CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE REPORT ON DRIFT GILL NET TRANSITION PROGRAM

California Senate Bill 1017 was passed by the California Legislature and signed into law by the Governor in 2018. Pursuant to the new law, the California Department of Fish and Wildlife (Department) must establish a Drift Gill Net (DGN) Transition Program whereby current DGN permittees may voluntarily surrender their permit and relinquish their nets to receive a one-time payment from the state of California. The Department has now completed a regulatory process to amend Sections 106 and 107, and add Section 106.5 to Title 14, California Code of Regulations (CCR) implementing the Transition Program.

Participation in the Transition Program is voluntary. In order to participate, on or before January 1, 2020 permittees must submit a notarized "Declaration of Intent to Participate in Drift Gill Net Transition Program" form, provided by the Department. If deemed eligible, permittees must relinquish any large-mesh drift gill net(s) to an approved net destruction entity, and their current DGN permit to the Department, no later than March 31, 2021. Participants may withdraw their intent to participate in the Transition Program prior to receipt of compensation by submitting written notice postmarked on or before January 1, 2021.

Pursuant to the law, eligible participants who have documented landings of swordfish or thresher shark using large mesh DGN or experimental deep-set buoy gear between April 1, 2012 and March 31, 2018 will receive a one-time payment of \$110,000. Eligible participants without landings during this time will receive a one-time payment of \$10,000. Payment and participation are on a first-come first-served basis to the extent funds are available. Participants will not be notified of eligibility unless funds are available for their individual participation. SB 1017 requires that funding for the program will come from the California Ocean Protection Council (\$1 million) and non-state sources (at least \$1 million).

Voluntary participants will be exempt from payment of future fees for a California swordfish permit, required for landing swordfish in California, but are prohibited from obtaining a new California DGN shark and swordfish permit and must agree not to fish under a federal DGN permit or transfer or renew a federal DGN permit. Finally, the new program requires that all California DGN shark and swordfish permits must be surrendered or revoked as of January 31 of the 4th year following the Department's notification to the Legislature that \$2 million has been received for the Transition Program.

Details on the Transition Program and all forms necessary to participate are attached and can be found on the Department's web site at:

https://www.wildlife.ca.gov/conservation/marine/pelagic/DGN-Transition



State of California – Department of Fish and Wildlife DECLARATION OF INTENT TO PARTICIPATE IN DRIFT GILL NET TRANSITION PROGRAM DFW 1083 (NEW 08/31/19)

THIS FORM MUST BE POSTMARKED BY JANUARY 1, 2020

SECTION 1. GENERAL PROVISIONS (see also Section 106.5, Title 14, California Code of Regulations) Pursuant to Section 8583(a), California Fish and Game Code, by March 31, 2020, the Department shall establish a program to transition the holders of drift gill net permits issued pursuant to Section 8561 out of the drift gill net fishery that includes the following conditions: (1) A permittee who chooses to participate in the transition program shall indicate his or her intention to the Department to participate by submitting a notarized form provided by the Department <u>on or before January 1, 2020</u>.

(2) A permittee who has landed swordfish or thresher shark with a shark or swordfish gill net or with a federal deep set buoy gear exempted fishing permit between April 1, 2012, and March 31, 2018, inclusive, and who voluntarily surrenders his or her drift gill net permit issued pursuant to Section 8561 and shark or swordfish gill net or nets shall receive, to the extent that funds for the transition program are available, the following amounts: (A) Ten thousand dollars (\$10,000) to surrender the permit. (B) One hundred thousand dollars (\$100,000) to surrender the net or nets.

(3) A permittee who has not landed swordfish or thresher shark on or after April 1, 2012, and who voluntarily surrenders his or her drift gill net permit issued pursuant to Section 8561 and shark or swordfish gill net or nets shall receive, to the extent that funds for the transition program are available, ten thousand dollars (\$10,000).

(4) The Department shall inform a permittee who submits a notarized form pursuant to paragraph (1) whether the permittee meets the requirements of paragraph (2) or (3) and the Department shall submit this information to the fiscal agent.

