

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

Add Section 197  
Title 14, California Code of Regulations  
Re: Commercial Fisheries Landing Requirements

- I. Date of Initial Statement of Reasons: April 27, 2017
- II. Dates and Locations of Scheduled Hearings:
  - (a) Notice Hearing: Date: June 22, 2017  
Location: Smith River, CA
  - (b) Discussion/Adoption Hearing: Date: October 12, 2017  
Location: Atascadero, 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 purpose of the addition of Section 197 is the management of activities associated with commercial fisheries landings and the reporting of these landings. A “landing” is generally characterized as the transfer or offloading of fish from a vessel for the purpose of selling or delivering those fish to a licensed fish receiver. The proposed regulations are necessary to manage this transaction and to clarify the applicable statutes for the participants and law enforcement. To date, there are no regulations guiding this activity. Statutes authorizing commercial fisheries licenses and landing taxes are found in Article 7 and Article 7.5 of Fish and Game Code. Commercial fish receivers are engaged in business for profit and are required to be licensed and to report all landing receipt records on a form furnished by the Department of Fish and Wildlife (Department) pursuant to Fish and Game Code sections 8043 and 8047. In addition, Fish and Game Code subsection 1050(b) authorizes the Fish and Game Commission (Commission) to determine the forms to be used for commercial fisheries entitlements.

The proposed regulations implement a transition from the current paper-based reporting system to electronic forms via a new electronic reporting system for commercial fisheries landings.

Transitioning from paper landing receipts to electronic fish tickets, as the electronic forms are known, is appropriate at this time as advances in computer and Internet technology and the use of electronic devices by many businesses, including the fishing industry, is widespread. It is necessary that the Department update its processes, including proposing regulations to ensure the benefits of switching from paper landing receipts to electronic fish tickets are realized.

Benefits to commercial fishermen, fish receivers and the Department include:

1. Time savings and reduced costs to the Department by reducing the amount of time and money spent designing, printing, packaging and mailing landing receipts to the fish businesses.
2. Transition of Department data entry staff to other priority tasks associated with landings data as data entry of paper forms is eliminated.
3. Ease of record storage and maintenance of electronic records by the Department.
4. Built-in checks and validations in electronic fish tickets will result in more accurate fisheries data on which the Department and the Commission can base management decisions.
5. Use of electronic fish tickets will result in more timely submission of fisheries data for both management and law enforcement.
6. Electronic fish tickets will provide for ease of information storage, data manipulation for research, production for legal reasons and information sharing with other fishery management agencies and law enforcement.
7. Availability of landing data and reporting tools for fish receivers.
8. Provides consistency with federal regulations for certain fisheries that also require electronic reporting via the same web-based application.

Landing receipts are legal documents that are completed and submitted to the Department by licensed fish businesses in California to document the fish they purchase from fishermen and the price paid. The Department uses the data for verification of quarterly taxes paid to the Department and for resource assessment, including the development of fishery management plans for ensuring the sustainable use of marine resources. While statute specifies the information contained on the landing receipt, it also allows for other information the Department may prescribe (Fish and Game Code subsection 8043(b)). The proposed regulations include all the information required on the landing receipt including the additional items.

In some instances, fish must be transported from the point of landing to a fish receiver where the purchase of the fish occurs. In the event that a licensed fish receiver is not available to document the fish landing, a fish transportation receipt is required to transport these fish to a fish receiver to maintain a legal chain-of-custody (Fish and Game Code Section 8047). While statute specifies the information required on the transportation receipt (Fish and Game Code subsection 8047(d)(10)), the information is included in the proposed regulations for completeness and allows the commercial fishermen and fish receivers to find the information in one place. In addition, the proposed regulations describe the additional items for inclusion on the fish transportation receipt when it is used as a dock ticket.

There are currently 17 different paper landing receipt forms, many of which have been used for decades to comply with reporting requirements specified in statute. Each landing receipt is used for a fishery, gear type, and/or area specific to California. There is one fish transportation receipt form, currently in paper format.

