salmonid resources.

Other benefits of the proposed regulations are conformance with federal fishery management goals, health and welfare of California residents and promotion of businesses that rely on salmon sport fishing in the Klamath River Basin.

Consistency and Compatibility with Existing Regulations

Article IV, Section 20 of the State Constitution specifies that the Legislature may delegate to the Fish and Game Commission such powers relating to the protection and propagation of fish and game as the Legislature sees fit. The Legislature has delegated authority to the Commission to promulgate sport fishing regulations (Sections 200, 205, 315, and 316.5, Fish and Game Code). The Commission has reviewed its own regulations and finds that the proposed regulations are neither inconsistent nor incompatible with existing State regulations. Commission staff has searched the California Code of Regulations and has found no other State regulations related to sport fishing in the Klamath River Basin.