

grazed for tens or hundreds of years, yet still contain the primary constituent elements for Blackburn's sphinx moth. The DEA concluded that sustainable grazing does not adversely affect the moth, and in fact, may indirectly benefit the species by reducing fire danger and controlling nonnative weeds. Moreover, the DEA concluded that areas historically subject to grazing were unlikely to meet the standards of a natural ecosystem required to be put in the Protective Subzone (HAR § 13-5-11). As a result, even if Agricultural land within the critical habitat designation were redistricted to Conservation, the DEA anticipated that agricultural activities could continue because typical agricultural activities are allowed in all subzones, except the Protective Subzone, with permission of the State Board of Land and Natural Resources (BLNR).

(51) *Comment:* Several commenters were concerned about the potential for critical habitat to decrease the amount of available hunting lands and game animals. Frustration was expressed that governmental officials value plants and insects more than hunting, an important family and cultural tradition, means of subsistence, and way of life. In addition, commenters stated the following: Members of all ethnic groups hunt and depend on subsistence activities as a real part of their income. Hunting also contributes to the economy via money spent on pet foods, interisland trips, gasoline, supplies, etc. Additionally, DLNR will lose money as the demand for hunting licenses and tag fees dwindles. The DEA does not adequately reflect the costs associated with management of game mammals and loss of hunting lands.

Our Response: Chapter VI, section 4.b. of the DEA discussed the potential indirect impact of critical habitat on the management of game mammals on Molokai and the island of Hawaii, the only areas where the critical habitat designation overlaps with State-managed hunting units. The DEA noted that section 7 of the Act by itself does not require DLNR to manage State hunting lands to protect critical habitat; assure the survival and conservation of listed species; or participate in projects to recover species for which critical habitat has been established. Moreover, the DEA noted that critical habitat designation does not require: (1) Creating any reserve, refuge, or wilderness areas; (2) fencing for any reason; (3) removing ungulates; or (4) closing areas to hunters.

However, the DEA recognized that a change in game-management strategy as a result of a lawsuit or as a voluntary

decision by DLNR is possible, but not likely.

Nonetheless, for illustration purposes, chapter VI, section 4.b. of the DEA presented potential costs that could result if DLNR removed areas within the intended designation from the State-managed hunting units. To illustrate the magnitude of the impacts on Molokai, if about half of those who hunt game mammals on the affected lands were to give up hunting, then hunting activity could drop by about 8 percent (half of 16 percent, which is the estimated percentage of the accessible State-managed hunting lands on Molokai proposed for designation). This translates into an annual decrease in economic activity related to hunting on Molokai of about \$25,000 in direct sales; \$45,000 in total direct and indirect sales; one job; and \$15,000 in income. To illustrate the magnitude of the impacts on the island of Hawaii, if about half of those who hunt game mammals on the affected lands were to give up hunting, then hunting activity could drop by about 12.5 percent. While the proposed critical habitat covers only 3 percent of the total hunting area on the island of Hawaii, the actual hunting activity within the area proposed for designation is much higher than 3 percent. Based on information provided by DLNR regarding the popularity and the number of hunting trips in the Puu Waawaa area, it is assumed the area included in critical habitat supports approximately 25 percent of the hunting activity on the island of Hawaii. A reduction in hunting activity by half in this area would translate into an annual decrease in economic activity related to hunting on the island of Hawaii of about \$425,000 in direct sales; \$750,000 in total direct and indirect sales; 13 jobs; and \$250,000 in income. However, the \$450,000 (\$25,000 + \$425,000) decrease in expenditures by the displaced hunters would probably be spent on other activities, goods and services, so these figures are likely to overstate economic costs.

In addition to the change in economic activity discussed above, a reduction in hunting activity would also result in a loss in value or benefit to hunters (consumers' surplus). Chapter VI, section 4.b. of the DEA estimates this potential loss in value at \$238,000 (\$13,000 for hunting on Molokai and \$225,000 for hunting on the island of Hawaii) annually and recognizes that benefits derived from recreational activities that replace game mammal hunting would partially offset this loss. Because the intended revisions did not significantly reduce the amount of overlap between State-managed hunting

units and the intended designation, the Addendum made no changes to the conclusions reported in the DEA regarding hunting.

(52) *Comment:* DOTA stated that the proposed rule fails to adequately consider potential economic impacts to the Kahului Airport as a result of the designated airport lands.

Our Response: Chapter VI, section 3.h. of the DEA and section 3.i. of the Addendum discussed direct economic impacts associated with activity by DATA at Kahului Airport. Specifically, the DEA recognized that DOTA opposes designation of critical habitat in this area due to a possible conflict with safety requirements. In addition, the DEA noted that while DOTA receives Federal funding for transportation improvements, the Federal funds were not likely to be used for activities within the proposed critical habitat designation. Thus, while the possibility of a future Federal nexus was recognized, the DEA concluded that no section 7 consultations or project modifications were anticipated because there was no known Federal involvement for the existing activities.

During public comment, DOTA objected to designation of Kahului Airport and stated that the proposed designation failed to adequately consider the potential economic impacts to the Kahului Airport. As noted in the DEA, activities within the critical habitat designation primarily involve the clearance and cutting back of vegetation. These activities are not typically supported through Federal funds. However, based on discussions with DOTA, it is assumed that DOTA would avoid utilizing Federal funds, if they were available, to support activities within the area designated for critical habitat in order to avoid Federal involvement and section 7 consultation. As DOTA does not currently use or anticipate using Federal funds to support activities within the critical habitat designation, the economic impact of forgoing Federal funding sources is estimated to be zero.

DOTA did not provide any specific information demonstrating economic impact, identify any other activities that would be impacted by the designation, or raise any other Federal nexus. As discussed above, there is no anticipated Federal involvement for activities at Kahului Airport. Thus, no section 7 consultations or project modifications relating to Kahului Airport are anticipated.

(53) *Comment:* The MID Corporation and TSA Corporation (MID/TSA) stated that the DEA vastly understated potential economic impacts to its