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

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

I.	Dates of Statements of Reasons	
	(a) Initial Statement of Reasons	Date: January 15, 2024
	(b) Pre-adoption Statement of Reasons	Date: April 26, 2024
	(c) Final Statement of Reasons	Date: May 16, 2024
II.	Dates and Locations of Scheduled Hearin	gs
	(a) Notice Hearing	
	Date: February 15, 2024	Location: Sacramento
	(b) Discussion Hearing	
	Date: April 18, 2024	Location: Fresno/Bakersfield
	(c) Adoption Hearing	
	Date: May 15, 2024	Location: Teleconference

III. Update

In March 2024, the Pacific Fishery Management Council (PFMC) acted unanimously to recommend a full closure of California's commercial and recreational ocean salmon seasons (three to 200 nautical miles offshore). This action follows recent projections showing Chinook Salmon abundance in California's ocean waters is at historic lows. After reviewing PFMC's recommendation, the National Marine Fisheries Service took regulatory action to enact the closure, effective in mid-May.

In April 2024, PFMC recommended a recreational fishery allocation of 4,999 adult Klamath River fall-run Chinook Salmon (KRFC) to the Klamath River Basin for the 2024 season. At the April 18, 2024, California Fish and Game Commission (Commission) meeting, the California Department of Fish and Wildlife (Department) recommended a complete closure of the KRFC in-river recreational fishery for the 2024 season to allocate the 4,999 adult KRFC sport fishery quota to spawner escapement. A complete closure of the fishery will provide maximum protection of KRFC and make KRFC angling opportunity equitable across ocean and in-river fisheries. At the May 15, 2024, Commission meeting, the Commission adopted the changes as recommended by the Department (Option 2). Updates have been made to the Economic and Fiscal Impact Statement (std 399) with regards to the closure.

In addition to the change to subsection 7.40(b)(50)(E)6.i, and updates to the baseline regulatory text described in the pre-adoption statement of reasons, the baseline regulatory text for this rulemaking has been updated following adoption of emergency regulatory changes to subsections (b)(50)(C)2.a., (b)(50)(E)2.e., (b)(50)(E)6.b., (b)(50)(E)6.c., and (b)(50)(E)6.e, associated with Klamath River spring Chinook Salmon that went into effect June 10, 2024 as reflected in Office of Administrative Law (OAL) file number 2024-0529-01E.

Regulatory text in subsection 7.40(b)(50)(E)2.c., regarding the hatchery trout or hatchery steelhead bag limit, approved in OAL file 2024-0307-01S, but missing from the official Title 14 language, is added.

Other Changes

The following non-substantive edits were made to the regulatory language:

- In subsection 7.40(b)(50)(E), paragraph numbering for Shovel, Fall, Jenny, and Scotch creeks was changed to small Roman numerals for consistency with the Commission's regulatory numbering format.
- Throughout the regulatory text in subsection 7.40(b)(50)(E), under the Daily Bag Limit column, periods were added at the end of "2 hatchery trout or hatchery steelhead**" and "Brown Trout" for consistency purposes.
- In subsections 7.40(b)(50)(E)2.c. and d., "I-5" was changed to "Interstate 5" to reduce ambiguity.
- In subsection 7.40(b)(50)(E)2.c., "Bridge" was changed to "bridge" for consistency with Commission's rules on capitalization .
- In subsection 7.40(b)(50)(E)2.e., "pit" was corrected to read "spit."
- Proposed regulatory language for Option 1 has been removed. Additional changes to the proposed regulatory language to match existing regulatory language were made in subsections 7.40(b)(50)(E)6.a. (capitalization of "Bridge"), 7.40(b)(50)(E)6.b. (capitalization of "Salmon"), and 7.40(b)(50)(E)6.i. (placement of hatchery trout or hatchery steelhead bag limit).
- IV. Summary of Primary Considerations Raised in Support of or Opposition to the Proposed Actions and Reasons for Rejecting Those Considerations

There have been no additional comments since those that were received and responded to in the April 26, 2024 Pre-adoption Statement of Reasons. The Commission concurs with the Department's responses.

