Generic Dealer Reporting Amendment Changes

- The Councils submitted the amendment to NMFS on October 30, 2012.
- The amendment, when submitted, stated that currently all dealers are required by the states to report electronically.
- However, it became evident after the Councils submitted the amendment, that the description of the current dealer reporting requirements was only partially accurate. Currently, all states in the Southeast, except South Carolina, allow dealers to report either electronically or via paper methods, though none require electronic reporting. South Carolina allows electronic reporting but requires paper reporting. As a result, any South Carolina dealer that reports electronically to satisfy federal requirements also has to submit paper reports to satisfy South Carolina state reporting requirements.
- The document has been revised to accurately reflect the current dealer reporting requirement and the potential impacts. This document will be distributed to the Councils to resubmit to NMFS (SAFMC will review at their March 2013 meeting and GMFMC at their April 2013 meeting).
- The document has been primarily modified in the following three sections:

 (1) Fishery Impact Statement (page ix), (2) "What are the current dealer reporting requirements" (page 11), and (3) direct and indirect effects on the economic environment (page 84).
- The document has been modified to reflect the following impacts. There are an estimated <u>699 dealers</u> that do not have a federal dealer permit but who have historically purchased federally managed species. The analysis in the document simply concludes that some unknown portion of the estimated 699 entities that may need to obtain a federal dealer amendment under this proposed amendment may need to acquire a computer, internet services, and the necessary operational skills. The largest increase in operational costs would, obviously, occur under the most conservative case if none of the 699 entities currently reported electronically and would be forced to bear these new expenses. In reality,

however, not all of these affected dealers would be expected to have to incur these new expenses.

• All affected dealers in South Carolina would also have to incur the double burden of conversion to electronic reporting to satisfy the requirements of their federal dealer permit and continue to satisfy the paper reporting requirements of the South Carolina state system. This would be expected to affect an estimated <u>38 dealers</u> under **Preferred Alternative 2b** for Action 1 and approximately 162 dealers under **Alternative 2a**.