The electronic fish tickets will be submitted to the Department through the federal, web-based *E-Tix* system maintained by Pacific States Marine Fisheries Commission (PSMFC). The Department will continue to be the legal custodian of California landing receipt records. *E-Tix* has been a federal requirement for the individual fishing quota groundfish trawl fishery since its inception in 2011 and was expanded to include all sablefish landings as of January 1, 2017. Oregon has adopted *E-Tix* for all fisheries on a voluntary basis and Washington is working towards this as well. The Department's goal is to phase out the use of paper landing receipts and transition to electronic fish tickets using the PSMFC *E-Tix* application for data entry. This eliminates the issue of duplicate electronic reporting systems and provides consistency between federal and State agency reporting requirements. As the functional equivalent of a landing receipt, the electronic fish ticket also constitutes a weighmaster certificate for purposes of California Business and Professions Code Section 12713.

These regulations will provide for a phase-in period for all landing receipts to be submitted electronically via the *E-Tix* system. A phase-in period of 6 months to three years was estimated to be sufficient time to allow fish receivers to transition to electronic reporting. Based on a survey conducted by the Department in December 2016, approximately 74 percent of survey participants (223 responded) preferred a phase-in period of six months to one year to mandate the use of electronic fish tickets, while less than 23 percent of the survey participants preferred a longer phase-in period of up to three years. Phasing in the requirement to use electronic fish tickets is a reasonable approach to implementing a new reporting system, since there will likely be some receivers that need to purchase the hardware, obtain access to the Internet, and learn how to use a new Internet-capable device. The Department has determined that a one year phase-in period to fully adapt to a new system is reasonable and not

burdensome. These regulations are necessary to define the phase-in period and allow sufficient time for participants to fully comply with the requirement to use the *E-Tix* system.

## PROPOSED REGULATIONS

### Subsection 197(a) Definitions.

This subsection defines specific terms used within the proposed regulations. The definitions are necessary for three interrelated reasons:

1. To clarify to the public how those terms are used on the forms and regulations.
2. To clarify to the public and improve consistency within Department programs overseeing the fisheries using the landing receipts.
3. To clarify to the public the terms and language that make the regulations legally enforceable.

Certain terms and their definitions are consistent with terms and definitions used in federal regulations for electronic reporting (i.e., electronic fish ticket, functional, submit, record, dock ticket). Since these proposed regulations specify the use of the same electronic reporting system, this consistency will avoid confusion for the fish receiver.

### Subsection 197(b) Landing receipts; form and contents.

This subsection describes the landing receipt forms that the Department prepares and issues to the fish receivers. It identifies the information to be included on the forms as specified in statute (Fish and Game Code subsection 8043(b)) and includes additional information required by the Department. Information from statute is repeated in the proposed regulations so that all information can be obtained in one place for the ease of the fish receivers. The additional information includes port of landing, condition of fish, use of fish, number of fish, permit number, signatures and note pad area. Port of landing provides information on where the fish are landed and is used in analyses of fishing catch and effort. It is also important information for economic analyses. Condition identifies how the fish are prepared prior to obtaining an accurate weight that is recorded on the landing receipt form. This is needed to compute the correct landing taxes pursuant to Fish and Game Code Section 8042. The information on the use of fish is needed to determine the end use of the fish (e.g., human food, animal food, bait, etc.). Number of fish is needed for certain species for which the number of individuals is needed for management purposes (i.e., salmon and lobster). Signatures of the commercial fisherman and fish receiver verify that each have reviewed and approved the accuracy of the information

contained on the landing receipt. The note pad area is used by fish receivers for their own purposes and for certain required information such as for rock crab used as bait (subsection 125.1(d), Title 14, CCR).

Subsection 197(c) Fish transportation receipts.

