State of California Fish and Game Commission Initial Statement of Reasons for Regulatory Action

Amend Subsection (b)(50) of Section 7.40 Title 14, California Code of Regulations Re: Klamath River Basin Sport Fishing 2024

- I. Date of Initial Statement of Reasons: January 15, 2024
- II. Dates and Locations of Scheduled Hearings
 - (a) Notice Hearing

Date: February 15, 2024 (b) Discussion Hearing Date: April 18, 2024 (c) Adoption Hearing Date: May 15, 2024 III. Description of Regulatory Action

(a) Statement of Specific Purpose of Regulatory 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 individual tribal

governments.

Klamath River Fall-Run Chinook Salmon

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

PFMC Overfishing Review

KRFC stocks have been designated as "overfished" by PFMC. This designation is the result of not meeting conservation objectives for these stocks. 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 overfished-threshold was 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. The KRFC adult natural area spawning escapement for 2022 was 22,051 natural area adult spawners, which is below the one-year conservation threshold of 40,700 natural area adult spawners. The most recent three-year geometric mean of 25,857 is still less than the required 40,700 natural area adult spawners conservation threshold, therefore the KRFC are still considered as an "overfished" stock.

Accordingly, the FMP outlines a process for preparing a "rebuilding plan" that includes assessment of the factors that led 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 developed by representatives of National Marine Fisheries Service (NMFS), PFMC, U.S. Fish and Wildlife Service, the Department, and tribal entities, was submitted to PFMC in February 2019, adopted by PFMC in June 2019, and submitted to NMFS in August 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 PFMC. This in-river sport fishery is managed by general basin seasons, daily bag limit, and possession limit regulations. KRSC harvest is monitored on the Klamath River below the Highway 96 bridge at Weitchpec to the mouth of the Klamath River by creel survey. The upper Trinity River, upstream of Junction City, is monitored using tag returns from anglers. When needed, KRSC regulations are amended in a separate rulemaking.

KRFC Allocation Management

The PFMC allocation for the Klamath River Basin sport harvest is normally a minimum of 15 percent of the non-tribal PFMC harvest allocation of KRFC. Preseason stock projections of 2024 adult KRFC abundance will not be available from PFMC until March 2024. The 2024 basin allocation will be recommended by PFMC in April 2024. That allocation will inform the

quota that the Department proposes to the Commission for adoption as a quota for the in-river sport harvest at the Commission's May 2024 teleconference meeting.

The Commission may adopt a KRFC in-river sport harvest quota that is different than the quota proposed by the Department or the PFMC 2024 allocation for that fishery. Commission modifications need to meet biological and fishery allocation goals specified in law or established in the FMP.

The annual KRFC in-river sport harvest quota is specified in subsection 7.40(b)(50)(D)1. The quota is split among four geographic areas with a subquota for each area, expressed as a percentage of the total in-river quota, specified in subsection 7.40(b)(50)(D)2. For angler convenience, the subquotas, expressed as the number of fish, are listed for the affected river segments in subsection 7.40(b)(50)(E).

The in-river sport subquota percentages are shown in Figure 1, and are as follows:

1. Main stem Klamath River from 3,500 feet downstream of Iron Gate Dam to the Highway 96 bridge at Weitchpec -- 17 percent of the in-river sport quota;

2. Main stem Klamath River downstream of the Highway 96 bridge at Weitchpec to the mouth of the Pacific Ocean -- 50 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.

3. Main stem 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. Main stem Trinity River downstream of the Denny Road bridge at Hawkins Bar to the confluence with the Klamath River -- 16.5 percent of the in-river sport fishery quota.

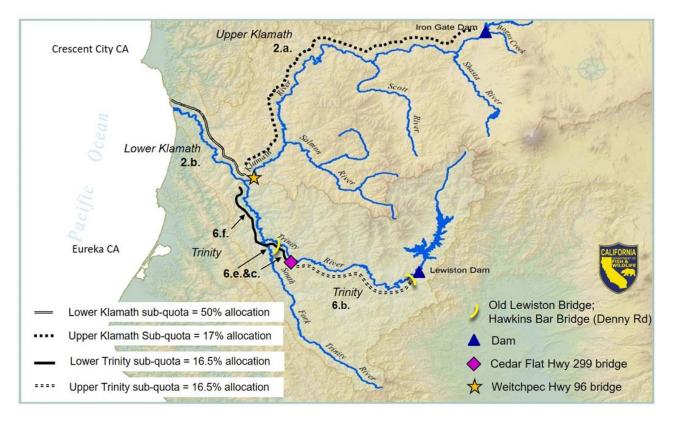


Figure 1. Map of the Klamath River Basin, showing the subquotas by reach of Trinity and Klamath rivers, and the associated subsections of 7.40(b)(50)(E).

