

State of California

Memorandum

Date: April 25, 2007

To: John Carlson, Jr.
Executive Director
Fish and Game Commission

From: **L. RYAN BRODDRICK, Director**
Department of Fish and Game

Subject: Estimate of Commercial Fishing Costs vs. Revenues

In past months, representatives of the marine recreational fishing industry have requested the Commission examine the Department's compliance with the directive contained in Fish and Game Code Section 711. This statute specifies that "*The costs of commercial fishing programs shall be provided out of revenues from commercial fishing taxes, license fees, and other revenues...*" These requests have come to the Commission at meetings of the Marine Resources Committee, under the public forum agenda item at Commission meetings, and in discussions surrounding commercial squid and halibut permit fees.

In response to these requests, the Commission has asked the Department to provide an estimate of all its current expenditures on commercial fishery monitoring, management, enforcement and assessment programs. Scrutinizing commercial costs on a Department-wide basis is also consistent with the Department's heightened efforts to maintain transparency regarding its budgeting and accounting practices.

The Department's summary of the best available information regarding both costs and revenues follows for all commercial fishing activities in California, as well as important information regarding the limited authority the Commission presently has to collect revenue from commercial fishing operations.

In considering compliance with Section 711, the Commission has indicated its intent to address commercial permit fees in a comprehensive manner, rather than piecemeal, so that no one commercial fishery is seemingly "singled out" and financially scrutinized while other fisheries are not held to similar standards.

However, several of the commercial fishery permit fees were established by the Legislature over a period of many years. About 90 percent of the commercial licenses and permits presently issued by the Department have fees that were established by

statute. These fees remain under Legislative authority, even though in some cases the Commission has been subsequently granted partial or total management authority over the fishery. Additionally, since the Legislature retains exclusive authority for establishing or adjusting landings tax rates, the Commission does not have ability to use it as a mechanism to generate additional funding.

Therefore, while the Commission may wish to address the commercial permit fee issue comprehensively in recognition of Section 711, to do so, action from the Legislature itself would be required.

Landings Tax Revenues

As specified in Fish and Game Code Section 8051, last amended in 1993, taxes on fish commercially landed in California range between 0.13 cents per pound and 5 cents per pound, depending on the species.

In 2005, the Department received approximately \$1.13 million in landings tax revenues from all commercial fisheries, as itemized below. The total ex-vessel value of all California commercial fisheries was approximately \$109 million in 2005, meaning that tax revenues received by the Department equal about one percent of the total ex-vessel value.

2005 Tax and Revenue Statistics, by Fishery

<u>Species</u>	<u>Tax Rate Per Pound</u>	<u>Pounds Landed</u>	<u>Tax Generated</u>	<u>Average Price Paid Per Pound*</u>	<u>Ex-Vessel Value**</u>
Sardines	\$0.0063	76,169,401	\$479,867	\$0.04	\$3,141,606
Squid	\$0.0019	122,832,213	\$233,381	\$0.26	\$31,453,243
Salmon	\$0.05	4,328,160	\$216,408	\$2.97	\$12,840,558
Anchovies	\$0.0013	24,650,453	\$32,046	\$0.04	\$1,091,759
Groundfish	\$0.0013	22,668,334	\$29,469	\$0.61	\$13,739,579
Pink Shrimp	\$0.0125	1,893,913	\$23,674	\$0.49	\$925,203
Dungeness Crab	\$0.0019	10,876,287	\$20,665	\$1.68	\$18,257,418
Sea Urchin	\$0.0013	11,304,565	\$14,696	\$0.54	\$6,156,478
Halibut	\$0.0125	924,838	\$11,560	\$3.11	\$2,873,163
Mackerel	\$0.0013	7,591,053	\$9,868	\$0.08	\$591,920
Lobster	\$0.0125	762,420	\$9,530	\$7.95	\$6,059,842
Herring	\$0.0125	781,476	\$9,768	\$0.11	\$86,109
Swordfish	\$0.0125	451,312	\$5,641	\$4.21	\$1,899,215
Spot Prawn	\$0.0125	272,449	\$3,406	\$10.45	\$2,845,806
Rock Crab	\$0.0019	1,064,849	\$2,023	\$1.24	\$1,316,674
Sea Cucumber	\$0.0013	576,662	\$750	\$1.15	\$663,588
Other	\$0.0013 to \$0.0125	6,387,736	\$26,828	\$0.80	\$5,101,860
Total		293,536,122	\$1,129,582		\$109,044,021

*This is the price per pound paid directly to fishermen for their catch; not the retail price

** This is the total paid to all fishermen; not the retail value

The 2005 landing tax and ex-vessel revenue statistics are consistent with trends over the past decade. For complete commercial fisheries tax and revenue statistics for 1996 through 2005, see Tables inserted at the end of the document.

Commercial License and Permit Revenues

At this time, license and permit fees paid by fishermen are the only commercial fishing revenues that come to the Department originating from regulations established by the Commission.

For the 2005/2006 permit year, the Department received approximately \$3.68 million in total revenue from the sale of 65 different licenses, permits, stamps, and late fees. Complete historical sales and revenue statistics back to 1970 may be found at: <http://www.dfg.ca.gov/licensing/statistics/statistics.html>.

A breakdown of the revenue generated in the 2005-2006 fishing season from the sale of each of these items is provided below, along with the 2007-2008 fees and the number of each item sold. Since the 2005-2006 license year, pursuant to Fish and Game Code Section 713, permit fees are modified annually to account for cost of living adjustments, allowing fees to keep pace with inflation. *It is critical to note that while the Commission has authority to set some permit fees, there are many fees that are statutorily created. The fees for the permits the Commission has authority to adjust are highlighted in the table below.* Therefore, while the Commission has expressed an intention to address all commercial fisheries in a single fee adjustment exercise, there are many permit types with established fees that the Commission does not have the authority to change.

In the 2005-2006 season, the highlighted permits and other items below where the Commission has authority to establish or modify fees account for only a small portion of the total. Permits where the Legislature has established or retains the authority to set the fee accounts for about 18,000 of the approximately 20,000 items issued (90 percent). The fees brought in by the Legislature amount to over \$3 million of the \$3.68 million in revenue brought in from the sale of all licenses and permits.

