

**Peer Review Report Peer Review Report for  
Hawaiian monk seal critical habitat designation:  
Draft Economic Analysis Report  
as prepared September 2010 by ECONorthwest**

A draft economic analysis report was prepared in support of the proposed rule to revise the critical habitat designation for the Hawaiian monk seal under section 4 of the Endangered Species Act (ESA). The draft economic report was reviewed by three peer reviewers in October 2010: Denise Johnson, Ph.D., Edward J. Maillett, and Katrina Hodges. These three peer reviewers are economists who have experience reviewing economic analyses conducted in association with the promulgation of regulations under the ESA. Comments provided by the peer reviewers and by the public will be considered in the final economic analysis and final Hawaiian monk seal critical habitat designation. The comments submitted by each peer reviewer are attached in the following pages. Each reviewer is identified by a number. Comments specific to certain sections of the report will be identified under the appropriate italicized section title. Comments pertaining to specific text will follow the italicized excerpted text from the report. Responses to peer review comments and public comments will be provided in the final Hawaiian monk seal critical habitat designation rule, due to be published in the Federal Register.

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[Executive Summary: Draft Economic Analysis of Critical Habitat Designation for the Hawaiian Monk Seal \(pages ES-1–ES-4\)](#)

Reviewer 1:

- A. *In-Water and Coastal Construction*
- B. *Dredging and Disposal of Dredged Materials*

Comment: Since dredging is a form of in-water construction and is analyzed separately, consider including “(excluding dredging)” within the activity title here and throughout the document.

Reviewer 2:

*NMFS has identified these eight activities of concern because they have the potential to be affected by the proposed designation of critical habitat for the HMS:*

Comment: Are there any under water telecommunications cables in any of the areas being considered for inclusion in the designation? Would maintenance and repairs on these cables affect critical habitat? If not, are there any planned projects to install telecommunications cables in these areas?

*At this time, the available information suggests that, if the proposed designation had been in place in 2009, the additional consultation costs solely attributable to the designation for proposed in-water and coastal construction projects requiring a permit from the U.S. Army Corps of Engineers (USACE) would have been about \$30,950 per year (refer to*

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*Section III for more details). With a newly established programmatic consultation between USACE and NMFS, however, costs would be different. Adoption of the proposed designation would result in re-initiation of the programmatic consultation so that it addresses concerns associated with HMS critical habitat. The estimated administrative costs for the re-initiation are about \$17,450. Once completed, if future projects resemble those of 2009, the annual consultation cost would fall to about \$9,400. The average annual cost over the five-year duration of the programmatic consultation would be about \$12,890. Actual costs likely will fall between this amount and \$30,950, but they fall below or above this range. The information currently available is insufficient to determine if the proposed designation would have any other economic impacts or, if so, their extent.*

Comment: The last paragraph can be confusing. Given this is an Executive Summary, why include the many explanations? Just state clearly that all of the annual costs of the proposed revision of critical habitat are expected to derive from consultations concerning in-water and coastal construction projects requiring an Army Corps of Engineers permit and the annual costs of these consultations would likely range from \$12,890 to \$30,950.

Reviewer 3:

*Executive Summary: Draft Economic Analysis of Critical Habitat Designation for the Hawaiian Monk Seal.*

Comment: First of all, the ES lacks summary table of co-extensive and incremental impacts by threat and critical habitat area. Was this intentional?

Comment: How exactly are co-extensive impacts differentiated from those being affiliated with the designation of critical habitat? When I now hear the word “co-extensive” I think in terms of the 2002 10<sup>th</sup> Circuit Court of Appeals ruling on our Flycatcher economic analysis. Is that your thinking as well? For the most part, though, it appears that you avoid using this term and instead discuss baseline economic impacts, which I guess is synonymous with the term co-extensive.

Comment: I think the analytical approach that is discussed makes general sense for this type of designation. However you do talk about “estimating” the baseline level of protection afforded the species but I really did not note any “estimation” conducted in the analysis – only detailed descriptions of the laws and regulations that already protect the Monk seal.