This subsection is necessary to clarify reporting requirements when a commercial fisherman or his designee transports fish from the point of first landing to a receiver who buys the fish and completes a landing receipt or electronic fish ticket. Transportation receipts are used to record key data (e.g., species caught, location catch occurred, poundage landed, etc.) and is a legal chain-of-custody document to ensure that the fish offloaded are the fish that are sold or delivered to the fish receiver. This subsection also describes how a fish transportation receipt may be used as a dock ticket for recording the information to be included in an electronic fish ticket. The term “dock ticket” is used in federal regulations and is used in these regulations to maintain consistent terminology and avoid confusion. Using a fish transportation receipt as a dock ticket has been accepted by the federal government for use in California to allow fish receivers to comply with recently enacted federal requirements. These require a paper record of the landing when an electronic fish ticket cannot be submitted immediately, such as when fish are being transferred from point of landing to the fish receiver or when fish are offloaded after hours. This regulation will authorize the use of a fish transportation receipt as a dock ticket, including additional items to be recorded, and eliminates unnecessary duplicative record keeping by commercial fishermen and fish receivers.

Subsection 197(d) Landing receipts and fish transportation receipts.

This subsection describes the use of sequentially numbered paper landing receipts and fish transportation receipts; the handling of voided landing receipts and fish transportation receipts; the return of unused landing receipts or fish transportation receipts and the delivery, distribution and retention of copies of both landing receipts and fish transportation receipts.

Subsection 197(e) Electronic fish tickets; implementation and required information.

This subsection is necessary to describe the timing of the transition from paper landing receipts to electronic fish tickets. It clarifies that during the phase-in period of one year fish receivers must use either a paper landing receipt or an electronic fish ticket, but not both. Once a fish receiver switches to electronic reporting they will no longer submit a paper landing receipt. This avoids duplication of data entry and allows fish receivers to meet both state and federal reporting requirements in one step for those who receive fish species that are also federally managed. This subsection identifies the date by which all fish

landings must be reported using electronic fish tickets. The proposed phase-in period of one year will give fish receivers sufficient time to comply with the requirement to switch from paper landing receipts to electronic fish tickets. This subsection also describes the information contained in the electronic fish tickets, the same information that is required on the paper landing receipts.

This subsection also describes the responsibilities of the fish receiver to use and maintain hardware and software that meets the requirements for submitting electronic fish tickets. The fish receiver must ensure Internet accessibility in a sufficient state to completely and effectively submit the electronic fish ticket. The proposed regulations also include procedures to follow in case of a power outage or device failure that could restrict access to *E-Tix*, including that the landing must be submitted to the *E-tix* system within 24 hours of landing the fish. Access to *E-Tix* is available from any Internet-capable device such as personal computers (desktops or laptops), tablets, or mobile devices. Additionally, a printer is required so that printed copies of the electronic fish tickets can be made for distribution to the commercial fisherman and the fish receiver.

#### Subsection 197(f) Electronic fish tickets; reporting and submission requirements.

This subsection specifies when an electronic fish ticket or dock ticket is completed, the review of the information prior to submission, the parties who sign the electronic fish ticket or dock ticket prior to submittal, and includes the process for retaining paper copies. All landing information must be recorded immediately either on the electronic fish ticket, or on a dock ticket should the *E-Tix* system not be accessible at the time of landing. In either case, an electronic fish ticket must be submitted within 24 hours of the landing. Fish receivers and state and federal fisheries managers benefit from timely landings information. The 24-hour time frame has been adopted in federal regulations for landings of federally managed species (Code of Federal Regulations Section 660.113(b)(4)(ii)(C)(6), Section 660.213(e)(2)(ii) and Section 660.313(f)(2)(ii)). The same time period is included in these proposed regulations for consistency since fish businesses will be using the same web-based application.

The dock ticket must include the same information as an electronic fish ticket and must also include the electronic fish ticket number. Receivers with limited to no Internet access at the docks must first obtain the electronic fish ticket number by going through the *E-Tix* system at their home, place of business or other Internet-capable location before they head to the dock to buy fish. This is consistent with federal regulations.