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 are monitored on a real time basis, except for the Klamath River upstream of Weitchpec and in the Trinity River. Due to funding and personnel reductions, the Department does not currently conduct real time harvest monitoring in the Klamath River upstream of the Weitchpec and in the Trinity River.

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 is reached. Similarly, the upper Trinity River subquota area generally closes 45 days after the lower Klamath 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. The 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 sport fish season in each sub-area:

Klamath River

July 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.

August 15 to December 31 – KRFC quota management.

Trinity River

July 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.

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 7.40(b)(50)(E)2.a. and b. specify bag limits for KRFC stocks in the Klamath River. Current regulations in subsections 7.40(b)(50)(E)6.b., e., and f. specify bag limits for KRFC stocks in the Trinity River. Current regulations in subsection 7.40(b)(50)(C)2.b. specify KRFC possession limits.

Proposed Changes

Option 1: KRFC Adult Stocks (Sport Fishery Quota Management)

As in prior years, the Department is proposing a range for the quota and bag and possession limits for KRFC.

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 in-river sport fishery. This recommended range encompasses the historical range of the Klamath River Basin allocations and allows PFMC and Commission to make adjustments during the 2024 regulatory cycle.

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

1. 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];

2. Main stem Klamath River downstream of the Highway 96 bridge at Weitchpec to the mouth of the Pacific Ocean -- 50 percent of the total quota equates to [0-33,800];

3. Main stem 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

4. Main stem Trinity River downstream of 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

Option 1 Bag and Possession Limits

Because the PFMC recommendations are not known at this time, ranges are shown in [brackets] below of bag and possession limits which encompass historical quotas. All are proposed for the 2024 KRFC fishery in the Klamath and Trinity rivers.

- Bag Limit [0-4] Chinook Salmon of which no more than [0-4] fish over [20-24] inches total length may be retained until the subquota is met, then 0 fish over [20-24] inches total length.
- Possession limit [0-12] Chinook Salmon of which no more than [0–4] fish over [20-24] inches total length may be retained when the take of salmon over [20-24] inches total length is allowed.

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.

As in previous years, no retention of adult KRFC is proposed once the subquota has been met.

<u>Size Limits</u>

KRFC are managed based on adult quotas which is the maximum number of adult fish (age three and older) that can be harvested. Last year, the Department moved away from the fixed standing cutoff size between grilse and adult Chinook Salmon of 23 inches total length to using a range between 20 to 24 inches total length as an annual option for cutoff size. This allows for annual variation in size cutoffs, as informed by previous year(s) data to manage the harvest of the adult KRFC quota more effectively. The Department is currently conducting a post season assessment of KRFC length and age data which will be used to help determine the proposed 2024 size cutoff. The 2024 proposed adult cutoff will be presented at the April Commission meeting.

Option 2: KRFC Fishery Closure

This option would close salmon fishing in the Klamath River Basin as specified by river reach(es) in subsection 7.40(b)(50) to provide protection to KRFC should a reduction in the stock be indicated by PFMC abundance projections. In any year, should the PFMC recommend a complete or near complete closure of ocean recreational salmon fishery and/or an allocation of 0 (zero) adult KRFC to the in-river fishery, this option would give the Department flexibility to respond to and support any federal action. This option prohibits all methods of targeting KRFC including catch and release fishing.

KRSC Sport Fishery

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

Klamath River Dam Removal ISOR

At this time, the Commission is considering several proposed changes to the existing sport fishing regulations on the main stem Klamath River as part of the Klamath River Dam Removal project and contained in the <u>Klamath River Dam Removal Sport Fishing Updates ISOR</u> (OAL

Z2023-1106-05). Some of the proposed changes currently under consideration would affect Title 14 regulations contained in this ISOR specifically subsections (b)(50)(E)1. and (b)(50)(E)2. of Section 7.40. concerning the main stem Klamath River. The proposed changes to sport fishing regulations in anticipation of dam removals are anticipated to be approved by the Commission in February 2024 and in effect by mid-April, 2024. These new regulations for sport fishing for dam removal along the Klamath River would become the regulatory baseline for the proposed changes contained within this ISOR, and are planned to be updated as such for the Final Statement of Reasons.

