**Economic Impact Statement**

**Department Name**: Department of Fish and Wildlife  
**Contact Person**: Margaret Duncan  
**Email Address**: margaret.duncan@wildlife.ca.gov  
**Telephone Number**: 916-653-4676

**Descriptive Title from Notice Register or Form 400**: Amend Sec. 132.2 & 705; Add Sec. 132.7, Title 14, CCR Re: Dungeness Crab Trap Gear Retrieval Program

**Notice File Number**: Z

**A. Estimated Private Sector Cost Impacts**: Include calculations and assumptions in the rulemaking record.

1. Check the appropriate box(es) below to indicate whether this regulation:
   - [x] a. Impacts business and/or employees
   - [x] b. Impacts small businesses
   - [ ] c. Impacts jobs or occupations
   - [ ] d. Impacts California competitiveness
   - [x] e. Imposes reporting requirements
   - [ ] f. Imposes prescriptive instead of performance
   - [ ] g. Impacts individuals
   - [ ] 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](Agency/Department) estimates that the economic impact of this regulation (which includes the fiscal impact) is:
   - [x] 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: 470

   Describe the types of businesses (Include nonprofits):
   ~460 Commercial Dungeness Crab Fishermen and ~10 Retrieval Permits

   Enter the number or percentage of total businesses impacted that are small businesses: 100%

4. Enter the number of businesses that will be created: some anticipated  
   eliminated: none anticipated

   Explain: Program is anticipated to support creation of some new gear retrieval entities.

5. Indicate the geographic extent of impacts:
   - [ ] Statewide
   - [x] Local or regional (List areas): coastal Northern and Central California

6. Enter the number of jobs created: some anticipated  
   and eliminated: none anticipated

   Describe the types of jobs or occupations impacted: Gear retrieval-associated part-time temporary work

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  
   - [x] NO

   If YES, explain briefly:

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**Page 1**
B. ESTIMATED COSTS  Include calculations and assumptions in the rulemaking record.

1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime? $ 644,000-2,515,280
   a. Initial costs for a small business: $ 0 (See Addendum)  Annual ongoing costs: $ 1,400 - $5,468  Years: 1
   b. Initial costs for a typical business: $ 0  Annual ongoing costs: $ 1,400 - $5,468  Years: 1
   c. Initial costs for an individual: $0  Annual ongoing costs: $1,400 - $5,468  Years: 1
   d. Describe other economic costs that may occur: Per-vessel payments for retrieved gear = $1,400/yr - $5,468/year x 460 vessels
      $644,000-2,515,280. Current per-vessel costs to replace gear = $4,125. In total: 460 vessels x $2,725 savings = $1,253,500 in reduced statewide costs

2. If multiple industries are impacted, enter the share of total costs for each industry: Commercial Dungeness Crab Fishermen (80% of impacts) and Gear Retrieval groups (20% of impacts).

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. $ 1,616-2,016

4. Will this regulation directly impact housing costs? ☑ YES ☐ NO
   If YES, enter the annual dollar cost per housing unit: $ 
   Number of units: 

5. Are there comparable Federal regulations? ☑ YES ☐ NO
   Explain the need for State regulation given the existence or absence of Federal regulations: State legislature mandates CDFW to implement law
   Enter any additional costs to businesses and/or individuals that may be due to State - Federal differences: $ none

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:
   Reduce bycatch especially of marine mammals, thereby, reducing negative impacts to the marine environment. Increase public and worker safety by removing navigational hazards.

2. Are the benefits the result of: ☑ specific statutory requirements, or ☐ goals developed by the agency based on broad statutory authority?
   Explain: SB1309 (2018) implementation with 9002.5 FGC that requires CDFW to implement a gear retrieval program

3. What are the total statewide benefits from this regulation over its lifetime? $ Marine life & navigability

4. Briefly describe any expansion of businesses currently doing business within the State of California that would result from this regulation: Expansion of businesses associated with crab gear retrieval and storage.

D. ALTERNATIVES TO THE REGULATION  Include calculations and assumptions in the rulemaking record. Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.

1. List alternatives considered and describe them below. If no alternatives were considered, explain why not: 1) CDFW would be completely responsible to administer the entire program. 2) No change alternative would not implement the legislature-mandated program or help to address the risk of whale entanglements.
ECONOMIC IMPACT STATEMENT (CONTINUED)

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

<table>
<thead>
<tr>
<th>Regulation:</th>
<th>Benefit:</th>
<th>Cost:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$$$$</td>
<td>$$</td>
</tr>
<tr>
<td>Alternative 1:</td>
<td>Benefit:</td>
<td>Cost:</td>
</tr>
<tr>
<td></td>
<td>$$$$</td>
<td>$$&gt;regulation</td>
</tr>
<tr>
<td>Alternative 2:</td>
<td>Benefit:</td>
<td>Cost:</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>marine bycatch</td>
</tr>
</tbody>
</table>

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

The proposed regulation achieves the same benefits as ALT 1 at lower costs. ALT 2 would not implement 9002.5 nor help reduce bycatch. See Addendum Section D, 2.

