

APPENDIX I. REGULATORY IMPACT REVIEW

Introduction

The National Marine Fisheries Service (NMFS) requires a Regulatory Impact Review (RIR) for all regulatory actions that are of public interest. The RIR does three things: (1) It provides a comprehensive review of the level and incidence of impacts associated with a regulatory action; (2) it provides a review of the problems and policy objectives prompting the regulatory proposals and an evaluation of the major alternatives which could be used to solve the problem; and (3) it ensures that the regulatory agency systematically and comprehensively considers all available alternatives so that the public welfare can be enhanced in the most efficient and cost effective way.

The RIR also serves as the basis for determining whether any proposed regulations are a "significant regulatory action" under certain criteria provided in Executive Order 12866 (E.O. 12866) and whether the approved regulations will have a "significant economic impact on a substantial number of small business entities" in compliance with the Regulatory Flexibility Act of 1980.

Problems and Objectives

The purpose and need, issues, problems, and objectives of this Amendment 29 to the Fishery Management Plan for the Snapper Grouper Fishery of the South Atlantic Region are presented in Chapter 1, Section 1.4, and incorporated herein by reference.

Methodology and Framework for Analysis

This RIR assesses management measures from the standpoint of determining the resulting changes in costs and benefits to society. To the extent practicable, the net effects of the proposed measures for an existing fishery should be stated in terms of producer and consumer surplus, changes in profits, and employment in the direct and support industries. Where figures are available, they are incorporated into the analysis of the economic impacts of the different actions and alternatives.

Description of the Fishery

A description of the snapper grouper fishery is contained in Chapter 3 and is incorporated herein by reference.

Effects of Management Measures

This action will directly apply to the businesses that own and/or operate commercial and for-hire recreational fishing vessels that harvest snapper grouper species in the South Atlantic exclusive economic zone (EEZ). It will also apply to recreational fishers who harvest those species from private or rental vessels in those waters.

Commercial vessels must have a valid commercial snapper grouper permit, which is a limited access permit for either an unlimited quantity of pounds per trip or no more than 225 pounds (lbs) per trip. The numbers of both valid unlimited and 225-lb permits have declined annually since 2008, resulting in increased concentration of the commercial sector of the fishery. As of July 3, 2014, there were 551 valid (and 18 renewable/transferrable) unlimited pounds permits and 113 valid (and 10 renewable/transferrable) 225-lb permits.

For-hire fishing vessels must have a valid charter/headboat permit for snapper grouper to harvest and possess snapper grouper species in the South Atlantic EEZ. As of July 3, 2014, there were 1,437 valid permits. The number of anglers that use private or rented boats to harvest the species in federal waters is unknown.

Action 1

The preferred alternative of Action 1 would change the allowable biological catch (ABC) rule for Only Reliable Catch Stocks (ORCS) of the snapper grouper fishery. Presently, the ABC for these stocks is equal to the third highest landings from 1999 through 2009. The preferred alternative would change the ABC to the highest landings from 1999 through 2007 and multiply that by a scalar value and then by a risk tolerance scalar. There are 14 species identified as ORCS species, and they are Atlantic spadefish, bar jack, silk snapper, yellowedge grouper, gray triggerfish, lane snapper, margate, tomtate, white grunt, scamp, red hind, rock hind, cubera snapper and gray snapper. Note that silk snapper and yellowedge grouper are part of the Deepwater Complex; margate, tomtate, and white grunt are part of the Grunts Complex; red hind and rock hind are in the Shallow Water Grouper Complex, and cubera, lane and gray snapper belong to the Snappers Complex.

Action 2

The preferred alternatives of Action 2 would assign risk tolerance scalars for stocks deemed to have low, moderate and moderately high risk of overexploitation. Only bar jack is deemed by the South Atlantic Scientific and Statistical Committee (SSC) to be with low risk of overexploitation. Five of the stocks have a moderate high risk of overexploitation (gray triggerfish, rock hind, scamp, tomtate and white grunt), and eight with a moderate risk (Atlantic spadefish, cubera snapper, gray snapper, lane snapper, margate, red hind, silk snapper and yellowedge snapper).

