

## Staff Summary for December 10-11, 2025

**20. Processing and Donating Sport-Caught Fish****Today's Item**Information Action 

Consider authorizing publication of notice of intent to amend regulations regarding processing and donating sport-caught fish.

**Summary of Previous/Future Actions**

- |   |                             |
|---|-----------------------------|
| • Received Petition 2023-10               | October 11-12, 2023         |
| • Referred Petition 2023-10 to Department | December 13-14, 2023        |
| • Granted Petition 2023-10                | June 19-20, 2024            |
| • <b>Today's notice hearing</b>           | <b>December 10-11, 2025</b> |
| • Discussion and adoption hearing         | February 11-12, 2026        |

**Background**

At its June 19-20, 2024 meeting, the Commission granted for further consideration Petition 2023-10, which proposes to allow processed sport-caught fish to be donated directly to nonprofit organizations rather than requiring the processed fish to be returned directly to the angler.

Under current law, the selling or purchase of sport-caught fish is prohibited, where, "sell" includes barter, exchange or trade (Section 75, California Fish and Game Code). However, donation of sport-caught fish to a nonprofit or other organization or individual is not expressly prohibited in Fish and Game Code or the California Code of Regulations.

Current regulations allow anglers to exchange sport-caught fish with a permitted processor (holding a valid sport-caught fish exchange permit) for services including filleting, smoking, or canning, provided the same fish is returned to the angler or exchanged pound-for-pound, adjusted for loss during processing. This provision was originally intended to support the exchange of fresh-caught tuna for canned tuna. Because the processed fish had to be returned to the individual who caught the fish, any donation of fish had to be carried out by the angler themselves. Processors are not authorized to donate fish on an angler's behalf, even if the angler intends to donate the processed fish. The proposed action would remove this barrier by allowing direct donation from processors to nonprofits, streamlining the process and supporting food recovery efforts.

In addition to the proposal in the granted petition, the Department proposes additional changes to the regulatory section to help clarify and modernize existing provisions, aligning them with current practices and enforcement needs. For example, current regulations allow processors to sell sport-caught tuna — if not returned to the angler — to commercial canneries in exchange for commercially harvested canned tuna, with some exceptions, or to sell tuna not acceptable for canning for reduction purposes (e.g., fishmeal, fertilizer, or fish oil). These practices have effectively allowed sport-caught tuna to enter into the commercial market through the exchanges, which conflicts with the statutory prohibition on sale of sport-caught fish. The

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proposed regulations revisit these provisions to ensure consistency with the law and to support enforceable, transparent practices.

### **Proposed Changes**

The Department recommends amending Section 231 in two general ways to address and expand on the petition.

1. Allow sport-caught fish processing permit holders to donate fish directly — without requiring the sport fishing license holder to be present — to:
  - nonprofit organizations that directly support food access or distribution,
  - California Native American tribes,
  - public schools within a California unified school district, and
  - California city or county government programs that directly support food access or distribution.
2. Specify the requirements and restrictions for recording, transporting and labeling donations, and prohibit donated fish from being sold, auctioned, raffled or utilized for fundraising activities.

### **Additional Recommended Amendments**

The Department also recommends additional regulatory amendments to clarify and modernize existing provisions:

- Rename Section 231 from “Exchanging of Sport-Caught Fish” to “Processing and Donating Sport-Caught Fish” and renaming the associated permit to “sport-caught fish processing permit.”
- Update the permit fee, permit issuance criteria, and clarify permit applicability and exemptions.
- Clarify and update limitations to the fish exchange process, including:
  - Only allow same-species exchanges.
  - Prohibit the use of commercially-taken or imported fish.
  - Prohibit the sale or use of fish received for exchange or processing for any purpose not expressly authorized.
  - Require separate storage and processing of sport-caught from commercially-taken fish.
  - Enhance record-keeping and marking requirements for fish received from sportfish license holders for exchange or processing.
- Repeal outdated tuna exchange provisions, including the process for exchanging sport-caught tuna for canned tuna, the authorization for processors to sell tuna — not returned to the angler — to commercial canneries in exchange for commercially harvested canned tuna, and the allowance for tuna unsuitable for canning to be sold for reduction purposes.

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- Update the grounds for permit suspension or revocation; transfer authority for these actions to the Department; and establish clear procedures for Department notification, reconsideration, and appeal.

Refer to the initial statement of reasons (Exhibit 2) for additional details.

**Significant Public Comments (N/A)****Recommendation**

**Commission staff:** Authorize publication of a notice of intent to amend regulations related to processing and donating sport-caught fish, as recommended by the Department.

**Department:** Authorize publication of a notice of intent to amend regulations as detailed in the draft initial statement of reasons (Exhibit 2) and draft proposed regulatory language (Exhibit 3).

**Exhibits**

1. [Department memo, received November 14, 2025](#)
2. [Draft initial statement of reasons, dated December 5, 2025](#)
3. [Draft proposed regulatory language](#)
4. [Draft economic and fiscal impact statement \(STD 399\)](#)
5. [Department presentation](#)

**Motion**

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_ that the Commission authorizes publication of a notice of its intent to amend Section 231, related to processing and donating sport-caught fish.

State of California  
Department of Fish and Wildlife

# Memorandum

Received November 14, 2025  
Original signed copy on file

**Date:** November 12, 2025

**To:** Melissa Miller-Henson  
Executive Director  
Fish and Game Commission

**From:** Charlton H. Bonham  
Director

**Subject:** **Submission of Initial Statement of Reasons for the December 10-11, 2025 Fish and Game Commission meeting to Amend Section 231 of Title 14, California Code of Regulations, re: Processing and Donating Sport-Caught Fish**

Please find attached the Initial Statement of Reasons to amend Section 231, Title 14, California Code of Regulations. The proposed amendment will allow the fish that have been released to a Sport-Caught Fish Processing permit holder to be delivered directly to a nonprofit organization, tribe, school, or program administered by city or county governments. In addition, the proposed changes will clarify existing regulations and modify outdated provisions within subsection 231(c) to eliminate the potential for sport-caught fish to be commercialized. Authorization of the request to publish notice at the December 10-11, 2025, Commission meeting would allow for potential adoption at the February 11-12, 2026, Commission meeting.

If you have any questions or need additional information, please contact Dr. Craig Shuman, Marine Regional Manager at [R7RegionalMgr@wildlife.ca.gov](mailto:R7RegionalMgr@wildlife.ca.gov). The Department point of contact for this regulation should identify Pelagic Fisheries and Ecosystem Program Manager John Ugoretz, who can be reached at [AskMarine@wildlife.ca.gov](mailto:AskMarine@wildlife.ca.gov).

ec: **Department of Fish and Wildlife**

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Melissa Miller-Henson, Executive Director  
Fish and Game Commission  
November 12, 2025  
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State of California  
Fish and Game Commission  
Initial Statement of Reasons for Regulatory Action

Amend Section 231  
Title 14, California Code of Regulations  
Re: Processing and Donating Sport-Caught Fish

I. Date of Initial Statement of Reasons: December 5, 2025

II. Dates and Locations of Scheduled Hearings

(a) Notice Hearing:

Date: December 10-11, 2025

Location: Sacramento

(b) Adoption Hearing:

Date: February 11-12, 2026

Location: Sacramento

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 (CCR).

The proposal amends Section 231 to rename the section to “Processing of Sport-Caught Fish,” rename the permit to “sport-caught fish processing permit,” allow sport-caught fish processing permit holders to donate fish directly to a nonprofit organization that directly supports food access or distribution, California tribe, school, or California city/county government program that directly supports food access or distribution, reduce the potential for sport-caught fish to be commercialized through this program, update the permit suspension and revocation process, and clarify existing regulations.

### **Background**

At its June 19-20, 2024 meeting, the California Fish and Game Commission (Commission) granted a petition for regulation change (tracking number 2023-10) after referring the petition to the California Department of Fish and Wildlife (Department) for review and recommendation. The petitioner requested that the Commission amend subsection 231(b) to allow sport fishing license holders who exchange fish for processing to have those fish returned as a donation to a nonprofit organization rather than directly to the angler as presently allowed. The proposed amendments here represent the cumulation of the Department’s Marine Region and Law Enforcement Division (LED) internal discussions.

## **Current Regulations**

Current law, in Section 7121, California Fish and Game Code (FGC), specifies that except as otherwise provided by the code, selling or purchasing sport-caught fish is prohibited. Section 75, FGC defines that “Sell” includes barter, exchange or trade. FGC statutes and Title 14 regulations do not prohibit the donation of sport-caught fish to a nonprofit or other organization or individual.

Subsection 231(b) allows for the exchange of sport-caught fish by entities with a valid sport-caught fish exchange permit for the purpose of filleting, smoking or canning if the same fish is returned to the angler or exchanged pound for pound, adjusted for loss during processing. Historically, the provisions in subsection 231(b) were primarily used to exchange fresh-caught tuna species for canned tuna, allowing recreational anglers to retain fish for later consumption. Section 231 does not include a provision to allow anyone other than the individual who caught the fish to receive the processed fish.

Subsection 231(c) prescribes the exchange process based on a sliding scale exchange rate. Subsection (c)(4) includes a provision allowing processors to sell sport-caught tuna that is not returned to the angler to commercial canneries in exchange for commercially harvested canned tuna. Subsection (c)(4), however, requires yellowtail not returned to the angler to be donated to “...a non-profit charitable institution for food purposes only and may be fresh or processed.” The provision historically provided an immediate ability to exchange sport-caught tuna for canned tuna, effectively placing the sport-caught tuna into the commercial market through the exchanges. Allowing the practice is inconsistent with the existing prohibition on sale of sport-caught fish.

## **Proposed Regulations**

The proposed changes to Section 231 have been developed to allow the fish that have been released to a sport-caught fish processing permit holder to be delivered directly to a nonprofit organization, which will address the petitioner’s request. In addition, the proposed amendments allow direct donations of sport-caught fish to California Native American tribes, public schools within a California unified school district, and California city or county government programs. The proposed amendments will provide sport fishing license holders the opportunity to support nonprofit, community, school, and tribal initiatives addressing food insecurity, access, and distribution. In addition, the proposed changes will modify outdated provisions within subsection 231(c) to eliminate the potential for sport-caught fish to be commercialized and to update the permit suspension and revocation process. Additionally, changes are proposed for clarity and consistency.