<u>Commercial Permits, Licenses and Stamps</u>		<u>2007-2008</u>	<u>2005-2006</u>	<u>2005-2006</u>
<i>(Highlight = fees for which the Commission has authority to establish or modify)</i>		<u>Permit Fee*</u>	<u>Numbers Sold*</u>	<u>Revenues*</u>
1	COMM FISHING LICENSE (R)	\$108.25	5953	\$574,465
2	COMM FISHING LICENSE (NR)	\$324.00	771	\$223,012
3	COMM BOAT REGISTRATION (R)	\$284.00	3204	\$813,015
4	COMM BOAT REGISTRATION (NR)	\$852.25	290	\$220,763
5	COMM PASSENGER FISHING VESSEL	\$284.00	451	\$114,441
6	COMM AIRCRAFT REGISTRATION	\$227.25	10	\$2,030
7	COMM SALMON STAMP	\$85.00	1697	\$377,583
8	JOHN DOE SALMON STAMP	\$85.00	299	\$66,528

9	OCEAN ENHANCEMENT	\$39.75	818	\$29,039
10	CALIFORNIA HALIBUT TRAWL VESSEL PERMIT	\$55.50		\$0
11	DEEPER NEARSHORE SPECIES FISHERY PERMIT	\$142.25	258	\$32,766
12	DRIFT GILL NET SHARK/SWORDFISH PERMIT	\$375.00	90	\$30,150
13	DUNGENESS CRAB VESSEL PERMIT (R)	\$227.25	526	\$106,778
14	DUNGENESS CRAB VESSEL PERMIT (NR)	\$454.50	77	\$31,262
15	GENERAL GILL/TRAMMEL NET PERMIT	\$375.00	172	\$57,620
16	HERRING GILL NET PERMIT(NR)	\$1,136.25	97	\$98,455
17	HERRING GILL NET PERMIT(R)	\$301.00	289	\$77,741
18	HERRING STAMP	\$113.75	346	\$35,119
19	LOBSTER OPERATOR PERMIT	\$301.00	220	\$59,180
20	MARKET SQUID BRAIL PERMIT (T)	\$2,239.00	14	\$28,000
21	MARKET SQUID BRAIL PERMIT (NT)	\$1,119.50	0	\$0
22	MARKET SQUID LIGHT BOAT PERMIT (T)	\$671.50	59	\$35,400
23	MARKET SQUID LIGHT BOAT PERMIT (NT)	\$43.25		\$0
24	MARKET SQUID VESSEL PERMIT (T)	\$2,239.00	75	\$150,000
25	MARKET SQUID VESSEL PERMIT (NT)	\$1,119.50	14	\$14,000
26	MARKET SQUID VESSEL PERMIT, EXPERIMENTAL (NT)	\$1,119.50	3	\$3,000
27	NEARSHORE FISHERY BYCATCH PERMIT NEARSHORE FISHERY PERMIT - N. CENTRAL	\$227.25	23	\$4,669
28	COAST	\$568.25	35	\$17,763
29	NEARSHORE FISHERY PERMIT - NORTH COAST NEARSHORE FISHERY PERMIT - S. CENTRAL	\$568.25	27	\$13,703
30	COAST	\$568.25	70	\$35,525
31	NEARSHORE FISHERY PERMIT - SOUTH COAST NEARSHORE TRAP ENDORSEMENT - N. CENTRAL	\$568.25	70	\$35,525
32	COAST	\$85.25	5	\$381
33	NEARSHORE TRAP ENDORSEMENT - NORTH COAST	\$85.25	0	\$0
34	NEARSHORE TRAP ENDORSEMENT - S. CENTRAL COAST	\$85.25	20	\$1,525
35	COAST	\$85.25	42	\$3,203
36	NORTHERN PINK SHRIMP TRAWL (VESSEL) (T)	\$1,136.25	36	\$36,540
37	NORTHERN PINK SHRIMP TRAWL (VESSEL) (NT)	\$568.25	7	\$3,553
38	SALMON VESSEL PERMIT	\$34.00	1426	\$43,493
39	SEA CUCUMBER DIVING PERMIT	\$284.00	92	\$23,345
40	SEA CUCUMBER TRAWL PERMIT	\$284.00	22	\$5,583
41	SEA URCHIN DIVING PERMIT	\$375.00	331	\$110,885
42	SOUTHERN ROCK CRAB TRAP PERMIT	\$280.00	143	\$35,750
43	SPOT PRAWN TRAP VESSEL PERMIT, TIER 1	\$284.00	17	\$4,314
44	SPOT PRAWN TRAP VESSEL PERMIT, TIER 2	\$284.00	3	\$761
45	SPOT PRAWN TRAP VESSEL PERMIT, TIER 3	\$1,136.25	11	\$11,165
46	LIMITED ENTRY LATE FEE	\$50.00	102	\$5,100
47	MARKET SQUID LATE FEE	\$250.00	3	\$750
48	SALMON LATE FEE	\$100.00	94	\$9,400
49	ANCHOVY TAKE PERMIT	\$34.00	88	\$2,684
50	BAY SHRIMP PERMIT	\$34.00	21	\$641
51	COONSTRIPE SHRIMP VESSEL PERMIT	\$85.25	28	\$2,135

52	CRAYFISH PERMIT	\$34.00	40	\$1,220
53	FISH LANDED OUTSIDE CALIFORNIA	\$17.00	10	\$153
54	GHOST SHRIMP PERMIT	\$34.00	9	\$275
55	GOLDEN & RIDGEBACK PRAWN PERMIT	\$34.00	57	\$1,739
56	INLAND/FRESHWATER FISH	\$34.00	31	\$946
57	LOBSTER CREWMEMBER PERMIT	\$142.25	148	\$18,796
58	MARINE AQUARIA COLLECTOR	\$375.00	10	\$3,350
59	NORTHERN ROCK CRAB TRAP PERMIT	\$280.00	31	\$7,750
60	SEA URCHIN CREWMEMBER PERMIT	\$34.00	139	\$4,240
61	SOUTHERN PINK SHRIMP TRAWL PERMIT	\$34.00	35	\$1,068
62	SWORDFISH PERMIT	\$375.00	57	\$19,095
63	TANNER CRAB TRAP VESSEL PERMIT	\$10,656.00		
64	TIDAL INVERTEBRATE PERMIT	\$34.00	317	\$9,669
65	TRAP PERMIT	\$39.75	660	\$23,430
TOTAL				\$3,680,463