Preferred Sub-alternative 2b of Action 2 would assign a risk tolerance scalar of 0.90 to stocks with a low risk of overexploitation, **Preferred Sub-alternative 3b** would assign a risk tolerance scalar of 0.80 to stocks with a moderate risk of overexploitation, **Preferred Sub-alternative 4d** would assign a risk tolerance scalar of 0.70 to gray triggerfish, rock hind, tomtate and white grunt (moderate high risk), and **Preferred Sub-alternative 4d** would assign a risk tolerance scalar of 0.50 to scamp (moderate high risk).

Combined, the preferred alternatives of Actions 1 and 2 would increase the ABC for the stocks with a low or moderate risk of overexploitation and decrease the ABC of those with a high risk of exploitation. These changes range from a 37.5% decrease to a 328.84% increase and

represent potential changes in annual landings (**Table 1**). All of the stocks deemed to have a moderate high risk of overexploitation would have a lower ABC. The largest reduction would be the ABC for scamp; which would decrease by 223,830 lbs ww. Actual changes in landings, however, are dependent on the ACLs derived from the revised ABCs, baseline landings, and accountability measures (AMs).

Table 1. Preferred Sub-alternatives 2b, 3b, and 4d of Action 2.

Only Reliable Catch Stocks	Complex	ABC (lbs ww)			
		Alt. 1	Pref. Sub-alt.	Change	% Change
<i>Low Risk of Overexploitation</i>					
Bar Jack		24,780	62,249	37,469	151.21%
<i>Moderate Risk of Overexploitation</i>					
Atlantic Spadefish		189,460	812,478	623,018	328.84%
Cubera Snapper	Snappers	24,680	63,265	38,585	156.34%
Gray Snapper	Snappers	795,743	1,247,132	451,389	56.73%
Lane Snapper	Snappers	119,984	203,486	83,502	69.59%
Margate	Grunts	29,889	76,792	46,903	156.92%
Red Hind	Shallow Water Grouper	24,867	33,084	8,217	33.04%
Silk Snapper	Deepwater	25,104	90,323	65,219	259.79%
Yellowedge Grouper	Deepwater	30,221	55,596	25,375	83.96%
<i>Moderate High Risk of Overexploitation</i>					
Gray Triggerfish		626,518	717,000	90,482	14.42%
Rock Hind	Shallow Water Grouper	37,953	37,493	-460	-1.21%
Scamp		509,788	373,049	-136,739	-37.50%
Tomtate	Grunts	80,056	92,670	12,614	13.61%
White Grunt	Grunts	674,033	643,889	-30,144	-4.47%

The change of the ABC for each of the above ten stocks within the four complexes causes a changes in the complex's ABC. All of the four complexes would have a higher ABC (Table 2), although the ABCs for some species within the complexes would decrease. For example, the ABC for the Grunts Complex would increase by 29,373 lbs ww, which is equal to the sum of the changes of the ABCs for margate (46,903 lbs ww), tomtate (12,614 lbs ww) and white grunt (-30,144 lbs ww). Note that **Table 2** includes consideration for temporary and permanent changes of the ABC for the Deepwater Complex. An emergency rule temporarily removed blueline tilefish from the complex, and its permanent removal from the complex is being considered in Amendment 32 to the Fishery Management Plan for the Snapper Grouper Fishery of the South Atlantic Region (Amendment 32).

Table 2. Proposed change of ABC for four complexes.

Only Reliable Catch Stocks	Associated Complex	Complex ABC (lbs ww)		
		Proposed Change	Current	Pref. Sub-alt.
Silk Snapper & Yellowedge Grouper	Deepwater (with blueline tilefish)	90,594	711,025	801,619
	Deepwater (without blueline tilefish)	90,594	79,684	170,278
Margate, Tomtate, White Grunt	Grunts	29,373	832,505	861,878
Cubera Snapper, Gray Snapper & Lane Snapper	Snappers	573,477	944,239	1,517,716
Red Hind & Rock Hind	Shallow Water Grouper	7,757	96,432	104,189

Action 3

Currently, the total annual catch limit (ACL) for each of the four individual stocks and four complexes is equal to its respective total ABC. Each total ACL in turn is allocated to the commercial and recreational sectors (**Table 3**).