### **Amend Section 231, Exchanging of Sport-Caught Fish**

The proposed regulation changes the title of the section from “Exchanging of Sport-Caught Fish” to “Processing of Sport-Caught Fish.” This change is necessary to prevent confusion from the public and industry as the industry rarely exchanges sport-caught fish for previously filleted, smoked or canned products, but does process the same fish that is provided by the sport fishing license holder directly into filleted, smoked, or

canned fish. The proposed regulation also provides consistency between the section title and the corresponding permit title.

### **Amend subsection 231(a)**

The proposed regulation updates the permit title from “sport-caught fish exchange permit” to “sport-caught fish processing permit.” Additionally, the proposed regulation adds the subsection heading of “Permit.” These changes are necessary to provide a more accurate description of the activity and authorizations of the permit.

The proposed regulation replaces “person or persons who exchange fresh fish” with “person, as defined in Fish and Game Code Section 67, who for a fee processes fish” or exchange fish taken under authority of a sport fishing license. This change is necessary to clarify the applicability of the regulation. The proposed regulation also necessarily removes the word “fresh” because frequently fish are placed on ice while on board vessels to prevent spoilage; frozen fish are not considered fresh. Additionally, “fresh” is an ambiguous term that can be interpreted subjectively.

The proposed regulation also updates the permit fee. This change is necessary to update the fee to reflect the existing mechanism used to adjust the fee pursuant to FGC Section 713. The baseline for the fee is being reset to \$96 (which is the 2026 fee as adjusted per the procedure set by FGC Section 713, from the baseline of \$50.75 established in 2006); however, it does not change the amount that permittees must pay or the mechanism for annual adjustments set by FGC Section 713, which states:

- (a) The changes in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, as published by the United States Department of Commerce, shall be used as the index to determine an annual rate of increase or decrease in the fees for licenses, stamps, permits, tags, or other entitlements issued by the department.
- (b)
  - (1) The department shall determine the change in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, as published by the United States Department of Commerce, for the quarter ending March 31 of the current year compared to the quarter ending March 31 of the previous year. The relative amount of the change shall be multiplied by the current fee for each license, stamp, permit, tag, or other entitlement issued by the department.
  - (2) The product shall be rounded to the nearest twenty-five cents (\$0.25), and the resulting amount shall be added to the fee for the current year. The resulting amount shall be the fee for the license year beginning on or after January 1 of the next succeeding calendar year for the license, stamp, permit, tag, or other entitlement that is adjusted under this section.

See Table 1 in the STD 399 addendum for documentation of the annual adjustment process using the implicit price deflator.



Current regulation specifies that the Department shall issue the permit upon application and payment of the permit fee. The proposed regulation adds language specifying “unless the permit or privilege to obtain a permit has been suspended or revoked pursuant to subsection (j).” It is necessary that the issuance of the permit be conditional upon the applicant being in good standing to enforce compliance, uphold the public interest in sustainable fisheries management, and ensure fairness.

Additionally, minor changes are proposed for clarity and consistency.

### **Repeal current subsection 231(a)(1)**

Current subsection 231(a)(1) specifies the Department office locations where permits shall be issued. The current list of locations is outdated and restricts the Department’s License and Revenue Branch from issuing permits at additional sites or through authorized agents that change over time, or from eliminating underutilized locations.

### **Add new subsection 231(a)(1)**

The proposed language adds an exception to the sport-caught fish processing permit requirement for fish taken under the authority of a sport fishing license that are filleted on board a licensed commercial passenger fishing vessel (CPFV), if the fish are filleted on board the vessel prior to passenger departure.

This language is necessary to clarify that the practice of filleting passengers’ fish at sea while aboard a licensed CPFV, as allowed pursuant to subsection 195(e)(1), does not fall under the permit requirements set forth in Section 231. The Department and Commission have determined that the current sport-caught fish exchange permit is required for businesses such as sport-fish processing businesses and canneries, not CPFV operations. This amendment will provide clarity that the renamed “sport-caught fish processing” permit is not required when filleting fish at sea for passengers while aboard a CPFV. Since filleting is a type of processing, without this amendment CPFV operations would be required to obtain a permit not previously needed for a commonly performed practice/service.

### **Amend subsection 231(b), Authorized Species**

Current regulations in subsection (b) specify that any legally taken species of sport-caught fish may be possessed for filleting, smoking or canning if the same fish is returned to the angler or if the fish is exchanged pound for pound, adjusted for loss during processing, or exchanged according to subsection (c) for various tunas, and specify species that may be processed for canning only. Current subsection (d) specifies that salmon may only be exchanged for salmon; striped bass may only be exchanged for striped bass; and tuna may only be exchanged for tuna.

The proposed regulation expands upon and clarifies current regulation by adding a limitation to only allow same-species exchange; prohibits commercially taken or commercially imported fish to be used in the exchange process; and prohibits fish received for exchange or processing to be sold or processed for any other purpose not expressly authorized by this section.

These changes are necessary to reduce the potential for the commercialization of sport-caught fish. Language referring to exchanges according to subsection (c) and language specifying species that may be processed for canning only, as well as language describing skipjack and yellowtail as tuna, are proposed to be repealed consistent with the proposed repeal of current subsection (c). The term “angler” is changed to “sport fishing license holder” as it is a term that encompasses all who can use the service.

**Repeal current subsections 231(c), 231(c)(1), 231(c)(1)(A) through 231(c)(2)(L), and 231(c)(4), Exchange Process.**

Current subsections 231(c) through (c)(2)(L) prescribe the exchange process for various tunas based on a sliding scale exchange rate. For example, for each pound of tuna received, the permittee will provide in exchange one six ounce can of albacore (white meat) tuna if the sale price of tuna to the permittee is greater than \$4,470.00 per ton.

Subsection (c)(4) requires all fish received for processing under this subsection to be used only for canning and includes a provision allowing processors to sell sport-caught tuna that is not returned to the angler to commercial canneries in exchange for commercially harvested canned tuna and allows tuna not acceptable for canning to be sold for reduction purposes (the reduction or conversion of fish into fish flour, fishmeal, fish scrap, fertilizer, fish oil, or other fishery products or byproducts). However, subsection (c)(4) requires yellowtail not returned to the angler to be donated to “...a non-profit charitable institution for food purposes only and may be fresh or processed.”

The provision historically provided an immediate ability to exchange sport-caught tuna for canned tuna, effectively placing the sport-caught tuna into the commercial market through the exchanges. This allowance is no longer in common practice by the industry and processors instead usually fillet, smoke, and/or can the actual fish the sport fishing license holder brings to the processor and return the processed fish to the license holder.

Allowing the exchange of sport-caught fish for commercially harvested tuna is inconsistent with the existing prohibition on sale of sport-caught fish. The repeal of these subsections is necessary to eliminate the inconsistency with the existing prohibition and to bring the regulations in line with current industry practices.

**Repeal current subsection 231(c)(3)**

Current subsection (c)(3) specifies marking requirements for cans of fish exchanged. The provisions are revised and moved to subsection (g).

**Add new subsection 231(c), Multi-licensed Business Requirements**

Current regulations in subsection 231(g) require that all sport-caught fish must be marked by removing the entire upper lobe of the tail and that fish so marked must be kept separate from commercially taken fish until transferred to the cannery or processing facility.

The proposed regulation, directed to persons or businesses that possess both a sport-caught fish processing permit and a fish business license, reiterates the requirement

that commercially taken fish shall be stored separately from sport-caught fish and adds the requirement that commercially taken fish shall be processed separately from sport-caught fish received for exchange or processing under the section's authority. Additionally, the proposed regulation draws attention to the marking requirement for fish received from sport fish license holders for exchange or processing and emphasizes that sport-caught fish may not be sold or possessed for sale at any time. The change is necessary to further prevent the potential for sport-caught fish from being commercialized.

### **Repeal current subsection 231(d), Species Limitation**

Current regulations in subsection (d) specify that salmon may only be exchanged for salmon; striped bass may only be exchanged for striped bass; and tuna may only be exchanged for tuna. The provisions of this subsection are modified and moved to subsection (b).

### **Add new subsection 231(d), Donating Processed Fish**

This proposed regulation allows the fish that have been released to a sport-caught fish processing permit holder to be transferred directly from the sport-caught fish processing permit holder to one or more of the following recipients: a nonprofit organization, as defined in FGC Section 1405, that directly supports food access or distribution; a California Native American tribe, as defined in Section 21073 of the Public Resources; a public school within a California unified school district as defined in Education Code Section 83; or a program administered by a California city or county government that directly supports food access or distribution. Use of the definitions in Title 14, the California Public Resources Code, and the California Education Code is necessary to reduce ambiguity, minimize disputes about interpretation, promote consistent application of the law, and avoid unnecessary duplication.

The proposed regulation is necessary to allow the donation of sport-caught fish directly to nonprofit organizations without the sport fishing license holder being present, as requested in the petition for regulation change. Additionally, the proposed regulation adds California tribes, schools, and programs administered by city or county governments as eligible recipients that may receive sport-caught fish directly from sport-caught fish processing permit holders. This change is necessary to make it easier for sport fishing license holders to support nonprofit, community, school, and tribal initiatives addressing food insecurity, access, and distribution.

This amendment also establishes the following requirements:

- The sport-caught fish processing permit holder shall record the species, number of pounds of fish to be donated and the name and address of the specified nonprofit organization, tribe, school, or city/county government program.
- Fish stored by the sport-caught fish processing permit holder for donation must be clearly labeled "for donation" and a copy of the record required by subsection (e) must be attached to the donated fish.

- Any fish processed for donation may be transported to the nonprofit organization, tribe, school, or city/county government program by the sport-caught processing permit holder or a person designated by the recipient.
- All copies of records labeling the donated fish shall remain attached to the fish until prepared for immediate consumption.

These provisions are necessary to aid LED in tracking fish delivered to nonprofit organizations, tribes, schools, and city/county government programs from sport-caught fish processing permit holders and to provide instructions for records regarding donated fish. LED must be able to track the fish, including the species and number of pounds, to prevent the unlawful transportation of sport-caught fish from the processor to the place of donation.

The proposed amendment prohibits donated fish from being sold, auctioned, raffled, or otherwise utilized for fundraising activities. This change is necessary to ensure that donations are solely used for direct consumption by individuals in need, as part of the recipient nonprofit organizations, tribal, school, or city/county charitable programs to address food insecurity and/or nutritional needs.

#### **Amend and renumber subsection 231(e), Records**

Current regulations in subsection (e) prescribe the records that must be kept by the sport-caught fish exchange permittee. This amendment changes “permittee” to “sport-caught fish processing permit holder” and “angler” to “sport fishing license holder.” It is necessary to update the term “permittee” to “sport-caught fish processing permit holder” as it provides additional clarity and specificity. Additionally, it is necessary to update the term “angler” to “sport fishing license holder” as it is a term that encompasses all who can use the service (e.g., spear fishing or other methods of take beyond angling).