Comment: One thing however, that is not clear to me in the discussion is how NMFS proposes to conduct its 4(b)(2) analysis using this information. It seems that the economic information is being analyzed at the activity level and by federal nexus. What is not clear is the spatial location of where these activities take place and how they relate to proposed critical habitat. NMFS previously adopted an approach for its Pacific salmon rules whereby the conservation benefits of critical habitat were graded along a three point scale, at a finer spatial scale (e.g., 5<sup>th</sup> level Hydrological Unit Code). This allowed NMFS to compare economic impacts to conservation benefits following an “area by area” approach. It appears that the approach adopted in this analysis would not allow for such considerations. Are the economic impacts uniformly distributed around each island? If not and a decision is made to exclude some areas based on economic impacts

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then there is a risk that some areas could get included with such an exclusion even if they are not part of the area where the actual economic impact is expected to occur.

Comment: Given the seemingly very significant level of existing protection for the Monk seal, how exactly is the designation of critical habitat expected to aid in the species conservation? What is unique about the Main Hawaiian Islands that warrants designation? How has the standing critical habitat in the outer islands benefited (or not) the species? It may be helpful to provide an overview map in the ES.

Comment: The ES fails to summarize the economic impacts by identified activity and location. It only summarizes economic impacts to the US Army Corp of Engineers. Why? Are there not other federal agencies or third parties that could be affected through one of the eight types of threatening activities? This is not entirely clear in the ES.

Comment: Finally, the ES mentions that a review was conducted of past section 7 consultations within proposed CH. What were the results? How did activities compare to those identified as threats to CH? What was the outcome and where was their location? Can this be mapped? Is it discussed elsewhere in the document?

## [Section I. Introduction and Background \(pages 1-6\).](#)

### Reviewer 1:

*The Secretary shall designate critical habitat, and make revisions thereto, under subsection (a)(3) on the basis of the best scientific data available and after taking into consideration the economic impact, the impact on national security, and any other relevant impact, of specifying any particular area as critical habitat. The Secretary may exclude any area from critical habitat if he determines that the benefits of such exclusion outweigh the benefits of specifying such area as part of the critical habitat, unless he determines, based on the best scientific and commercial data available, that the failure to designate such area as critical habitat will result in the extinction of the species concerned.*

Comment: I noticed that quoted paragraphs are not quoted uniformly; see pp. 1, 7, and 76.

### Reviewer 2:

#### *B. Proposed Revisions to Designated Critical Habitat for the Hawaiian Monk Seal*

Comment: How about adding a sentence or two that describes the current area(s) designated as critical habitat, so the reader has a clearer sense of what is being added/changed?

*NMFS has identified the economic activities shown in Table 3 as those that, if funded, authorized, or carried out by a federal agency, may require consultation and/or potential modifications to avoid destruction or adverse modification of the proposed HMS critical habitat.*

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Comment: This suggests future consultations could involve more than planned in-water and coastal construction projects, which is contrary to what is said in the Executive Summary.

Reviewer 3:

*Section I. Introduction and Background*

Comment: Again, just curious as to what effect CH had for the seal in the areas previously designated. A brief discussion would be helpful for context.

[Section II: Framework for the Economic Analysis \(Pages 7-29\)](#)

Reviewer 1:

*C. Types of Economic Costs and Benefits*

Comment: Without having seen the 4(b)(2) or any of the other documents that go along with the proposed rule, are you ultimately weighing the costs against the benefits found in this analysis? I am asking because I have only seen this type of report analyzed as a cost-effectiveness analysis.

Reviewer 2:

*B. Baseline for the Economic Analysis*

Comment: Are any of the areas to be included in the revised designation of critical habitat included in critical habitat designation for another species?

*The with-vs.-without approach is not the same as an alternative, the before-after approach. The latter would entail comparing economic conditions before the revised designation with those that would exist afterward, and attributing the difference to the revised designation.*

Comment: Although I can appreciate the difference in terms, in actuality the two approaches can be the same. The previous page describes the with-vs.-without approach as the economic impacts “with” the revised designation and “without” as the status quo economic impacts. The status quo or without is the baseline, which is “before” the change. The “with” is “after” the proposed revision has been implemented. Why make it appear that they are fundamentally different when they do not have to be?

*1. Baseline Protections from Federal Laws and Actions*

Comment: Why is it assumed that state laws are not relevant? There may be state laws that provided added protections to both the seal and its habitat. As such, they are part of the baseline (the without).

*2. Baseline Cost Estimates*

Comment: A description of the range of actions affected by listing and current designation from 1996 to 2007 would help. Why do the tables in this section focus on the

listing and not the consultations before and since the current designation of critical habitat?