- V. Description of Reasonable Alternatives to Regulatory Action
 - (a) Alternatives to Regulation Change

The use of more liberal regulations for the KRFC quota, bag limits, and possession limits would be less desirable than a complete closure of the KRFC in-river sport fishery. The adopted closure of the KRFC in-river fishery is more protective than the PFMC-recommended recreational fishery allocation of 4,999 KRFC to the Klamath River Basin for the 2024 season, and continues the

closure from the prior season. More liberal regulations for bag and possession limits on this severely depressed stock may have lasting effects on future KRFC fishing opportunities.

(b) No Change Alternative

The No Change Alternative would be very similar and would leave the existing 2023 regulations for a KRFC closure in place. However, this proposal for 2024-2025 would not make the listed non-substantive changes for consistency and to reduce ambiguity.(c) Consideration of Alternatives

In view of information currently possessed regarding historically low abundance of KRFC and the risks of overfishing, no 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 adopted regulation, or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

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 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. The last period with no closures for KRFC salmon fishing was the 2022 season which is considered a typical season in terms of fishing activity and visitor spending. The adopted 2024 regulations would continue the 2023 closure (zero quota). If t-The 2024 KRFC quota is reduced, visitor spending closure may correspondingly be-reduced visitor spending compared to a typical season, 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 However, the KRFC seasonal closure scenario is not 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** <u>by</u> the **final** KRFC <u>closure</u> quota. The impacts range

from no impact to small temporary adverse impacts (Projection 1 under the Economic Impact Assessment (EIA), below) to small adverse impacts (Projection 3, EIA, below).

Depending on the final KRFC quota, the <u>The</u> 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 <u>for some businesses for which alternate outdoor activities</u> <u>may substitute for KRFC visitor spending</u> to the loss of 13 jobs. <u>Under all alternatives</u>, <u>due Due</u> to the <u>limited</u> seasonal 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 <u>The</u> possibility for growth of businesses to serve alternative recreational activities exists. Adverse impacts to jobs and/or businesses would are <u>projected to</u> be less if <u>because</u> fishing of other species and grilse KRFC is permitted, than under a complete closure to all <u>KRFC</u> 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.

The Commission anticipates benefits to the environment by the sustainable management of California's salmonid resources. The Commission does not anticipate any benefits to worker safety because the proposed action does not affect working conditions.

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

The 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. No change in costs or savings is anticipated from the proposed regulations, however implications for local sales tax and transient occupancy tax (TOT) revenue are projected, as noted in the STD 399 and Addendum.

(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.

Updated Informative Digest/Policy Statement Overview

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 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 Lakeview Road bridge near Iron Gate to the Highway 96 bridge at Weitchpec is 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 is 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 is 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 is 16.5 percent of the in-river sport fishery quota.

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 (landmarks have been updated to reflect the removal of Iron Gate Dam). 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 the Lakeview Road bridge near Iron Gate 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)2.a.

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)

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 the Lakeview Road bridge near Iron Gate 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 *Klamath River Dam Removal Sport Fishing Updates ISOR* (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.

Update:

The updates as stated in the Pre-Adoption Statement of Reasons have been integrated into the Final Statement of Reasons.

In March 2024, PFMC acted unanimously to recommend a full closure of California's commercial and recreational ocean salmon seasons (three to 200 nautical miles offshore). This action follows recent projections showing Chinook Salmon abundance in California's ocean waters is at historic lows. After reviewing PFMC's recommendation, the National Marine Fisheries Service took regulatory action to enact the closure, effective in mid-May. As a result, the baseline regulatory text for this rulemaking has been updated following adoption of emergency regulatory changes to subsections (b)(50)(C)2.a., (b)(50)(E)2.e., (b)(50)(E)6.b., (b)(50)(E)6.c., and (b)(50)(E)6.e, associated with Klamath River spring Chinook Salmon that went into effect June 10, 2024 as reflected in OAL file number 2024-0529-01E.

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Other Changes

The following non-substantive edits were made to the regulatory language:

- In subsection 7.40(b)(50)(E), paragraph numbering for Shovel, Fall, Jenny, and Scotch creeks was changed to small Roman numerals for consistency with the Commission's regulatory numbering format.
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Proposed regulatory language for Option 1 has been removed. Additional changes to the proposed regulatory language to match existing regulatory language were made in subsections 7.40(b)(50)(E)6.a. (capitalization of "Bridge"), 7.40(b)(50)(E)6.b. (capitalization of "Salmon"), and 7.40(b)(50)(E)6.i. (placement of hatchery trout or hatchery steelhead bag limit).