

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 law, the California Department of Fish and Wildlife (Department) established a Drift Gill Net (DGN) Transition Program whereby current large-mesh DGN permittees may voluntarily surrender their permit and relinquish their nets to receive a one-time payment from the state of California. The Department 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 in September 2019 ([Agenda Item I.1.c Supplemental CDFW Report 1](#)).

Participants in the voluntary Transition Program were required to submit a notarized “Declaration of Intent to Participate in Drift Gill Net Transition Program” form on or before January 1, 2020. The Department received 44 declarations by that deadline. This included 28 out of 32 active permittees, who made landings during the prescribed window period, and 16 inactive permittees. As such, the total cost for the program if all voluntary participants who submitted the form are deemed eligible and complete the process, will be \$3,240,000.

In July 2020, the California Ocean Protection Council (OPC) completed an agreement with the Pacific States Marine Fisheries Commission (PSMFC), the designated fiscal agent for the Transition Program, to transfer funds in support of the Program. OPC had committed \$1 Million as required by SB 1017 to cover a portion of the costs of payments to participating DGN permittees. In September 2020, Oceana completed an agreement with PSMFC and transferred slightly more than \$1 Million in non-State funding to cover a portion of the cost of payments to participating DGN permittees.

The OPC and Oceana funds enabled the Department to notify the first 24 approved participants that they can proceed with the Transition Program. As of March 2021, 21 permittees (16 active and six inactive) have completed the transition process, relinquished their nets and permits, and agreed not to fish or transfer a federal DGN permit. Of the 58 federal DGN permit holders in 2020, 17 completed the state Transition Program. Of the remaining 2020 federal DGN permit holders, 20 others have indicated their intent to. The other 21 federal permit holders were either ineligible to participate or chose not to participate in the California program.

The original deadline to complete the Transition Program process was set in regulation as March 31, 2021. This proved to not be sufficient time, given delays in funding acquisition, availability of net destruction entities, and the COVID-19 pandemic. As such, the Department has completed a regulatory process to extend that deadline to one year from the date participants are notified of available funding for their participation or January 31, 2024, whichever is sooner. This new regulation is anticipated to go into effect July 15, 2021. Governor Newsome’s May budget revision includes the remaining \$1.3 Million necessary to allow the remaining 20 participants to proceed. If the final California budget includes the funding, the Department will work to notify the remaining participants as quickly as possible.

Details on the Transition Program can be found on the Department’s web site at: <https://www.wildlife.ca.gov/conservation/marine/pelagic/DGN-Transition>.