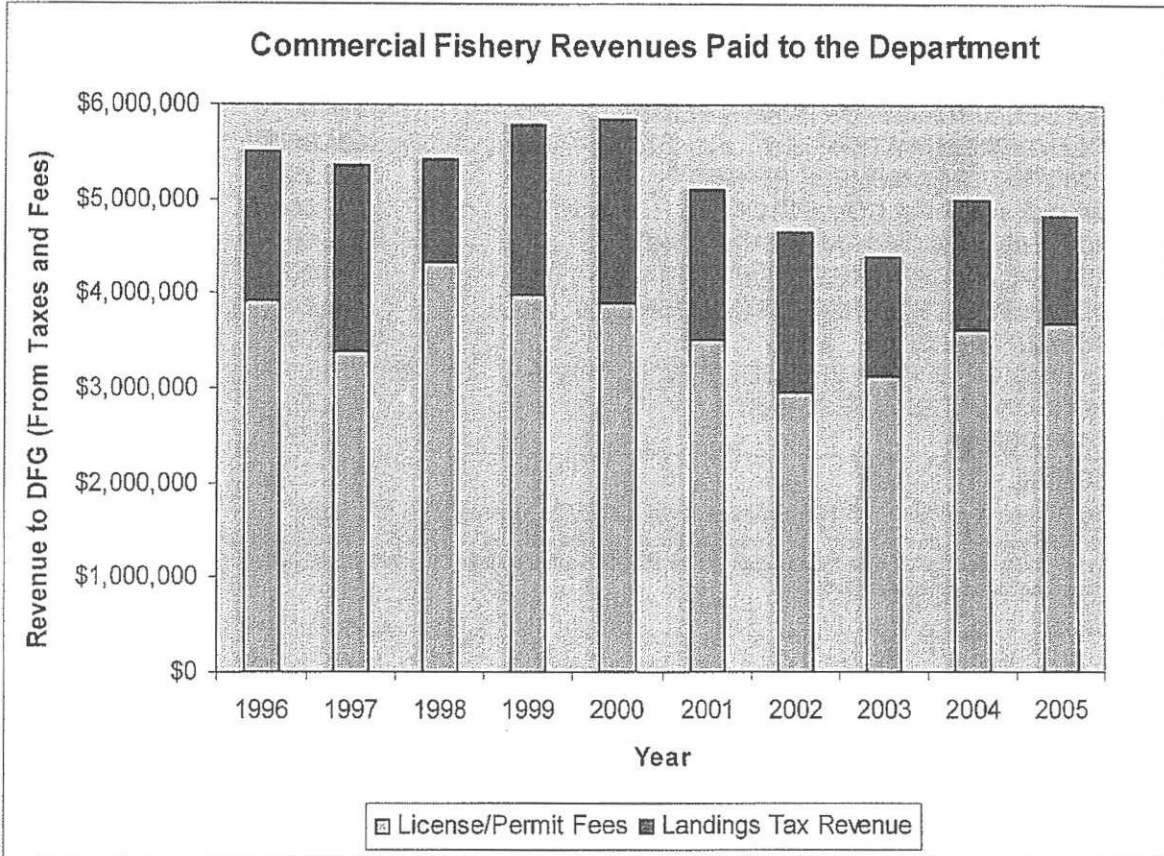
Highlight = fees for which the Commission has authority to establish or modify

* The 2005-2006 revenues do not match the product of the permit fee and the number of items sold because the 2007-2008 permit fee is depicted in the table rather than the fee charged for the 2005-2006 season. The 2005-2006 season is the last for which complete licensing information is available.

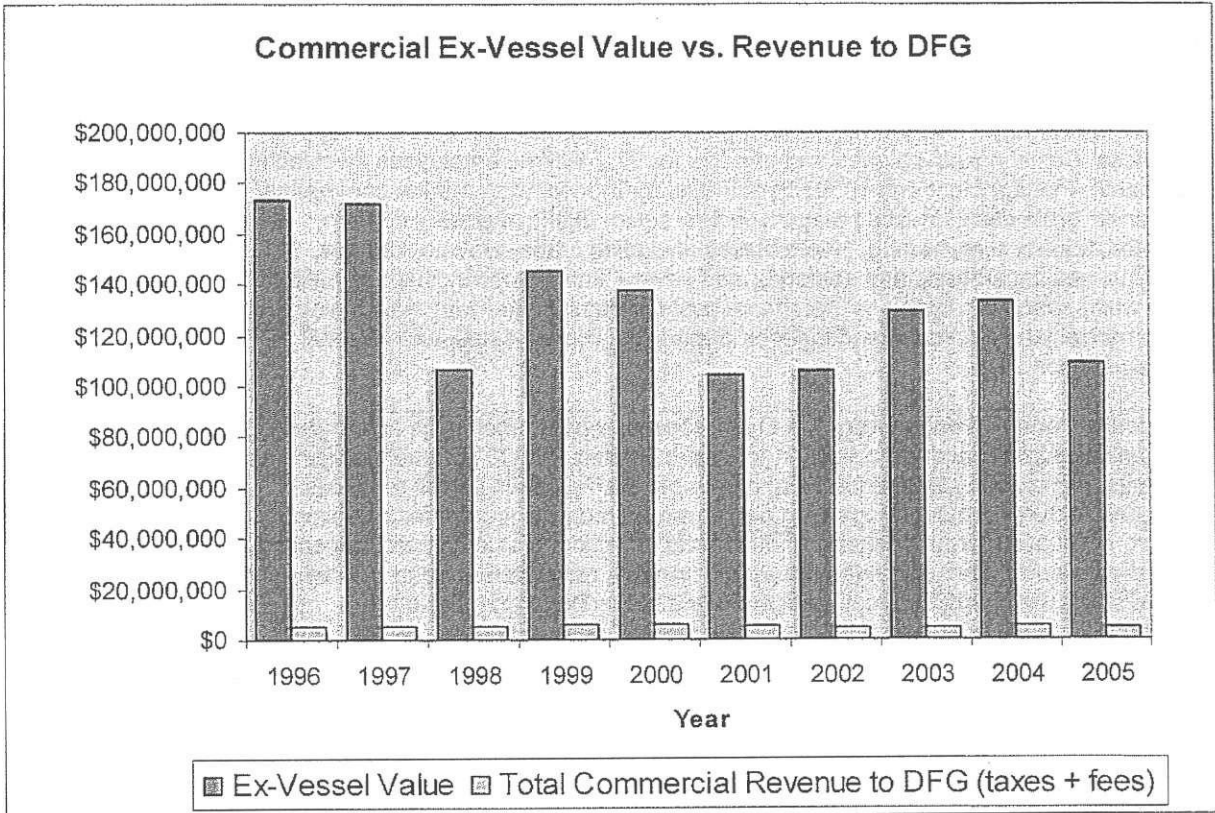
Trends in Commercial Revenues Paid to the Department (Taxes + Permit Fees)

