STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
DF-46 (REV 03/25)

Fiscal Year	Business Unit Number	Department
2026-27	3600	Fish and Wildlife

Hyperion Budget Request Name	Relevant Program or Subprogram
3600-012-BCP-2026-GB	2600019

Budget Request Title
San Joaquin River Basin Spring and Fall-run Chinook Salmon Restoration

Budget Request Summary
The California Department of Fish and Wildlife requests 3 permanent positions, resources for existing staff, $5 million General Fund in fiscal year 2026-27 and $5.4 million in 2027-28 and ongoing to provide necessary resources for the operation of the newly constructed San Joaquin Research and Conservation Hatchery Facility (SCARF), and to continue the San Joaquin River Restoration Program (SJRRP), and the Merced River Hatchery (MRH).

Requires Legislation (submit required legislation with the BCP)	Code Section(s) to be Added/Amended/Repealed
☐ Trailer Bill Language ☐ Budget Bill Language ☒ N/A	Click or tap here to enter text.

Does this BCP contain information technology (IT) components? ☐ Yes ☒ No *If yes, departmental Chief Information Officer must sign.*	Department CIO	Date
	Click or tap here to enter text.	Click or tap to enter a date.

For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), the approval date, and the total project cost.

Project No. Click or tap here to enter text.
Approval Date: Click or tap to enter a date.
Project Approval Document: Click or tap here to enter text.
Total Project Cost: Click or tap here to enter text.

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By	Date	Reviewed By	Date
Click or tap here to enter text.	1/9/2026	Nicole Nelson	1/9/2026
Department Director	**Date**	**Agency Secretary**	**Date**
Valerie Termini	1/9/2026	Bryan Cash	1/9/2026

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ Dept. of Technology

Principal Program Budget Analyst	Date submitted to the Legislature
Andrew Hull	1/9/2026

A. Problem Statement

The Department of Fish and Wildlife requests resources to operate and maintain the newly constructed San Joaquin Research and Conservation Hatchery Facility (SCARF) and the San Joaquin River Restoration Program (SJRRP). The facility was constructed primarily through bond funds. Now that construction has been completed, the department requests baseline General Fund to support ongoing operation of the facility, as bond funding is finite in nature and the ongoing operations are permanent. The SCARF serves to support the state's efforts to restore spring-run Chinook salmon by 2040. The San Joaquin River has historically supported one of the largest runs of spring-run Chinook salmon which became geographically extinct (extirpated) after water development projects on the San Joaquin River. The Department's SJRRP is engaged in long-term research and monitoring activities for all life-stages of salmon, habitat quantity and need, flow and temperature impacts, genetic sampling, fish passage, and native fish community assessment to inform restoration measures and evaluate success. These two hatchery facilities and the SJRRP are critical to the department's efforts to restore and protect salmon populations in California.

Additionally, due to the expiration in long-term mitigation funding provided by the Department of Water Resources (DWR), the MRH does not have the necessary resources to maintain existing operations and support future needs. The hatchery has been in service for more than 50 years producing Fall-run Chinook salmon for the San Joquin River system to: (1) Mitigate Chinook salmon losses, (2) Sustain the viability of the salmon fishery in California, (3) Protect the genetic diversity of Central Valley Fall-run, and (4) Produce study fish to inform various proceedings and water management efforts in the Delta and Sacramento-San Joaquin River Systems.

For most of its 53-year history, the MRH has maintained operations with funds to mitigate impacts to Central Valley Chinook Salmon. The facility was constructed in 1970 with Davis-Grunsky Act funds and has supported the Vernalis Adaptative Management Program with funds from the United States Bureau of Reclamation, DWR, and Merced Irrigation District. Since 1991, DWR has provided for 47% (~336,000) of the annual expenses to operate the hatchery in exchange for mitigation credits to offset San Joaquin River basin wide fall-run salmon entrainment loss at Harvey O. Banks pumping plant. The DWR met its contractual agreement and funding expired in June of 2022.

This proposal would ensure continued success for salmon reintroduction and restoration in the San Joaquin River Basin which represents the southern segment of the Central Valley salmon population.