The preferred alternative of Action 3 would set the total ACL equal to the revised total ABC (and OY) for three of the four complexes (Grunts, Snappers, and Shallow Water Grouper) and Atlantic spadefish, bar jack, gray triggerfish, and scamp. Those revised total ACLs are then allocated to the commercial and recreational sectors. This rule would not change the current percentages of a total ACL allocated to either sector. The commercial and recreational ACLs for Atlantic spadefish, bar jack, gray triggerfish, Grunts Complex, Shallow Water Grouper Complex, and Snappers Complex would increase, while the commercial and recreational ACLs for scamp would decrease (**Table 3**). Decreases in the commercial ACLs are highlighted in orange and those in the recreational sector are highlighted in yellow.

Note that Action 3 does not include the Deepwater Complex. Consequently, although the preferred alternatives of Actions 1 and 2 include changes of the ABCs for two species within the Deepwater Complex, this proposed rule would not change the total ACL for the Deepwater Complex. SG 32 would make that change.

Table 3. Comparison of current (Alternative 1) and proposed (prop.) ACLs by sector.

Stock/Complex	ACL (lbs ww)							
	Total		Commercial Sector			Recreational Sector		
	Alt. 1	Prop.	Alt. 1	Prop.	Prop. Change	Alt. 1	Prop.	Prop. Change
Atlantic Spadefish	189,460	812,478	35,108	150,552	115,444	154,352	661,926	507,574
Bar Jack	24,780	62,249	5,265	13,228	7,963	19,515	49,021	29,506
Gray Triggerfish	819,428	717,000	272,880	312,325	39,445	353,638	404,675	51,037
Grunts	832,505	836,025	218,539	217,903	-636	588,113	618,122	30,009
Scamp	596,879	373,049	333,100	195,000	-138,100	176,688	103,439	-73,249
Shallow Water Grouper	96,432	104,189	49,776	55,542	5,766	46,656	48,648	1,992
Snappers	944,239	1,517,716	215,662	344,884	129,222	728,577	1,172,832	444,255

The above changes in the ACLs represent potential changes. First, changes in ACLs would have no effects if there were no corresponding AMs to cap landings when they reach or are projected to reach the ACLs. However, the above four individual species and three complexes have AMs that close the commercial season for the remainder of the fishing year when landings reach or are projected to reach the commercial ACL. Once a commercial season is closed, all sale or purchase of the species or complex is prohibited and harvest or possession of the relevant species in the South Atlantic EEZ is limited to the (recreational) bag and possession limit. Second, if annual landings of a stock (either individual species or complex) have and are expected to remain substantially less than its current ACL, an increase in the ACL would be expected to produce no change in annual landings. Similarly, if the ACL for a stock is reduced but annual landing of that stock have been and are expected to remain less than the lower revised ACL, the decrease in the ACL would be expected to have no impact on annual landings of that stock. Consequently, estimates of expected changes require a comparison of baseline landings to the current and proposed ACLs.

Commercial Sector:

The fishing year for snapper grouper species is from January 1 through December 31. However, commercial fishing for scamp and Shallow Water Grouper Complex is prohibited from January 1 through April 30 each year. Only one commercial season closed early in 2013 (gray triggerfish closed on July 13), and in 2012, the commercial seasons for scamp and the Shallow Water Grouper Complex closed on October 20th to reopen from November 13 through 21 (**Table 4**). However, the early closures of the scamp and Shallow Water Grouper Complex seasons were not because their landings reached or exceeded their ACLs, but instead were the seasons were required to close when the commercial season for gag grouper closed that year. More recently, the commercial season for gray triggerfish closed on May 12, 2014.

