

## **7.0 REGULATORY IMPACT REVIEW**

The Regulatory Impact Review (RIR) is conducted to comply with Executive Order 12866 (E.O. 12866) and provides analyses of the economic benefits and costs of each alternative to the nation and the fishery as a whole. Certain elements required in an RIR are also required as part of an environmental impact statement. Thus, this section should be considered only part of the RIR, the rest of the RIR can be found throughout this document.

### **7.1 DESCRIPTION OF THE MANAGEMENT OBJECTIVES**

Please see Chapter 1 for a description of the management objectives associated with this rulemaking.

### **7.2 DESCRIPTION OF THE FISHERY**

Please see Chapter 3 for a description of the fisheries that could be affected by this rulemaking.

### **7.3 STATEMENT OF THE PROBLEM**

Please see Chapter 1 for a description of the problem and need for this rulemaking.

### **7.4 DESCRIPTION OF EACH ALTERNATIVE**

Please see Chapter 2 for a summary of each alternative and Chapter 4 for a complete description of each alternative and its expected ecological, social, and economic impacts. Chapters 6 and 8 provide additional information related to the alternatives.

### **7.5 ECONOMIC ANALYSIS OF EXPECTED EFFECTS OF EACH ALTERNATIVE RELATIVE TO THE BASELINE**

NOAA Fisheries does not believe that the national net benefits and costs would change significantly in the long run as a result of implementation of the preferred alternatives. The benefits and costs for portions of the industry may change and the volume of landings of certain species will likely change somewhat, but the total volume of fish available for consumption is not anticipated to change significantly. Table 7.1 indicates possible net economic benefits and costs of each alternative.

### **7.6 CONCLUSION**

Under E.O. 12866, a regulation is a “significant regulatory action” if it is likely to: 1) have an annual effect on the economy 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, and obligation 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 the Executive Order. The preferred alternatives described in this document do not meet the above criteria. Therefore, under E.O. 12866, the preferred alternatives described in this document have been determined to be not significant for the purposes of E.O. 12866. A summary of the expected net economic benefits and costs of each alternative, which are based on supporting text in Chapters 4 and 6, can be found in Table 7.1.

**Table 7.1 Summary of the Net Benefits and Costs for Each Alternative**

<b>Alternative</b>	<b>Estimated Net Economic Benefits</b>	<b>Estimated Net Economic Costs</b>
<i>Bycatch and Bycatch Mortality Mitigation Measures</i>		
A1	None	None
A2	Vessels able to successfully target swordfish may realize an increase in gross revenues of between 3.57 and 11.72%.	Vessels may experience a decrease in gross revenues of between 47.93 and 51.74%, attributable to potential declines in tuna catches. Vessels embarking on mixed target trips (swordfish and tuna) may experience a decrease in gross revenues of between 36.20 and 48.17%. Vessels would incur an estimated hook compliance cost of approximately \$1,044.
A3 Option I	Vessels able to successfully target swordfish may realize an increase in gross revenues of between 3.57 and 11.72%.	Vessels may experience a decrease in gross revenues of between 47.93 and 51.74%, attributable to potential declines in tuna catches. Vessels embarking on mixed target trips (swordfish and tuna) may experience a decrease in gross revenues of between 36.20 and 48.17%. Vessels would incur an estimated hook compliance cost of approximately \$1,044.
Option ii	Vessels able to successfully target tuna may realize an increase in gross revenues of between 11.95 and 17.25%. Vessels embarking on mixed target trips (swordfish and tuna) may experience an increase in gross revenues of as much as 6.19%.	Vessels may experience a decrease in gross revenues of between 11.06 and 12.63%, stemming from potential declines in swordfish landings. Vessels embarking on mixed target trips (swordfish and tuna) may experience a decrease in gross revenues of as much as 0.68%. Vessels would incur an estimated hook compliance cost of approximately \$1,044.

Alternative	Estimated Net Economic Benefits	Estimated Net Economic Costs
A4 Option i	Vessels able to successfully target swordfish may realize an increase in gross revenues of between 3.57 and 13.01%.	Vessels may experience a decrease in gross revenues of between 47.93 and 51.74%, attributable to potential declines in tuna catches. Vessels embarking on mixed target trips (swordfish and tuna) may experience a decrease in gross revenues of between 36.20 and 48.17%. Vessels would incur an estimated hook compliance cost of approximately \$1,044.
Option ii	Vessels able to successfully target tuna may realize an increase in gross revenues of between 11.95 and 17.25%. Vessels embarking on mixed target trips (swordfish and tuna) may experience an increase in gross revenues of as much as 6.19%.	Vessels may experience a decrease in gross revenues of between 11.06 and 12.63%, stemming from potential declines in swordfish landings. Vessels embarking on mixed target trips (swordfish and tuna) may experience a decrease in gross revenues of as much as 0.68%. Vessels would incur an estimated hook compliance cost of approximately \$1,044.
Option iii	Vessels able to successfully target swordfish may realize an increase in gross revenues of as much as 24.58%.	Vessels may experience a decrease in gross revenues of as much as 53.28%, attributable to potential declines in tuna catches. Vessels embarking on mixed target trips (swordfish and tuna) may experience a decrease in gross revenues of 28.70%. Vessels would incur an estimated hook compliance cost of approximately \$1,433.
A5 (a)	No change is expected in gross revenues attributable to tuna.	Vessels may experience a decrease in gross revenues of between 3.88 and 7.75%, attributable to potential declines in swordfish catches. Vessels embarking on mixed target trips (swordfish and tuna) may experience a decrease in gross revenues of between 3.87 and 7.75%. Vessels would incur an estimated hook compliance cost of approximately \$885.
A5 (b)	No change is expected in gross revenues attributable to tuna.	Vessels may experience a decrease in gross revenues of between 3.88 and 7.75%, attributable to potential declines in swordfish catches. Vessels embarking on mixed target trips (swordfish and tuna) may experience a decrease in gross revenues of between 3.87 and 7.75%. Vessels would incur an estimated hook compliance cost of approximately \$885.