Workload History

Workload Measure	PY - 4	PY - 3	PY - 2	PY-1	PY	CY*
Fish Produced (annually)	1,460,954	465,723	309,159	1,037,029	450,000	2,600,000

*Projected amount for 2025-26

B. Justification

The SCARF is a newly constructed hatchery facility, adjacent to the existing San Joaquin (trout) Hatchery, that will implement modern hatchery practices and support reintroduction and restoration of Spring-run Chinook salmon which, historically, was one of the largest and most important salmon runs in California. Following large water development projects in the Twentieth Century, Spring-run Chinook salmon became extirpated in the southern Central Valley and Fall-run Chinook salmon have similarly faced significant extinction risks. Collectively, both facilities, along with the SJRRP, which conducts salmonid research and monitoring

supporting salmon reintroduction and habitat restoration, are necessary to prevent further impediments to Central Valley salmonid populations, reduce extinction risks and support recovery of salmonid populations in California.

SCARF construction and SJRRP operations have primarily been funded by state bonds following the historic 2006 San Joaquin River Restoration Program Settlement Agreement between the United States Departments of the Interior and Commerce, the Natural Resources Defense Council (NRDC), and the Friant Water Users Authority (FWUA) to restore a self-sustaining spring-run Chinook salmon population and reduce or avoid negative impacts on water supplies in the San Joquin River (Stipulation of Settlement for Natural Resources Defense Council, et al. v. Kirk Rodgers, et al.). While the state is not a party to the lawsuit, the department, the California Department of Water Resources (DWR), the California Natural Resources Agency, and the California Environmental Protection Agency entered a memorandum of understanding (MOU) with the settling parties regarding the state's role. The state has served this role since 2007 and participated with funding from Proposition 84, passed by the voters in November 2006. Proposition 84 allocated $100 million to the Secretary for Natural Resources, for the restoration of the San Joaquin River for the purpose of implementing the settlement to restore flows and the salmon population to the river. $40 million was allocated to the department and $60 million to the DWR. The department has successfully managed what was anticipated to be a five-year $40 million dollar program and has extended the use of those funds in a manner that has allowed the state to participate for more than 15-years. This funding was fully spent in 2024-25.

As previous funding commitments expire, and construction is completed with existing bond funds, there is a need to ensure a sustained commitment to fish production and ensure the long-term viability of these operations. Additional support and continued operations is appropriately funded from the General Fund, due to the fact that staffing needs are permanent and bond funds are finite in nature. Permanent resources at the hatcheries will enable effective and enhanced supplementation of naturally produced Chinook salmon to help restore and maintain healthy salmon stock abundance that substantially contribute to sport and commercial fisheries and continue to serve an essential role in informing water operations in the San Joaquin Tributaries and Delta, and regulatory proceedings.

On January 30, 2024, the Governor's Office released California's Salmon Strategy for a Hotter, Drier Future: Restoring Aquatic Ecosystems in the Age of Climate Change (Salmon Strategy). The Salmon Strategy highlights the importance of salmon in California as a central part of Indigenous Peoples' religion and as a multi-million-dollar fishing industry. The Salmon Strategy identifies six priorities to build healthier, thriving salmon populations in California. One of those priorities is the modernization of salmon hatcheries. The Salmon Strategy specifically calls out the SCARF facility and the $44.5 million the state has invested in the construction of the facility and the goal to increase spring-run Chinook salmon production to one million fish annually by 2025.

The Salmon Strategy highlights the downward trend of many salmon populations in California. Salmon face a series of threats and impacts, including ongoing drought conditions, the long-term decline of salmon populations resulting from consecutive dry years in 2007-2009, 2013-2015, and again in 2020-2022, competing interests for scarce water resources, and more recent dynamics like an increased deficiency in salmon diets in the ocean. This coupled with drastic measures taken to close the 2023 commercial and recreational salmon fishing season highlights the extreme risk that salmon face in a changing climate. These hatcheries are an integral component of a strategy to mitigate Chinook Salmon losses and sustain the long-term viability of the salmon fishery while protecting the genetic diversity of naturally producing populations.

To support this strategy, department hatcheries are focused on supplementing the natural production of salmon with hatchery produced fish. These hatcheries serve to improve salmon

escapement abundance to support salmon recovery and protect the significant funding that has been spent on restoration efforts along the San Joaquin River. With these resources, the department will be able to provide a secondary component by providing fish for research that allows scientists to better understand how environmental factors (flow/water temperature, etc.) influence juvenile to adult production. Secondary research efforts are coordinated closely with department scientific staff which provide support for the hatcheries goals and objectives, ongoing operational decisions, and studies.

