

the Council made a motion to adopt the tribal management measures, which was passed by the Council, and those management measures, which were developed and proposed by the tribes, are included in this proposed rule.

The Council prepared an initial regulatory flexibility analysis that describes the impact this proposed rule, if adopted, would have on small entities.

NMFS is proposing the 2003 annual specifications and management measures to allow West Coast commercial and recreational fisheries participants to fish the harvestable surplus of more abundant groundfish stocks, while also ensuring that those fisheries do not exceed the allowable catch levels intended to protect overfished and depleted stocks. The form of the specifications, in ABCs and OYS, follows the guidance of the Magnuson-Stevens Act, the National Standard Guidelines, and the FMP for protecting and conserving fish stocks. Annual management measures include trip and bag limits, size limits, time/area closures, gear restrictions, and other measures intended to allow year-round West Coast groundfish landings without compromising overfished species rebuilding measures.

Approximately 2,000 vessels participate in the West Coast groundfish fisheries. Of those, about 500 vessels are registered to limited entry permits issued for either trawl, longline, or pot gear. About 1,500 vessels land groundfish against open access limits while either directly targeting groundfish or taking groundfish incidentally in fisheries directed at non-groundfish species. All but 10–20 of those vessels are considered small businesses by the Small Business Administration. There are also about 450 groundfish buyers on the West Coast, approximately 5 percent of which are responsible for about 80 percent of West Coast groundfish purchases. In the 2001 recreational fisheries, there were 106 Washington charter vessels engaged in salt water fishing outside of Puget Sound, 232 charter vessels active on the Oregon coast and 415 charter vessels active on the California coast.

The Council considered five alternative specifications and management measures regimes for 2003: the no action alternative, which would have implemented the 2002 regime for 2003; the low OY alternative, which set harvest levels so that overfished stocks would have an 80 percent probability of rebuilding within T_{max} ; the high OY alternative, which set harvest levels so that overfished stocks would have a 50 percent probability of rebuilding within

T_{max} ; the Allocation Committee alternative, which set harvest levels intermediate to those of the low and high alternatives, but includes management through depth-based closures, and; the Council OY alternatives (preferred alternative) which was the same as the Allocation Committee alternative, except that it included a higher sablefish harvest north of Point Conception, CA and more restrictive recreational fishery management measures south of Cape Mendocino, CA. Each of these alternatives included both harvest levels (specifications) and management measures needed to achieve those harvest levels, with the most restrictive management measures corresponding to the lowest OYs.

Each of the alternatives analyzed by the Council was expected to have different overall effects on the economy. Among other factors, the draft EIS for this action reviewed alternatives other than the no action alternative for expected declines in revenue and income from 2001 levels. Declines were not measured from 2002 levels because complete data from 2002 is not yet available. The low OY alternative was expected to reduce commercial exvessel revenue by \$60 million in 2003, reduce overall commercial harvest income by \$274 million, and reduce recreational fishery income (mainly charter businesses) by \$150 million. The high OY alternative was expected to reduce commercial exvessel revenue by \$6 million in 2003, reduce overall commercial harvest income by \$16 million, and reduce recreational fishery income by \$1.3 million. The economic effects of the Allocation Committee alternative were analyzed both for management with depth-based regulatory measures and without those measures. The Allocation Committee alternative without depth-based regulatory measures was expected to reduce commercial exvessel revenue by \$21 million in 2003, reduce overall commercial harvest income by \$53 million, and reduce recreational fishery income by \$1.3 million. The Allocation Committee alternative with depth-based regulatory measures was expected to reduce commercial exvessel revenue by \$15 million in 2003, reduce overall commercial harvest income by \$40 million, and reduce recreational fishery income by \$1.3 million. The Council's preferred alternative, which includes depth-based regulatory measures and a recreational fishery management regime designed to more strictly constrain harvest of overfished species, was expected to reduce commercial exvessel

revenue by \$13 million in 2003, reduce overall commercial harvest income by \$35 million, and reduce recreational fishery income by \$26 million. The Council's preferred alternative meets the conservation requirements of the Magnuson-Stevens Act, while reducing to the extent possible the adverse economic impacts of these conservation measures on the fishing industries and associated communities.

Depth based management is particularly expected to both protect overfished species from harvest in areas where they commonly occur and allow fisheries greater access to more abundant stocks outside of the closed areas. Without depth-based management, harvest of abundant stocks would have been more severely restricted because there would have been no measures to prevent vessels from operating in areas where abundant and overfished stocks cooccur.

Recreational fisheries management measures in 2001 and 2002 were not adequately conservative and those fisheries exceeded their overfished species retention levels in both years. Thus, the recreational fisheries are more severely restricted under the preferred alternative than under the high OY alternative or under either of the Allocation Committee alternatives. While the preferred alternative is expected to result in greater income declines for businesses associated with recreational fishing, those declines reflect conservation measures expected to better protect overfished species. Estimates of declines in revenues and income in this section are from the draft EIS for this action and may change with the completion of the final EIS.

Revenues for many groundfish fishery participants under the preferred alternative are expected to decline in 2003. These declines are mainly attributable to more restrictive management measures intended to protect overfished species. It is difficult to estimate exactly how this overall decline in landings and revenue will affect individual members of the groundfish fleet. However, the overall decline is significant enough to suggest that small businesses with a substantial portion of their incomes dependent on groundfish will be negatively affected by implementation of the 2003 proposed harvest levels. Overall, commercial vessels that target groundfish are expected to have a 21 percent decline in groundfish-related ex-vessel revenue and a 5 percent decline in total ex-vessel fishing revenue. The cumulative effect of 2003 management on the personal incomes of fishery participants is expected to be a \$35 million decline.