Table 4. Commercial seasons that closed early in 2012, 2013 and as of June 19, 2014.

Year	Closed Early	Date Closed
2014 ¹	Gray Triggerfish	May 12
2013	Gray Triggerfish	July 13
2012	Scamp and Shallow Water Grouper	October 20 & re-opened November 13 - 21.

1. As of June 23, 2014.

If annual commercial landings of a stock exceed its commercial ACL and the stock is overfished, the commercial ACL for the following year is reduced by the amount of the overage in the prior fishing year. None of the four individual species or three complexes above is or has been overfished during the above time period.

Three alternative baseline landings are used to estimate the range of economic impacts of Action 3 on the commercial sector: 1) the average of 2013 and projected 2014 landings, 2) the average of 2012, 2013, and projected 2014 landings, and 3) the average of 2012 and 2013 landings. The proposed action would increase the commercial ACLs for Atlantic spadefish, bar jack, gray triggerfish, Shallow Water Groupers Complex, and Snappers Complex, while decreasing the commercial ACL for scamp and the Grunts Complex. All three variations of baseline landings for Atlantic spadefish, Shallow Water Groupers Complex, and Snappers Complex are less than the current ACL (**Table 5**). Also, baseline landings are less than the proposed reduced commercial ACL for the Grunts Complex. Hence, the proposed action is expected to have no additional effect on commercial landings (both by weight and value) of Atlantic spadefish, Grunts Complex, Shallow Water Groupers Complex and Snappers Complex (**Table 5**).

All three variations of baseline commercial landings of gray triggerfish exceed the current commercial ACL. The proposed action would increase the commercial ACL for gray triggerfish by 39,445 lbs ww. The baseline landings exceed the current ACL from 22,978 to 34,726 lbs ww. Therefore, the proposed action is expected to increase annual landings of gray triggerfish from 22,978 to 34,726 lbs ww. In 2013, the average dockside price of gray triggerfish in the South Atlantic Region was \$1.92 per lb ww (NMFS SERO ALS data). From that it is estimated that the proposed action would increase annual dockside revenue from gray triggerfish landings from \$44,117 to \$66,674 (**Table 6**).

Baseline commercial landings of bar jack exceed the current commercial ACL from 0 to 1,429 lbs ww and the proposed action would increase the commercial ACL for bar jack by 7,963 lbs ww. Thus, the proposed action is expected to increase annual landings of bar jack from 0 to 1,429 lbs ww. In 2013, the average dockside price of bar jack in the South Atlantic Region was \$1.36 per lb ww. Consequently, the proposed action would be expected to increase annual dockside revenue from bar jack landings from \$0 to \$1,944 (**Table 6**). The total annual increase in dockside revenue would range from \$44,177 to \$68,618 (\$ 2013).

The action would reduce the commercial ACL for scamp from 333,100 to 195,000 lbs ww. Baseline landings are less than the reduced commercial ACL. Therefore, the action is expected to have no impact on commercial landings (by weight or value) of scamp.

Table 5. Annual and averages of commercial landings and ACL for seven stocks, 2012, 2013, and January 1 through June 19, 2014.

Year	Atlantic Spadefish		Bar Jack		Gray Triggerfish		Scamp	
	Lbs ww	ACL	Lbs ww	ACL	Lbs ww	ACL	Lbs ww	ACL
2014 ¹	1,091	35,108	3,325	5,265	289,120	272,880	52,221	333,100
2013	3,152	35,108	6,250	5,265	302,595	272,880	130,942	333,100
2012	27,416	36,476	4,072	6,686	312,617	305,262	175,564	341,636
Exp. 2014 ²	2,342		7,139		289,120		255,883	
<i>Ave. 2012-13 & exp. 2014</i>	<i>10,970</i>		<i>5,820</i>	<i>555</i>	<i>301,444</i>	<i>28,564</i>	<i>187,463</i>	
<i>Ave. 2013 & exp. 2014</i>	<i>2,747</i>		<i>6,694</i>	<i>1,429</i>	<i>295,858</i>	<i>22,978</i>	<i>193,412</i>	
<i>Ave. 2012 - 13</i>	<i>15,284</i>		<i>5,161</i>		<i>307,606</i>	<i>34,726</i>	<i>153,253</i>	

