

employ less than 500 workers per year on average. A dealer is considered a small business entity if it employs less than or equal to 500 employees. All of the 61 affected shrimp dealers can, therefore, be considered to be small business entities.

Since all shrimp harvest and dealer operations affected by the proposed action are considered to be small business entities, the issue of disproportionate effects between large and small entities does not arise.

NMFS' analysis indicates that the average revenue per shrimp trawler is \$26,440, and the average annual profit is negative, equaling a loss of \$12,511. Under the proposed action, the average reduction in revenue and profits per shrimp trawler would be \$1,444 and \$1,112, which represent reductions of 5.5 percent and 8.9 percent respectively. Although these figures can be broken down according to various criteria, such as vessel size category, state of landing, and area of fishing, they are generally representative of the analysis' results and need not be presented in this summary. The detailed break-outs are provided in the IRFA.

In order for a firm to continue operating in the short-run, revenues must at least cover variable costs. Due to the relatively large losses throughout the west Florida shrimp fishery, many shrimp trawlers cannot apparently currently cover their variable costs and additional regulatory burdens at the levels noted above will accelerate the rate at which these vessels' operations are forced to shut down. It is not possible at this time, however, to accurately determine how many more of these operations will in fact shut down as a result of the proposed actions.

In terms of the value of shrimp purchases, the loss per dealer is estimated to be \$22,393, which represents an average of 1.1 percent for all dealers, but 2 percent for dealers in Florida. Since profitability is unknown in this sector, the significance of such losses cannot be determined with certainty. However, given that the number of dealers purchasing shrimp from the west Florida fishery declined from 84 in 1998 to 61 in 2001, and the poor economic health of the harvesting sector, it is logical to assume that losses are being incurred in the dealer sector. Dealers in Key West, Ft. Myers Beach, Tampa, St. Petersburg, and Tarpon Springs would likely be most susceptible to potential impacts of the proposed action.

Significant alternatives to the proposed action include area closures, seasonal closures, and modifications to BRD requirements. With respect to area

and seasonal closures, the proposed action is to retain the status quo and thus would impose no adverse economic impacts on small entities. With regards to BRD requirements, two alternatives would require BRDs over the identical geographic range, statistical areas 1 through 8, as the proposed action and, thus would not reduce the expected negative economic impacts. Two alternatives would limit the BRD requirement to statistical areas 4 through 8, which would significantly reduce the negative economic impacts attributable to the proposed action. Two other alternatives, the status quo, which would not require BRDs, and an alternative that would limit the requirement to statistical areas 6 through 8 would further reduce the negative economic impacts of the proposed action. However, none of these alternatives would satisfy the requirement and Councils' intent to minimize bycatch "to the extent practicable." Of the various alternatives that require BRDs, the proposed action would accomplish the greatest total bycatch reduction since BRDs would be required over a greater geographic range. Requiring BRDs over the entire area (statistical areas 1–8) would result in the bycatch reduction of approximately 4.006 million pounds, whereas requiring BRDs in only statistical areas 4–8 would result in the bycatch reduction of approximately 1.91 million pounds.

In conclusion, the proposed action is expected to create a significant and adverse economic impact on a substantial number of small entities. These impacts are likely even greater for shrimp trawlers that operate primarily or exclusively in lower Florida, particularly large shrimp trawlers. For these operations, the percentage increase in annual losses due to the proposed action likely ranges from 9.2 percent to as much as 23.4 percent. Although the impact on shrimp dealers is not as large in percentage terms (1.1 percent to 2 percent), the impact on this group of small entities is also likely significant, given the high probability that losses are also being incurred in this sector.

Copies of the IRFA and RIR are available upon request (*see ADDRESSES*).

List of Subjects in 50 CFR Part 622

Fisheries, Fishing, Puerto Rico, Reporting and recordkeeping requirements, Virgin Islands.

Dated: September 24, 2003.

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For the reasons set out in the preamble, 50 CFR part 622 is proposed to be amended as follows:

PART 622—FISHERIES OF THE CARIBBEAN, GULF, AND SOUTH ATLANTIC

1. The authority citation for part 622 continues to read as follows:

Authority: 16 U.S.C. 1801 *et seq.*

2. In § 622.41, paragraphs (h)(1) and (2) are revised to read as follows:

§ 622.41 Species specific limitations.

* * * * *

(h) * * *

(1) *BRD requirement.* (i)

West of 85°30' W. long. On a shrimp trawler in the Gulf EEZ west of 85°30' W. long. and shoreward of the 100-fathom (183-m) depth contour, each net that is rigged for fishing must have a certified BRD listed in paragraph (h)(2)(i) of this section installed, unless exempted as specified in paragraphs (h)(1)(iii) through (v) or paragraph (h)(3)(iii) of this section.

(ii) *East of 85°30' W. long.* On a shrimp trawler in the Gulf EEZ east of 85°30' W. long., each net that is rigged for fishing must have a certified BRD listed in paragraph (h)(2)(ii) of this section installed, unless exempted as specified in paragraphs (h)(1)(iii) through (v) or paragraph (h)(3)(iii) of this section.

(iii) A shrimp trawler is exempt from the requirement to have a certified BRD installed in each net provided that at least 90 percent (by weight) of all shrimp on board or offloaded from such trawler are royal red shrimp.

(iv) A shrimp trawler is exempt from the requirement to have a BRD installed in a single try net with a headrope length of 16 ft (4.9 m) or less provided the single try net is either pulled immediately in front of another net or is not connected to another net.

(v) A shrimp trawler is exempt from the requirement to have a certified BRD installed in up to two rigid-frame roller trawls that are 16 ft (4.9 m) or less in length used or possessed on board. A rigid-frame roller trawl is a trawl that has a mouth formed by a rigid frame and a grid of rigid vertical bars; has rollers on the lower horizontal part of the frame to allow the trawl to roll over the bottom and any obstruction while being towed; and has no doors, boards, or similar devices attached to keep the mouth of the trawl open.