(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 provide for the maintenance of sufficient populations of suffi

The benefits of the proposed regulations are conformance with federal fishery management goals, sustainable management of Klamath River Basic 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, 399, and 2084, Fish and Game Code

Reference: Sections 200, 205, 265, 270, 316.5, and 2084, 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. Available from: <u>https://nrm.dfg.ca.gov/FileHandler.ashx?DocumentID=164441&inline</u>

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

The Department discussed the proposed amendments to the annual Klamath River Basin regulations at the Commission's Wildlife Resources Committee meeting on September 19, 2023

IV. Description of Reasonable Alternatives to Regulatory Action

(a) Alternatives to Regulation Change

No alternatives were identified by or brought to the attention of Commission staff concerning amendments for clarity that would have the same desired regulatory effect.

(b) No Change Alternative

The No Change Alternative for including amendments for clarity would leave the existing 2023 regulations in place. This may mean that anglers not fully understand the size limit cutoff that distinguishes a grilse salmon from an adult salmon in the Klamath River Basin.

(c) Description of Reasonable Alternatives that Would Lessen Adverse Impact on Small Business

None identified.

V. Mitigation Measures Required by Regulatory Action

The proposed regulatory action will have no significant adverse effect on the environment, and 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 regulation 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 2024 KRFC quota is reduced, visitor spending may correspondingly be reduced, and in the absence of alternative visitor activities, the drop in spending could induce some business contraction. If the 2024 KRFC quota remains similar to the KRFC quotas allocated in previous years, 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

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

Depending on the final KRFC quota, the Commission anticipates the potential for some impact on the creation or elimination of jobs in California. The potential adverse employment impacts range from no impact to the loss of 13 jobs. Under all alternatives, due to the limited time period of this regulation's impact, the Commission anticipates no impact on the creation of new businesses, the elimination of existing businesses, or the expansion of businesses in California.

For all of the proposed scenarios, the possibility of growth of businesses to serve alternative recreational 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 regulatory action is to increase sustainability in fishable salmon stocks and, consequently, promote the long-term viability of these same small businesses.

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

The Commission 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 proposed amendments under consideration will set the 2024 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 levels in the 2022 sport fishing season (no closure year); 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 2024 KRFC allocation ultimately adopted by the PFMC, and the specific regulations promulgated by the Commission, in conjunction with the Department.

The proposed quota of 0 to 67,600 adult KRFC in 2024 represents a range from 0 percent or no salmon fishing on adult KRFC to greater than 100 percent of the 2022 Klamath River Basin

KRFC quota. Under all scenarios, sport fishing may be allowed for other sport fish species and most likely for grilse KRFC, regardless of PFMC allocation. 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 vital for the ongoing success of Klamath River Basin businesses that provide goods and services related to sportfishing. Scientifically-based KRFC allocations are necessary for the continued preservation of the resource, and therefore the prevention of adverse economic impacts.

A 2011 NMFS report (*In-River Sport Fishing Economics Technical Report*), reports that nonresident (outside the Eureka/Crescent City area) salmon or steelhead angler average expenditures are estimated to be \$125.51 (2022\$) 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 report states that the in-river harvest is almost exclusively fall-run. The NMFS report also excluded the Trinity River, the largest tributary to the Klamath. Since the Trinity River is allocated 33 percent of the KRFC total quota, this share is used to expand salmon and steelhead angler effort, and thus impacts on associated businesses that support anglers.

In a normal year, the total non-resident angler contribution to the entire Klamath River Basin (including the Trinity River) is estimated to be about \$1,268,757 (2022\$) in direct expenditures, resulting in about \$2,258,387 (2022\$) in total economic output that supports an estimated 26 jobs throughout the state. This is a conservative estimate of total economic impact as it counts only non-resident angler expenditures. The total impact of non-resident angler direct expenditures on labor income, total economic output, and jobs are shown in Table 1.

| Klamath Sportfishing | Salmon | Steelhead | Total Impact |
|-----------------------|-------------|-----------|--------------|
| Expenditures | \$1,265,329 | \$3,428 | \$1,268,757 |
| Labor Income | \$708,036 | \$1,918 | \$709,954 |
| Total Economic Impact | \$2,252,286 | \$6,101 | \$2,258,387 |
| Total Jobs Impact | 26 | 0.1 | 26 |

Table 1. Klamath River Basin* Salmon and Steelhead Economic Impact 2022

Sources: Department Northern Region Creel 2022 surveys, *In-River Sport Fishing Economics Technical Report*, National Oceanographic and Atmospheric Administration, National Marine Fisheries Service, September 2011. * Lower Klamath and Trinity Rivers.