*The proposed designation may directly result in two types of economic costs. One includes the incremental, additional administrative costs associated with section 7 consultations to consider the potential for federal agencies' proposed actions to result in destruction or adverse modification of HMS critical habitat. The other includes the costs associated with modifying proposed actions, or projects, to insure that the federal actions would not result in destruction or adverse modification of the habitat.*

Comment: Did any past proposed actions require modification because of the current designation? Does the baseline (the "without") include future actions that would require modification because of the current designation?

- ***Additional effort to address adverse modification in a new consultation** - New consultations taking place after adoption of the proposed critical habitat designation may require additional effort to address critical habitat issues above and beyond those issues associated with jeopardy to the species. In this case, only the additional administrative effort required to consider critical habitat is considered an incremental impact of the designation.*

Comment: Are the areas to be added to the designation of critical habitat different from the areas that were included in the first designation in terms of human use? A short section on the relevant economic geography(ies) would help strengthen the baseline and concluding analysis. Currently, any statement that briefly describes the uses and potential economic uses of the current designation and revised designation are scattered through the document.

*If the proposed designation of critical habitat for the HMS is adopted, the agencies would re-initiate the programmatic consultation to address critical habitat-related concerns; the middle section of Table 8 indicates the total administrative costs could be about \$17,450.*

Comment: Is this in combination with Table 8 to suggest that all of the future consultations will involve proposed actions that could adversely modify critical habitat? What has been the range of costs to third parties since the current designation? Is there nothing to be learned from the impacts of the current designation?

*The total, incremental annual costs attributable to the designation would be the sum, about (\$3,490 + \$9,400 =) \$12,890.*

Comment: So costs to third parties are zero or are assumed to be zero?

Reviewer 3:

*Section II: Framework for the Economic Analysis*

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Comment: This section also mentions the section 7 and 10 permit process but does not offer any insight into the actual number of permits issued in the past and for what activities and locations. Wouldn't this information be useful in predicting future impacts?

Comment: Your discussion of the Marine Mammal Protection Act under Baseline protections does not discuss how the Act offers HABITAT protection for the Monk seal as something akin to what critical habitat will do.

Comment: The analysis cites the FWS Expenditures Report as a source of baseline expenditures but it is not clear how this is useful information for the analysis. Is it possible to identify the types of conservation activities associated with these expenditures? Also, I do not think that recovery planning documents are credible sources of economic information. From my experience, very little effort goes into developing and verifying these estimates. The Recovery Planning estimates (Table 7) do not necessarily match reported expenditures (Table 6) – should a brief discussion be provided? Again, how is this information useful in context of understanding the impacts of CH designation? Also, the totals in Table 7 do not appear to reflect the sum of the individual actions reported above.

Comment: Your characterization of the types of economic costs and benefits appears to be very similar to that adopted by FWS. Administrative costs appear to be on the same scale as that used by FWS.

Comment: Why do you only discuss 2009 consultations and use this for your frame of reference for future predictions? Wouldn't it be better to look back over the past ten years or entire period since the species was listed to develop more of an average expectation for the number and types of consultations expected in the future?

Comment: Your discussion of the programmatic consultation and need to re-initiate does not mention anything beyond administrative costs. Would critical habitat designation add nothing of consequence to this process? Could this be explained?

Comment: In your discussion of Potential Direct Economic Benefits could you please expand the discussion pertaining to how the designation of critical habitat will contribute to the conservation of the species? Can you point to any analogous for other protected species in the area? What about the current critical habitat designation for the seal? How has this benefited the species?

Comment: I would be careful about throwing out generalized willingness to pay estimates based on 25 year old surveys. First of all, you report nothing on the methodology followed to generate such an estimate so we can not determine how valid the results are based on current standards. Second, if one compares the reported economic benefit to past reported costs, one would presume that the cost placed on society to conserve this species outweighs the benefits realized by society, which I do not think is your intention. I also think that by reporting the total number of visitors and eco-visitors to HI islands

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and their associated expenditures you are slightly misleading the reader as to the potential economic impact associated with this species. While I agree that people get enjoyment (i.e., benefit) from seeing a seal, it is doubtful that the seal's existence forms their basis for traveling to the Hawaiian Islands.

Comment: You conclude this section with a discussion about how people would enjoy an economic benefit from the diminished probability that the species will go extinct. While I agree with the general premise, it would be useful to expand the discussion to explain how critical habitat designation will alter the probability.

I am not sure that I agree with your argument that critical habitat designation could save entities money through the curtailment of their projects and that the cost savings could be applied to expand other projects thus increasing the benefits to others.