(5) Any permittee who participates in the transition program by surrendering his or her permit pursuant to paragraph (2) or (3) shall be prohibited from obtaining a new California drift gill net shark and swordfish permit, shall agree not to fish under a federal drift gill net permit, shall agree not to transfer or renew a federal drift gill net permit, and shall surrender his or her shark or swordfish gill net or nets to an entity approved by the department for the purpose of destroying the nets.

Permittee must complete Sections 2-4 below and submit the required documentation. See reverse for instructions and documents required for permit surrender.

SECTION 2. DRIFT GILL NET SHARK AND SWORDFISH PERMITTEE INFORMATION							
COMMERCIAL FISHING LICENSE NUMBER		DRIFT GILL NET SHARK AND SWORDFISH PERMIT NUMBER			GO ID NUMBER		
FIRST	NAME		M.I.	LAST			
MAILIN	MAILING ADDRESS						
CITY					STATE	ZIP CODE	
DAY TE	LEPHONE			EMAIL ADDRESS			
SECTI	SECTION 3. PARTICIPATION IN DRIFT GILL NET SHARK AND SWORDFISH PERMIT TRANSITION PROGRAM						
Initials	ials STATEMENTS A-C: Initials below for all statements.						
	A. I AGREE TO RELINQUISH MY DRIFT GILL NET SHARK AND SWORDFISH PERMIT TO THE DEPARTMENT UPON NOTIFICATION OF ELIGIBILITY TO PARTICIPATE ON OR BEFORE MARCH 31, 2021						
	B. I AGREE TO NOT ACQUIRE A NEW STATE DRIFT GILL NET SHARK AND SWORDFISH PERMIT IN THE FUTURE						
	C. UPON RECEIPT OF PAYMENT I AGREE TO NOT FISH UNDER, RENEW, OR TRANSFER A FEDERAL DRIFT GILL NET PERMIT						
STATEMENTS D-F: Initial below for statement(s) applicable to you:							
	D. I HAVE LANDED SWORDFISH OR THRESHER SHARK USING LARGE-MESH (≥14 INCH MESH) DRIFT GILL NET OR DEEP SET BUOY GEAR UNDER A FEDERAL EXEMPTED FISHING PERMIT BETWEEN APRIL 1, 2012 AND MARCH 31, 2018 (PROVIDE LANDING RECEIPTS OR LANDING DATE AND LOCATION FOR VERIFICATION)						
	E. I POSSESS ONE OR MORE LARGE-MESH (≥14 INCH MESH) DRIFT GILL NET(S) AND, UPON NOTIFICATION OF ELIGIBILITY TO PARTICIPATE, AGREE TO RELINQUISH ALL SUCH NETS TO A NET DESTROYING ENTITY APPROVED BY THE DEPARTMENT ON OR BEFORE MARCH 31, 2021. (INDICATE NUMBER AND APPROXIMATE LENGTH OF NETS HERE):						
	F. I DO NOT POSSESS ANY LARGE-MESH (≥14 INCH MESH) DRIFT GILL NET(S)						
provision fact rec subject under p	to all of the above requirements, and certify ons of the Fish and Game Code (FGC), and quired as a prerequisite to the review, appro t to prosecution pursuant to FGC Section 10 penalty of perjury that the included information on A CERTIFICATION AND SIGNA	I the regulations pron val of this declaration 954 or to other admin on is true to the best	nulgated n, the pe istrative of my ii	d thereto. I agree that ermit will be surrende actions pursuant to S	if I make any fai red, and I unders Section 746, Title	lse statement as to any stand that I may be	
	SECTION 4. CERTIFICATION AND SIGNATURE OF PERMITTEE						
X	Α						



State of California – Department of Fish and Wildlife DECLARATION OF INTENT TO PARTICIPATE IN DRIFT GILL NET TRANSITION PROGRAM DFW 1083 (NEW 08/31/19)

STEPS FOR SURRENDER OF DRIFT GILL NET SHARK AND SWORDFISH PERMIT

1) The current permittee must submit this notarized, initialed and signed form to the Department at the address below. Forms must be postmarked by January 1, 2020.

2) The Department will review this form and determine eligibility in the Transition Program. The Department will notify the current permittee of eligibility in writing when funds are available.