Total Commercial Revenue, 1996-2005

	License/ Permit Fees	Landings Tax Revenue	Total Commercial Revenue
1996	\$3,914,011	\$1,594,524	\$5,508,535
1997	\$3,390,456	\$1,958,724	\$5,349,180
1998	\$4,326,105	\$1,102,397	\$5,428,502
1999	\$3,984,215	\$1,797,138	\$5,781,353
2000	\$3,892,090	\$1,950,080	\$5,842,170
2001	\$3,504,689	\$1,585,907	\$5,090,595
2002	\$2,949,615	\$1,706,141	\$4,655,756
2003	\$3,119,537	\$1,279,408	\$4,398,945
2004	\$3,614,293	\$1,382,815	\$4,997,108
2005	\$3,681,413	\$1,129,582	\$4,810,995



Tax revenues and permit fees paid to the Department have declined approximately 16.7 percent over the past decade in actual dollar amounts; not adjusting for inflation. Meanwhile, over the same time period, the California Consumer Price Index increased 29.0 percent.



Although the total commercial revenues paid to the Department in taxes and fees have declined in terms of real dollars, the percent of the ex-vessel revenue paid to the Department has increased over the past decade. In 1996, revenues paid to the Department comprised about 3.2 percent of the ex-vessel revenue. In 2005, the percentage increased to about 4.4 percent. Ex-vessel revenue produced in all California commercial fisheries declined from over \$174 million in 1996 to about \$109 million in 2005, without inflationary adjustments.

Analysis of the Department's Commercial Costs

As shown in the table below, estimated Department expenditures for all commercial fishing activities total at least \$22,311,000. Each line item below corresponds to a Department division, Branch, Region or other function that reported commercial costs.

Specific Tasks, Services Provided, or Equipment	Annual Cost Estimate
1. Commercial Fisheries Enforcement – Annual estimated operating expenses for personnel, large boats, small boats, aircraft, forensics, computers and other operational costs. Personnel cost estimates include 54 officer positions and approximately 120,000 hours spent annually on commercial enforcement activities which include at-sea, dockside and land-based patrol efforts and administrative costs associated with criminal justice proceedings. Operational costs include officer training, hiring, facilities and infrastructure. Equipment cost estimates are based on the annual average replacement costs or the annual depreciation costs. NOTE: The	\$12,309,000

annual enforcement cost estimate provided here does not include significantly increased commercial fisheries enforcement costs that will result from implementation of the Marine Life Protection Act in 2007 and beyond.	
2. Marine Region – Personnel, operating/equipment costs, contracts and support services. Costs include salaries and benefits for 62.2 fulltime employees involved in research, management and outreach activities for the following marine commercial fisheries: groundfish, coastal pelagic species, squid, highly migratory species, salmon, aquaculture, herring, invertebrates (including crabs, prawns, lobsters, urchins, sea cucumbers, and abalone), and several finfish species such as halibut and white seabass. Additional personnel costs are associated with maintaining the commercial landing receipt and logbook databases, license sales, and regional administration.	\$7,944,000
3. License and Revenue Branch – Operational and personnel costs associated with issuance, tracking, and fee collection for approximately 20,000 commercial licenses, permits, registrations, entitlements, and stamps. Staff process permit renewals, respond to public inquiries regarding permit requirements and transfer provisions, revise application forms annually, and respond in writing to all commercial licensing correspondence. Staff also evaluate permit transfer, reinstatement and upgrade requests, review permit appeal requests made to the Department and the Commission, and document findings. Estimate includes printing and mailing costs associated with these tasks.	\$449,000
4. Business and Contracts Management Branch – Costs for facility leasing to provide office space for commercial fishery employees, and personnel costs associated with maintaining such lease arrangements.	\$441,000
5. Information Technology Branch - Maintain, enhance, modify and develop new components of the Commercial Fisheries Information System (CFIS) and other information technology applications that support analysis and processing of commercial catch data, taxation and license compliance, and annual license and vessel registration renewals. In addition, staff analyze complex requests and generate ad hoc reports and extracts required to support commercial fishery management activities. Personnel also provide server, network, and database administration and other information technology infrastructure to Department staff working with commercial fisheries.	\$242,000
6. Human Resources Branch – Personnel costs associated with providing support to managers and supervisors on all human resource issues, including position classifications, hires, transfers, promotions, employee performance evaluations, discipline, attendance records, payroll transactions, appointments, separations and benefits.	\$149,000
7. Fish and Game Commission – Sets policies and adopts regulations for the commercial fisheries for which it has been granted management authority by the Legislature. Provides guidance on fishery management plan development for some commercial fisheries and certifies CEQA documents. Holds Commission and Marine Resource Committee meetings throughout the state where commercial fishing programs and policies are discussed. Holds permit appeal hearings and issues decisions on these matters. Staff prepare regulatory documents, respond to public comments and inquiries, and fulfill other requirements of the Administrative Procedure Act needed for establishment of commercial fishery regulations.	\$125,000