Comment: In your discussion about indirect conservation related benefits, could you provide even a hypothetical example of the link to critical habitat designation for the seal and how it relates to coral reefs.

### [Section III: Activities Potentially Affected by the Proposed Designation \(pages 30-76\)](#)

#### Reviewer 1:

##### *Section III: Activities Potentially Affected by the Proposed Designation*

Comment: In places where it refers to "the appendix" it would be helpful to list which appendix, since there are multiple.

- *Commercial fishing in requires State of Hawaii Commercial Marine License.*

Comment: Sentence is unclear.

- *Annual Total Allowable Catch (TAC) quota for Hawaii Restricted Bottomfish Species specified in annually based on the best scientific information available (fishing year is September 1 – August 31).*

Comment: Sentence is unclear.

#### Reviewer 2:

##### *A. In-Water and Coastal Construction*

Comment: If in-water and coastal construction projects are the only actions that could be affected by the revised designation, why not have that explanation up front?

*The HDOT is unable to identify locations where specific projects may overlap with the proposed critical habitat. The possibilities are illustrated, however, by a six-year Highways Modernization Plan released in January, 2009. Figure 1 shows the location of projects included in the six-year plan. It calls for shoreline protection projects in these locations:*

Comment: What are "shoreline protection" projects? Have any been conducted in the area(s) designated as critical habitat? If so, what level of consultation has been involved and have the projects been modified because of the designation?

*Absent information regarding the potential effects on specific projects, however, it is not possible to determine what impacts, if any, the proposed designation of critical habitat for the HMS would have on the economic costs and benefits associated with the HDOT's highway-construction activities.*

Comment: Has the current designation affected DOT-permitted projects or is the current designation expected to affect future DOT-permitted projects? If yes, that can be a source of evaluating impacts of the current designation on DOT projects and then using that to describe potential impacts of the revised designation.

*Project-modification costs likely would be incurred by the sponsor of the proposed project or activity.*

Comment: Who are likely to be these sponsors? Who have been past sponsors of projects in the current area(s) designated as critical habitat?

*Existing information, however, does not support an estimate of the extent to which the future incremental consultation cost attributable to the designation would be lower or higher than \$400 per year, once re-initiation of the programmatic consultation is completed.*

Comment: What is this information?

*The USACE has not presented sufficient information to identify the incremental costs of the project modifications identified, since many of these costs are assumed by the permit applicant.*

Comment: What have been the added costs to applicants since the current designation? Again, the analysis seems to ignore the elephant in the room, which is the current designation and its impacts. Did the current designation not increase costs to applicants?

*Each of these projects occurred in harbors that are not included in the proposed designation of critical habitat.*

Comment: Did any occur in areas currently designated as critical habitat? Did disposal occur in any areas currently designated as critical habitat?

*The standards put forth by the State of Hawaii and the certification process may be considered a baseline protection for Hawaiian monk seal critical habitat.*

Comment: Why aren't state statutes and regulations, like the federal statutes and regulations, summarily described earlier in the document?

*The data in Table 8 indicate that the incremental administrative costs arising from addressing habitat-related concerns to the consultations would be about \$400 for a*

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*technical-assistance consultation, \$2,350 for an informal consultation, and \$4,900 for a formal consultation.*

Comment: The Executive Summary suggests no dredging and disposal activities would be affected by the proposed revision of the CHD, but here there are costs.

*Information provided by the USACE indicates that, in recent years, it has issued 2–6 dredging permits annually, with the disposition of dredged materials about evenly distributed between ocean disposal and beach nourishment.*

Comment: Have any of these actions been in areas currently designated as critical habitat?

*Information provided by the USACE regarding the designation's potential impacts is not sufficient to determine with greater specificity the nature or the extent of the potential impacts, if any.*

Comment: Are there any projects currently planned in the areas being proposed to be included in the designation? What have been the impacts of the current designation on beach replenishment projects, if any?

*Current information is insufficient to determine the full scale and scope of future energy projects that might have impacts on the critical habitat being proposed for the HMS.*

Comment: Have any projects been proposed in the area(s) currently designed as critical habitat? If so, what has been the impact of the CHD on these projects, if any?

*The sponsors of proposed projects likely would the costs, if any, associated with these modifications.*

Comment: Who are the likely sponsors of these projects? If there have been energy-related projects conducted in current areas designated as critical habitat, who have been the sponsors of these projects?