3) If eligible, the current permittee must submit the following documentation to the Department at the address below by March 31, 2021:

- their drift gill net shark and swordfish permit,
- valid receipt from the relinquishment of net(s) to an entity approved to destroy drift gill nets (subsection (f) of Section 106.5, Title 14, California Code of Regulations), and
- a completed state form STD 204, Payee Data Record.

4) Upon receipt of permit and net relinquishment, the Department will notify the fiscal agent to initiate payment. Payments will be mailed via check to the address provided in Section 2.

NOTE: This is a voluntary process. Any permittee who has completed the steps outlined in subsections (a) or (b) of Section 106.5, Title 14, CCR may withdraw their intent to participate in the Transition Program prior to receipt of compensation outlined in subsection (d) of Section 106.5, Title 14, CCR, by submitting written notice postmarked on or before January 1, 2021 to the department's License and Revenue Branch.

INSTRUCTIONS FOR THIS FORM

The following items must be submitted:

- Original notarized, initialed and signed Declaration of Intent to Participate in Drift Gill Net Transition Program.
- One landing receipt, or landing date and location, if the permittee meets the description in Section 3, Statement D.

If you have any questions regarding required documents, permit surrender, or payment from the fiscal agent, please contact License and Revenue Branch, at (916) 928-5822 or via email <u>LRB@wildlife.ca.gov</u>.

If you have any questions regarding the Transition Program or relinquishment of nets, please contact the Marine Region, at (831) 649-2870 or via email <u>AskMarine@wildlife.ca.gov</u>.

MAIL DECLARATION AND SUPPORTING DOCUMENTATION TO:

California Department of Fish and Wildlife License and Revenue Branch 1740 N. Market Blvd. Sacramento, CA 95834

FORM MUST BE POSTMARKED BY JANUARY 1, 2020

1	 INSTRUCTIONS: Type or print the information. Complete all information on this form. Sign, date, and return to the state agency (department/office) address shown in Box 6. Prompt return of this fully completed form will prevent delays when processing payments. Information provided in this form will be used by California state agencies to prepare Information Returns (Form1099). See next page for more information and Privacy Statement. NOTE: Governmental entities, i.e. federal, state, and local (including school districts), are not required to submit this form. 									
2	BUSINESS NAME (As shown on your income tax return) SOLE PROPRIETOR, SINGLE MEMBER LLC, INDIVIDUAL (Name as shown on SSN or ITIN) Last, First, MI E-MAIL ADDRESS									
	MAILING ADDRESS	BUSINESS ADDRESS								
	СІТҮ	STATE	ZIP CODE	CITY		STATE	ZIP CODE			
3 PAYEE ENTITY TYPE CHECK	ENTER FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN): – PARTNERSHIP CORPORATION: ESTATE OR TRUST MEDICAL (e.g., dentistry, psychotherapy, chiropractic, etc.) LEGAL (e.g., attorney services) EXEMPT (nonprofit) ALL OTHERS ALL OTHERS									
ONE BOX ONLY	ENTER SSN OR ITIN: – – SOLE PROPRIETOR, INDIVIDUAL, OR Social Security Number (SSN) or Individual Taxpayer Identification SINGLE MEMBER LLC (Disregarded Entity) Social Security Number (ITIN) are required by authority of California Revenue and Tax Code sections 18646 and 18661)									
4 PAYEE RESIDENCY STATUS	 CALIFORNIA RESIDENT - Qualified to do business in California or maintains a permanent place of business in California. CALIFORNIA NON RESIDENT (see next page for more information) - Payments to nonresidents for services may be subject to state income tax withholding. No services performed in California. Copy of Franchise Tax Board waiver of state withholding attached. 									
5	I hereby certify under penalty of perjury that the information provided on this document is true and correct. Should my residency status change, I will promptly notify the state agency below. AUTHORIZED PAYEE REPRESENTATIVE'S NAME (Type or Print) TITLE TELEPHONE (include area									
	SIGNATURE			DATE	E-MAII	L ADDRESS				
	Please return completed form to:									
6	DEPARTMENT/OFFICE	UNIT/SECTION								
	MAILING ADDRESS			TELEPHONE (include area code) FAX						
	СІТҮ	STATE	ZIP CODE	E-MAIL ADDRESS		<u> </u>				