8. Office of the General Counsel – Respond to litigation needs and review and provide guidance to the Director on statutes, regulations, policies, and fishery management plans involving commercial fishing activities.	\$122,000
9. Accounting Services Branch – Personnel time needed to provide administrative support to commercial fisheries staff for their accounting functions, which include the processing of travel expense claims, cash receipts, invoices, employee time sheets, payroll distributions, and CALSTARS reports.	\$121,000
10. Audits Branch – Personnel costs associated with tracking and assessment of quarterly commercial landings tax payments, and printing and mailing of required forms.	\$107,000
11. Region 4 - Commercial fishery costs associated with issuance of commercial licenses at the Regional office in Fresno, and coded wire tagging, tag reading, data analysis and management coordination activities performed by regional personnel. Costs include totals for personnel, operating expenses and equipment.	\$85,000
12. Fisheries Branch - Personnel costs associated with assessment, management, policy and rulemaking activities for salmonids, state-wide coded wire tag coordination, and Commercial Salmon Stamp Account administration. The Commercial Salmon Stamp Account provides grants for restoration projects to assist in the recovery of listed salmon stocks, supplies matching funds for federal salmon restoration moneys, and augments yearling salmon rearing at Iron Gate Hatchery, Mokelumne River Hatchery, Merced River Hatchery, and Feather River Hatchery. Approximately 25 percent of these personnel costs are reasonably attributable to commercial fishery needs, or about \$41,000.	\$41,000
13. Region 1 - Commercial fishery costs associated with issuance of commercial licenses and responding to public inquiries at the Regional office in Eureka. Costs include totals for personnel, operating expenses and equipment.	\$31,000
14. Region 5 - Commercial fishery costs associated with issuance of commercial licenses at the Regional office in San Diego, including inventory control, explanation of renewal procedures, fees and regulations to customers. Costs include totals for personnel and operating expenses.	\$30,000
15. Director/Chief Deputy Director/Deputy Director of Resources and Policy Division/Executive Office – Set Department policy relative to commercial fishery management, and represent the Department in front of the Fish and Game Commission, the Pacific Fishery Management Council, and the Klamath Fishery Management Council. Participate in other public and inter-agency meetings involving commercial fishery management. Includes costs for executive assistance.	\$30,000
16. Region 3 - Commercial fishery costs associated with issuance of commercial licenses at the Napa Regional office in Yountville. Costs include totals for personnel, operating expenses and equipment.	\$28,000
16. Region 2 – Costs for DFG coded wire tagging work conducted in Butte Creek, and the Yuba, Feather, and Mokelumne Rivers. Approximately 15 percent of these	\$28,000

total costs are reasonably attributable to commercial fishery assessment and management needs; the value reflected here.	
17. Office of Legislation and External Affairs – Respond to proposed commercial legislation; provide information to the Legislature and committees on the status of commercial fishery management, represent the Department at the annual Legislative Fisheries Forum, inform Directorate and Commission of legislative proposals and assist with development of policy recommendations regarding commercial fisheries, meet with legislative stakeholders and legislators and their staff on legislation.	\$15,000
18. Program Management and Budget Branches – Personnel costs for budget analysts (approximately 2 percent of the total costs) to track positions and budgets within the Department’s internal organizational structure relating to commercial fishery work. Staff prepare program fund condition statements, evaluate time coding statements, process duty statements and track job appointments.	\$9,000
19. Office of Communications, Education and Outreach – Costs associated with maintaining DFG website materials relating commercial fishing, production of press releases, media responses and other outreach information as needed. Staff also produce the annual Commercial Digest of California fishing laws and regulations for constituents.	\$5,000
TOTAL	\$22,311,000

While the estimates above are imprecise by nature, approximately 50 Department managers and staff members from all functions assisted with the development of this estimate. It is the first time the Department has attempted to comprehensively itemize its commercial fishery costs.

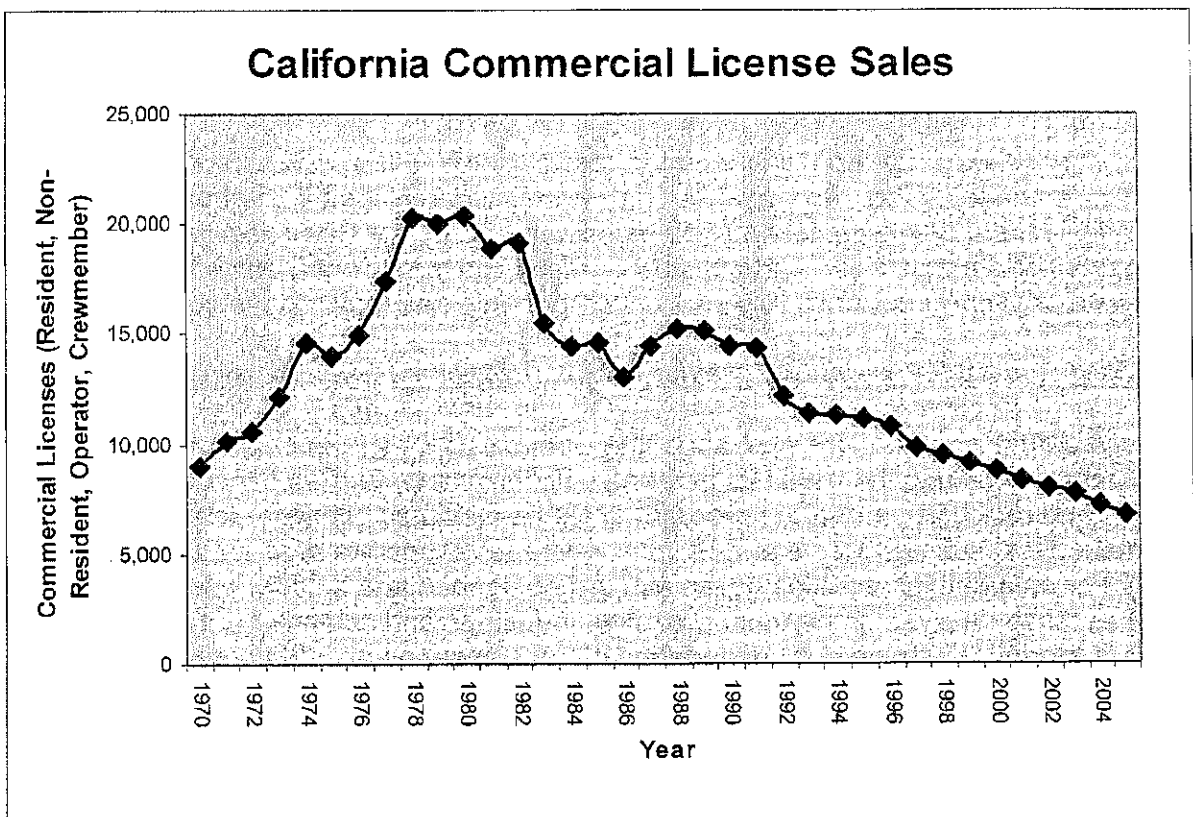
In covering the cost differential, funding for these commercial programs has come from the Department’s Non-Dedicated Fish and Game Preservation Fund and some General Fund monies. While the Department does not have prior estimates of its expenditures on commercial fishing activities, legislative and regulatory mandates for commercial fishery monitoring, management, enforcement and assessment have increased in recent years. For example, the Marine Life Management Act imposed heightened reporting, peer review, public involvement, fishery management plan, master planning and emerging fisheries requirements, the Marine Life Protection Act requires consideration of area-specific commercial fishing activities and socio-economic data, and recent legislation on bottom trawling requires findings as to whether trawl activities with specified environmental standards.

