

commercial permits, 6 held both charter/head boat and non-trap commercial permits, and 2065 vessels held Federal commercial lobster trap permits. Due to a lack of mandatory data collection in the lobster fishery, activity data to discern between vessels that merely hold a permit and vessels that have participated or are currently participating in the fishery cannot be determined with any degree of reliability. All Federal lobster permit holders must be considered as potential industry participants; therefore, a regulatory flexibility analysis was conducted. The regulatory flexibility analysis provides information on the expected economic impacts of the selected regulatory action and the non-selected alternatives on affected small entities, i.e. Federal permit holders engaged in the lobster fishery to the extent possible.

Economic Effects on Historic Participation Qualifiers

Based on data provided by the LCMA 3 participants, at least 64 vessels are expected to qualify for historic

participation in LCMA 3. No such data is available for LCMA 4 and 5 nor does the information on the proportion of vessels fishing in each trap category provided by the Area 3 LCMT mean that the number of eventual qualifiers for historic participation will be limited to 64. Due to the lack of any mandatory data collection for Federal lobster permit holders, the actual number of qualifiers will not be known with certainty until after plan implementation. However, using available permit and activity data and adopting some simple decision rules an estimate of the potential number of qualifiers may be figured.

LCMA 3 and LCMA 4 and 5 qualifiers were estimated by matching permit application data to identify all vessels that have a current lobster permit against combined dealer and logbook to estimate qualification based on poundage and trap history requirements (Table 1). In the latter case, trap history was approximated by assuming some minimum poundage that may be expected to be produced from at least 200 traps on a given trip. If, for example,

average catch per trap were 2 lb (0.9 kg) and if 200 traps were hauled on a given trip then at least 400 lb (181 kg) would be produced. Any vessel with at least one trip in excess of 400 lb (181 kg) of lobster in two consecutive calendar months in the appropriate LCMA was deemed to meet the trap history requirement for that calendar year.

An upper bound and lower bound estimate of historic participation qualifiers was estimated by using a sensitivity analysis on the catch per trip assumption and by adopting two different delineations for trips taken in the required LCMA. In the latter case, statistical area was used to delineate trips that took place in LCMA 3 and LCMA 4 and 5. Since statistical areas overlap the LCMA boundaries a lower bound estimate of participants was developed by dropping all statistical areas that had any overlap with either LCMA 3 or LCMA 4 and 5 boundaries. An upper bound estimate was developed by including statistical area overlaps. This procedure was necessary due to a lack of more precise latitude and longitude data in dealer data.

TABLE 1.—SUMMARY OF NUMBER OF QUALIFYING VESSELS FOR HISTORIC PARTICIPATION

	Catch-per-trap = 4		Catch-per-trap = 3		Catch-per-trap = 2		Catch-per-trap = 1	
	Upper	Lower	Upper	Lower	Upper	Lower	Upper	Lower
LCMA 3	99	53	106	55	111	55	117	58
LCMA 4 and 5	47	47	50	50	54	54	60	60

The analysis using available data suggests that the number of qualifiers could be as many as 117 vessels for the LCMA 3 fishery and 60 vessels for LCMA 4 and 5. Of the qualified vessels for LCMA 3, the majority had home ports in either Rhode Island or

Massachusetts. For LCMA 4 and 5, the majority of qualified vessels were from home ports in the states of New York and New Jersey. These data are consistent with known patterns of participation in both LCMA 3 and LCMA 4 and 5 (Table 1). Nevertheless,

given problems with data collection for the lobster fishery these qualification estimates are likely to under-estimate the number of vessels that will qualify for historic participation.

TABLE 2.—SUMMARY OF HOME PORT OF HISTORIC PARTICIPATION QUALIFIERS BY LCMA

Home Port State	LCMA 3		LCMA 4 and 5	
	Lower Bound	Upper Bound	Lower Bound	Upper Bound
DE	1	1	1	1
MA	52	58	2	3
MD	0	0	0	1
NH	1	1	0	0
NJ	7	7	24	31
NY	1	7	14	16
RI	35	41	3	3
VA	0	0	0	1
OTHER	2	2	3	4
Total	99	117	47	60

The effect of limiting access to historic participants will have several

economic effects. Limiting access will protect qualifiers from effort expansion

in the impacted offshore and nearshore LCMA's of Areas 3, 4, and 5. The