The first sentence of current subsection (e) is renumbered as subsection (e)(1) and revised. In addition to the current requirements to record the name and address of the angler/sport fishing license holder, the date the fish were received, and the number and weight of all fish by species received from the angler/sport fishing license holder, the proposed regulation requires that the sport-caught fish processing permit holder record a written statement signed by the sport fishing license holder affirming that all fish were legally taken under the authority of a sport fishing license. Affirming the legality of the fish is necessary to support LED in identifying and tracking illegally sourced fish and violators of sport fishing licenses. The current requirement to record the fishing license number is repealed as it imposes an unnecessary requirement upon the sport-caught fish processing permit holder. In certain situations, such as long-range angling trips with a Mexican sport fishing license or short duration trips covered by a one-day sport fishing license, the angler may not have access to or know their license number.

The second sentence of current subsection (e) is renumbered as subsection (e)(2), and revised to specify that at the time the fish are returned to a sport fishing license holder or donated to a nonprofit organization, tribe, school, or city/county program, the sport-caught fish processing permit holder shall record the species of the fish and the date of return or donation. This change is necessary to aid LED in tracking fish delivered to

nonprofit organizations, tribes, schools, and city/county government programs from sport-caught fish processing permit holders and to provide instructions for records regarding donated fish. Current language specifying “or otherwise disposed of” is proposed to be repealed in the first sentence of this subsection. Requirements for records of the disposition of fish not returned to the angler or donated are clarified in a new sentence. The proposed regulation repeals the requirement to record the weight of the fish returned to the angler and adds that, upon request, the weight of each species of fish shall be recorded by the sport-caught fish processing permit holder. This amendment is necessary because it allows the opportunity for the Department to verify the weights of sport-caught fish coming into and going out of the facility to verify that no sport-caught fish is being commercially sold.

Subsection (e)(3), with language referencing FGC sections 7232 and FGC 8050, is proposed to be added to clearly denote that records are required if offal is sold pursuant to FGC 8050.

The third sentence of current subsection (e), requiring records to be retained for three years and made available upon demand, is renumbered as subsection (e)(4) and revised to replace “Permittees” with “sport-caught fish processing permit holders” for clarity and specificity.

#### **Amend subsection 231(f), Transportation**

Current regulations in subsection (f) provide that permittees may transport or provide for the transportation of tuna to canneries or processing facilities outside of California. The proposed regulation changes “tuna” to “fish” to allow sport-caught fish processing permit holders to transport other species of fish to canneries or processing facilities for the purpose of canning or processing. This amendment also repeals the language “outside of California” to allow sport-caught fish processing permit holders an option to transport fish to a facility within or outside of California. This change is necessary to remove unnecessary limitations on businesses required to have a sport-caught fish processing permit. “Permittee” is changed to “sport-caught fish processing permit holder” for clarity and specificity.

#### **Amend and renumber subsection 231(g), Marking**

Current regulations in subsection (g) require that all sport-caught fish must be marked by removing the entire upper lobe of the tail and that fish so marked must be kept separate from commercially taken fish until transferred to a cannery or processing facility.

Current subsection (g) is renumbered as subsection (g)(1) and is revised to add a heading of “Marking of Fish” for clarity and consistency and specifies that the fish must be marked immediately upon receipt. Additionally, the proposed regulation specifies that fish so marked shall be kept separate from commercially taken fish until processed.

This change is necessary to ensure proper and immediate identification of sport-caught fish prior to processing. The amendment aims to prevent sport-caught fish being easily mixed or mistaken for commercially caught fish, preventing the sale of sport-caught fish.

Replacing “until transported to a cannery or processing facility” with “until processed” is necessary to address a compliance issue under the current regulation, which allowed the removal of the identifying mark denoting a fish as sport-caught upon its arrival at a processing facility. LED has determined that the removal of the entire upper lobe of the tail should remain until it is processed. This requirement is intended to prevent the mixing of sport-caught and commercially harvested fish within facilities that handle both to ensure that sport-caught fish are not unlawfully sold or otherwise represented as a commercially harvested product.

“Permittee” is changed to “sport-caught fish processing permit holder” for clarity and specificity.

The proposed regulation adds new subsection (g)(2) “Marking of Processed Fish” for clarity and consistency.

FGC Section 7230 requires that any cannery or packing plant in which fish that have been taken under a sport fishing license are canned or smoked, shall emboss or imprint on the top of each can or package the words “not to be sold.” However, FGC Section 7230 does not address filleted fish.

The proposed regulation specifies, ‘In addition to the marking requirements of Fish and Game Code Section 7230, all individual packages or cans of processed fish shall be marked with the species name, and all processed fish shall be maintained in packages, cans, containers, or boxes clearly marked as “not to be sold.” This is necessary to differentiate canned, smoked or filleted sport-caught fish from any commercially taken fish on the premises and prevent the potential for sport-caught fish being commercialized. Requiring the species name is essential for LED to accurately track the types of fish being processed and ensure compliance with regulations.

The proposed regulation draws attention to the requirements of FGC Section 7230 requiring individual cans or packages of smoked fish to be labeled “not to be sold” in order to clarify all marking requirements for processed sport caught fish.

Additionally, the proposed regulation specifies that packages, cans, containers, or boxes of sport-caught fish shall be kept separate from commercially taken fish until returned to the sport fishing license holder or donated to a nonprofit organization, tribe, school, or city/county program. This amendment is necessary to further prevent the commercialization of sport-caught fish.

### **There are no proposed changes to subsection 231(h)**

### **Add new subsection 231(i)**

This amendment specifies that the requirements of subsections (c), (e), (f) and (g) apply to persons who are required to hold a permit in order to close a potential loophole in the regulation.

### **Amend, renumber and retitle subsection 231(i), Revocation of Permits.**



Current subsection (i) provides that permits may be revoked or suspended by the Commission upon a violation by the permittee, or the permittee's agent, servant, employee, or person acting under the permittee's direction or control of any provision of these regulations or of the provisions of FGC related to receiving, processing or sale of fish taken under authority of a sport fishing license.

The proposed regulation renumbers the subsection as (j) and retitles the subsection from "Revocation of Permits" to "Revocation or Suspension of Permits." The change to the title of the subsection is necessary for consistency with the actions specified in the subsection.

Current subsection (i) is separated into new subsections (j)(1), (j)(1)(A) and (j)(1)(B).

Proposed subsection (j)(1) specifies that a sport-caught fish processing permit and/or the privilege to obtain a permit may be revoked or suspended by the Department. It is necessary to be able to suspend or revoke the "privilege to obtain a permit" of persons who are eligible, or may be eligible in the future, to hold a permit upon violation because otherwise, a violator who did not hold a permit at the time of violation could obtain a permit after violation. Authority to revoke or suspend permits is transferred from the Commission to the Department to be able to address suspensions and revocations during the year the permit is active, and not afterwards. The Commission's suspension and revocation process generally takes longer than the Department's process, which could lead to an inability or untimely ability to protect the public, and resources, if a permittee is violating the law. "Permittee" is also changed to "sport-caught fish processing permit holder" for clarity and specificity.

Proposed subsection (j)(1)(A) specifies the violations that may lead to suspension or revocation. The proposed regulation replaces "any provision of these regulations or of the provisions of the Fish and Game Code relating to the receiving, processing or sale of fish taken under authority of a sport fishing license" with "the terms or conditions of the sport-caught fish processing permit" or "federal law, provisions of the Fish and Game Code, or any regulation adopted pursuant thereto related to commercial fishing, recreational fishing, or the receiving, processing or sale of fish." This change is necessary to protect the public and the resources from sport-caught fish processing permit holders who are violating laws intended to protect the public and subject resources, by enabling the Department to suspend or revoke a permit if needed, when the behavior does not fall under the previously limited circumstances.

Proposed subsection (j)(1)(B) specifies the persons whose violations may lead to suspension or revocation. "Permittee" is replaced with "sport-caught fish processing permit holder" for clarity and specificity. "Any person required to hold a sport-caught fish processing permit" is added to the list of persons whose violations may trigger suspension or revocation to enforce the regulations and the requirements therein upon violators who may not have held a permit at the time of the violation. Language specifying "the permittee's agent, servant, employee or person acting under the permittee's direction or control" is unchanged except for replacing "permittee's" with "sport-caught fish processing permit holder's" for clarity and specificity.

Subsection (j)(1)(C) "Process" is added. The proposed regulation specifies that the Department shall notify the sport-caught fish processing permit holder or person of any permit revocation or suspension action in writing via certified mail. The notice shall include the name of the permit holder or person, any permit identification number(s), a description of the reasons for the revocation or suspension, the required disposition of wildlife, and the permit holder or person's right to request and detailed instructions to submit a request for reconsideration of the Department's action. This amendment is necessary to establish and clarify the Department's notification process in the event that a sport-caught fish processing permit, or the privilege to obtain a sport-caught fish processing permit, is revoked or suspended. The process, as proposed, ensures a reasonable and appropriate procedure for issuing notifications.

Subsection (j)(2) "Requests for Reconsideration" is added. The proposed regulation specifies that any permit holder or person who receives a notice of revocation or suspension may submit a written request for reconsideration no later than 30 calendar days following receipt of the detailed instructions, and shall set forth the reasons for the requested reconsideration. Additionally, the proposed regulation specifies the Department shall consider the information submitted with the request and, within 60 calendar days of receipt of the request may reverse or amend its decision, including based upon a mistake of fact, a mistake of law, or because the permit holder takes corrective actions pursuant to an agreement with the Department. This amendment is necessary to establish and clarify a procedure in which a person or permit holder may request a reconsideration in the event of a revocation or suspension of the sport-caught fish processing permit or privilege to obtain a permit. Based on the Department's experience with permit revocations and suspensions, the Department has determined that 30 calendar days is the appropriate amount of time for the sport-caught fish processing permit holder or person to request reconsideration and that 60 calendar days is an appropriate amount of time to present a decision on the request for consideration following the submission of information with the request from the sport-caught fish processing permit holder or person.