	Requirement to Complete the Payee Data Record, STD 204				
1	A completed Payee Data Record, STD 204 form, is required for all payees (non-governmental entities or individuals) entering into a transaction that may lead to a payment from the state. Each state agency requires a completed, signed, and dated STD 204 on file; therefore, it is possible for you to receive this form from multiple state agencies with which you do business.				
	Payees who do not wish to complete the STD 204 may elect not to do business with the state. If the payee does not complete the STD 204 and the required payee data is not otherwise provided, payment may be reduced for federal and state backup withholding. Amounts reported on Information Returns (Form 1099) are in accordance with the Internal Revenue Code (IRC) and the California Revenue and Taxation Code (R&TC).				
2	Enter the payee's legal business name. The name must match the name on the payee's tax return as filed with the federal Internal Revenue Service. Sole proprietorships and single member limited liability companies (LLCs) must also include the owner's full name. An individual must list his/her full name as shown on the SSN or as entered on the W-7 form for ITIN.				
	The mailing address should be the address at which the payee chooses to receive correspondence. The business address is the address of the business' physical location.				
3	Check only one box that corresponds to the payee business type. Corporations must check the box that identifies the type of corporation.				
C	The State of California requires that all parties entering into business transactions that may lead to payment(s) from the state provide their Taxpayer Identification Number (TIN). The TIN is required by the R&TC sections 18646 and 18661 to facilitate tax compliance enforcement activities and the preparation of Form 1099 and other information returns as required by the IRC section 6109(a) and R&TC section 18662 and its regulations.				
	Payees must provide one of the following TINs on this form: social security number (SSN), individual taxpayer identification number (ITIN), or federal employer identification number (FEIN). The TIN for sole proprietorships, single member LLC (disregarded entities), and individuals is the SSN or ITIN. Only partnerships, estates, trusts, corporations, and LLCs (taxed as partnerships or corportations) will enter their FEIN.				
	Are you a California resident or nonresident?				
4	A corporation will be defined as a "resident" if it has a permanent place of business in California or is qualified through the Secretary of State to do business in California.				
	A partnership is considered a resident partnership if it has a permanent place of business in California. An estate is a resident if the decedent was a California resident at time of death. A trust is a resident if at least one trustee is a California resident.				
	For individuals and sole proprietors, the term "resident" includes every individual who is in California for other than a temporary or transitory purpose and any individual domiciled in California who is absent for a temporary or transitory purpose. Generally, an individual who comes to California for a purpose that will extend over a long or indefinite period will be considered a resident. However, an individual who comes to perform a particular contract of short duration will be considered a nonresident.				
	Payments to all nonresidents may be subject to withholding. Nonresident payees performing services in California or receiving rent, lease, or royalty payments from property (real or personal) located in California will have 7% of their total payments withheld for state income taxes. However, no withholding is required if total payments to the payee are \$1,500 or less for the calendar year.				
	For information on Nonresident Withholding, contact the Franchise Tax Board at the numbers listed below:Withholding Services and Compliance Section: 1-888-792-4900E-mail address: wscs.gen@ftb.ca.govFor hearing impaired with TDD, call: 1-800-822-6268Website: www.ftb.ca.gov				
5	Provide the name, title, email address, signature, and telephone number of the individual completing this form. Provide the date the form was completed.				
6	This section must be completed by the state agency requesting the STD 204.				
	Brivaav Statement				

Privacy Statement

Section 7(b) of the Privacy Act of 1974 (Public Law 93-579) requires that any federal, state, or local governmental agency, which requests an individual to disclose their social security account number, shall inform that individual whether that disclosure is mandatory or voluntary, by which statutory or other authority such number is solicited, and what uses will be made of it.

It is mandatory to furnish the information requested. Federal law requires that payment for which the requested information is not provided is subject to federal backup withholding and state law imposes noncompliance penalties of up to \$20,000.

You have the right to access records containing your personal information, such as your SSN. To exercise that right, please contact the business services unit or the accounts payable unit of the state agency(ies) with which you transact that business.

All questions should be referred to the requesting state agency listed on the bottom front of this form.