*At this point in time there is insufficient information to determine the proposed designation's potential impacts on these activities.*

Comment: Have there been any projects proposed in the area(s) currently designated as critical habitat that would generate water pollution? If so, what impact(s) did the designation have on these projects?

#### *E. Aquaculture Activities*

Comment: Are there any underwater telecommunications cables in areas to be included in the current or revised designation of critical habitat? If so, have there been any consultations? Are any telecommunication projects involving underwater cables planned in the future in the areas currently and proposed to be designated as critical habitat?

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Comment: Could one of the bills on the Hill affect the potential impacts on critical habitat? At least mention there may be a statute that affects marine aquaculture, which may protect critical habitat.

*The potential impacts of construction and other activities associated with the project on critical habitat for the HMS remain unknown, as the project has not yet undergone consultation.*

Comment: Would the project be located in or near any area currently designated as critical habitat? Have any aquaculture operations been located in or near areas currently designated as critical habitat?

*The industry is new and has had little interaction with NMFS, whose records for 2006–09 show only two consultations on aquaculture projects in areas being proposed as critical habitat for the HMS.*

Comment: What types of consultation were required and what were their costs?

*Only those federally managed fisheries overlapping with the proposed designation surrounding the MHI are considered for this portion of the discussion.*

Comment: What has been and what is predicted to be the impact of the current designation on commercial, recreational and subsistence fishing?

*On 1 January 2010 one of the new regulatory measures went into effect.*

Comment: How many have registered? The number will describe how many recreational (and subsistence) fishermen fish could be fishing in the EEZ off Hawaii. That number can be obtained with a phone call.

*At this point in time there is insufficient information to determine the proposed designation's potential impacts on federal fisheries activities.*

Comment: Has the current designation affected fishing in the EEZ?

*If such situations occur in the future, they generally will not allow measured assessment of the potential for a given clean-up decision to adversely modify the critical habitat areas for the HMS that are being proposed.*

Comment: Have there been any spills in areas currently designated as critical habitat?

*The wide scope of activities and locations makes it difficult to determine the costs of future modifications without looking at the project-specific details associated with each activity.*

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Comment: Has the current designation affected any military activities or expected to affect any future military activities?

*B. Baseline Protections (Military)*

Comment: Why repeat these?

*The Navy has not provided additional information regarding economic impacts to operations outside of these facilities, because of uncertainty associated with the potential modifications, if any, to its activities that might result from the proposed designation.*

Comment: Have there been any modifications because of the current designation?

Reviewer 3:

*Section III: Activities Potentially Affected by the Proposed Designation*

Comment: It would be helpful to include a summary table at the conclusion of each section showing the breakdown of economic impacts by nexus and area. This could be broken down into projects, administrative costs, and mitigation/project modification costs presented in both annualized and PV estimates.

Comment: For the most part, the analysis concludes that there is insufficient information to estimate the economic impacts associated with the designation of critical habitat for each activity. In my own opinion, this unfairly puts the burden on other regulatory agencies as well as on the general public to conduct the economic assessment for NMFS. If there truly is no foreseeable economic impact beyond the trivial burdensome administrative costs to include an assessment of a project's impact on critical habitat, then this strongly implies that there will be no incremental conservation benefits associated with the designation. The threats to the HI monk seal are human induced. If there are no economic costs associated with the designation, then you are implying that changes in human behavior are not anticipated. If the status quo of human behavior remains, along with its direct and indirect threatening activities then it is difficult to understand the conservation strategy behind seal recovery.

Comment: Personally, while I agree with the logical structure of the analysis (first discussing description of the threat, then federal nexus, then extent of action within critical habitat, baseline protections, and incremental impacts due to designation) the fact of the matter is that absent any meaningful assessment of economic impacts that would be attributable to changes in human behavior, I fail to understand how this analysis provides meaningful information for decision-makers or the public. Yes, the U.S. Fish and Wildlife Service now adopts a similar approach as to that taken by NMFS in this analysis but my own personal impression still stands on this approach. In the past NMFS had taken a more rigorous approach (e.g., Pacific salmon critical habitat) whereby not only were economic impacts assessed at a finer level, but NMFS also graded habitat using a three way scale so as to conduct cost-effectiveness tests. I personally believe that this approach is the proper approach for conducting an economic assessment of critical

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habitat designation and note that the U.S. Fish and Wildlife Service originally developed and used this approach for the Pacific Northwest spotted owl, which we no longer follow.