4. Rulemaking law requires agencies to consider performance standards as an alternative, if a regulation mandates the use of specific technologies or equipment, or prescribes specific actions or procedures. Were performance standards considered to lower compliance costs? ☒ YES ☐ NO

Explain: The proposed action is a performance standard and does not contain prescriptive regulations.

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:

<table>
<thead>
<tr>
<th>Regulation:</th>
<th>Total Cost</th>
<th>Cost-effectiveness ratio:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Alternative 1:</td>
<td>Total Cost</td>
<td>Cost-effectiveness ratio:</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Alternative 2:</td>
<td>Total Cost</td>
<td>Cost-effectiveness ratio:</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

4. Will the regulation subject to OAL review have an estimated economic impact to business enterprises and individuals located in or doing business in California exceeding $50 million in any 12-month period between the date the major regulation is estimated to be filed with the Secretary of State through 12 months after the major regulation is estimated to be fully implemented? ☐ YES ☒ NO

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

5. Briefly describe the following:

   The increase or decrease of investment in the State:

   The incentive for innovation in products, materials or processes:

   The benefits of the regulations, including, but not limited to, benefits to the health, safety, and welfare of California residents, worker safety, and the state's environment and quality of life, among any other benefits identified by the agency:
FISCAL IMPACT STATEMENT

A. FISCAL EFFECT ON LOCAL GOVERNMENT  
Indicate appropriate boxes 1 through 6 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.

☐ 1. Additional expenditures in the current State Fiscal Year which are reimbursable by the State. (Approximate)  
Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code.

$ __________________________

☐ a. Funding provided in  

Budget Act of __________ or Chapter __________, Statutes of __________

☐ b. Funding will be requested in the Governor's Budget Act of  

Fiscal Year: __________

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

$ __________________________

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

☐ a. Implements the Federal mandate contained in

☐ b. Implements the court mandate set forth by the __________________________ Court.  

Case of: __________________________ vs. __________________________

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

Date of Election: __________________________

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

Local entity(s) affected: __________________________

☐ e. Will be fully financed from the fees, revenue, etc. from: __________________________

Authorized by Section: __________________________ of the __________________________ Code:

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

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

☐ 3. Annual Savings. (approximate)

$ __________________________

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

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

☐ 6. Other. Explain

__________________________________________

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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)
   - $20,000 for regulation 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.

4. Other. Explain
   - Legislature has designated appropriations to cover CDFW costs to compensate trap retrieval programs. CDFW anticipates new revenue to cover program costs. See Addendum.

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

[Signature]

DATE 1/28/19

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

[Signature]

DATE 2/3/19

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

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Economic Impact Statement

The purpose of the amendment to Section 132.2, the addition of Section 132.7, and the amendment of Section 705, is to establish a program for the retrieval of lost or abandoned crab traps and attached lines and buoys (“trap gear”). Removing lost and abandoned trap gear will reduce the risk of: whale entanglement; other threats to marine life; and, navigational hazards.

The proposed commercial Dungeness crab trap gear retrieval program regulations are undertaken by the Department to fulfill the requirements of Fish and Game Code (“FGC”) Section 9002.5 (McGuire, 2016; SB1287; McGuire, 2018, SB1309). Lost or abandoned trap gear poses a risk of whale entanglement, other threats to marine life, and navigational hazards in the state’s waters. The proposed gear retrieval program is designed to be cost-effective by keeping the operation and most of the administration of the program at the local level. Additionally, the cost of retrieving a lost trap is expected to be less than the purchase price of a new trap including the cost to outfit the trap with new lines and buoys. The program is anticipated to effectively benefit the economics of the commercial Dungeness crab fishery by enabling the return of lost or abandoned trap gear to fishermen at a lower cost than replacing the gear. Additionally, the benefits of reduced risk of whale entanglement, other threats to marine life, and navigational hazards, are likely to result in direct and indirect cost-savings. Overall, the effective removal of derelict crab trap gear is expected to benefit the economy of the state.

Section B, Estimated Costs, Question 1.

