

**ECONOMIC AND FISCAL IMPACT STATEMENT  
(REGULATIONS AND ORDERS)**[SAM Section 6601-6616](#)

STD. 399 (REV. 12/2013)

**ECONOMIC IMPACT STATEMENT**

|  |   |  |   |
|--|---|--|---|
| DEPARTMENT NAME<br><u>Department of Fish and Wildlife</u>  | CONTACT PERSON<br><u>Margaret Duncan    margaret.duncan</u> | EMAIL ADDRESS<br><u>@wildlife.ca.gov</u> | TELEPHONE NUMBER<br><u>916-653-4674</u> |
| DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400<br><u>Add Sec. 132.8, Title 14, CCR Re: Risk Assessment and Mitigation Program: Commercial Dungeness Crab</u> |   |  | NOTICE FILE NUMBER<br><u>Z</u>          |

**A. ESTIMATED PRIVATE SECTOR COST IMPACTS** *Include calculations and assumptions in the rulemaking record.*

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

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> a. Impacts business and/or employees | <input checked="" type="checkbox"/> e. Imposes reporting requirements              |
| <input checked="" type="checkbox"/> b. Impacts small businesses          | <input checked="" type="checkbox"/> f. Imposes prescriptive instead of performance |
| <input checked="" type="checkbox"/> c. Impacts jobs or occupations       | <input type="checkbox"/> g. Impacts individuals                                    |
| <input type="checkbox"/> d. Impacts California competitiveness           | <input type="checkbox"/> h. None of the above (Explain below):                     |

*If any box in Items 1 a through g is checked, complete this Economic Impact Statement.  
If box in Item 1.h. is checked, complete the Fiscal Impact Statement as appropriate.*

2. The Department of Fish and Wildlife estimates that the economic impact of this regulation (which includes the fiscal impact) is:  
(Agency/Department)

- Below \$10 million
- Between \$10 and \$25 million
- Between \$25 and \$50 million
- Over \$50 million *[If the economic impact is over \$50 million, agencies are required to submit a [Standardized Regulatory Impact Assessment](#) as specified in Government Code Section 11346.3(c)]*

3. Enter the total number of businesses impacted: 450 - 470(max 553)Describe the types of businesses (Include nonprofits): 450 - 470 active Commercial Dungeness Crab FishermenEnter the number or percentage of total businesses impacted that are small businesses: 90%4. Enter the number of businesses that will be created: none anticipated eliminated: none anticipatedExplain: No creation or elimination of businesses is anticipated b/c any mgmt actions are expected to be short-term; fisheries diversificed5. Indicate the geographic extent of impacts:  Statewide  
 Local or regional (List areas): North and Central Dungeness Crab Management areas6. Enter the number of jobs created: none anticipated and eliminated: 51 per seasonDescribe the types of jobs or occupations impacted: Direct: D-crab vessel captains, deckhands; indirect: fish buyers & distribution-related jobs  
Temporary layoffs anticipated in the events of closures occur, limited in duration because mgmt actions lifted as risk is abated.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  NOIf YES, explain briefly: Oregon and Washington have similar whale entanglement reduction programs that modify Dungeness crab fishery conditions if whale concentrations elevate risk. California's RAMP program has the potential to be more restrictive, but RAMP is also more responsive to specific risk conditions and therefore could be less stringent if conditions permit.

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**ECONOMIC IMPACT STATEMENT (CONTINUED)**

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

1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime? \$ 6,758,282

a. Initial costs for a small business: \$ 616 Annual ongoing costs: \$ 416 Years: 1

b. Initial costs for a typical business: \$ 616 Annual ongoing costs: \$ 416 Years: 1

c. Initial costs for an individual: \$ 0 Annual ongoing costs: \$ 0 Years: 1

d. Describe other economic costs that may occur: Reporting costs 4-6 hrs/yr x(wage)\$23.17=average\$116x460permits=\$53,291

Monitoring costs \$300x460permits = 138 K. Gross revenue loses=\$6,566,991 could occur, if season length is shortened. see Addendum

2. If multiple industries are impacted, enter the share of total costs for each industry: Commercial Dungeness Crab Fishermen 100 % of direct impact

See Addendum for share of costs by businesses indirectly impacted.

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.* \$ 116

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: \$ n/a

**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 marine life bycatch especially of Endangered Species Act (ESA)

listed species ("Actionable Species"): Humpback whales, Blue whales, and Pacific Leather Back Turtles. Actions to preserve these species benefits the whale-watching industry and provides other difficult to monetize benefits (see Addendum).

