

1. For almost every regulatory action, the National Marine Fisheries Service is required to prepare a Regulatory Impact Review (RIR), which includes an analysis of the economic effects of the preferred and alternative actions. One of the purposes of the RIR is to comply with the requirements of E.O. 12866. The RIR is intended to assist the Councils and NMFS in selecting the regulatory approach that maximizes net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity), unless a statute requires another regulatory approach.
2. Regulatory Flexibility Act Analysis (RFAA) is necessary to satisfy the requirements of the RFA. The RFAA should assess the impacts of the proposed/final rule on small entities and describe steps the agency has taken to minimize any significant economic impact on small entities while still achieving regulatory goals. The general intent of the RIR and RFAA analytical and process requirements is to make the decision process open and transparent so that all can understand the what, where, and why of regulatory decision-making and can agree that the required steps of the process were followed. The economic analyses provide decision-makers and the public with the agency's best estimates of the impacts of proposed actions and of their alternatives.
3. The RIR and the RFAA should be undertaken by those with economic expertise. When undertaking the RIR and the RFAA, the analyst is expected to make a reasonable effort to organize the relevant information and supporting analyses, given the significance of the issue, projected time tables, and available resources.
4. Economic analyses are also required to varying degrees under the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), the National Environmental Policy Act (NEPA), the Endangered Species Act (ESA), and other applicable laws. The analyst should be aware of these other laws as he/she will often be working with other analysts conducting analyses to meet the requirements of these laws. For example, section 303(a)(9) of the Magnuson-Stevens Act requires a Fishery Impact Statement (FIS). This includes an analysis of the effects of a proposed action on participants in the fishery and on fishing communities¹.
5. Social impact assessment (SIA) is also an essential part of the regulatory process and improves fishery conservation and management decision-making. SIA is predicated on the idea that decision-makers should understand the social consequences of their policies and regulations and that the affected parties should have the opportunity to participate in designing their future. The social environment differs from the natural environment in that it reacts in anticipation of

change and can adapt in reasoned ways to changing circumstances in the planning process. In addition, persons in different social settings interpret change in different ways, and react in different ways. If a well-prepared SIA contemplates these human social complexities and is integrated into the decision-making process, better decisions will result. Without an SIA, a fishery management plan or amendment or other regulatory actions will not be considered complete².

Signed _____/s/ Jan24 2006 _____
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¹ Paragraphs 1-4 are taken with some editorial changes from “Guidelines for Economic Analysis of Fishery Management Actions,” August 2000, Office of the Sustainable Fisheries, National Marine Fisheries Service, p. 1-2. <http://www.nmfs.noaa.gov/sfa/RFA%20Guidelines.PDF>

² Paragraph 5 is largely taken and paraphrased from the conclusion of, “Guidelines and Principles For Social Impact Assessment,” prepared by The Interorganizational Committee on Guidelines and Principles for Social Impact Assessment, May 1994, National Marine Fisheries Service. http://www.nmfs.noaa.gov/sfa/social_impact_guide.htm