The cost impacts to businesses, most of which are commercial fishermen operating under a Dungeness crab vessel permit, are estimated to range from $1,400 for those who pay a Retrieval Permittee the freely negotiated cost for an estimated number of lost traps after being adequately notified; to $5,468 for those who do not directly pay the Retrieval Permittee and instead are required to pay a Department Trap Fee. Individual Dungeness crab vessel permittees who successfully retrieve all of their own traps would incur zero additional external costs. However, it may be that an individual vessel’s fuel and crew costs to search for their own lost traps could exceed the fee charged by a Retrieval Permittee, such that participating in the gear retrieval program could be a more cost-effective practice for Dungeness crab vessel permit holders.
The cost estimates to businesses were derived based on landings data from the 2017-18 commercial Dungeness crab season, during which about 560 Dungeness crab permits were issued but only 462 vessels made at least one landing in the state. These active Dungeness crab vessel permits are distributed in one of seven tiers that contribute to a maximum potential trap total of 149,650 traps. Taking the median number of 300 traps and assuming a 5% trap loss rate (15 traps) with about 50% of these lost traps retrieved (8 traps) via the program (rounded to the nearest whole trap), we derived a range of costs from $1,400 to $5,468 based on whether a Responsible Vessel Permittee either pays a Retrieval Permittee directly (estimated at $175/trap, based on conversations with participants in a pilot gear retrieval program) and recovers their trap from them or refuses to pay and incurs the Department Trap Fee ($408.50/trap) and must then also replace the trap gear at an estimated cost of $275 for a total cost of $683.50.

Table 1. Estimated Annual Ongoing Costs for Businesses and Individuals

<table>
<thead>
<tr>
<th>Dungeness Crab Fishery Totals</th>
<th>Assumptions</th>
<th>$ 175</th>
<th>$ 683.50</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trap Tier</td>
<td>Trap Allotment by Tiers</td>
<td>Active Permits</td>
<td>Maximum Total Traps</td>
</tr>
<tr>
<td>1</td>
<td>500</td>
<td>55</td>
<td>27,500</td>
</tr>
<tr>
<td>2</td>
<td>450</td>
<td>53</td>
<td>23,850</td>
</tr>
<tr>
<td>3</td>
<td>400</td>
<td>49</td>
<td>19,600</td>
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<td>4</td>
<td>350</td>
<td>48</td>
<td>16,800</td>
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<td>5</td>
<td>300</td>
<td>52</td>
<td>15,600</td>
</tr>
<tr>
<td>6</td>
<td>250</td>
<td>139</td>
<td>34,750</td>
</tr>
<tr>
<td>7</td>
<td>175</td>
<td>66</td>
<td>11,550</td>
</tr>
<tr>
<td>Sum Total Traps</td>
<td>149,650</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Individual Vessel Lost Trap Costs

<table>
<thead>
<tr>
<th></th>
<th>5% loss</th>
<th>50% retrieved</th>
<th>Retrieval Costs through Program</th>
<th>Retrieval Costs w/Non-Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Traps/Vessel</td>
<td>323.9</td>
<td>16.2</td>
<td>$1,400</td>
<td>$5,468</td>
</tr>
<tr>
<td>Median Traps/Vessel</td>
<td>300</td>
<td>15</td>
<td>$1,400</td>
<td>$5,468</td>
</tr>
</tbody>
</table>

Sources: CDFW Marine Region, CDFW License and Revenue Branch.

Additionally, gear retrieval entities who elect to participate in this voluntary program incur at a $377.75 permit application fee each year in addition to costs associated with gear retrieval (e.g. fuel, crew), storage of retrieved gear, and reporting requirements (e.g. certified mailings, printing and mailing of logbooks). Some or all of these costs could be recovered through the freely-negotiated Retriever Trap Fee paid by a Dungeness crab vessel permitholder in order to acquire their retrieved gear. See Table 2 below for Retrieval Permittee reporting costs. After receiving the permit, if a Retrieval Permittee needs to amend their application that would result in an additional amendment fee of $102.75.

Section B, Question 3. Retrieval Permittees will be required to maintain and report records that will involve personnel time, logbooks, receipts, and certified letter costs. Reporting costs (see Table 2) are estimated to range from $1,616 to $2,016 annually.
Section D. Alternatives to the Regulation, Question 2. Summarize the total statewide costs and benefits from this regulation and each alternative considered.

Section 9002.5 authorizes the Department to establish a program which incentivizes the removal of commercial Dungeness crab trap gear that remains in the ocean after the end of the fishing season, reducing whale entanglement risk, other threats to marine life, and navigational hazards. The more decentralized regulation proposed here achieves the same benefits as Alternative 1 at a lower cost.