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

Explain: SB1309 (2018) added FGC Sect 8276.1 that requires CDFW to implement a marine entanglement risk and mitigation program

3. What are the total statewide benefits from this regulation over its lifetime? \$ 1,549,697

4. Briefly describe any expansion of businesses currently doing business within the State of California that would result from this regulation: RAMP could spur the expansion of fishing gear design and manufacturing businesses in response to the Alternative Gear management action for ropeless forms of crab trap gear.

**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: CDFW with the Working Group consultation considered a number of alternatives. The reasons for the rejection of each is discussed in the Addendum.

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**ECONOMIC IMPACT STATEMENT (CONTINUED)**

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

|                |             |                  |          |                  |
|----------------|-------------|------------------|----------|------------------|
| Regulation:    | Benefit: \$ | <u>1,549,697</u> | Cost: \$ | <u>6,758,282</u> |
| Alternative 1: | Benefit: \$ | <u>n/a</u>       | Cost: \$ | <u>n/a</u>       |
| Alternative 2: | Benefit: \$ | <u>n/a</u>       | Cost: \$ | <u>n/a</u>       |

3. Briefly discuss any quantification issues that are relevant to a comparison of estimated costs and benefits for this regulation or alternatives: Monetized value estimated for the benefit of reduced whale entanglements would be substantially higher (e.g. +\$2 M/whale) if non-use value estimates are included. See Addendum

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: Prescriptive regulations are seen to be more equitable and enforceable for this fishery.

**E. MAJOR REGULATIONS** *Include calculations and assumptions in the rulemaking record.*

***California Environmental Protection Agency (Cal/EPA) boards, offices and departments are required to submit the following (per Health and Safety Code section 57005). Otherwise, skip to E4.***

1. Will the estimated costs of this regulation to California business enterprises exceed \$10 million?  YES  NO

***If YES, complete E2. and E3  
If NO, skip to E4***

2. Briefly describe each alternative, or combination of alternatives, for which a cost-effectiveness analysis was performed:

Alternative 1: \_\_\_\_\_

Alternative 2: \_\_\_\_\_

*(Attach additional pages for other alternatives)*

3. For the regulation, and each alternative just described, enter the estimated total cost and overall cost-effectiveness ratio:

Regulation: Total Cost \$ \_\_\_\_\_ Cost-effectiveness ratio: \$ \_\_\_\_\_

Alternative 1: Total Cost \$ \_\_\_\_\_ Cost-effectiveness ratio: \$ \_\_\_\_\_

Alternative 2: Total Cost \$ \_\_\_\_\_ Cost-effectiveness ratio: \$ \_\_\_\_\_

4. Will the regulation subject to OAL review have an estimated economic impact to business enterprises and individuals located in or doing business in California exceeding \$50 million in any 12-month period between the date the major regulation is estimated to be filed with the Secretary of State through 12 months after the major regulation is estimated to be fully implemented?

YES  NO

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

5. Briefly describe the following:

The increase or decrease of investment in the State: No significant impact on the level of investment in the State is anticipated.

The incentive for innovation in products, materials or processes: The proposed management action regarding alternative gear may spur innovation to develop and manufacture new ropeless gear alternatives.

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: Reduced marine life by-catch especially ESA species benefits environment. No impact on health, safety & welfare of CA residents, or worker safety.

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**FISCAL IMPACT STATEMENT**

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

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

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

a. Funding provided in \_\_\_\_\_

Budget Act of \_\_\_\_\_ or Chapter \_\_\_\_\_, Statutes of \_\_\_\_\_

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

Fiscal Year: \_\_\_\_\_

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

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

*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 [Local Governments may experience local tax reductions of an estimated \\$\(664\) per year.](#)

\_\_\_\_\_  
\_\_\_\_\_

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**FISCAL IMPACT STATEMENT (CONTINUED)**

**B. FISCAL EFFECT ON STATE GOVERNMENT** *Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

1. Additional expenditures in the current State Fiscal Year. (Approximate)

\$ 95,000 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 CDFW anticipates minimum annual ongoing costs of approximately \$509,129 and reduced Landings Fees revenue of \$113,081 per year.

State tax revenue losses are estimated to be \$(37,295) per year.

**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 is on File

DATE

01/30/2020

*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 is on File

DATE

02/06/2020

*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