Subsection (j)(3) "Appeals" is added. The proposed regulation specifies that any sport-caught fish processing permit holder or person whose permit or privilege to obtain a permit has been suspended or revoked by the Department, and whose permit or privilege to obtain a permit was not reinstated after reconsideration by the Department, may appeal the suspension or revocation to the Commission. The proposed regulation further specifies that the request for appeal must be received by the Commission in writing no later than 30 calendar days after the date of receipt of notice from the Department of its reconsideration decision and that the Commission shall not consider requests for appeals after the deadline. In addition, the proposed regulation specifies the Commission's email and postal mailing addresses to which requests for appeals must be sent. This amendment is necessary to establish and clarify a procedure in which a person or permit holder may request from the Commission an appeal of the Department's revocation or suspension of a sport-caught fish processing permit or privilege to obtain a permit. Based on the Department's experience with permit revocations and suspensions, the Department has determined that 30 calendar days is



an appropriate amount of time for the sport-caught fish processing permit holder or person to prepare and submit a request for appeal.

(b) Goals and Benefits of the Regulation

The proposed changes provide benefits to nonprofit organizations that directly support food access or distribution, California tribes, schools, and California city/county government programs that directly support food access or distribution who will be able to directly receive donations of fish, and sport fishing license holders who wish to make donations. By facilitating the donation process, all parties involved will be more able to provide and receive donations. The proposed changes also clarify several key regulations in order to ensure that sport-caught fish are not unlawfully commercialized. Removal of unnecessary detail on canned fish exchanges not only prevents commercialization but also eliminates confusion regarding how fish may be processed for a sport fishing license holder.

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

Authority cited: Sections 200, 713, 5510, 7121, 7230 and 7232, Fish and Game Code.

Reference: Sections 200, 1050, 5510, 7121, 7230 and 7232, Fish and Game Code.

(d) Specific Technology or Equipment Required by Regulatory Change: None

(e) Identification of Reports or Documents Supporting Regulation Change

Petition to the California Fish and Game Commission for Regulation Change (tracking number 2023-10), received September 5, 2023

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

December 13-14, 2023, Fish and Game Commission meeting, San Diego

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 that would have the same desired regulatory effect.

(b) No Change Alternative

Without the proposed changes, the outstanding issues concerning the inability for nonprofit organizations that directly support food access or distribution, California tribes, schools, and California city/county government programs that directly support food access or distribution to directly receive donations of fish would remain unaddressed. Additionally, the potential for unlawful commercialization of sport-caught fish would remain unaddressed. Further, without these changes, several unnecessary and outdated details would remain, which would contribute to the growing confusion surrounding these regulations from the public and sport fishing license holders.

V. Mitigation Measures Required by Regulatory Action

The proposed regulatory action will have no negative impact on the environment; therefore, no mitigation measures are needed.

## VI. Impact of Regulatory Action

The potential for significant statewide adverse economic impacts that might result from the proposed regulatory action has been assessed, and the following initial determinations relative to the required statutory categories have been made:

### (a) Significant Statewide Adverse Economic Impact Directly Affecting Businesses, Including the Ability of California Businesses to Compete with Businesses in Other States

The proposed action will not have a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states. It is prohibited for sport-caught fish to be sold commercially, and the costs for processing are borne by the sport fishing license holder who caught the fish, so processing businesses do not face any increased costs besides the adjustment of the permit fee. The marking requirement for packages and cans of fish added by the proposed regulations will require sport-caught fish processing permit holders to add the species name to the labels they already create for each individual package/can of fish and will require sport-caught fish processing permit holders to add the words “not to be sold” to the labels they already create for packages of filleted fish. These new markings can be done with a permanent marker instead of printing, but this will not create a significant difference in labor hours that would impose new costs to sport-caught fish processing permit holders. Similarly, the marking requirement for fish received for donation to be labeled “for donation” is not expected to adversely impact a sport-caught fish processing permit holder’s operations. The new record keeping requirements for donated fish may add a minute or two to processing the donated fish, but it is unlikely to expand the existing labor requirements or costs of processing in a way that will adversely impact those businesses, as the activity would be folded into their existing procedures that require gathering similar information. While the baseline for the fee is being reset to \$96 (which is the 2026 fee as adjusted per the procedure set by FGC Section 713), it does not change the amount that permittees must pay or the mechanism for annual adjustments set by FGC Section 713, thus it does not impose a direct cost impact that would adversely affect businesses.

### (b) Impact on the Creation or Elimination of Jobs Within the State, the Creation of New Businesses or the Elimination of Existing Businesses, or the Expansion of Businesses in California; Benefits of the Regulation to the Health and Welfare of California Residents, Worker Safety, and the State’s Environment

The Commission does not anticipate any impacts on the creation or elimination of jobs, the creation of new businesses, the elimination of existing businesses or the expansion of businesses in California. The marking requirement for packages and cans of fish added by the proposed regulations will require sport-caught fish processing permit holders to add the species name to the labels they already create for each individual package/can of fish and will require sport-caught fish processing permit holders to add the words “not to be sold” to the labels they already create for packages of filleted fish. These new markings can be done with a permanent marker instead of printing, but this will not create a significant

difference in labor hours that would increase a sport-caught fish processing permit holder's operational costs. Similarly, the marking requirement for fish received for donation to be labeled "for donation" is not expected to adversely impact a sport-caught fish processing permit holder's operations. The new record keeping requirements for donated fish may add a minute or two to processing the donated fish, but this is unlikely to expand the existing labor requirements or costs of processing in a way that adversely impacts those businesses, as similar information is already gathered. While the baseline for the fee is being reset to \$96 (which is the 2026 fee as adjusted per the procedure set by FGC Section 713), it does not change the amount that permittees must pay or the mechanism for annual adjustments set by FGC Section 713.

The Commission does not anticipate any benefits related to the health and welfare of the California residents, worker safety, or the state's environment.

(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. The marking requirement for packages and cans of fish added by the proposed regulations will require sport-caught fish processing permit holders to add the species name to the labels they already create for each individual package/can of fish and will require sport-caught fish processing permit holders to add the words "not to be sold" to the labels they already create for packages of filleted fish. These new markings can be done with a permanent marker instead of printing, but this will not create a significant difference in labor hours that would increase a sport-caught fish processing permit holder's operational costs. Similarly, the marking requirement for fish received for donation to be labeled "for donation" is not expected to adversely impact a sport-caught fish processing permit holder's operations. The new record keeping requirements for donated fish may add a minute or two to processing the donated fish, but this is unlikely to expand the existing labor requirements or costs of processing in a way that adversely impacts those businesses, as similar information is already gathered. While the baseline for the fee is being reset to \$96 (which is the 2026 fee as adjusted per the procedure set by FGC Section 713), it does not change the amount that permittees must pay or the mechanism for annual adjustments set by FGC Section 713, thus it does not impose a direct cost impact.

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

None. The proposed regulation resets the baseline value for the permit fee to \$96 (which is the 2026 fee as adjusted per the procedure set by FGC Section 713). Doing so does not increase the Department's revenue, as the fee is still the same value that is set using the procedure as defined in FGC Section 713, and future increases for the fee will still follow the same adjustment procedure using the annual change in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, as published by the United States Department of Commerce. Further details about how the fee's annual adjustments are made can be found in the STD 399 addendum.

(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

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

None. The reporting requirement added by the proposed regulations will require sport-caught fish processing permit holders to add the species name to the labels they already create for each individual package/can of fish and will require sport-caught fish processing permit holders to add the words “not to be sold” to the labels they already create for packages of filleted fish. These new markings can be done with a permanent marker instead of printing. It is not anticipated that this will create a significant difference in labor hours that would impose new costs to sport-caught fish processing permit holders that would affect employment levels within the state. Similarly, the marking requirement for fish received for donation to be labeled “for donation” is not expected to adversely impact a sport-caught fish processing permit holder’s operations. The new record keeping requirements for donated fish may add a minute or two to processing the donated fish, but it is unlikely to expand the existing labor requirements or costs of processing in a way that will adversely impact those businesses, as the activity would be folded into their existing procedures that require gathering similar information. While the baseline for the fee is being reset to \$96 (which is the 2026 fee as adjusted per the procedure set by FGC Section 713), it does not change the amount that permittees must pay or the mechanism for annual adjustments set by FGC Section 713, thus it does not impose a direct cost impact that would affect a business’s operations in a way that would cause them to add or eliminate jobs.

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

None. It is illegal to sell sport-caught fish, and the costs for processing are borne by the sport fishing license holder who caught the fish, so processing businesses do not face any increased costs besides the adjustment of the permit fee. The reporting requirement added by the proposed regulations will require sport-caught fish processing permit holders to add the species name to the labels they already create for each individual package/can of fish and will require sport-caught fish processing permit holders to add the words “not to be sold” to the labels they already create for packages of filleted fish. These new markings can be done with a permanent marker instead of printing, but this will not create a significant difference in labor hours that would impose new costs to sport-caught fish processing permit holders that would affect the creation or elimination of businesses. Similarly, the marking requirement for fish received for donation to be labeled “for donation” is not expected to adversely impact a sport-caught fish processing permit holder’s operations. The new record keeping requirements for donated fish may add a minute or two to processing the donated fish, but it is unlikely to expand the existing labor requirements or

costs of processing in a way that will adversely impact those businesses, as the activity would be folded into their existing procedures that require gathering similar information. While the baseline for the permit fee is being reset to \$96 (which is the 2026 fee as adjusted per the procedure set by FGC Section 713), it does not change the amount that permittees must pay or the mechanism for annual adjustments set by FGC Section 713, thus it does not impose a direct cost impact that would change business's decision to eliminate its operations the state or create a new business.

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

None. It is illegal to sell sport-caught fish, and the costs for processing are borne by the sport fishing license holder who caught the fish, so processing businesses do not face any increased costs besides the adjustment of the permit fee. The reporting requirement added by the proposed regulations will require sport-caught fish processing permit holders to add the species name to the labels they already create for each individual package/can of fish and will require sport-caught fish processing permit holders to add the words "not to be sold" to the labels they already create for packages of filleted fish. These new markings can be done with a permanent marker instead of printing, but this will not create a significant difference in labor hours that would impose new costs to sport-caught fish processing permit holders that would affect the expansion of businesses. Similarly, the marking requirement for fish received for donation to be labeled "for donation" is not expected to adversely impact a sport-caught fish processing permit holder's operations. The new record keeping requirements for donated fish may add a minute or two to processing the donated fish, but it is unlikely to expand the existing labor requirements or costs of processing in a way that will adversely impact those businesses, as the activity would be folded into their existing procedures that require gathering similar information. While the baseline for the permit fee is being reset to \$96 (which is the 2026 fee as adjusted per the procedure set by FGC Section 713), it does not change the amount that permittees must pay or the mechanism for annual adjustments set by FGC Section 713, thus it does not impose a direct cost impact that would change business's decision to expand its operations the state

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

The Commission does not anticipate impacts on the health and welfare of California residents.