Other Considerations

Commercial revenues to the Department in 2005 totaled about \$4.81 million, comprising just over one percent of the Department’s estimated total budget of \$373 million in fiscal year 2005/2006. However, the commercial fishing industry in California has declined considerably since its peak around 1980 in terms of the number of licensees and the number of vessels registered with the Department to engage in commercial fishing

activity. In 2005, California issued 6,725 commercial fishing licenses to residents and non-residents authorizing them to take part in commercial fishing activities in the state, and the number of registered commercial fishing vessels was approximately 3,400. In 1980, the number of licensees exceeded 20,000, and the number of commercial vessels exceeded 9,200. Meanwhile, the California population in 1980 was estimated at fewer than 24 million, compared to nearly 37 million in 2005.

While the Department's commercial fishery programs and activities are increasingly costly, industry declines in commercial fishery participation and overall production (i.e. ex-vessel value) are also important to recognize.



Summary of Conclusions

Summarizing the fiscal and economic information above, the Department is spending approximately \$22.3 million on commercial fishing activities annually, while revenues to the Department total only \$4.81 million; \$1.13 million from landings tax revenue, and \$3.68 million from permit fees. Therefore, commercial fisheries are paying for about 22 percent of the overall costs. Additionally, total commercial revenues paid to the Department continue to decline. While there is no former estimate of Department

expenditures on commercial fishing activities in any prior year, due to the increased number of legislative and regulatory mandates in recent years, it is likely that Department costs to monitor, manage, enforce and assess commercial fisheries will increase above present levels.

Possible Solutions

While the Department does not have specific recommendations at this time regarding future actions the Commission may consider, the Department encourages the Commission to continue to recognize the mandate of Fish and Game Code Section 711. Any of three different mechanisms might be utilized, individually or collectively, to assist in bringing expenditures more in line with revenues.

A. Management Measures

There may be ways for the Department to reduce some of the commercial costs to monitor, manage, enforce and assess commercial fisheries identified above. For example, if there are regulatory mandates established by the Commission that are antiquated or are no longer a priority, the Commission may identify ways to streamline, eliminate or simplify existing programs or components that may reduce costs.

B. Adjust Current Fees and/or Consider Adding Additional Permit Requirements

Beyond permit fees and landings taxes, the Commission might evaluate other funding mechanisms that may be within its authority. For example, for trap fisheries such as lobster and rock crab, a trap tag program might be instituted similar to lobster fisheries in other states, such as Maine and Florida, where revenues are produced by the sale of tags. For commercial activities where fish are not landed and sold for consumption, such as those involved in the marine aquaria industries and scientific collectors, salvage permits, exhibitor permits or transportation permits might be a viable option.

C. Seek Legislative Action

The Commission might assess several possible Legislative alternatives to increase funds, or alternatively, to reduce Department costs. For example, the Commission might consider seeking delegation of authority to enable it to set all or at least a greater number of the existing commercial permit and license fees.

The Commission might also consider recommending the Legislature revisit the statutorily-established landing taxes, evaluate alternate taxing mechanisms such as ad valorem taxes, or encourage other appropriations to the Department to cover costs. Additional funds from these or other sources may be used to subsidize the Department's commercial programs in keeping with Section 711, recognizing expenditures and workload on commercial fishery activities have increased

considerably in response to new conservation and preservation measures and other new legislative mandates established over the past decade.

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FILE: D, DD-WEFD, M. Yaremko-MR, RU