Year	Grunts		Shallow Water Groupers		Snappers	
	Lbs ww	ACL	Lbs ww	ACL	Lbs ww	ACL
2014 ¹	40,719	218,539	10,496	49,776	32,717	215,662
2013	95,194	218,539	19,417	49,776	133,666	215,662
2012	106,375	214,624	17,813	49,888	124,939	204,552
Exp. 2014 ²	87,426		51,430		22,536	
<i>Ave. 2012-13 & exp. 2014</i>	<i>96,332</i>		<i>29,553</i>		<i>93,714</i>	
<i>Ave. 2013 & exp. 2014</i>	<i>91,310</i>		<i>35,424</i>		<i>78,101</i>	
<i>Ave. 2012 - 13</i>	<i>100,785</i>		<i>18,615</i>		<i>129,303</i>	

1. Landings from January 1 through June 19, 2014.

2. Projected 2014 landings assuming average daily rate through June 19, 2014, applies through rest of year.

Table 6. Expected changes in dockside revenue due to Action 3.

Stock	Expected Change in Annual Landings	
	Lbs ww	Revenue (\$ 2013)
Atlantic Spadefish	0	\$0
Bar Jack	0 - 1,429	\$0 - \$1,944
Gray Triggerfish	22,978 - 34,726	\$44,117 - \$66,674
Grunts	0	\$0
Scamp	0	\$0
Shallow Water Groupers	0	\$0
Snappers	0	\$0
Total	<i>22,978 to 36,155</i>	<i>\$44,117 to \$68,618</i>

The increased annual dockside revenue from the larger landings of gray triggerfish and potentially larger landings of bar jack would have associated higher annual trip-related costs. Consequently, then expected change in annual net dockside revenue is expected to be less than \$44,177 to \$68,618.

Recreational Sector:

As shown previously in Table 3, Action 3 would increase the recreational ACLs for Atlantic spadefish, bar jack, gray triggerfish, Grunts Complex, Shallow Water Groupers Complex, and Snappers Complex and decrease the recreational ACL for scamp. A single baseline of the average of 2012 and 2012 recreational landings is used to estimate the annual impacts of Action 3 on the recreational sector. As shown in Table 7, baseline recreational landings are less than the current recreational ACL for Atlantic spadefish, bar jack, Grunts Complex, scamp, Shallow Water Groupers Complex and Snapper Complex. Consequently, Action 3 is not expected to result in increased recreational landings of and associated economic benefits from Atlantic spadefish, bar jack, Grunts Complex, Shallow Water Groupers Complex and Snappers Complex.

Baseline recreational landings of gray triggerfish are greater than the stock's current recreational ACL by 25,087 lbs ww and Action 3 would increase the recreational ACL by 51,037 lbs ww. From those figures, it is expected that Action 3 would increase annual recreational landings of gray triggerfish by 25,087 lbs ww. That annual increase would have associated increases in net economic benefits from recreational harvest of gray triggerfish that cannot be quantified at this time.

Table 7. Annual and average annual landings and ACLs for seven stock affected by Action 3.

Year	Atlantic Spadefish		Bar jack		Gray triggerfish		Scamp	
	Lbs ww	ACL	Lbs ww	ACL	Lbs ww	ACL	Lbs ww	ACL
2013	53,878	154,352	2,209	19,515	373,983	353,638	45,813	176,688
2012	187,106	246,365	2,559	13,834	383,466	367,303	78,446	150,936
<i>Average</i>	<i>120,492</i>		<i>2,384</i>		<i>378,725</i>		<i>62,130</i>	
Year	Grunts		Shallow Water Groupers		Snappers			
	Lbs ww	ACL	Lbs ww	ACL	Lbs ww	ACL		
2013	359,382	588,113	26,959	46,656	803,450	728,577		
2012	408,318	562,151	19,552	48,329	428,982			
<i>Average</i>	<i>383,850</i>		<i>23,256</i>		<i>616,216</i>			

Action 3 would decrease the recreational ACL for scamp by 73,249 lbs ww. Baseline landings of scamp are 114,559 lbs ww less than the current ACL. Hence, it is concluded that Action 3 would have no additional effect on recreational landings of and associated economic benefits from scamp.