Alternative	Estimated Net Economic Benefits	Estimated Net Economic Costs
A7	Vessels able to successfully target swordfish may realize an increase in gross revenues of between 8.13 and 26.65%. Vessels embarking on mixed target trips (swordfish and tuna) may experience an increase in gross revenues of as much as 17.50%.	Vessels may experience a decrease in gross revenues of between 9.15 and 9.88%, attributable to potential declines in tuna catches. Vessels embarking on mixed target trips (swordfish and tuna) may experience a decrease in gross revenues of as much as 1.75%. Vessels would incur an estimated hook compliance cost of approximately \$1,044.
A8	Vessels able to successfully target swordfish may realize an increase in gross revenues of as much as 5.11%.	Vessels may experience a decrease in gross revenues of as much as 10.47%, attributable to potential declines in tuna catches. Vessels embarking on mixed target trips (swordfish and tuna) may experience a decrease in gross revenues of 5.36%. Vessels would incur an estimated hook compliance cost of approximately \$2,400.
A9 Option i	Vessels able to successfully target swordfish may realize an increase in gross revenues of as much as 55.88%. Vessels embarking on mixed target trips (swordfish and tuna) may experience an increase in gross revenues of 45.71%.	Vessels may experience a decrease in gross revenues of as much as 10.17%, attributable to potential declines in tuna catches. Vessels would incur an estimated hook compliance cost of approximately \$1,433.
Option ii	Vessels able to successfully target swordfish may realize an increase in gross revenues of between 8.13 and 26.65%. Vessels embarking on mixed target trips (swordfish and tuna) may experience an increase in gross revenues of as much as 17.50%.	Vessels may experience a decrease in gross revenues of between 9.15 and 9.88%, attributable to potential declines in tuna catches. Vessels embarking on mixed target trips (swordfish and tuna) may experience a decrease in gross revenues of as much as 1.75%. Vessels would incur an estimated hook compliance cost of approximately \$1,044.
A10 (a) Option i	Vessels able to successfully target swordfish may realize an increase in gross revenues of between 8.13 and 26.65%. Vessels embarking on mixed target trips (swordfish and tuna) may experience an increase in gross revenues of as much as 17.50%.	Vessels may experience a decrease in gross revenues of between 9.15 and 9.88%, attributable to potential declines in tuna catches. Vessels embarking on mixed target trips (swordfish and tuna) may experience a decrease in gross revenues of as much as 1.75%. Vessels would incur an estimated hook compliance cost of approximately \$1,044.

Alternative	Estimated Net Economic Benefits	Estimated Net Economic Costs
Option ii	Vessels able to successfully target tuna may realize an increase in gross revenues of between 2.28 and 3.29%.	Vessels may experience a decrease in gross revenues of between 25.16 and 28.72%, stemming from potential declines in swordfish landings. Vessels embarking on mixed target trips (swordfish and tuna) may experience a decrease in gross revenues of between 21.86 and 26.44%. Vessels would incur an estimated hook compliance cost of approximately \$1,044.
A10 (b)	Vessels able to successfully target swordfish may realize an increase in gross revenues of as much as 26.65%. Vessels able to successfully target tuna may realize an increase in gross revenues of as much as 3.29%. Vessels embarking on mixed target trips (swordfish and tuna) may experience an increase in gross revenues of as much as 29.95%.	Vessels may experience a decrease in gross revenues of as much as 28.72%, stemming from potential declines in swordfish landings and a decrease in gross revenues of as much as 9.88%, attributable to potential declines in tuna catches. Vessels embarking on mixed target trips (swordfish and tuna) may experience a decrease in gross revenues of as much as 38.59%. Vessels would incur an estimated hook compliance cost of approximately \$1,044.
A13	Vessels would likely increase catches of swordfish by 17% and bigeye tuna by 32% (in numbers of fish).	Vessels would likely experience a 2% decrease in yellowfin tuna catches (in numbers of fish). Vessels may experience increased fuel costs associated with an increase in distances vessels may need to travel to reach open areas.
A14	Vessels would likely increase catches of swordfish by 18% and bigeye tuna by 33% (in numbers of fish).	Vessels would likely experience a 2% decrease in yellowfin tuna catches (in numbers of fish). Vessels may also experience increased fuel costs associated with an increase in distances vessels may need to travel to reach open areas.
A15	Vessels would likely increase catches of swordfish by 5% and yellowfin tuna by 3%, and bigeye tuna by 17% (in numbers of fish).	Vessels may experience increased fuel costs associated with an increase in distances vessels may need to travel to reach open areas.
A16	Minor positive benefit from reduced hook replacement costs (if hooks are retrieved undamaged). May increase profits for suppliers who provide release equipment.	Vessels would incur an estimated compliance cost of approximately \$485.00 - \$1056.50.

## **References Cited in Chapter 7**

No references cited