(e) Benefits of the Regulation to Worker Safety

None.

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

None.

(g) Other Benefits of the Regulation

The proposed changes provide benefits to nonprofit organizations that directly support food access or distribution, California tribes, schools, and California city/county government

programs that directly support food access or distribution who will be able to directly receive donations of fish, and to sport fishing license holders who wish to make donations. By facilitating the donation process, all parties involved will be more able to provide and receive donations. The proposed changes also clarify several key regulations in order to ensure that sport-caught fish are not unlawfully commercialized. Removal of unnecessary detail on canned fish exchanges not only prevents commercialization but also eliminates confusion regarding how fish may be processed for a sport fishing license holder.

## Informative Digest/Policy Statement Overview

Unless otherwise specified, all section references in this document are to Title 14 of the California Code of Regulations (CCR), “Department” refers to the California Department of Fish and Wildlife, and “Commission” refers to the California Fish and Game Commission.

### Current Regulations

Current law, in Section 7121, California Fish and Game Code (FGC), specifies that except as otherwise provided by the code, selling or purchasing sport-caught fish is prohibited.

Section 75, FGC, defines that “Sell” includes barter, exchange or trade. FGC statutes and Title 14 regulations do not prohibit the donation of sport-caught fish to a nonprofit or other organization or individual.

Subsection 231(b) allows for the exchange of sport-caught fish to entities with a valid sport-caught fish exchange permit for the purpose of filleting, smoking or canning if the same fish is returned to the angler or exchanged pound for pound, adjusted for loss during processing. Historically, the provisions in subsection 231(b) were primarily used to exchange fresh-caught tuna species for canned tuna, allowing recreational anglers to retain fish for later consumption. Section 231 does not include a provision to allow anyone other than the individual who caught the fish to receive the processed fish.

Subsection 231(c) prescribes the exchange process based on a sliding scale exchange rate. Subsection (c)(4) includes a provision allowing processors to sell sport caught tuna that is not returned to the angler to commercial canneries in exchange for commercially harvested canned tuna and allows tuna not acceptable for canning to be sold for reduction purposes (the reduction or conversion of fish into fish flour, fishmeal, fish scrap, fertilizer, fish oil, or other fishery products or byproducts). Subsection (c)(4), however, requires yellowtail not returned to the angler to be donated to “...a non-profit charitable institution for food purposes only and may be fresh or processed.” The provision historically provided an immediate ability to exchange sport-caught tuna for canned tuna, effectively placing the sport-caught tuna into the commercial market through the exchanges. Allowing the practice is inconsistent with the existing prohibition on sale of sport caught fish.

### Proposed Changes

The Department recommends that the Commission amend Section 231 to rename the section to “Processing of Sport-Caught Fish,” rename the permit to sport-caught fish processing permit, allow sport-caught fish processing permit holders to donate fish directly to a nonprofit organization that directly supports food access or distribution, California tribe, school, or city/county program that directly supports food access or distribution, reduce the potential for sport-caught fish to be commercialized through this program, update the permit suspension and revocation process, and clarify existing regulations.

Specifically, the proposed changes are as follows:

- The proposed regulations will change the title of the section from “Exchanging of Sport-Caught Fish” to “Processing of Sport-Caught Fish,” update the permit fee and



permit title, and specify that a permit shall be issued unless the permit or privilege to obtain a permit has been suspended or revoked.

- The proposed regulations will clarify permit applicability and add an exception to the sport-caught fish processing permit requirement for fish taken under the authority of a sport fishing license that are filleted on board licensed commercial passenger fishing vessels, if the fish are filleted on board the vessel prior to passenger departure.
- The proposed regulations will remove the list of permit issuing locations that currently restricts the Department's License and Revenue Branch from issuing permits at additional sites or through authorized agents or eliminating underutilized locations.
- To reduce the potential for sport-caught fish to be commercialized, the proposed regulations add a limitation to only allow same-species exchange, prohibit commercially taken or imported fish to be used in the exchange process, prohibit fish received for exchange or processing to be sold or processed for any other purpose not expressly authorized, require sport-caught fish to be stored and processed separate from commercially taken fish, add requirements for the record-keeping, and add to existing marking requirements for sport-caught fish received from sport fish license holders for exchange or processing.
- The proposed regulations will repeal current subsections prescribing the exchange process of sport-caught tuna for canned tuna, including provisions allowing processors to sell sport-caught tuna that is not returned to the angler to commercial canneries in exchange for commercially harvested canned tuna and allowing tuna not acceptable for canning to be sold for reduction purposes. The process allowing for the exchange of sport caught tuna for commercially harvested canned tuna no longer occurs and is inconsistent with the existing prohibition on the sale of sport-caught fish.
- The proposed regulations will allow the donation of sport-caught fish directly to nonprofit organizations that directly support food access or distribution, California Native American tribes, public schools, and city or county government programs that directly support food access or distribution without the sport fishing license holder being present. Requirements for recording, transporting, and labeling donations, as well as restrictions, are specified. The proposed regulations will prohibit donated fish from being sold, auctioned, raffled, or otherwise utilized for fundraising activities.
- The proposed regulations will allow permittees to transport fish to canneries or processing facilities for the purpose of canning or processing within or outside of California.
- The proposed regulations will add a new subsection to clarify the applicability of the regulation and specify that the requirements of subsections (c) Multi-licensed Business Requirements, (e) Records, (f) Transportation, and (g) Marking apply to persons who are required to hold a permit.



- The proposed regulations will specify that a sport-caught fish processing permit and or the “privilege to obtain a permit” may be suspended or revoked by the Department upon a violation of the terms or conditions of the permit, or violation of any California or federal law related to commercial fishing, recreational fishing, or the receiving, processing or sale of fish by the sport-caught fish processing permit holder, any person required to hold a sport-caught fish processing permit, or the sport-caught fish processing permit holder’s agent, servant, employee or other person acting under the permittee’s direction or control.
- Additionally, the proposed regulations will establish and clarify the Department’s notification process in the event that a sport-caught fish processing permit, or privilege to obtain a permit, is revoked or suspended, as well as clarify and establish procedures for reconsideration and appeal of such suspension or revocation.

Finally, other minor changes are proposed for clarity and consistency.

#### Benefit of the Regulations:

The proposed changes provide benefits to nonprofit organizations that directly support food access or distribution, California tribes, schools, and city/county programs that directly support food access or distribution who will be able to directly receive donations of fish, and sport fishing license holders who wish to make donations. By facilitating the donation process, all parties involved will be more able to provide and receive donations. The proposed changes also clarify several key regulations in order to ensure that sport-caught fish are not unlawfully commercialized. Removal of unnecessary detail on canned fish exchanges not only prevents commercialization but also eliminates confusion regarding how fish may be processed for a sport fishing license holder.

#### Consistency and Compatibility with Existing Regulations:

The proposed regulations are neither inconsistent nor incompatible with existing state regulations. Section 20, Article IV, 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 to the Commission the power to adopt regulations governing entities that process sport-caught fish (California Fish and Game Code Section 7121). Health and Safety Code Section 114031 requires that game animals be received from an approved source and allows the use of legally obtained donated fish by nonprofit organizations authorized to serve meals to indigent persons. Additionally, Health and Safety Code Section 114057.1, subdivision (c) requires a food facility to not use a reduced-oxygen packaging method for non-frozen fish. The Commission has reviewed its own regulations and finds that the proposed regulations are neither inconsistent nor incompatible with existing state regulations. The Commission has searched the CCR for any other regulations regarding the processing of sport-caught fish; therefore, the Commission has concluded that the proposed regulations are neither inconsistent nor incompatible with existing state regulations. The Commission has searched the Code of Federal Regulations (CFR) and, pursuant to California Government Code Section 11346.2(b)(6), has determined that the proposed regulations avoid unnecessary duplication and do not conflict with federal regulations contained in the CFR.

## Business Reporting Requirements

The Commission finds it is necessary for the welfare of the people of the state that the proposed changes to reporting requirements apply to business.

Proposed Regulatory Language

Section 231, Title 14, CCR, is amended to read:

**§ 231. Exchanging Processing of Sport-Caught Fish.**

(a) Permit. A sport-caught fish ~~exchange-processing~~ permit is required of any person, as defined in Fish and Game Code Section 67, ~~or persons who, for a fee,~~ processes exchange fresh fish taken under the authority of a sport fishing license or exchanges such fish for filleted, smoked or canned fish as provided in this section. Upon application and payment of the permit fee, \$53.25, the department shall issue such ~~permits~~ permit unless the permit or privilege to obtain a permit has been suspended or revoked pursuant to subsection (j). The 2026 permit fee is \$96.00. In subsequent years, the applicant shall pay the fee as adjusted by the department annually under the authority granted to the department through Fish and Game Code sections 713 and 1050.

(1) Permit Exception. A sport-caught fish processing permit is not required to fillet fish taken under the authority of a sport fishing license while on board a commercial passenger fishing vessel licensed pursuant to Fish and Game Code Section 7920, if the fish are filleted on board the vessel prior to passenger departure.

~~(1) Where Issued.~~ Permits shall be issued at department offices in San Diego, Seal Beach, Monterey, Eureka, Redding, and the License and Revenue Branch in Sacramento.

(2) Limitations of Permit. Permits are nontransferable.

(3) Duration of Permit. Permits shall be valid from January 1 to December 31, inclusive ~~or~~ or, if issued after the beginning of that term, for the remainder thereof.

(b) Authorized Species. Any legally taken species of sport-caught fish may be possessed for filleting, smoking or canning if the same fish is returned to the ~~angler~~ sport fishing license holder or if the fish is exchanged pound for pound, adjusted for loss during processing, ~~or exchanged according to (c) below for various tunas.~~ A reasonable fee to cover processing costs may be charged. Fish exchanged as authorized under this subsection shall be limited to the same species as submitted for exchange by the sport fishing license holder. No commercially taken or commercially imported fish may be used for the exchange process. Any fish received for exchange or processing shall not be sold for any other purpose not expressly authorized by this section. The following species may be possessed for canning only, as authorized in subsection (c) below: albacore, bluefin tuna, yellowfin tuna, bigeye tuna, skipjack, and yellowtail. For the purpose of this section, skipjack and yellowtail are included as tuna along with bigeye, bluefin and yellowfin.