Comment: Perhaps one additional segment you could add to the structure of the analysis would be an overview of the consultation history for these threatening activities that have taken place in the proposed areas in the past? Also, were there activities conducted in the past where the listing of the seal did not trigger consultation and if so why? Would critical habitat designation change this in the future?

Comment: Also, when you discuss baseline protection measures, could you please remind the reader as to what areas are considered to be occupied by the species and thus already subject to ESA protection measures?

Comment: While it may have been mentioned previously in the document, I could not recall the timeline for the analysis, nor did I note it repeated in this section. How far out in time were action agencies expected to forecast future projects within critical habitat boundaries?

#### [Section IV: Other Potential Economic Impacts](#)

##### Reviewer 2:

*Hence, this section provides contextual information about Hawaii's economy as a whole.*

Comment: Why is there no analysis of the past and future impacts of the current designation? Such information can be used to assess impacts of the revised designation?

##### *B. In-Water and Coastal Construction and the Economy*

How about making this section C and adding a section B that describes the economies of the individual islands and counties.

*Table 21 shows the expected expenditures on shoreline-protection projects that might be of concern regarding their potential effect on HMS critical habitat.*

Comment: Would any of these projects occur in areas currently designated as critical habitat? Have there been any consultations?

*In 2006, recreational fishing accounted, in total, for about \$800 million in output, \$400 million in value added, \$250 million in income, and 7,000 jobs.*

Comment: Whose estimate? What is the source? This estimate includes all recreational fishing, including fishing in federal and state marine waters and inland waters?

*In 2007, 70 aquaculture operations in the state generated sales of about \$25 million.*

Is this marine aquaculture or all aquaculture, which includes ponds and tanks? Where are these operations located?

*The modification could increase or decrease the number of personnel at the site and elsewhere in Hawaii.*

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Comment: Has the current designation caused any modification of DOD activity or is expected to cause any modification of future DOD activity?

Comment: Where is the conclusion? At least provide a table that briefly states in phrases or sentences the potential impacts of each of the added areas.

Reviewer 3:

Comment: Again, this section presents very little useful information as it concludes that there is insufficient information to estimate economic impacts.

[Appendix C: Small Business Analysis](#)

Reviewer 1:

*Appendix C: Small Business Analysis*

Comment: Would it possible to group some of the specific areas by available county info, such that you can perform the analysis at the county level?

Reviewer 2:

*Appendix C: Small Business Analysis*

Comment: The RFA Analysis is inadequate. See the SBA's Office of Advocacy guidance on conducting the analysis.

*b. Detailed Analysis*

Comment: What and how many non-federal and non-state entities have been directly affected by the current designation? Have any of these entities been small businesses, small governmental jurisdictions and/or small non-profits? Explain why they have been or have not been small entities?

- ***Small Governmental Jurisdiction.*** Section 601(5) of the RFA defines small governmental jurisdictions as governments of cities, counties, towns, townships, villages, school districts, or special districts with a population of less than 50,000.

Comment: Are any of the small entities that could be affected expected to include small governmental jurisdictions?

- ***Small Organization.*** Section 601(4) of the RFA defines a small organization as any not-for-profit enterprise that is independently owned and operated and not dominant in its field.

Comment: Are any of the small entities that could be affected by the proposed revision expected to be small non-profits? For example, are no academic institutions, who perform aquaculture or studies, expected to be affected by the proposed change?

*Many of these activities would not involve small entities. Any regulatory actions stemming from the proposed rule that apply to Military and Homeland Security Activities would affect activities being carried out by federal agencies within the Department of Defense and by the U.S. Coast Guard, in the Department of Homeland Security.*

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Comment: What if some of these activities are performed by small businesses under contract with the U.S. government?

*Some Coastal Construction and Related Activities would be funded by the U.S. Department of Transportation but carried out by the Hawaii Department of Transportation as it maintains, repairs, or builds shoreline highways.*

Comment: What of contractors who do this work for HDOT?

*This process of elimination leaves a subset of activities that might involve small entities:*

Comment: What about entities that conduct telecommunications projects? Any small?

*At this time, the available information does not indicate that the proposed rule would have significant or disproportionate adverse economic impact on any entity, including small ones, carrying out these activities.*

Comment: I don't see Advocacy giving this the green light, especially since the impacts of the current designation on small entities is completely avoided. That is part of the baseline!

*Information showing the incidence of small business entities in each of the industries shown in Table A.*

Comment: So, how many small businesses are expected to be affected by the proposed revised designation?