C. Departmentwide and Statewide Considerations

These hatcheries serve a critical resource need by providing fish for scientific research and monitoring in the Delta and San Joaquin River Basin which informs various regulatory proceedings such as the Federal Energy Regulatory Commission relicensing of hydropower facilities on the Tuolumne and Merced Rivers, Biological Opinions for the Central Valley Project and State Water Project, and State Water Resources Control Board's Bay Delta Water Quality Control Plan Update.

This proposal is also consistent with the Salmon Strategy. The state is committed to restore and protect the salmon population by removing barriers and modernizing infrastructure for salmon migration, restoring, and expanding habitat for salmon spawning and rearing, protecting water flows and water quality, modernizing salmon hatcheries, transforming technology and management systems for climate adaptability, and strengthening partnerships.

The Salmon Strategy acknowledges not just the importance of salmon to a multi-million-dollar fishing industry, but also the salmon's importance to Indigenous People and their religions. Salmon are often at the center of creation stories and are an important part of other stories and traditions. Central to the Salmon Strategy is strengthening partnerships between the department, Tribal Nations, other state and local government entities. This proposal will allow the department to continue vital work to restore salmon in the San Joaquin River.

The SJRRP will continue to fulfill state commitments as prescribed in numerous planning documents and agreements, including but not limited to: the state MOU, the Salmon Conservation and Research Facility and Related Fisheries Management Actions Project Environmental Impact Report (EIR), the Hatchery and Genetic Management Plan for the Central Valley spring-run Chinook salmon Integrated-Recovery Supplementation Program at the San Joaquin Salmon Conservation and Research Facility (HGMP), and the SJRRP Program Management Plan (PMP) with salmon population targets set as far out as 2040.

The department will be able to continue implementation of a basin-wide program that restores extirpated and imperiled salmon populations in collaboration with state and federal agencies, stakeholders, and local entities, executing research, monitoring, and local assistance projects, and increasing fish production to meet restoration and recovery goals for Chinook salmon.

D. Outcomes and Accountability

Key long-term goals to meet these objectives are:

- Supplementation of Chinook salmon natural production with hatchery fish
- Sustain a viable commercial and recreational fishery
- Limit hatchery-produced fish straying
- Develop a better understanding of how environmental factors (flow/water temperature etc.) and water operations influence juvenile to adult production
- Inform and monitor habitat restoration actions to ensure success
- Support goals, objectives, and operational decisions for the hatcheries

- Develop a Hatchery and Genetic Management Plan (HGMP) which will enable the facility to adopt modernization goals as developed by The California Hatchery Scientific Review Group (HSRG).

Continued hatchery operations will enable effective supplementation of naturally produced Chinook salmon to help restore and maintain healthy salmon stock abundance that substantially contribute to sport and commercial fisheries and serve an essential role in informing water operations in the San Joaquin River, the San Joaquin River tributaries and Delta, and regulatory proceedings.

Along with HGMP development for the MRH that will improve fish production goals and objectives (the SCARF has already completed a HGMP), this proposal will support implementation of the Central Valley Constant Fractional Marking/Tagging Program (CFM) for hatchery produced fish to enhance scientific data collection and better estimate stock contributions to the ocean and inland salmon fishery, ensure conservation objectives are being met, and allow effective monitoring of spawning escapement, survival, maturity, stray rates, and release strategies.

With continued Implementation of the SJRRP goals and objectives (https://www.restoresjr.net), the department and DWR will be able to continue working cooperatively under numerous environmental planning, engineering, and salmonid monitoring efforts, including habitat improvement projects and construction of facilities supporting salmon restoration.

To date, the SJRRP has implemented multiple restoration projects, has completed a $45 million salmon hatchery (SCARF) and has reintroduced salmon to the San Joaquin River where they have been extirpated for more than 60-years. The SCARF is a state-of-the-art facility and the first newly constructed state hatchery in over 50 years. The SCARF is an essential feature of the State effort to develop climate resiliency and modernize its hatchery system.

The SJRRP has also provided local assistance towards efforts to modernize and improve water and flood control facilities and ensure these projects support salmon reintroduction, assisted with habitat restoration and public access projects implemented by state and local entities. Those entities include but are not limited to the San Joaquin Parkway and Conservation Trust and San Joquin River Conservancy.

Projected Outcomes

Workload Measure	CY	BY	BY+1	BY+2	BY+3	BY+4
Fish Production Goal (annually)*	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000

*The department will continue existing studies and project implementation to support restoration, assist land use and water management projects and operations, and increase the SCARF production to one million fish annually.

E. Implementation Plan

Implementation of this proposal would begin on July 1, 2026, or upon approval of the 2026-27 Budget Act.