Action 4

Action 4 would change the minimum size limit for gray triggerfish and enlarge the area of the South Atlantic EEZ where the minimum size limit would apply. Presently, the minimum size limit for gray triggerfish is 12 inches total length (TL) and only applies in the South Atlantic EEZ off Florida. The preferred alternatives would specify a minimum size limit of 12 inches

fork length (FL) in federal waters off North Carolina, South Carolina, and Georgia and a minimum size limit of 14 inches FL in federal waters off Florida’s east coast.

Commercial Sector:

During 2007-2012, commercial landings in Florida accounted for 14 to 24% and North Carolina, South Carolina, and Georgia combined to account for 76% to 86% of the annual gray triggerfish commercial harvest in the South Atlantic. Those ranges of percentages are applied to the current ACL (272,880 lbs ww) for gray triggerfish to estimate baseline landings for Florida and the three combined states (Table 8).

Table 8. Baseline annual commercial landings of gray triggerfish by area.

Area	Range of Baseline Commercial Landings (lbs ww)	
	If 14% FL & 86% NC,SC,GA	If 24% FL and 76% NC,SC,GA
FL East Coast	38,203	65,491
NC, SC & GA	234,677	207,389

It is estimated that **Preferred Sub-alternative 3a** would reduce baseline commercial landings of the North Carolina, South Carolina, and Georgia from 1% to 3% and **Preferred Sub-alternative 5a** would reduce baseline commercial landings in Florida from 14% to 22%. The ranges of annual losses of commercial gray triggerfish landings would be as low as from 5,348 to 8,404 lbs ww (\$10,269 to \$16,137) in Florida if 14% of annual landings is landed in Florida to as high as from 9,169 to 14,408 lbs ww (\$17,604 to \$27,663) in Florida if 24% of landings are in Florida. Similarly, the ranges of annual losses of commercial gray triggerfish landings in the combined states of North Carolina, South Carolina, and Georgia would be as low as 2,074 to 6,222 lbs ww (\$3,982 to \$11,946) to as high as 2,347 to 7,040 lbs ww (\$4,506 to \$13,517) (Table 9). Note that the figures in Table 3 do not include the increase of the commercial ACL due to Action 3.

Table 9. Expected decrease in annual commercial landings (lbs ww and \$ 2013) due to Action 4 without increase of commercial ACL of Action 3. Average price of \$1.92 per lbw w (NMFS SERO ACL data).

Area	Range of Decreases in Commercial Landings (lbs ww) by Area due to Action 4	
	If 14% FL & 86% NC,SC,GA	If 24% FL and 76% NC,SC,GA
FL East Coast	5,348 to 8,405 (\$10,269 to \$16,137)	9,169 to 14,408 (\$17,604 to \$27,663)
NC, SC & GA	2,347 to 7,040 (\$4,506 to \$13,517)	2,074 to 6,222 (\$3,982 to \$11,946)
Total	<i>7,695 to 15,445</i> <i>(\$14,775 to \$29,654)</i>	<i>11,243 to 20,630</i> <i>(\$21,586 to \$39,609)</i>

As stated previously, Action 3 is expected to increase annual commercial landings of gray triggerfish from 22,987 to 34,726 lbs ww. That would represent increases in annual baseline commercial landings in Florida from 3,219 to 4,862 lbs ww if Florida represents 14% of all landings and 5,515 to 8,334 lbs ww if Florida’s landings represent 24% of the total (Table 10).