Alternative 1: Department staff originally developed a top-down framework that placed the Department directly in charge of administering, monitoring, and paying for retrieval operations. The program would require dedicated staff responsible for all the administrative aspects of the program as well as conducting site visits to every location where traps are landed or stored. The resulting costs would be substantial, and the lack of local knowledge would hinder the efficiency of the gear retrieval program. Pilot gear retrieval programs operating under the authority of Section 132.2, Title 14, CCR have demonstrated that a locally-administered program is tenable, and recommendations from the Dungeness Crab Task Force have expressed support for avoiding unnecessary Department involvement and costs associated with day-to-day operations of the gear retrieval program.

Alternative 2: No Change Alternative: Without the proposed regulations, the lost or abandoned trap gear retrieval program mandated by the legislature would not be implemented.

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.

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

The proposed program is structured to incentivize the removal of commercial Dungeness crab trap gear by either the motivated gear retrieval permittees and/or the Dungeness crab vessel permit holders themselves. The benefits of trap gear retrieval,
such as reducing whale entanglement risk, other threats to marine life, and navigational hazards, may be quite variable year to year, introducing some quantification uncertainty. Anticipated aesthetic benefits are also difficult to monetize. Given the variability and difficulty in monetizing the anticipated benefits, an ordinal ranking of the alternatives by the highest benefits to costs is presented in form STD. 399, Section D.

**Fiscal Impact Statement**

**A. Fiscal Effect on Local Government**

*Answer 5. No fiscal impact exists. This regulation does not affect any local entity or program.* No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution.

**B. Fiscal Effect on State Government**

1. Additional expenditures in the current State Fiscal Year. *$20,000 for CDFW regulation development.*
   A. Absorb these additional costs within existing budgets and resources.

4. Other. Determination of Program Fees.
   The Department has a duty to recover all reasonable costs pursuant to Fish and Game Code Section 1050(e). In addition, Section 9002.5 states that the Department shall set the Retrieval Permit fee and the per-trap fees levied on Dungeness crab vessel permit holders at a level which fully recovers any incurred costs.

Issuance of each Retrieval Permit, as well as any subsequent amendment, and oversight of retrieval activities will incur administrative costs. Staff will create and maintain an informational web page and respond to requests for information. Permit applications will need to be reviewed for completeness and potential enforcement concerns. Each applicant’s data must be keyed into the Automated License Data System. Payment will be processed through the point of sale terminal and the permit printed and mailed to approved applicants. Department staff may need to share contact information for Dungeness crab vessel permit holders with Retrieval Permittees per Fish and Game Code Section 9002.5(b)(4). Additionally, on-the-water and land-based enforcement efforts will be needed to ensure compliance with the regulations established under this section. Staff will need to review, enter and analyze logbook data, and track buoy tags submitted with logbooks. Periodic program reviews will be needed to ensure the current fee covers incurred costs. The duties described will require work by Environmental Scientists, Associate Governmental Program Analysts, and Wildlife Officers within the Department’s Marine Region, License and Revenue Branch, and Law Enforcement Division. Table 3 summarizes the expected costs associated with processing each Retrieval Permit and Retrieval Permit Amendment and administering the retrieval program.
Table 3. Retrieval Permit and Retrieval Permit Amendment Fee Determination

<table>
<thead>
<tr>
<th>Item</th>
<th>Classification</th>
<th>Number of Hours</th>
<th>Hourly Wage + Benefits</th>
<th>Overhead</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permit Application</td>
<td>Associate Governmental</td>
<td>1.00</td>
<td>$51.96</td>
<td>24.32%</td>
<td>$64.60</td>
</tr>
<tr>
<td></td>
<td>Program Analyst</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Environmental Scientist</td>
<td>1.50</td>
<td>$58.69</td>
<td>24.32%</td>
<td>$109.45</td>
</tr>
<tr>
<td></td>
<td>Wildlife Officer</td>
<td>3.00</td>
<td>$54.62</td>
<td>24.32%</td>
<td>$203.70</td>
</tr>
<tr>
<td>Permit Application Fee</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$377.75</td>
</tr>
</tbody>
</table>

| Permit Amendment         | Associate Governmental       | 0.50            | $51.96                 | 24.32%   | $32.30   |
|                          | Program Analyst              |                 |                        |          |          |
|                          | Environmental Scientist      | 0.50            | $58.69                 | 24.32%   | $36.48   |
|                          | Wildlife Officer             | 0.50            | $54.62                 | 24.32%   | $33.95   |
| Permit Amendment Fee     |                              |                 |                        |          | $102.75  |

Sources: 2018-19 CalHR salary schedule, 2018-19 CDFW benefit and overhead rates.