Local resident average expenditures per angler day are estimated to be 60 percent less (markedly reduced lodging, gasoline, and food expenditures), which yields an estimate of \$50.25 per angler day. Local resident anglers comprise about 22 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, the economic impact analysis focuses on non-resident angler expenditures which represent new money whose injection serves to stimulate the local economy.

Creel surveys in the Department's Northern Region (Del Norte, Humboldt, Lassen, Mendocino, Modoc, Shasta, Siskiyou, Tehama and Trinity counties) reveal that local resident (Eureka/Crescent City) anglers comprise about 22 percent of Klamath River Basin anglers, with a majority (78%) of anglers coming from outside the immediate locale.

Economic Impact Projections

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 2022 adult KRFC catch limit; 50 percent of the 2022 adult KRFC catch limit; and 0 percent of the 2022 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 2022 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 2022 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 26 estimated total jobs supported by salmon angler visits (i.e. fewer than 13 jobs).

Projection 3: 0 percent of the 2022 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 above, 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 2017 closure resulted in nearly a 50 percent drop in angler days. However, job creation or elimination tends to lag in response to short-term changes in consumer demand. Thus, the potential impacts of a closure on the take of adult KRFC are estimated to result in the loss of less than 13 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 2022 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 2022 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 businesses or the elimination of existing businesses directly related to fishing activities.

However, with less effort being expended on salmon fishing, the possibility of alternative sportfishing activities and the growth of businesses to serve those activities exists.

Projection 3: 0 percent of the 2022 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 regulatory action is to increase sustainability in fishable salmon stocks and, consequently, promote 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 2022 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 2022 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 2022 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 anglers pursue other sportfish, potentially including grilse KRFC, or the substitution of salmon fishing with other recreational activities.

(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 California inland salmon sport fisheries. These recommendations are subsequently implemented as ocean fishing regulations by the NMFS, and as salmon sport regulations for State marine and inland waters by the Commission.

Informative Digest/Policy Statement Overview

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

PFMC Overfishing Review

KRFC stocks have been designated as "overfished" by PFMC. This designation is the result of not meeting conservation objectives for these stocks. 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 overfished-threshold was 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. The KRFC adult natural area spawning escapement for 2022 was 22,051 natural area adult spawners, which is below the one-year conservation threshold of 40,700 natural area adult spawners. The most recent three-year geometric mean of 25,857 is still less than the required 40,700 natural area adult spawners conservation threshold, therefore the KRFC are still considered as an "overfished" stock.

Accordingly, the FMP outlines a process for preparing a "rebuilding plan" that includes assessment of the factors that led 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 developed by representatives of National Marine Fisheries Service (NMFS), PFMC, U.S. Fish and Wildlife Service, the Department, and tribal entities, was submitted to PFMC in February 2019, adopted by PFMC in June 2019, and submitted to NMFS

in August 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 PFMC. This in-river sport fishery is managed by general basin seasons, daily bag limit, and possession limit regulations. KRSC harvest is monitored on the Klamath River below the Highway 96 bridge at Weitchpec to the mouth of the Klamath River by creel survey. The upper Trinity River, upstream of Junction City, is monitored using tag returns from anglers. When needed, KRSC regulations are amended in a separate rulemaking.

KRFC Allocation Management

The PFMC allocation for the Klamath River Basin sport harvest is normally a minimum of 15 percent of the non-tribal PFMC harvest allocation of KRFC. Preseason stock projections of 2024 adult KRFC abundance will not be available from PFMC until March 2024. The 2024 basin allocation will be recommended by PFMC in April 2024. That allocation will inform the quota that the Department proposes to the Commission for adoption as a quota for the in-river sport harvest at the Commission's May 2024 teleconference meeting.

The Commission may adopt a KRFC in-river sport harvest quota that is different than the quota proposed by the Department or the PFMC 2024 allocation for that fishery. Commission modifications need to meet biological and fishery allocation goals specified in law or established in the FMP.

The annual KRFC in-river sport harvest quota is specified in subsection 7.40(b)(50)(D)1. The quota is split among four geographic areas with a subquota for each area, expressed as a percentage of the total in-river quota, specified in subsection 7.40(b)(50)(D)2. For angler convenience, the subquotas, expressed as the number of fish, are listed for the affected river segments in subsection 7.40(b)(50)(E).

The in-river sport subquota percentages are as follows:

1. Main stem Klamath River from 3,500 feet downstream of Iron Gate Dam to the Highway 96 bridge at Weitchpec -- 17 percent of the in-river sport quota;

2. Main stem Klamath River downstream of the Highway 96 bridge at Weitchpec to the mouth of the Pacific Ocean -- 50 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.