#### Subsection 197(g) Electronic fish tickets; waiver of submission requirements.

This subsection is necessary to allow for waivers of submission requirements in the event that a fish receiver is unable to submit an electronic fish ticket due to

circumstances beyond the control of the fish receiver. The proposed regulations describe the process by which a fish receiver submits a request to the Department for a waiver including the reason for the request and identifies where to submit the request. The Department will either issue or deny the waiver request, and if granted, may include conditions such as the time period for submitting paper landing receipts, or any other criteria the Department deems necessary. The waiver must be made available to the Department for inspection when conducting business under the terms of the waiver. This subsection specifies that a paper landing receipt must be sent to the Department within 24 hours of the landing following the instructions in the waiver. The use of a waiver under certain circumstances is consistent with federal regulations.

Subsection 197(h) Retention of electronic fish tickets and dock tickets.

This subsection specifies that electronic fish tickets and dock tickets must be retained for a period of four years and must be made available for inspection at any time by the Department. This is consistent with statutes governing the retention of paper landing receipts.

Subsection 197(i) Electronic fish ticket revisions.

This subsection specifies that final data must be submitted in an electronic fish ticket, but that an exception allows a correction after submission in the event there are data errors found on the fish ticket.

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

Authority Cited: Sections 1050(b)), 8043, 8046, and 8047, Fish and Game Code.

Reference: Sections 1050(b), 8033, 8033.5, 8037, 8031, 8032, 8033, 8033.1, 8033.5, 8034, 8035, 8040, 8043, 8045, 8046, 8046.1, and 8047, Fish and Game Code; 50 CFR 660.113, 50 CFR 660.213 and 50 CFR 660.313.

(c) Specific Technology or Equipment Required by Regulatory Change:

The proposed regulations will require accessibility to Internet enabled devices, such as a mobile device, tablet, or computer. Transitioning from paper landing receipts to electronic fish tickets, as the electronic forms are known, is appropriate at this time as advances in computer and Internet technology and the use of electronic devices by many businesses, including the fishing industry, is widespread. Electronic reporting will improve the Department's ability to meet management needs of commercial fisheries by obtaining more accurate and timely data. However, the mandate to report landings electronically will be phased in over time so this is expected to reduce the burden on the regulated public by giving them time to find ways to

access Internet enabled devices.

(d) Identification of Reports or Documents Supporting Regulation Change: None

(e) Public Discussions of Proposed Regulations Prior to Notice publication:

The Department's Marine Region sent out a notice and survey via an insert in the commercial license renewal packet to 1,135 fish businesses in November 2016. However, of these businesses, the Department was targeting the approximate 560 fish receivers that submitted a landing receipt between 2011 and 2015. The insert included two items: advance notification that planning was underway for this rulemaking and a survey. The survey was designed to query a fish receiver's access to the Internet and their ability or preference to comply with the mandate by offering a suite of time frames to phase in the mandatory electronic submissions.

The Department received 223 responses, with the majority of responders (83 percent) reporting Internet availability at their place of business, and 89 percent reporting Internet availability at home. Just over 7 percent of the respondents reported no Internet access at work or at home. Of the 223 fish receivers that responded to the survey, the majority (approximately 74 percent) preferred a phase in period of up to a year to mandate the use of electronic reporting.

IV. Description of Reasonable Alternatives to Regulatory Action:

(a) Alternatives to Regulation Change:

Alternative 1: Three-year phase in period.

This alternative would allow for a three year phase in period where fish receivers can use either paper landing receipts or electronic fish tickets after the effective date of these regulations. After this date, all fish receivers will be mandated to use electronic fish tickets through the online system known as *E-Tix*. Paper fish transportation receipts would still be required to transport fish. No other modifications to the proposed regulations are included in this alternative.