F. Supplemental Information

The department will utilize the requested supplemental funding as follows:

- External contracting for HGMP, coded wire tags, and net pen releases
- Purchase of fish food, water, and utilities

BCP Fiscal Detail Sheet

(Dollars in Thousands)

BCP Title: San Joaquin River Basin Spring and Fall-run Chinook Salmon Restoration

BR Name: 3600-012-BCP-2026-GB

Budget Request Summary

Personal Services

Personal Services	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
Positions - Permanent	0.0	3.0	3.0	3.0	3.0	3.0
Total Positions	**0.0**	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**
Earnings - Permanent	0	1,503	1,503	1,503	1,503	1,503
Salaries and Wages Earnings - Temporary Help	0	388	388	388	388	388
Total Salaries and Wages	**$0**	**$1,891**	**$1,891**	**$1,891**	**$1,891**	**$1,891**
Total Staff Benefits	0	1,122	1,122	1,122	1,122	1,122
Total Personal Services	**$0**	**$3,013**	**$3,013**	**$3,013**	**$3,013**	**$3,013**

Operating Expenses and Equipment

Operating Expenses and Equipment	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
5301 - General Expense	0	135	135	135	135	135
5302 - Printing	0	27	27	27	27	27
5304 - Communications	0	27	27	27	27	27
5306 - Postage	0	27	27	27	27	27
5320 - Travel: In-State	0	135	135	135	135	135
5322 - Training	0	135	135	135	135	135
5324 - Facilities Operation	0	297	297	297	297	297
5326 - Utilities	0	54	54	54	54	54
5340 - Consulting and Professional Services - External	0	0	465	465	465	465
5342 - Departmental Services	0	783	783	783	783	783
5346 - Information Technology	0	82	54	54	54	54
5368 - Non-Capital Asset Purchases - Equipment	0	84	0	0	0	0
54XX - Special Items of Expense	0	201	225	225	225	225
Total Operating Expenses and Equipment	**$0**	**$1,987**	**$2,364**	**$2,364**	**$2,364**	**$2,364**

Total Budget Request

Total Budget Request	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
Total Budget Request	**$0**	**$5,000**	**$5,377**	**$5,377**	**$5,377**	**$5,377**

Fund Summary

Fund Source

Fund Source	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
State Operations - 0001 - General Fund	0	5,000	5,377	5,377	5,377	5,377
Total State Operations Expenditures	**$0**	**$5,000**	**$5,377**	**$5,377**	**$5,377**	**$5,377**
Total All Funds	**$0**	**$5,000**	**$5,377**	**$5,377**	**$5,377**	**$5,377**

Program Summary

Program Funding

Program Funding	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
2600019 - Hatcheries and Fish Planting Facilities	0	5,000	5,377	5,377	5,377	5,377
Total All Programs	**$0**	**$5,000**	**$5,377**	**$5,377**	**$5,377**	**$5,377**

Personal Services Details

Positions

Positions	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
0762 - Environmental Scientist (Eff. 07-01-2026)	0.0	1.0	1.0	1.0	1.0	1.0
0916 - Fish & Wildlife Techn (Eff. 07-01-2026)	0.0	1.0	1.0	1.0	1.0	1.0
1139 - Office Techn (Typing) (Eff. 07-01-2026)	0.0	1.0	1.0	1.0	1.0	1.0
Total Positions	**0.0**	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**

Salaries and Wages

Salaries and Wages	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
0762 - Environmental Scientist (Eff. 07-01-2026)	0	93	93	93	93	93
0916 - Fish & Wildlife Techn (Eff. 07-01-2026)	0	57	57	57	57	57
1139 - Office Techn (Typing) (Eff. 07-01-2026)	0	51	51	51	51	51
Total Salaries and Wages	**$0**	**$201**	**$201**	**$201**	**$201**	**$201**

Staff Benefits

Staff Benefits	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
5150450 - Medicare Taxation	0	41	41	41	41	41
5150500 - OASDI	0	126	126	126	126	126
5150600 - Retirement - General	0	608	608	608	608	608
5150800 - Workers' Compensation	0	42	42	42	42	42
5150900 - Staff Benefits - Other	0	305	305	305	305	305
Total Staff Benefits	**$0**	**$1,122**	**$1,122**	**$1,122**	**$1,122**	**$1,122**

Total Personal Services

Total Personal Services	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
Total Personal Services	**$0**	**$1,323**	**$1,323**	**$1,323**	**$1,323**	**$1,323**