~~(c) Exchange Process.~~

~~(1) Permittees may accept tuna for canning and provide in exchange one (1) six ounce can of albacore (white meat) tuna at no cost as follows:~~

~~(A) For each pound of tuna received, if the sale price of tuna to the permittee is greater than \$4,470.00 per ton.~~

~~(B) For each two (2) pounds of tuna received, if the sale price of tuna to the permittee is less than \$4,470.00, but greater than \$2,240.00 per ton.~~

~~(C) For each three (3) pounds of tuna received, if the sale price of tuna to the permittee is less than \$2,240.00, but greater than \$1,490.00 per ton.~~

~~(D) For each four (4) pounds of tuna received, if the sale price of tuna to the permittee is less than \$1,490.00, but greater than \$1,120.00 per ton.~~

~~(E) For each five (5) pounds of tuna received, if the sale price of tuna to the permittee is less than \$1,120.00, but greater than \$900.00 per ton.~~

~~(F) For each six (6) pounds of tuna received, if the sale price of tuna to the permittee is less than \$900.00, but greater than \$750.00 per ton.~~

~~(G) For each seven (7) pounds of tuna received, if the sale price of tuna to the permittee is less than \$750.00, but greater than \$640.00 per ton.~~

~~(H) For each eight (8) pounds of tuna received, if the sale price of tuna to the permittee is less than \$640.00, but greater than \$560.00 per ton.~~

~~(I) For each nine (9) pounds of tuna received, if the sale price of tuna to the permittee is less than \$560.00, but greater than \$500.00 per ton.~~

~~(J) For each ten (10) pounds of tuna received, if the sale price of tuna to the permittee is less than \$500.00, but greater than \$450.00 per ton.~~

~~(K) For each eleven (11) pounds of tuna received, if the sale price of tuna to the permittee is less than \$450.00, but greater than \$410.00 per ton.~~

~~(L) For each twelve (12) pounds of tuna received, if the sale price of tuna to the permittee is less than \$410.00, but greater than \$370.00 per ton.~~

~~(2) Permittees may accept tuna for canning and provide in exchange one (1) six ounce can of yellowfin (light meat) tuna at no cost as follows:~~

~~(A) For each one (1) pound of tuna received, if the sale price of tuna to the permittee is greater than \$2,280.00 per ton.~~

~~(B) For each two (2) pounds of tuna received, if the sale price of tuna to the permittee is less than \$2,280.00, but greater than \$1,140.00 per ton.~~

~~(C) For each three (3) pounds of tuna received, if the sale price of tuna to the permittee is less than \$1,140.00, but greater than \$760.00 per ton.~~

~~(D) For each four (4) pounds of tuna received, if the sale price of tuna to the permittee is less than \$760.00, but greater than \$570.00 per ton.~~

~~(E) For each five (5) pounds of tuna received, if the sale price of tuna to the permittee is less than \$570.00, but greater than \$460.00 per ton.~~

~~(F) For each six (6) pounds of tuna received, if the sale price of tuna to the permittee is less than \$460.00, but greater than \$380.00 per ton.~~

~~(G) For each seven (7) pounds of tuna received, if the sale price of tuna to the permittee is less than \$380.00, but greater than \$330.00 per ton.~~

~~(H) For each eight (8) pounds of tuna received, if the sale price of tuna to the permittee is less than \$330.00, but greater than \$290.00 per ton.~~

~~(I) For each nine (9) pounds of tuna received, if the sale price of tuna to the permittee is less than \$290.00, but greater than \$260.00 per ton.~~

~~(J) For each ten (10) pounds of tuna received, if the sale price of tuna to the permittee is less than \$260.00, but greater than \$230.00 per ton.~~

~~(K) For each eleven (11) pounds of tuna received, if the sale price of tuna to the permittee is less than \$230.00, but greater than \$210.00 per ton.~~

~~(L) For each twelve (12) pounds of tuna received, if the sale price of tuna to the permittee is less than \$210.00, but greater than \$190.00 per ton.~~

~~(3) Cans of fish exchanged shall be indelibly marked or embossed with "Not for Sale" or "Illegal to Sell".~~

~~(4) Fish received for processing under this subsection may only be used for canning. Tuna, except yellowtail, not returned to the angler may be canned and sold or sold to a cannery for the purpose of canning. Tuna not acceptable for canning may be sold for reduction purposes. Yellowtail must be donated to a non-profit charitable institution for food purposes only and may be fresh or processed.~~

~~(d) Species Limitation. Salmon may only be exchanged for salmon. Striped bass may only be exchanged for striped bass. Tuna may only be exchanged for tuna.~~

(c) Multi-licensed Business Requirements. For persons with both a sport-caught fish processing permit and a fish business license pursuant to Fish and Game Code Section 8030, commercially taken fish shall be stored and processed separately from sport-caught fish received for exchange or processing under authority of this section. Fish received from sport fishing license holders for exchange or processing must be clearly marked as described in subsection (g). Pursuant to Fish and Game Code Section 7121, no sport-caught fish may be sold for sale at any time.

(d) Donating Processed Fish.

(1) Notwithstanding subsection (b), when a sport fishing license holder delivers any legally taken sport-caught fish to a person or business permitted for sport-caught fish processing pursuant to this section, the sport fishing license holder may allow a portion or all of the processed fish to be donated. If the license holder elects to donate processed fish, the fish must be transferred directly from the sport-caught fish processing permit holder to one or more authorized recipients. Authorized recipients of the donation are limited to the following:

(A) A nonprofit organization, as defined in Fish and Game Code Section 1405, that directly supports food access or distribution.

(B) Any California Native American tribe, as defined in Section 21073 of the Public Resources Code.

(C) A public school within a California unified school district as defined in Education Code Section 83.

(D) A California city or county government program that directly supports food access or distribution.

(2) Fish processed for donation may be transported to the nonprofit organization, tribe, school, or city/county program by the sport-caught fish processing permit holder or a person designated by the nonprofit organization, tribe, school, or city/county program.

(3) Consistent with Fish and Game Code Section 7121, any sport-caught fish donated to a nonprofit organization, tribe, school, or city/county program pursuant to this subsection shall not be sold, auctioned, raffled, or otherwise utilized for any fundraising activities, including but not limited to silent auctions, live auctions, lotteries, and fundraising dinners where the item is a prize, or as an incentive for monetary contributions.

(4) The sport-caught fish processing permit holder shall indicate on the record described in subsection (e) the species, number of pounds to be donated, and name and address of the specified nonprofit organization, tribe, school, or city/county program to receive the fish. Any fish stored by the sport-caught fish processing permit holder for donation shall be clearly labeled "for donation" with a copy of the record described in subsection (e) attached to the donated fish. All copies of records labeling the donated fish shall remain attached to the fish until prepared for immediate consumption.

(e) Records.

(1) Immediately upon receiving fish, a permittee sport-caught fish processing permit holder shall record the ~~name, name and address and fishing license number~~ of the ~~angler, sport fishing license holder,~~ the date the fish were ~~received and received,~~ the number and weight of all fish by species received from that ~~angler sport fishing license~~

holder, and a written statement, signed by the sport fishing license holder, affirming that “all fish were legally taken under the authority of a sport fishing license.”

(2) At the time the fish are returned to the angler a sport fishing license holder or donated to a nonprofit organization, tribe, school, or city/county program, or otherwise disposed of, the permittee the sport-caught fish processing permit holder shall record the species and weight of the fish returned or donated, and date of return or donation. or if If not returned to the angler sport fishing license holder or donated, the sport-caught fish processing permit holder shall record the disposition of the fish, and the date of return or disposition. Upon request, the weight of each species of fish shall be recorded by the sport-caught fish processing permit holder.

(3) Any sport-caught fish processing permit holder selling offal pursuant to Fish and Game Code Section 7232, must keep records as required by Fish and Game Code Section 8050.

(4) Sport-caught fish processing permit holders Permittees shall keep and maintain all records required by these regulations at their place of business for three years and shall make them available to authorized department personnel upon demand.

(f) Transportation. Sport-caught fish processing permit holders Permittees may transport or provide for the transportation of tuna fish to canneries or processing facilities for the purpose of canning or processing outside of California. Fish being transported shall be accompanied by a bill of lading, waybill, invoice or similar accountable document showing the name and address of the consignor, the name and address of the consignee consignee, and a listing of all fish by species species, and the number or weight of each species.

(g) Marking.

(1) Marking of Fish. All Immediately upon receipt, all sport-caught fish shall be marked by the sport-caught fish processing permit holder permittee by removing the entire upper lobe of the tail. This marking shall be done in the presence of the person delivering such fish. Fish so marked shall be kept separate from commercially taken fish until transported to a cannery or processing facility processed.

(2) Marking of Processed Fish. In addition to the marking requirements of Fish and Game Code Section 7230, all individual packages or cans of processed fish shall be marked with the species name and all processed fish shall be maintained in packages, cans, containers, or boxes clearly marked as “not to be sold.” If canned or smoked, individual cans or packages shall be clearly marked as “not to be sold.” Packages, cans, containers, or boxes of fish so marked shall be kept separate from commercially taken fish until returned to the sport fishing license holder or donated to a nonprofit organization, tribe, school, or city/county program.



(h) Waste. It shall be unlawful for any person to allow the deterioration or waste of any sport-caught fish.

(i) Persons required to hold a sport-caught fish processing permit, pursuant to this section, shall also comply with subsections (c), (e), (f), and (g) of this section.

(j) Revocation or Suspension of Permits.

(1) Any A sport-caught fish processing permit and/or privilege to obtain a permit may be revoked or suspended by the ~~commission~~ department, consistent with the following:

(A) A person violates the terms or conditions of the sport-caught fish processing permit, or the person violates federal law, provisions of the Fish and Game Code, or any regulation adopted pursuant thereto related to commercial fishing, recreational fishing, or the receiving, processing or sale of fish.

(B) The person is a sport-caught fish processing permit holder, any person required to hold a sport-caught fish processing permit, or the sport-caught fish processing permit holder's upon a violation by the permittee or the permittee's agent, servant, employee or person acting under the permittee's direction or control of any provision of these regulations or of the provisions of the Fish and Game Code relating to the receiving, processing or sale of fish taken under authority of a sport fishing license.

(C) Process. The department shall notify the sport-caught fish processing permit holder or person of any permit revocation or suspension action in writing via certified mail. The notice shall include the name of the permit holder or person, any permit identification number(s), a description of the reasons for the revocation or suspension, the required disposition of wildlife, and the permit holder or person's right to request and detailed instructions to submit a request for reconsideration of the department's action.