Table 10. Expected increase in annual commercial landings (lbs ww and \$ 2013) due to Action 3, independent of Action 4. Average price of \$1.92 per lbw w (NMFS SERO ACL data).

Area	Range of Increases in Commercial Landings (lbs ww) by Area due to Action 3	
	If 14% FL & 86% NC,SC,GA	If 24% FL and 76% NC,SC,GA
FL East Coast	3,219 to 4,862 (\$6,179 to \$9,334)	5,517 to 8,334 (\$10,592 to \$16,002)
NC, SC & GA	19,769 to 29,864 (\$37,956 to \$57,340)	17,470 to 26,392 (\$33,543 to \$50,672)
Total	22,987 to 34,726 (\$44,117 to \$66,674)	22,987 to 34,726 (\$44,117 to 66,674)

The above economic impacts of these two actions are combined to estimate the net change in landings of gray triggerfish (by weight and value) due to Actions 3 and 4. The combined impact is expected to be a net increase in annual landings by weight and value in the South Atlantic Region; however, there would be a net beneficial impact in North Carolina, South Carolina, and Georgia and a net adverse impact in Florida. The net annual increase of dockside revenues from gray triggerfish landings in North Carolina, South Carolina, and Georgia would range from \$22,548 to \$27,064 if the states' combined landings represent 76% of the total and from \$29,363 to \$37,020 if the states' landings represent 86% of the total (Table 11). The net annual decrease of dockside revenues from gray triggerfish landings in Florida would range from \$4,087 to \$6,803 if 14% of the landings occur in Florida or from \$7,012 to \$11,662 if 24% of total landings are in Florida.

Table 11. Net changes in commercial gray triggerfish landings by area due to Actions 3 and 4 combined.

Area	Range of Net Change in Commercial Landings (lbs ww) by Area due to Actions 3 & 4	
	If 14% FL & 86% NC,SC,GA	If 24% FL and 76% NC,SC,GA
FL East Coast	-2,129 to -3,543 (-\$4,087 to -\$6,803)	-3,652 to -6,074 (-\$7,012 to -\$11,662)
NC, SC & GA	17,422 to 22,824 (\$33,450 to \$43,822)	15,396 to 20,170 (\$29,560 to \$38,726)
Total	15,293 to 19,281 (\$29,363 to \$37,020)	11,744 to 14,096 (\$22,548 to \$27,064)

Commercial fishermen in these states, especially Florida, may take action to mitigate for the expected losses of landings due to Action 4. For example, in Florida fishermen may increase targeting of gray triggerfish in state waters, where there would be a smaller minimum size limit, or they may increase the number or length of trips in federal waters. However, the ability to mitigate is dependent on additional actions, specifically, the length of the open commercial fishing season (which would be split into two parts by Action 5) and establishment of a commercial trip limit for gray triggerfish (which would be set at 1,000 lbs ww by Action 6). Dealers who purchase gray triggerfish harvested by these commercial fishermen would

experience indirect adverse economic impacts in the form of smaller net revenues from wholesale sales of gray triggerfish.

Recreational Sector:

It is estimated that **Preferred Sub-alternative 3b** would reduce annual recreational landings of gray triggerfish in the South Atlantic Region from 2.7% to 3.7%. From 2008 through 2012, an annual average of 459,031 lbs ww of gray triggerfish was landed in the South Atlantic States. From that it is estimated that **Preferred Sub-alternative 3b** would reduce annual recreational landings of gray triggerfish in North Carolina, South Carolina, and Georgia by 12,394 to 16,984 lbs ww. It is also estimated that **Preferred Sub-alternative 5b** would reduce annual recreational landings in the Region from 4.9% to 6.0%. From those figures, it is estimated that **Preferred Sub-alternative 5b** would reduce annual recreational landings in Florida from 22,493 to 27,542 lbs ww. There are insufficient data to estimate the dollar equivalents of those losses of pounds.

