

MAJOR REGULATIONS STANDARDIZED REGULATORY IMPACT ASSESSMENT SUMMARY

DF-131 (NEW 11/13)

STANDARDIZED REGULATORY IMPACT ASSESSMENT SUMMARY

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<p>1. Statement of the need for the proposed major regulation.</p> <p>Senate Bill 1309 (SB 1309; Fisheries Omnibus Bill of 2018, McGuire), signed into law on September 30, 2018, amended and added several Fish and Game Code (FGC) sections to require adjustments to the commercial Dungeness crab fishery. The addition of Section 8276.1 provides in part the framework for regulatory action to reduce the risk of marine life entanglement. FGC Section 8276.1 requires CDFW, in consultation with the Working Group and other stakeholders, to adopt regulations establishing criteria and protocols to evaluate and respond to potential risk of marine life entanglement. The RAMP regulation proposes to add Section 132.8 to Title 14, CCR and is required to be effective no later than November 1, 2020.</p>		
<p>2. The categories of individuals and business enterprises who will be impacted by the proposed major regulation and the amount of the economic impact on each such category.</p> <p>Dungeness crab permit holders/vessel operators and deckhands would be the businesses and individuals (100%) directly affected should implementation of the proposed RAMP management actions limit fishing opportunity. CDFW records show that there are 553 Dungeness crab vessel permits with about 450-470 of these actively used per Dungeness crab season. A crew consists of a skipper who captains the vessel and typically between 1 and 3 crewmembers who deploy the traps and the crab block to pick up traps and collect and sort legal crab from the catch. Permit holders are classified by tiers that allow for a certain number of traps per fisherman.</p>		
<p>3. Description of all costs and all benefits due to the proposed regulatory change (calculated on an annual basis from estimated date of filing with the Secretary of State through 12 months after the estimated date the proposed major regulation will be fully implemented as estimated by the agency).</p> <p>The costs of RAMP are anticipated to cost the Department of Fish and Wildlife an estimated \$509,129 in ongoing annual implementation and enforcement expenditures along with an estimated \$0 to \$61.8 million in Landings Fee revenue losses. The costs in terms of Direct Expenditure losses are estimated to range from \$0 to \$61.8 million resulting in Total Economic Output losses to the State estimated to range from \$0 to \$119.6 million through a 12 month period with full implementation.</p> <p>The benefits of preventing the entanglement of 50%, 75% and 100% of the average number of recorded entanglements, constitute an estimated \$1,323,100 to \$3,552,590 in readily monetized value. This estimated \$1.3 to \$3.6 million in avoided bycatch of marine life can be characterized as the dollar benefit of the RAMP program.</p>		
<p>4. Description of the 12-month period in which the agency estimates the economic impact of the proposed major regulation will exceed \$50 million.</p> <p>The proposed RAMP regulations could result in economic and fiscal impacts if the implementation of management actions result in reductions in the quantity of Dungeness crab commercially harvested. The proposed RAMP regulation is determined to be a major regulation because it is possible that within the first twelve months following full implementation (from November 2020 to November 2021) of Scenario 4(c) (delays in the start of the fishing season, combined with 50% gear reduction) and Scenario 5 (full fishery closure), the economic impact for California businesses and individuals may exceed \$50 million. The economic impact is estimated as a result of economic loss in revenue by the directly affected and supporting businesses and individuals.</p>		

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5. Description of the agency's baseline:

This assessment evaluates the economic and fiscal impacts of the proposed RAMP regulation against commercial Dungeness crab landings data using the ex-vessel value - the total dollar amount received by fishermen for the amount of crab they harvest and then bring to the dock and sell to fish buyers (calculated as pounds of crab landed times the market price). The scheduled commercial Dungeness crab season is from November 15 to June 30 in the CMA and from December 1 to July 15 in the NMA. However, even absent the proposed RAMP regulation, two factors (quality and domoic acid) may delay the start of the Dungeness crab fishing season. This assessment incorporates the effect of those factors into the status quo (SQ) for the fishery; status quo determines the baseline for this economic assessment.

6. For each alternative that the agency considered (including those provided by the public or another governmental agency), please describe:

- a. All costs and all benefits of the alternative
- b. The reason for rejecting alternative

Given the extensive number of alternatives considered in the Working Group collaborations and challenges in monetizing the impact of environmental management actions, the reasons for not pursuing the alternatives considered is discussed in the SRIA pgs. 33-36.

7. A description of the methods by which the agency sought public input. (Please include documentation of that public outreach).

CDFW sought input from the Working Group on an ongoing basis as these regulations were developed. The Working Group has several project teams, including gear innovation, communication, aerial/vessel surveys, and electronic monitoring. The Working Group has created a Best Management Practices document for the commercial and recreational Dungeness crab fishery, with guidance on voluntary measures fishermen may take to help reduce the risk of whale entanglement. The Working Group developed a pilot RAMP to assess circumstances where entanglement risk may be elevated and provide recommendations on appropriate management actions to the Director. The pilot RAMP program developed by the Working Group is the basis for the proposed regulations. See the SRIA Appendix for dates and outcomes from the Working Group collaborations.

8. A description of the economic impact method and approach (including the underlying assumptions the agency used and the rationale and basis for those assumptions).

All costs to the economy due to the proposed regulatory change are calculated on an annual basis through a full fishery season (7 to 7.5 months potentially open and 4.5 to 5 months off-season) up to a full 12 month period after the proposed regulation is fully implemented. With the baseline of the state's Dungeness crab fishery ex-vessel value specified, the projected changes in harvest ex-vessel value (which represents direct expenditures) are then utilized to estimate the total economic and fiscal impacts with COFHE multipliers derived with IMPLAN social accounting matrices (Minnesota IMPLAN Group).

Agency Signature

original signature on file

Date

3/5/2020

Agency Head (Printed)