Species	Tax Rate Per Pound	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Anchovies	0.13 cents	\$12,671	\$16,388	\$4,177	\$14,812	\$32,948	\$55,247	\$13,308	\$4,805	\$19,467	\$32,046
Dungeness Crab	0.19 cents	\$23,433	\$18,833	\$20,317	\$16,561	\$12,336	\$6,728	\$13,865	\$42,435	\$48,172	\$20,665
Groundfish	0.13 cents	\$76,755	\$61,801	\$63,135	\$40,755	\$45,156	\$31,696	\$34,206	\$29,473	\$34,393	\$29,469
Hallbut	1.25 cents	\$11,522	\$16,764	\$15,089	\$16,964	\$10,698	\$11,220	\$11,724	\$10,299	\$12,519	\$11,560
Herring	1.25 cents	\$152,884	\$258,268	\$56,592	\$65,464	\$98,427	\$77,030	\$92,741	\$52,424	\$45,152	\$9,768
Lobster	1.25 cents	\$6,143	\$11,428	\$8,181	\$6,074	\$8,817	\$8,702	\$6,757	\$9,181	\$10,726	\$9,530
Mackerel	0.13 cents	\$33,758	\$55,405	\$61,223	\$27,646	\$66,450	\$30,233	\$12,536	\$11,908	\$13,173	\$9,868
Pink Shrimp	1.25 cents	\$116,689	\$175,020	\$23,041	\$53,022	\$30,381	\$43,867	\$51,453	\$26,840	\$27,344	\$23,674
Rock Crab	0.19 cents	\$2,211	\$2,473	\$2,443	\$1,524	\$2,076	\$2,268	\$2,329	\$2,393	\$2,147	\$2,023
Salmon	5 cents	\$205,923	\$284,347	\$92,367	\$192,646	\$256,898	\$120,045	\$247,045	\$319,770	\$309,923	\$216,408
Sardines	0.63 cents	\$452,134	\$600,636	\$596,614	\$619,574	\$744,616	\$720,746	\$810,466	\$462,391	\$615,075	\$479,667
Sea Cucumber	0.13 cents	\$1,091	\$588	\$1,001	\$781	\$835	\$826	\$1,230	\$986	\$747	\$750
Sea Urchin	0.13 cents	\$26,173	\$23,606	\$13,755	\$19,390	\$19,748	\$17,070	\$18,428	\$14,440	\$15,902	\$14,696
Spot Prawn	1.25 cents	\$6,594	\$9,520	\$9,661	\$7,667	\$5,598	\$5,291	\$4,917	\$2,094	\$2,795	\$3,406
Squid	0.19 cents	\$337,281	\$294,855	\$12,579	\$384,262	\$497,679	\$361,641	\$305,282	\$188,745	\$167,839	\$233,381
Swordfish	1.25 cents	\$22,092	\$27,562	\$25,799	\$38,283	\$50,539	\$41,892	\$32,793	\$40,575	\$22,543	\$5,641
Other	0.13 to 1.25 cents	\$104,971	\$100,229	\$96,225	\$92,894	\$66,866	\$51,105	\$45,060	\$40,650	\$34,900	\$26,628
Total		\$1,594,524	\$1,958,724	\$1,402,397	\$1,797,138	\$1,950,080	\$1,585,907	\$1,706,141	\$1,279,408	\$1,382,815	\$1,129,682
Anchovies	0.13 cents	9,746,824	12,606,328	3,212,775	11,239,803	25,344,233	42,497,588	10,236,838	3,695,778	14,974,802	24,650,453
Dungeness Crab	0.19 cents	12,333,218	9,912,146	10,893,094	8,716,483	6,492,646	3,541,036	7,297,531	22,334,242	25,353,630	10,876,287
Groundfish	0.13 cents	59,041,975	62,924,044	48,565,163	31,350,130	34,735,399	24,381,698	26,312,604	22,671,249	26,456,060	22,668,334
Hallbut	1.25 cents	921,747	1,341,110	1,207,082	1,357,088	855,863	897,631	937,897	623,941	1,001,535	924,638
Herring	1.25 cents	12,230,745	20,661,431	4,527,384	5,237,101	7,874,162	6,162,401	7,419,241	4,193,900	3,612,128	781,476
Lobster	1.25 cents	651,407	914,212	654,491	485,932	705,348	696,159	700,543	734,493	858,075	762,420
Mackerel	0.13 cents	25,967,565	43,388,699	47,094,691	21,268,160	51,115,380	23,256,458	9,643,155	9,160,071	10,133,294	7,591,053
Pink Shrimp	1.25 cents	9,351,085	14,001,639	1,843,246	4,241,743	2,430,467	3,509,326	4,116,213	2,147,198	2,187,520	1,893,913
Rock Crab	0.19 cents	1,163,710	1,301,711	1,285,860	802,249	1,092,814	1,193,735	1,226,051	1,259,365	1,129,952	1,064,849
Salmon	5 cents	4,116,458	5,286,942	1,847,339	3,852,919	5,137,957	2,400,899	4,940,897	6,395,391	6,198,466	4,328,160
Sardines	0.63 cents	71,767,263	95,339,046	94,700,687	130,091,038	118,192,983	114,404,077	128,645,343	76,569,923	97,630,881	76,169,401
Sea Cucumber	0.13 cents	839,384	452,638	769,652	600,510	642,459	712,390	946,365	758,678	574,545	576,662
Sea Urchin	0.13 cents	20,133,268	18,158,377	10,580,647	14,146,227	15,190,922	13,130,506	14,175,669	11,108,060	12,232,035	11,304,565
Spot Prawn	1.25 cents	527,515	761,603	788,896	613,368	447,114	423,254	393,372	167,550	223,607	272,449
Squid	0.19 cents	177,516,564	155,186,587	6,620,355	202,253,905	261,936,416	190,442,509	160,674,603	99,339,401	88,336,160	122,832,213
Swordfish	1.25 cents	1,767,400	2,204,962	2,063,901	3,062,605	4,043,156	3,351,391	2,623,451	3,246,005	1,803,403	451,312
Other	0.13 to 1.25 cents	53,540,225	46,084,864	45,909,971	32,978,772	16,875,349	14,659,663	12,299,853	10,391,342	9,670,780	6,387,736
Total		\$61,618,354	\$92,526,338	\$82,365,434	\$122,296,022	\$112,670,553	\$115,640,710	\$92,589,644	\$74,996,585	\$92,376,870	\$293,536,122