Should a Responsible Vessel Permitholder not pay the Retriever Trap Fee, they would be subject to a Department Trap Fee. To fully recover Department costs, that fee must include the $125 the Department will pay to the Retrieval Permittee as well as sufficient funds to cover Department administrative costs. Department staff will need to issue payments to Retrieval Permittees, notify Responsible Vessel Permitholders about owed fees and update customer profiles for Responsible Vessel Permitholders should their non-payment of Department Trap Fees result in the suspension of the renewal or transfer of their Dungeness crab vessel permit. Once Department Trap Fees have been paid, Department staff will need to process received payments and update customer profiles. Periodic program reviews will be needed to ensure the current fee covers incurred costs. The duties described will require work by Environmental Scientists and Associate Governmental Program Analysts within the Department’s Marine Region and License and Revenue Branch. Table 4 summarizes the expected costs associated with levying a Department Trap Fee.

Table 4. Department Trap Fee Determination.

<table>
<thead>
<tr>
<th>Item</th>
<th>Classification</th>
<th>Number of Hours</th>
<th>Hourly Wage + Benefits</th>
<th>Overhead</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department Staff</td>
<td>Associate Governmental</td>
<td>1.00</td>
<td>$51.96</td>
<td>24.32%</td>
<td>$64.60</td>
</tr>
<tr>
<td></td>
<td>Program Analyst</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Environmental Scientist</td>
<td>3.00</td>
<td>$58.69</td>
<td>24.32%</td>
<td>$218.89</td>
</tr>
<tr>
<td>Payment to Retrieval Permittee</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$125</td>
</tr>
<tr>
<td>Department Trap Fee</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$408.50</td>
</tr>
</tbody>
</table>

Sources: 2018-19 CalHR salary schedule, 2018-19 CDFW benefit and overhead rates.
B. Fiscal Effect on State Government

4. Other. Department of Fish and Wildlife (DFW) Revenue Projections.
The Department of Fish and Wildlife (DFW) anticipates some revenue from the
Dungeness Crab Trap Gear Retrieval Program starting in fiscal year 2019/2020. The
anticipated revenue is also projected for the subsequent two fiscal years, 2020/21 and
2021/22.

Retrieval Permittee Fee Revenue
Retrieval Permittees will pay annual fees of $377.75 for each year that they choose to
participate in the gear retrieval program. We anticipate that ten entities per year from
ports in central and northern California (where the Dungeness crab fishery occurs)
would seek Retrieval Permits. However, participation would likely fluctuate between
seasons, and the number could range from a low of six permittees to a high of 12
permittees per year. A small share of those permittees may need amendments to their
retrieval permit, which would incur a Department charge of $102.75 each.

Dungeness Crab Vessel Permitholder Fee Revenue
If a Dungeness crab vessel permitholder does not pay the Retrieval Permittee for their
retrieved trap, they would be required to pay a Department Trap Fee of $408.50, from
which the Department would reimburse the Retrieval Permittee $125 to cover their per-
trap retrieval and administrative expenses. This leaves the Department with $283.50 net
revenue per trap. The rate of cooperation with the Dungeness Crab Trap Gear Retrieval
program is difficult to gauge until it has been in effect for at least a few years. Given this
uncertainty, we present estimates for scenarios in which 20 percent to 100 percent of
active Dungeness crab vessel permitholders (n=462, Table 1) refuse to pay the freely
negotiated Retriever Trap Fee and are therefore required to pay the Department Trap Fee.
Over time, the Department anticipates fewer traps will be assessed a Department Trap Fee, as more Dungeness crab vessel permitholders effectively remove their traps
prior to the end of the fishing season and, for traps which are retrieved under this
program, pay the freely negotiated Retriever Trap Fee.

Table 5. Projected Revenue Change 2019/20, 2020/21, 2021/22

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Retrieval Permittee Fees for 6 to 12</th>
<th>Dungeness Crab Vessel Permitholder Fees for 20 % to 100%</th>
<th>Revenue Low Estimate</th>
<th>Revenue Average Estimate</th>
<th>Revenue High Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019/20</td>
<td>$2,267</td>
<td>$209,563</td>
<td>$1,047,816</td>
<td>$211,830</td>
<td>$632,089</td>
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</tr>
</tbody>
</table>

Notes: All fees may be adjusted annually for the Implicit Price Deflator for State and local Governments (per Fish and Game Code Section 713).