Action 5

Given the preferred alternatives under Actions 3 and 4, if the South Atlantic Fishery Management Council (South Atlantic Council) did chose **No Action (Alternative 1)** as its preferred alternative for Action 5, the commercial season for gray triggerfish is expected to be extended by 15 days. **Preferred Alternative 2** would split the season into two six-month periods, January through June, and July through December, with each season receiving 50% of the allocation. However, the South Atlantic Council's selection of **Preferred Alternative 2** would have the first split season lasting 20 days longer than **Alternative 1, No Action** and the second split season would last 8 days longer than **Alternative 1, No Action**.

Whether a single 12-month season or two 6-month seasons, annual commercial landings are capped by the commercial ACL. This action would affect the rate of commercial landings, but likely would not affect the annual total landings. Although it is unknown how having split seasons for gray triggerfish would actually affect future fishing behavior, it may reduce the current average monthly rate from January through June and increase the current average monthly rate from July through December. Regardless of which seasonal scenario was chosen as the preferred alternative, it is expect that the entire ACL will be caught, therefore none of the alternatives of Action 5 is not expected to change the economic benefits or costs of the commercial gray triggerfish fishery.

Action 6

This action would establish a commercial trip limit for gray triggerfish. **Preferred Alternative 2, Sub-Alternative 2b** would establish a trip limit of 1,000 lbs ww. The purpose of the trip limit is to extend the fishing season longer. It is expected that even with the trip limit and the effects of the other actions of this amendment, the entire ACL of gray triggerfish will continue to be harvested each season and fishermen will be expected to be able to receive the full economic benefit of harvesting the entire ACL regardless of the selected alternative of this action.

Commercial trip limits, in general, are not economically efficient because they limit vessels from benefiting from economies of scale. They have a tendency to increase some fishing trip costs when a trip must stop targeting a specific species because its trip limit has been reached. Unless a vessel that has reached its limit of the targeted fish can easily move into targeting a different species on the same trip, trip costs associated with the species where the limit has been reached will increase because it will require more annual trips by vessels to catch the ACL. Depending on vessel characteristics and the distance required to travel to fish, a trip limit that is too low could result in targeted trips being cancelled altogether if the vessel cannot target other species on the same trip.

If the entire commercial ACL of gray triggerfish is caught in a single fishing year and fishermen are able to continue to have profitable trips at the same rate, none of the alternatives or sub-alternatives of **Action 6** would result in positive or negative economic changes from the status quo. However, it is not possible to estimate the number of trips that might be foregone should a trip limit be set too low to be deemed profitable. Additionally, lower trip limits would require more trips to land the ACL. The additional trip costs associated with the “extended season” trips would reduce the profits attributable to the fishery. A mitigating factor that could offset some of the additional trip costs would be if the ex-vessel price per pound of the species goes up because there would be fewer fish on the market. However, only 2.29% of trips in 2012 landed more than 1,000 lbs ww; therefore, it is expected that relatively few trips will be affected by this action.

Public and Private Costs of Regulations

The preparation, implementation, enforcement, and monitoring of this or any Federal action involves the expenditure of public and private resources, which can be expressed as costs associated with the regulations. Costs associated with this action include, but are not limited to South Atlantic Council costs of documentation preparation, meeting, and other costs; NMFS administration costs of document preparation, meetings and review, and annual law enforcement costs. A preliminary estimate is up to from \$100,000 to \$150,000 before annual law enforcement costs, if any.

Determination of Significant Regulatory Action

Pursuant to E.O. 12866, a regulation is considered a “significant regulatory action” if it is expected to result in: (1) an annual effect of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities; (2) create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights or obligations of recipients thereof; or (4) raise novel legal or policy issues arising out of legal mandates, the President’s priorities, or the principles set forth in this executive order.

This rule would not have an adverse economic effect of \$100 million or more, create a serious inconsistency or otherwise interfere with an action taken by another agency, materially alter the budgetary impact of programs or rights or obligations of recipients, or raise novel legal or policy issues. Hence, it is not a significant regulatory action.