Tax Generated

Pounds Landed

Species	Tax Rate Per Pound	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Anchovies	0.13 cents	\$1,024,273	\$605,616	\$224,734	\$913,328	\$1,358,908	\$1,364,036	\$550,927	\$272,881	\$750,613	\$1,091,759
Dungeness Crab	0.19 cents	\$17,227,508	\$18,667,635	\$19,932,136	\$17,128,757	\$13,750,861	\$8,993,784	\$13,447,285	\$35,495,757	\$41,349,980	\$18,257,418
Groundfish	0.13 cents	\$32,855,865	\$31,205,087	\$21,679,726	\$18,981,556	\$20,126,204	\$16,047,497	\$16,086,309	\$14,911,787	\$13,727,329	\$13,739,579
Halibut	1.25 cents	\$2,511,894	\$3,364,065	\$2,860,677	\$3,404,191	\$2,470,508	\$2,703,360	\$2,845,766	\$2,510,251	\$3,114,479	\$2,873,163
Herring	1.25 cents	\$15,758,316	\$15,128,981	\$648,555	\$2,060,068	\$2,871,790	\$3,109,625	\$2,496,085	\$1,430,600	\$905,104	\$86,109
Lobster	1.25 cents	\$5,075,348	\$6,794,941	\$4,117,484	\$3,570,300	\$4,705,883	\$4,480,006	\$4,787,492	\$5,276,666	\$6,163,973	\$6,059,842
Mackerel	0.13 cents	\$1,564,901	\$3,036,779	\$2,889,929	\$1,274,640	\$3,175,932	\$1,657,711	\$691,333	\$688,567	\$807,994	\$591,920
Pink Shrimp	1.25 cents	\$5,808,241	\$5,365,102	\$985,247	\$2,043,576	\$991,861	\$991,733	\$1,275,024	\$656,647	\$925,094	\$925,203
Rock Crab	0.19 cents	\$1,358,108	\$1,497,361	\$1,498,063	\$1,021,442	\$1,398,965	\$1,539,884	\$1,556,071	\$1,547,161	\$1,427,971	\$1,316,674
Salmon	5 cents	\$5,966,626	\$7,343,291	\$3,044,919	\$7,448,407	\$10,330,360	\$4,757,331	\$7,641,066	\$12,197,310	\$17,829,046	\$12,840,558
Sardines	0.63 cents	\$2,985,724	\$4,201,067	\$3,883,145	\$5,085,170	\$5,468,963	\$6,291,205	\$5,851,988	\$2,874,557	\$3,960,255	\$3,141,606
Sea Cucumber	0.13 cents	\$590,363	\$222,093	\$457,217	\$418,884	\$603,711	\$560,150	\$800,796	\$668,311	\$541,329	\$663,588
Sea Urchin	0.13 cents	\$18,801,188	\$15,320,041	\$8,036,012	\$13,468,627	\$15,044,962	\$11,710,742	\$10,411,307	\$7,908,486	\$7,313,202	\$6,156,478
Spot Prawn	1.25 cents	\$3,579,687	\$5,039,076	\$5,336,587	\$4,211,567	\$3,831,747	\$3,708,220	\$3,368,345	\$1,584,257	\$2,254,548	\$2,845,806
Squid	0.19 cents	\$21,797,949	\$20,642,647	\$1,698,179	\$33,205,902	\$27,209,936	\$16,983,406	\$16,259,483	\$25,386,575	\$19,780,815	\$3,453,243
Swordfish	1.25 cents	\$5,807,662	\$6,173,203	\$5,657,661	\$8,359,873	\$11,754,955	\$8,741,702	\$6,403,795	\$7,850,625	\$4,837,022	\$1,899,215
Other	0.13 to 1.25 cents	\$31,035,568	\$27,087,308	\$24,327,529	\$22,479,436	\$12,759,581	\$11,115,262	\$9,250,659	\$8,418,325	\$7,289,916	\$5,101,860
Total		\$173,540,140	\$171,725,289	\$106,887,801	\$145,075,703	\$137,853,148	\$104,725,653	\$105,723,742	\$129,638,743	\$132,878,076	\$109,044,021
Anchovies	0.13 cents	\$0.11	\$0.05	\$0.07	\$0.08	\$0.05	\$0.03	\$0.05	\$0.07	\$0.05	\$0.04
Dungeness Crab	0.19 cents	\$1.40	\$1.89	\$1.86	\$1.97	\$2.12	\$2.54	\$1.84	\$1.59	\$1.63	\$1.68
Groundfish	0.13 cents	\$0.56	\$0.50	\$0.45	\$0.61	\$0.58	\$0.66	\$0.61	\$0.66	\$0.52	\$0.61
Halibut	1.25 cents	\$2.73	\$2.51	\$2.37	\$2.51	\$2.69	\$3.01	\$3.03	\$3.05	\$3.11	\$3.11
Herring	1.25 cents	\$1.29	\$0.73	\$0.14	\$0.39	\$0.36	\$0.50	\$0.34	\$0.34	\$0.25	\$0.11
Lobster	1.25 cents	\$7.79	\$7.43	\$6.29	\$7.35	\$6.67	\$6.44	\$6.83	\$7.18	\$7.18	\$7.95
Mackerel	0.13 cents	\$0.06	\$0.07	\$0.06	\$0.06	\$0.06	\$0.07	\$0.07	\$0.08	\$0.08	\$0.08
Pink Shrimp	1.25 cents	\$0.60	\$0.38	\$0.53	\$0.48	\$0.41	\$0.27	\$0.31	\$0.31	\$0.42	\$0.49
Rock Crab	0.19 cents	\$1.17	\$1.15	\$1.17	\$1.27	\$1.28	\$1.29	\$1.27	\$1.23	\$1.26	\$1.24
Salmon	5 cents	\$1.45	\$1.39	\$1.65	\$1.93	\$2.01	\$1.98	\$1.55	\$1.91	\$2.88	\$2.97
Sardines	0.63 cents	\$0.04	\$0.04	\$0.04	\$0.04	\$0.05	\$0.05	\$0.05	\$0.04	\$0.04	\$0.04
Sea Cucumber	0.13 cents	\$0.70	\$0.49	\$0.59	\$0.70	\$0.94	\$0.81	\$0.85	\$0.91	\$0.94	\$1.15
Sea Urchin	0.13 cents	\$0.93	\$0.84	\$0.76	\$0.95	\$0.99	\$0.89	\$0.73	\$0.71	\$0.60	\$0.54
Spot Prawn	1.25 cents	\$6.79	\$6.62	\$6.76	\$6.87	\$8.57	\$8.76	\$8.56	\$9.46	\$10.08	\$10.45
Squid	0.19 cents	\$0.12	\$0.13	\$0.26	\$0.16	\$0.10	\$0.09	\$0.11	\$0.26	\$0.22	\$0.26
Swordfish	1.25 cents	\$3.29	\$2.80	\$2.74	\$2.73	\$2.91	\$2.61	\$2.44	\$2.42	\$2.68	\$4.21
Other	0.13 to 1.25 cents	\$0.58	\$0.56	\$0.53	\$0.68	\$0.76	\$0.76	\$0.75	\$0.81	\$0.75	\$0.80

EX-VESSEL VALUE OF FISHERY

Average Price per Pound