Results from the survey distributed to commercial fish receivers revealed that few participants felt they needed three years or longer to comply with the mandatory requirement to use the electronic fish ticket system. Due to the fact that the system is already in use by some federal fisheries, and that the majority of survey participants felt they could comply within a year of implementation, waiting more years than necessary to mandate the use would be unnecessary. It would add additional burden on the Department, due to the need to have staff to key in the fisheries data from the paper



landing receipts. Therefore, the more time that passes, the more costs the Department incurs to handle paper landing receipts.

#### Alternative 2: Consideration of Performance Standards.

This alternative would create a performance standard of 24-hour reporting using existing paper-based system. This would require that fish receivers mail in their paper landing receipts within 24 hours of the landing to ensure that the landing data is received in a timely fashion.

This alternative would place a greater burden on fish receivers to ensure that landing receipts are mailed in daily. It would also pose a cost burden to the Department which currently pays for the postage to mail in those landing receipts as well as the cost of printing the envelopes. The Department would also still have staff overhead costs for entering and editing landing receipts. While changing from twice a month to daily submission of paper landing receipts will reduce the time lag, there would still be delays due to mailing in the landing receipts and the time needed to edit and enter the landing receipts. This alternative also conflicts the requirement in Fish and Game Code section 8046(a) that landing receipts be delivered to the Department on or before the 16th or last day of the month.

#### (b) No Change Alternative:

If the new regulations are not adopted, fish receivers will continue to use paper landing receipts and fish transportation receipts to record their activities as required in Fish and Game Code and submission of data will remain twice a month. For many fish receivers this will mean complying with two separate reporting systems, an electronic one for the National Marine Fisheries Service and a paper one for the Department. The Department would continue to incur the costs associated with preparing, printing and mailing landing receipts and envelopes to fish receivers and entering the data manually.

#### (c) 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.

#### (d) Description of Reasonable Alternatives that would lessen adverse impact on small business:

No alternatives were identified by or brought to the attention of Commission

staff that would lessen the adverse impact on small businesses and be equally effective in implementing the proposed time- and cost-saving electronic reporting method. The Department has determined that a one year phase-in period to fully comply with the requirement to use the *E-Tix* system is reasonable and not burdensome.

V. Mitigation Measures Required by Regulatory Action:

The proposed regulations 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 electronic application can be used on any Internet capable device, including personal computer, mobile device, or tablet. Such devices are common tools used to conduct business, so there should be minimal expense to an individual commercial fisherman who sells fish to persons not licensed as fish receivers and to fish businesses. If a commercial fisherman or fish business needs to maintain and/or upgrade their device or Internet connection, that will be their responsibility and they may incur some costs. Internet browsers can be downloaded onto an existing Internet-capable device free of charge (e.g., Google Chrome, Mozilla Firefox). The costs of purchasing an Internet-capable mobile device (e.g., cell phone) may range from free of charge with commitment to a service contract to several hundred dollars depending on the mobile device and service plan. The cost of a tablet ranges from \$50 to \$400. The cost of purchasing a computer starts at about \$200 for a basic model. The costs of an internet service provider vary depending on whether or not a phone is purchased, but generally runs about \$90 per month without any promotions. Offsetting these potential costs are the benefits to fish receivers with improved timeliness of catch data and ability by the Department to manage the fisheries. In addition, eliminating the requirement to complete paper receipts and for some to complete electronic

fish tickets for both state and federally managed species at one time is a benefit. Finally, such expenditures are tax deductible business expenses.

- (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 Department does not anticipate any impacts on the creation or elimination of jobs, the creation of new businesses or the elimination of existing businesses, or the expansion of businesses in California. The Department does not anticipate any benefits to the health and welfare of California residents or worker safety. The Department anticipates benefits to the environment in the sustainable management of commercial fisheries.

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

See (a) above.