(2) Requests for Reconsideration. Any permit holder or person who receives a notice of revocation or suspension may submit a written request for reconsideration to the department no later than 30 calendar days following receipt of the detailed instructions, and shall set forth the reasons for the requested reconsideration. The department shall consider any information submitted with the request and, within 60 calendar days of receipt of the request, may reverse or amend its decision, including based upon a mistake of fact, a mistake of law, or because the permit holder or person takes corrective actions pursuant to an agreement with the department.

(3) Appeals. Any sport-caught fish processing permit holder or person whose permit or privilege to obtain a permit has been suspended or revoked by the department, and whose permit or privilege to obtain a permit was not reinstated after reconsideration by the department, may appeal the suspension or revocation to the commission. The request for appeal must be received by the commission in writing no later than 30 calendar days after the date of receipt of notice from the department of its reconsideration decision. Appeals shall be sent to the commission at [fgc@fgc.ca.gov](mailto:fgc@fgc.ca.gov) or



P.O. Box 944209, Sacramento, California, 94244-2090. The commission shall not consider a request for appeal that is received after the 30-calendar-day deadline.

NOTE: Authority cited: Sections 200, ~~205, 265~~, 713, 5510, 7121, 7230 and 7232, ~~7704 and 7708~~, Fish and Game Code.

Reference: Sections 200, ~~201, 265~~, 1050, 5510, 7121, 7230 and 7232, ~~7704 and 7708~~, Fish and Game Code.

**ECONOMIC IMPACT STATEMENT**

DEPARTMENT NAME <b>California Fish and Game Commission</b>	CONTACT PERSON <b>David Thesell</b>	EMAIL ADDRESS <b>fgc@fgc.ca.gov</b>	TELEPHONE NUMBER <b>916-201-6201</b>
DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400 <b>Amend Section 231, Title 14, CCR re: Processing and Donating Sport-Caught Fish</b>			NOTICE FILE NUMBER <b>Z</b>

**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 type="checkbox"/> f. Imposes prescriptive instead of performance |
| <input type="checkbox"/> c. Impacts jobs or occupations                  | <input checked="" 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 California Fish and Game Commission 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: 54

Describe the types of businesses (Include nonprofits): Fish processors

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

4. Enter the number of businesses that will be created: 0 eliminated: 0

Explain: Costs to process are covered by fisher who caught the fish, see addendum.

5. Indicate the geographic extent of impacts:  Statewide  
 Local or regional (List areas): \_\_\_\_\_

6. Enter the number of jobs created: 0 and eliminated: 0

Describe the types of jobs or occupations impacted: No jobs are impacted: the proposed regulations do not impose requirements, actions, or restrictions that would affect workers, nor do they induce costs that would affect labor. See addendum.

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  NO

If YES, explain briefly: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**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? \$ 0
- a. Initial costs for a small business: \$ 0 Annual ongoing costs: \$ 0 Years: 3
- b. Initial costs for a typical business: \$ 0 Annual ongoing costs: \$ 0 Years: 3
- c. Initial costs for an individual: \$ 0 Annual ongoing costs: \$ 0 Years: 3
- d. Describe other economic costs that may occur: No economic costs as a result of this proposed regulation; sport fishing license holders already pay to process the fish, which covers the cost to the processor. See addendum.
2. If multiple industries are impacted, enter the share of total costs for each industry: 100% of the impact is to fish processors.
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.* \$ 0
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: No comparable federal regulations. Regulations are needed to simplify the process for donating sport-caught fish and to address concerns from Law Enforcement.  
Enter any additional costs to businesses and/or individuals that may be due to State - Federal differences: \$ 0

**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: Allows for direct donation of fish by a processor to a nonprofit organization, school, tribe, or program administered by a city or county government on behalf of the sport fishing license holder who caught the fish. See addendum.
2. Are the benefits the result of:  specific statutory requirements, or  goals developed by the agency based on broad statutory authority?  
Explain: FGC Section 7121 delegates the authority to the Commission regulate entities that process sport-caught fish.
3. What are the total statewide benefits from this regulation over its lifetime? \$ 0 (see addendum)
4. Briefly describe any expansion of businesses currently doing business within the State of California that would result from this regulation: None. Donated sport-caught fish cannot be sold for commercial use, and the cost of processing is covered by the angler who donated the fish. Because there are no imposed costs or expansion of markets, the proposed regulation is economically neutral and will not affect the expansion of businesses.

**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: See addendum for full description.

**ECONOMIC IMPACT STATEMENT (CONTINUED)**

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

Regulation: Benefit: \$ 0 Cost: \$ 0  
Alternative 1: Benefit: \$ 0 Cost: \$ 0  
Alternative 2: Benefit: \$ \_\_\_\_\_ Cost: \$ \_\_\_\_\_

3. Briefly discuss any quantification issues that are relevant to a comparison of estimated costs and benefits for this regulation or alternatives: There are no direct cost impacts from the proposed regulation or the no-change alternative, nor are there any quantifiable monetary benefits that are directly caused by the proposed regulations.

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: Performance standards would not have the same regulatory effect on streamlining the process to allow for the direct donation of sport-caught fish, nor would they address outdated details in the regulatory text that are fixed by this action.

**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: Sport-caught fish is illegal to sell for commercial use, and the cost of processing is covered by the sport fishing license holder who donated the fish. The economic neutrality of the proposed regulations will not cause any change in investment in the state.

The incentive for innovation in products, materials or processes: The proposed regulations to allow for the donation of sport-caught fish are unlikely to change the incentive for innovation as there is no legal obtainable profit from the donation of sport-caught fish that would spur innovation.

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: There are no anticipated benefits to the health, safety, and welfare of California residents, worker safety, or the state's environment.

**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 \_\_\_\_\_  
\_\_\_\_\_

**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)

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

*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 \_\_\_\_\_  
 \_\_\_\_\_

**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

DATE



*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

DATE



*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



## STD. 399 Addendum

### Amend Section 231 Title 14, California Code of Regulations Regarding Processing and Donating Sport-Caught Fish

#### Background

The proposal amends Section 231 to rename the section to “Processing of Sport-Caught Fish,” rename the permit to sport-caught fish processing permit, allow sport-caught fish processing permit holders to donate fish directly to nonprofit organizations that directly support food access or distribution, California Native American tribes, public schools, and city or county government programs that directly support food access or distribution, reduce the potential for sport-caught fish to be commercialized, update the permit suspension and revocation process, and clarify existing regulations.

The proposed amendments represent the cumulation of the California Department of Fish and Wildlife’s (Department) internal discussions as well as input from the Department’s Law Enforcement Division (LED).

The proposed changes are as follows:

- The proposed regulations will change the title of the section from “Exchanging of Sport-Caught Fish” to “Processing of Sport-Caught Fish,” update the permit fee and permit title, and specify that a permit shall be issued unless the permit or privilege to obtain a permit has been suspended or revoked.
- The proposed regulations will clarify permit applicability and add an exception to the sport-caught fish processing permit requirement for fish taken under the authority of a sport fishing license that are filleted on board licensed commercial passenger fishing vessels if the fish are filleted on board the vessel prior to passenger departure.
- The proposed regulations will remove the list of permit issuing locations that currently restricts the Department’s License and Revenue Branch from issuing permits at additional sites or through authorized agents or eliminating underutilized locations.
- To reduce the potential for sport-caught fish to be commercialized, the proposed regulations add a limitation to only allow same-species exchange, prohibit commercially taken or imported fish to be used in the exchange process, prohibit fish received for exchange or processing to be sold or processed for any other purpose not expressly authorized, require sport-caught fish to be stored and processed separate from commercially taken fish, add requirements for the record-keeping, add to existing marking requirements for sport-caught fish received from sport fish license holders for exchange or processing.
- The proposed regulations will repeal current subsections prescribing the exchange process of sport-caught tuna for canned tuna, including provisions allowing processors to sell sport-caught tuna that is not returned to the angler to commercial canneries in exchange for commercially harvested canned tuna and allowing tuna not acceptable for canning to be sold for reduction purposes. The process allowing for the exchange of

sport caught tuna for commercially harvested canned tuna no longer occurs and is inconsistent with the existing prohibition on the sale of sport-caught fish.

- The proposed regulations will allow the donation of sport-caught fish directly to nonprofit organizations that directly support food access or distribution, California Native American tribes, public schools, and city or county government programs that directly support food access or distribution without the sport fishing license holder being present. Requirements for recording, transporting, and labeling donations, as well as restrictions, are specified. The proposed regulations will prohibit donated fish from being sold, auctioned, raffled, or otherwise utilized for fundraising activities.
- The proposed regulations will allow permittees to transport fish to canneries or processing facilities for the purpose of canning or processing within or outside of California.
- The proposed regulations will add a new subsection to clarify the applicability of the regulation and specify that the requirements of subsections (c) Multi-licensed Business Requirements, (e) Records, (f) Transportation, and (g) Marking apply to persons who are required to hold a permit.
- The proposed regulations will specify that a sport-caught fish processing permit and or the “privilege to obtain a permit” may be suspended or revoked by the Department upon a violation by the sport-caught fish processing permit holder, any person required to hold a sport-caught fish processing permit, or the sport-caught fish processing permit holders agent, servant, employee or other person acting under the permittee’s direction or control.
- Additionally, the proposed regulations will establish and clarify the Department’s notification process in the event that a sport-caught fish processing permit, or privilege to obtain a permit, is revoked or suspended, as well as clarify and establish procedures for reconsideration and appeal of such suspension or revocation.

## **Economic Impact Statement**

### ***Section A. Estimated Private Sector Cost Impacts***

#### **Question 4. Number of businesses that will be created or eliminated.**

None. It is prohibited for sport-caught fish to be sold commercially, and the costs for processing are borne by the sport fishing license holder who caught the fish, so processing businesses do not face any increased costs besides the adjustment of the permit fee. The reporting requirement added by the proposed regulations will require processors to add the species name to the labels they already create for each individual package/can of fish and will require processors to add the words “not to be sold” to the labels they already create for packages of filleted fish. These new markings can be done with a permanent marker instead of printing, but this will not create a significant difference in labor hours that would impose new costs to processors. Similarly, the marking requirement for fish received for donation to be labeled “for donation” is not expected to adversely impact a sport-caught fish processing permit holder’s operations. The new record keeping requirements for donated fish may add a minute or two to processing the donated fish, but it is unlikely to expand the existing labor



requirements or costs of processing in a way that will adversely impact those businesses, as the activity would be folded into their existing procedures that require gathering similar information. While the baseline for the permit fee is being reset to \$96 (which is the current 2026 fee as adjusted per the procedure set by Fish and Game Code (FGC) Section 713), it does not change the amount that permittees must pay in the current year or the mechanism for annual adjustments set by FGC Section 713. Thus, the proposed regulations do not impose a direct cost impact that would incentivize new businesses to be created or existing businesses to be eliminated.

