

regulatory flexibility analysis is required if the head of an agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. Thus, for a regulatory flexibility analysis to be required, impacts must exceed a threshold for "significant impact" and a threshold for a "substantial number of small entities." See 5 U.S.C. 605(b). SBREFA amended the Regulatory Flexibility Act to require Federal agencies to provide a statement of the factual basis for certifying that a rule will not have a significant economic impact on a substantial number of small entities. This section presents a screening level analysis of the potential effects of the proposed designation of three manatee protection areas on small entities. We certify that this rule will not have a significant economic effect on a substantial number of small entities as defined under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). An initial/final Regulatory Flexibility Analysis is not required. Accordingly, a Small Entity Compliance Guide is not required.

In order to determine whether the rule will have a significant economic effect on a substantial number of small entities, we utilize available information on the industries most likely to be affected by the proposed designation of three manatee refuges. Currently no information is available on the specific number of small entities that are potentially affected. This rule will add travel time to boating recreationists and commercial activities resulting from extension of existing speed zones.

Because the only restrictions on recreational activity result from added travel time, and alternative sites are available for all waterborne activities, we believe that the economic effect on small entities resulting from changes in recreational use patterns will not be significant. The economic effects on small business resulting from this rule are likely to be indirect effects related to reduced demand for goods and services if recreationists choose to reduce their level of participation in waterborne activities. Similarly, because the only restrictions on commercial activity result from the inconvenience of added travel time, and boats can continue to travel up to 40 km per hour (25 mph) in marked channels in most areas, we believe that any economic effect on small commercial fishing or charter boat entities will not be significant. Also, the indirect economic impact on small businesses that may result from reduced demand for goods and services from commercial entities is likely to be insignificant. Based on an analysis of public comment, further refinement of the impact on small entities may be possible.

In order to determine whether small entities will be affected significantly, we examined county-level earnings data. We compared personal income data for the counties potentially affected to statewide averages to provide some background information about each county's economic situation. Because specific information about earnings of small entities potentially affected (both the total level and the amount of earnings potentially affected by the rule)

is not available, we examined county-level earnings for industries potentially impacted by the proposed designation. We further analyzed county business patterns data to examine the numbers of establishments in the affected counties that have a small number of employees. As stated above, economic impacts are believed to be minor and mostly will not interfere with the existing operation of small businesses in the affected counties.

Selected economic characteristics of the five affected counties are shown in Table 1. As demonstrated in the table, all counties except St. Johns have a lower per capita income than the State average. Growth in total personal income is slower than the statewide average in Duval, Lee, and Volusia counties. St. Johns County greatly exceeds the statewide average in growth in both total and per capita personal income. For all five counties, the services sector represents the industry with the greatest earnings. The proportion of industry earnings attributable to amusement and recreation (a subcategory of the services industry potentially impacted by the rule) was relatively low for each county, ranging from one to five percent of total industry earnings. As a result, a small impact to the recreation sector is unlikely to have a significant effect on county-level income. Similarly, the proportion of industry earnings related to the fishing sector was less than 0.2 percent for each county. Thus, a small impact to the fishing sector is unlikely to adversely affect county-level income.

TABLE 1.—ECONOMIC CHARACTERISTICS OF THE FIVE AFFECTED COUNTIES IN FLORIDA—2000

Counties	Per capita personal income 2000 (\$)	10-year annual growth of per capita income ¹ (percent)	Total Personal income 2000 (000\$)	10-year annual growth of total personal income ¹ (percent)	Total earnings by industry—all industries (000\$)	Amusement and recreation industry earnings		Fishing industry earnings	
						Thousands of \$'s	Percent of total	Thousands of \$'s	Percent of total
Clay	25,421	3.8	3,601,576	8.4	1,225,569	18,565	1.5	73	0.01
Duval	27,084	4.1	21,118,751	6.3	19,916,074	194,900	1.0	3,440	0.02
Lee	26,655	3.0	11,833,528	7.0	6,379,956	106,875	1.7	10,619	0.17
St Johns	40,635	7.7	5,057,864	15.9	1,553,900	82,280	5.3	581	0.04
Volusia	22,574	3.6	10,046,808	6.2	4,748,268	128,280	2.7	(²)	NA
State of Florida	27,764	4.0	445,739,968	7.2	282,260,357	5,392,786	1.9	85,609	0.03

¹ Growth rates were calculated from 1990 and 2000 personal income data.

² BEA has withheld this information in order to avoid disclosure of confidential information.

Source: Bureau of Economic Analysis (BEA), Regional Economic Information System, Regional Accounts Data, Local Area Personal Income (<http://www.bea.doc.gov/bea/regional/reis/>)

The employment characteristics of the five affected counties are shown in Table 2. The latest available published data for the total number of establishments broken down by industry and county are from 1997. We

included the following SIC (Standard Industrial Classification) categories, because they include businesses most likely to be directly affected by the designation of the proposed manatee refuges:

- Fishing, hunting, trapping (SIC 09)
- Water transportation (SIC 44)
- Miscellaneous retail (SIC 59)
- Amusement and recreation services (SIC 79)