3. Main stem 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. Main stem Trinity River downstream of the Denny Road bridge at Hawkins Bar to the confluence with the Klamath River -- 16.5 percent of the in-river sport fishery quota.

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 are monitored on a real time basis, except for the Klamath River upstream of Weitchpec and in the Trinity River. Due to funding and personnel reductions, the Department does not currently conduct real time harvest monitoring in the Klamath River upstream of the Weitchpec and in the Trinity River.

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 45 days after the lower Klamath 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. The 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 sport fish season in each subarea:

Klamath River

July 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.

August 15 to December 31 – KRFC quota management.

Trinity River

July 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.

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 7.40(b)(50)(E)2.a. and b. specify bag limits for KRFC stocks in the Klamath River. Current regulations in subsections 7.40(b)(50)(E)6.b., e., and f. specify bag limits for KRFC stocks in the Trinity River. Current regulations in subsection 7.40(b)(50)(E)6.b., e., and f. specify bag limits for KRFC stocks in the Trinity River. Current regulations in subsection 7.40(b)(50)(E)6.b., e., and f. specify KRFC possession limits.

Proposed Changes

Option 1: KRFC Adult Stocks (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 in-river sport fishery. This recommended range encompasses the historical range of the Klamath River Basin allocations and allows PFMC and Commission to make adjustments during the 2024 regulatory cycle.

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

1. 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];

2. Main stem Klamath River downstream of the Highway 96 bridge at Weitchpec to the mouth of the Pacific Ocean -- 50 percent of the total quota equates to [0-33,800];

3. Main stem 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

4. Main stem Trinity River downstream of 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

Because the PFMC recommendations are not known at this time, ranges are shown in [brackets] below of bag and possession limits which encompass historical quotas. All are proposed for the 2024 KRFC fishery in the Klamath and Trinity rivers.

- Bag Limit [0-4] Chinook Salmon of which no more than [0-4] fish over [20-24] inches total length may be retained until the subquota is met, then 0 fish over [20-24] inches total length.
- Possession limit [0-12] Chinook Salmon of which no more than [0–4] fish over [20-24] inches total length may be retained when the take of salmon over [20-24] inches total length is allowed.

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.

As in previous years, no retention of adult KRFC is proposed once the subquota has been met.

Size Limits

KRFC are managed based on adult quotas which is the maximum number of adult fish (age three and older) that can be harvested. Last year, the Department moved away from the fixed standing cutoff size between grilse and adult Chinook Salmon of 23 inches total length to using a range between 20 to 24 inches total length as an annual option for cutoff size. This allows for annual variation in size cutoffs, as informed by previous year(s) data to manage the harvest of the adult KRFC quota more effectively. The Department is currently conducting a post season assessment of KRFC length and age data which will be used to help determine the proposed 2024 size cutoff. The 2024 proposed adult cutoff will be presented at the April Commission meeting.

Option 2: KRFC Fishery Closure

This option would close salmon fishing in the Klamath River Basin as specified by river reach(es) in subsection 7.40(b)(50) to provide protection to KRFC should a reduction in the stock be indicated by PFMC abundance projections. In any year, should the PFMC recommend a complete or near complete closure of ocean recreational salmon fishery and/or an allocation of 0 (zero) adult KRFC to the in-river fishery, this option would give the Department flexibility to respond to and support any federal action. This option prohibits all methods of targeting KRFC including catch and release fishing.

Klamath River Dam Removal ISOR

At this time, the Commission is considering several proposed changes to the existing sport fishing regulations on the main stem Klamath River as part of the Klamath River Dam Removal project and contained in the <u>Klamath River Dam Removal Sport Fishing Updates ISOR</u> (OAL Z2023-1106-05). Some of the proposed changes currently under consideration would affect Title 14 regulations contained in this ISOR specifically subsections (b)(50)(E)1. and (b)(50)(E)2. of Section 7.40. concerning the main steam Klamath River. The proposed changes to sport fishing regulations in anticipation of dam removals are anticipated to be approved by the Commission in February 2024 and in effect by mid-April, 2024. These new regulations for sport fishing for dam removal along the Klamath River would become the regulatory baseline for the proposed changes contained within this ISOR, and are planned to be updated as such for the Final Statement of Reasons.

Benefit of the Regulations

The benefits of the proposed regulations are conformance with federal fishery management goals, sustainable management of Klamath River Basic fish resources, 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 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 (Fish and Game Code sections 200, 205, 315, and 316.5). 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.