- (d) Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State:

The *E-Tix* is a federal application, and is owned and maintained by PSMFC. Therefore, the expense to the Department for implementation should be nominal. The cost savings by not printing landing receipt books, providing return reply envelopes, and postage would be significant. The average cost to the Department for printing, providing prepaid envelopes and return postage averages about \$100,000 per year. Additional cost savings would occur for the State due to the cessation of manually entering the fish ticket information into a data management system from the paper receipts.

- (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 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 proposed regulations will revise procedures currently in place to report commercial landings.

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

The proposed action will not affect the creation or elimination of jobs in the State because the proposed regulations only revise procedures currently in use by commercial fishermen and fish businesses. These changes are not expected to increase the time spent to complete a landing receipt and will not change the volume of economic activity. This change is administrative in nature and will not impact the volume of fishing activity or the purchasing of fish.

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

The proposed regulations are not anticipated to result in the elimination of existing businesses in the State, nor spur the creation of new businesses because the proposed regulations only revise procedures currently in use by commercial fishermen and fish businesses. These changes are not expected to increase the time spent to complete landing receipts and will not change the volume of economic activity. This change is administrative in nature and will not impact the volume of fishing activity or the purchasing of fish.

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

The proposed regulations are not anticipated to result in the expansion of businesses currently doing business in the State because the proposed regulations only revise procedures currently in place. These changes are not expected to increase the time spend to complete a landing receipt and will not change the volume of economic activity. This change is administrative in nature and will not impact the volume of fishing activity or the purchasing of fish.

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

The Department anticipates generalized benefits to the health and welfare of California residents through the improved reporting of commercial landings data. The proposed regulations are intended to modernize reporting procedures and guide the transition from paper reporting to electronic reporting of commercial landings. The proposed regulations provide administrative clarity that should help to fulfill the goals set forth in the Marine Life Management Act (MLMA) of 1999 (Fish and Game Code Section 7050 et seq.).

(e) Benefits of the Regulation to Worker Safety:

The proposed regulations represent a neutral effect, offering neither benefits nor detriment to worker safety in the State.

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

The proposed regulations are consistent with the goals set forth in the MLMA; "to allow and encourage only those activities and uses of marine living resources that are sustainable and manage marine living resources on the basis of the best available scientific information and other relevant information on which to base management decisions (Fish and Game Code subsection 7050(b)). The Department anticipates benefits to the environment in the sustainable management of the commercial fisheries resources. The proposed regulations further support the MLMA which requires that "conservation and management programs prevent overfishing, rebuild depressed stocks, ensure conservation, facilitate long term protection and, where feasible, restore marine fishery habitats" (Fish and Game Code subsection 7055(b); see also subsections 7056(b) and (c)).

(g) Other Benefits of the Regulation:

The use of current information technology and web-based applications rather than paper-based reporting systems is consistent with the State of California's 'Going Green' initiative and the Department's policies to reduce the state's environmental footprint.

## Informative Digest/Policy Statement Overview

The purpose of the addition of Section 197, Commercial Fisheries Landing Requirements, is the management of activities associated with commercial fisheries landings and the reporting of these landings. A “landing” is generally characterized as the transfer or offloading of fish from a vessel for the purpose of selling or delivering those fish to a licensed fish receiver. The proposed regulations are necessary to manage this transaction and to clarify the applicable statutes for the participants and law enforcement. To date, there are no regulations guiding this activity. Statutes authorizing commercial fisheries licenses and landing taxes are found in Article 7 and Article 7.5 of Fish and Game Code. Commercial fish receivers are engaged in business for profit and are required to be licensed and to report all landing receipt records on a form furnished by the Department of Fish and Wildlife (Department) pursuant to Fish and Game Code sections 8043 and 8047. In addition, Fish and Game Code subsection 1050(b) authorizes the Fish and Game Commission (Commission) to determine the forms to be used for commercial fisheries entitlements.

The proposed regulations implement a transition from the current paper-based reporting system to electronic forms via a new electronic reporting system for commercial fisheries landings.