The process for the fee's annual increases is documented in Table 1: Permit Fee Increases for Sport Fish Processing Permit in the Fiscal Impact Statement.

#### **Question 6. Number of jobs that will be created or eliminated.**

None. The reporting requirement added by the proposed regulations will require processors to add the species name to the labels they already create for each individual package/can of fish and will require processors to add the words "not to be sold" to the labels they already create for packages of filleted fish. These new markings can be done with a permanent marker instead of printing. It is not anticipated that this will create a significant difference in labor hours that would impose new costs to processors that would affect employment levels within the state. Similarly, the marking requirement for fish received for donation to be labeled "for donation" is not expected to adversely impact a sport-caught fish processing permit holder's operations. The new record keeping requirements for donated fish may add a minute or two to processing the donated fish, but it is unlikely to expand the existing labor requirements or costs of processing in a way that will adversely impact those businesses, as the activity would be folded into their existing procedures that require gathering similar information. While the baseline for the fee is being reset to \$96 (which is the current 2026 fee as adjusted per the procedure set by FGC Section 713), it does not change the amount that permittees must pay in the current year or the mechanism for annual adjustments set by FGC Section 713, thus it does not impose a direct cost impact that would affect a business's operations in a way that would cause them to add or eliminate jobs.

#### ***Section B. Estimated Costs***

##### **Question 1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime?**

The Commission does not anticipate any cost impacts to private individuals or to businesses as a result of the proposed regulatory action. The marking requirement for packages and cans of fish added by the proposed regulations will require processors to add the species name to the labels they already create for each individual package/can of fish and will require processors to add the words "not to be sold" to the labels they already create for packages of filleted fish. These new markings can be done with a permanent marker instead of printing, but this will not create a significant difference in labor hours that would increase a processor's operational costs. Similarly, the marking requirement for fish received for donation to be labeled "for donation" is not expected to adversely impact a processor's operations. The new record keeping requirements for donated fish may add a minute or two to processing the

donated fish, but this is unlikely to expand the existing labor requirements or costs of processing in a way that adversely impacts those businesses, as similar information is already gathered. While the baseline for the fee is being reset to \$96 (which is the current 2026 fee as adjusted per the procedure set by FGC Section 713), it does not change the amount that permittees must pay in the current year or the mechanism for annual adjustments set by FGC Section 713, thus it does not impose a direct cost impact. The proposed changes are not anticipated to create any new direct cost for businesses and individuals to bear.

### ***Section C. Estimated Benefits***

#### **Question 1. Briefly summarize the benefits of the regulation.**

The proposed changes provide benefits to nonprofit organizations, schools, tribes, and programs administered by city or county governments, who will be able to directly receive donations of fish, and to sport fishing license holders who wish to make donations. By facilitating the donation process, all parties involved will be more able to provide and receive donations. The proposed changes also clarify several key regulations in order to ensure that sport-caught fish are not unlawfully commercialized. Removal of unnecessary detail on canned fish exchanges not only prevents commercialization but also eliminates confusion regarding how fish may be processed for a sport fishing license holder.

#### **Question 3. What are the total statewide benefits from this regulation over its lifetime?**

\$0. There are no quantifiable monetary benefits from the proposed regulation, as sport-caught fish has no commercial value and modifying the regulations to allow for the direct donation of sport-caught fish to a nonprofit organization, school, tribe, or to programs administered by city or county governments will not create new avenues for revenue. Additionally, the proposed regulations will prohibit donated fish from being sold, auctioned, raffled, or otherwise utilized for fundraising activities.

### ***Section D. Alternatives to the Regulation***

#### **Question 1. List all alternatives considered and describe them below. If no alternatives were considered, explain why not:**

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

Without the proposed changes, the outstanding issues concerning the inability for nonprofit organizations, schools, tribes, and programs administered by city or county governments to directly receive donations of fish would remain unaddressed. Additionally, the potential for unlawful commercialization of sport-caught fish would remain unaddressed. Further, without these changes, several unnecessary and outdated details would remain, which would prevent the regulations from being as up to date as possible and would contribute to the growing confusion surrounding these regulations from the public and sport fishing license holders.

## Fiscal Impact Statement

### Section B. Fiscal Effect on State Government

Answer: 3. No fiscal impact exists. This regulation does not affect any State agency or program.

While the baseline for the fee is being reset to \$96 (which is the current 2026 fee as adjusted per the procedure set by FGC Section 713), from the baseline of \$50.75 established in 2006, it does not change the amount that permittees must pay in the current year or the mechanism for annual adjustments set by FGC Section 713, which states:

(a) The changes in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, as published by the United States Department of Commerce, shall be used as the index to determine an annual rate of increase or decrease in the fees for licenses, stamps, permits, tags, or other entitlements issued by the department.

(b) (1) The department shall determine the change in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, as published by the United States Department of Commerce, for the quarter ending March 31 of the current year compared to the quarter ending March 31 of the previous year. The relative amount of the change shall be multiplied by the current fee for each license, stamp, permit, tag, or other entitlement issued by the department.

(2) The product shall be rounded to the nearest twenty-five cents (\$0.25), and the resulting amount shall be added to the fee for the current year. The resulting amount shall be the fee for the license year beginning on or after January 1 of the next succeeding calendar year for the license, stamp, permit, tag, or other entitlement that is adjusted under this section.

This annual adjustment process using the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, as published by the United States Department of Commerce (IPD) is documented in Table 1: Permit Fee Increases for Sport Fish Processing Permit.

**Table 1: Permit Fee Increases for Sport Fish Processing Permit**

<b>Year</b>	<b>Previous Year's Fee</b>	<b>IPD</b>	<b>Previous Year's Fee x IPD</b>	<b>Rounded Product (0.25)</b>	<b>Year Fee</b>
<b>2006</b>	\$50.75	0.050577	2.567	2.50	<b>\$53.25</b>
<b>2007</b>	\$53.25	0.065612	3.494	3.50	<b>\$56.75</b>
<b>2008</b>	\$56.75	0.042653	2.421	2.50	<b>\$59.25</b>
<b>2009</b>	\$59.25	0.061966	3.671	3.75	<b>\$63.00</b>
<b>2010</b>	\$63.00	0.008595	0.541	0.50	<b>\$63.50</b>
<b>2011</b>	\$63.50	0.016801	1.067	1.00	<b>\$64.50</b>
<b>2012</b>	\$64.50	0.028258	1.823	1.75	<b>\$66.25</b>
<b>2013</b>	\$66.25	0.026092	1.729	1.75	<b>\$68.00</b>
<b>2014</b>	\$68.00	0.011543	0.785	0.75	<b>\$68.75</b>
<b>2015</b>	\$68.75	0.013203	0.908	1.00	<b>\$69.75</b>
<b>2016</b>	\$69.75	0.000063	0.004	0.00	<b>\$69.75</b>
<b>2017</b>	\$69.75	0.002690	0.188	0.25	<b>\$70.00</b>
<b>2018</b>	\$70.00	0.029136	2.040	2.00	<b>\$72.00</b>
<b>2019</b>	\$72.00	0.032491	2.339	2.25	<b>\$74.25</b>
<b>2020</b>	\$74.25	0.022111	1.642	1.75	<b>\$76.00</b>
<b>2021</b>	\$76.00	0.030490	2.317	2.25	<b>\$78.25</b>
<b>2022</b>	\$78.25	0.027313	2.137	2.25	<b>\$80.50</b>
<b>2023</b>	\$80.50	0.084779	6.825	6.75	<b>\$87.25</b>
<b>2024</b>	\$87.25	0.055226	4.818	4.75	<b>\$92.00</b>
<b>2025</b>	\$92.00	0.017863	1.643	1.75	<b>\$93.75</b>
<b>2026</b>	\$93.75	0.025251	2.367	2.25	<b>\$96.00</b>



## Proposed Regulations – Donation of Sport-Caught Fish

*11 December 2025*

*Presented to:*

**CA Fish and Game Commission**

*Presented by:*

**Capt. Daniel Lengning**

**Marine Enforcement Division**



# Petition – 2023-10

- Petition 2023-10 to amend subsection 231(b)
  - Allow sport fishing license holders who exchange fish for processing to donate fish directly to charity
  - Current regulations specify fish exchanged must be “returned to the angler”
- June 19-20, 2024, the Commission granted the petition for consideration in a future rulemaking under specific conditions recommended by the California Department of Fish and Wildlife



# Current Regulations – Section 231 T14

- Allows exchange for filleting, smoking or canning **if the same fish is returned to the angler or exchanged pound for pound**, adjusted for processing loss
  - Historically used to exchange large tuna catch for canned fish
- Prescribes the exchange process based on a sliding scale exchange rate
  - Allows processors to sell sport caught fish tuna that is not returned to the angler to canneries
  - Requires yellowtail not returned to the angler to be donated to “...a non-profit charitable institution for food purposes only and may be fresh or processed.”





# Internal Review

- Determined processors no longer exchange in this manner
- Discovered several inconsistencies with prohibition on sales of sport-caught fish
- Discussed proposed changes with SAC and current permit holders
- Proposed multiple changes to bring section up-to-date and address enforcement challenges



# Proposed Changes - 1

- Update Section title to match permit:
  - Processing of Sport-Caught Fish
- Clarify that this permit is NOT required to fillet fish onboard CPFV
- Specify that any species of sport-caught fish may be processed with this permit
- Repeal provisions on exchanging for cans from other fish



## Proposed Changes - 2

- Update and clarify marking requirements
  - Ensure fish are not commercialized
- Allow donation directly to identified organizations
  - Original angler need not receive and transport
  - Allows for transportation to non-profit from processor
- Implement record keeping requirements
- Allow for transport of any species under the permit



# Donation Recipients

Identified organizations include:

Non-profit Organizations

Any California Native American Tribe

Public schools/lunch programs

California city/municipal programs



# Outreach Efforts

- Tribal Outreach
- Meeting with Sport Fish Exchange Processors



# Proposed Timeline

December 11, 2025

- Notice Hearing
  - Request regulatory notice and FMP Amendment process

February 11, 2026

- Discussion Hearing/Adoption Hearing

July 1, 2026

- Expected Effective Date

# Thank You

