

**STATEMENT OF NEED AND FISCAL IMPACT**

A Notice of Proposed Rulemaking Hearing or a Notice of Proposed Rulemaking accompanies this form.

Oregon Department of Fish and Wildlife, Fish Division

635

Agency and Division

Administrative Rules Chapter Number

In the Matter of: Amendment of OAR Chapter 635, Division 006, related to commercial sardine fisheries.

Rule Caption: (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.)

Adoption and Amendment of Rules for the Issuance and Management of Limited Entry Sardine Permits.

Statutory Authority: ORS 496.146, ORS 506.036, ORS 506.109, and ORS 506.119

Other Authority:

Stats. Implemented: ORS 506.036, ORS 506.109, ORS 506.119 and ORS 506.129

Need for the Rule(s): A limited number of Limited Entry Sardine Permits were provided for the commercial sardine fishery in fishing years 2006 and 2007. Permittees are required to make landings each year to be entitled to renew their permit for the subsequent year. Modification of the permit renewal deadline date may be necessary to be consistent with other established restricted participation systems. Oregon Senate Bill 241 transfers responsibility of permit denial reviews from the Oregon Fish and Wildlife Commission to the Commercial Permit Review Board. Rule modifications are necessary to reflect these changes.

Documents Relied Upon, and where they are available:

1. Staff report for the Oregon Fish and Wildlife Commission meeting of January 11, 2008.

The above documents are available for public inspection in the Department of Fish and Wildlife, Fish Division, Third Floor, 3406 Cherry Avenue NE, Salem, Oregon, between 8:00 a.m. and 4:00 p.m., on normal working days, Monday through Friday.

Fiscal and Economic Impact, including Statement of Cost of Compliance: See attached.

How were small businesses involved in the development of this rule?

Department staff convened the Sardine Advisory Group (two commercial fishery representatives, one processor representative, and two public representatives) on May 24 and October 25, 2007 in Newport and a sardine industry public meeting (Sardine Advisory Group, permit holders, boat owners and operators, and fish processors) on June 19, 2007 in Astoria to discuss potential rule changes. A conference call with the sardine industry (Sardine Advisory Group, permit holders, boat owners and operators, and fish processors) regarding the proposed rule changes is scheduled to be conducted on November 20, 2007.

Administrative Rule Advisory Committee consulted?: No.

If not, why?:

The Department staff is consulting with the sardine industry (Sardine Advisory Group, permit holders, boat owners and operators, and fish processors) regarding the proposed rule changes.

	Lance Thomson	November 15, 2007
Signature	Printed name	Date

**Fiscal and Economic Impact Statement for the January 11, 2008 Hearing  
In the Matter of Rules Relating to the Limited Entry Sardine Fishery**

Fiscal and economic impact: Rules are being proposed to transfer permit review authority in the limited entry sardine fishery to the Commercial Fishery Permit Board. Additionally, the deadline to apply for a limited entry sardine permit may be extended beyond the December 31st deadline before the license year. Proposals are to either extend the deadline by a month to January 31st of the license year, or to extend it by 12 months until December 31st of the license year. The proposed rules will affect state agencies, units of local government, and the public, respectively, as discussed below:

A. The only state agency which will be affected by adoption of these rules is the Oregon Department of Fish and Wildlife (ODFW) and Oregon State Police (for enforcement costs.) These rule changes are not expected to have a significant fiscal impact on either agency.

B. No units of local government are expected to be affected by these rules. No significant changes from the current levels of any local agencies' operations or expenditures are expected as a result of the adoption of these rules.

C. The public could be affected by the adoption of these rules. Sardine fishery participants would have a longer time to apply for a permit.

The rules are believed to be fully compatible with legislative direction on the goals of wildlife management in Oregon.

Businesses affected by these rules are believed to be "small business."

We do not believe that a less intrusive or less costly alternative adaptation to only small business is consistent with the purpose of the rule.