Transitioning from paper landing receipts to electronic fish tickets, as the electronic forms are known, is appropriate at this time as advances in computer and Internet technology and the use of electronic devices by many businesses, including the fishing industry, is widespread. It is necessary that the Department update its processes, including proposing regulations to ensure the benefits of switching from paper landing receipts to electronic fish tickets are realized.

The electronic fish tickets will be submitted to the Department through the federal, web-based *E-Tix* system maintained by Pacific States Marine Fisheries Commission (PSMFC). *E-Tix* has been a federal requirement for the individual fishing quota groundfish trawl fishery since its inception in 2011. Oregon has adopted *E-Tix* for all fisheries on a voluntary basis and Washington is working towards this as well. The Department’s goal is to phase out the use of paper landing receipts and transition to electronic fish tickets using the PSMFC *E-Tix* application for data entry. This eliminates the issue of duplicate electronic reporting systems and provides consistency between federal and State agencies.

These regulations will provide for a phase in period of one year for all landing receipts to be submitted electronically via the *E-Tix* system. Phasing in the mandate to use electronic fish tickets is a reasonable approach to implementing a new reporting structure, since there will be a portion of the buyers or receivers that will have an adjustment period which will include a learning curve to learn the electronic program, and provides time for those that do not have access to the Internet or Internet capable devices to obtain access.

## PROPOSED REGULATIONS

- Defines specific terms used within the proposed regulations.
- Includes information included on a paper landing receipt, fish transportation receipt and electronic fish ticket.
- Includes information on the transition from paper landing receipts to electronic fish tickets via the web-based application known as *E-Tix*, including the phase-in period until full implementation of electronic reporting. During the phase-in period either paper landing receipts or electronic fish tickets can be used, but not both.
- Includes procedures on fish transportation receipts from the point of landing to the fish receiver who buys the fish and fills out a paper landing receipt or electronic fish ticket.
- Describes the hardware and software requirements to fill out electronic fish tickets, the requirements to ensure Internet accessibility in a sufficient state to completely and effectively submit the electronic fish ticket, as well as what to do in case of a power outage or device failure that could restrict access to the *E-Tix* system.
- Provides details on when the electronic fish ticket should be submitted - specifically within 24 hours of the landing, who should review and verify the information by providing signatures prior to submission, and includes the process for retaining copies of the receipt to verify the signatories.
- Allows fish receivers to request a waiver from electronic reporting when circumstances exist that prevent a fish receiver from reporting landings via *E-Tix* and provides details on how to obtain a waiver from the Department.
- Ensures that submitted electronic fish tickets can be revised after submission in the event that data errors are found on the receipt.

## BENEFITS OF THE PROPOSED REGULATIONS

The proposed regulatory action will benefit fishermen, fish receivers, the State's economy, and the environment by maintaining healthy and sustainable commercial fisheries. Specific benefits include:

1. Time savings and reduced costs to the Department by reducing the amount of time and money spent designing, printing, packaging and mailing landing receipts to the fish businesses.
2. Transition of Department data entry staff to other priority tasks associated with landings data as data entry of paper forms is eliminated.
3. Ease of record storage and maintenance of electronic records by the Department.
4. Built-in checks and validations in electronic fish tickets will result in more accurate fisheries data on which the Department and the Commission can base management decisions.
5. Use of electronic fish tickets will result in more timely submission of fisheries data for both management and law enforcement.

6. Electronic fish tickets will provide for ease of information storage, data manipulation for research, production for legal reasons and information sharing with other fishery management agencies and law enforcement.
7. Availability of landing data and reporting tools for fish receivers.
8. Provides consistency with federal regulations for certain fisheries that also require electronic reporting via the same web-based application.

## CONSISTENCY WITH STATE REGULATIONS

The proposed regulations are neither inconsistent nor incompatible with existing State regulations. Commission staff has searched the California Code of Regulations and statutes and has found no other State regulations related to the completion of landing receipt records and no other State agency with authority to promulgate regulations concerning landing receipt records.