

Office of Regulatory Management

Economic Review Form

Agency name	Virginia Marine Resources Commission
Virginia Administrative Code (VAC) Chapter citation(s)	4 VAC 20-490
VAC Chapter title(s)	Pertaining to Sharks
Action title	Prohibition on the retention of Shortfin Mako, Commercially and Recreationally within Virginia State Waters
Date this document prepared	

Cost Benefit Analysis

Table 1a must be completed for all actions. Tables 1b and 1c must be completed for actions where the agency is exercising discretion, but are not needed if all changes are required by state or federal law or regulation. Delete 1b and 1c if they are not applicable, and include a statement that all changes are mandated.

- (1) Direct Costs & Benefits: Identify all specific, direct economic impacts (costs and/or benefits), anticipated to result from the regulatory change. (A direct impact is one that affects entities regulated by the agency and which directly results from the regulatory change itself, without any intervening steps or effects. For example, the direct impact of a regulatory fee change is the change in costs for these regulated entities.) When describing a particular economic impact, specify which new requirement or change in requirement creates the anticipated economic impact. Keep in mind that this is the proposed change versus the status quo. One bullet has been provided, add additional bullets as needed.
- (2) Quantitative Factors:
 - (a) Enter estimated dollar value of total (overall) direct costs described above.
 - (b) Enter estimated dollar value of total (overall) direct benefits described above.
 - (c) Enter the present value of the direct costs based on the worksheet.
 - (d) Enter the present value of the direct benefits based on the worksheet.
- (3) Benefits-Costs Ratio: Calculate d divided by c OR enter it from the worksheet.
- (4) Net Benefit: Calculate d minus c OR enter it from the worksheet.
- (5) Indirect Costs & Benefits: Identify all specific, indirect economic impacts (costs and/or benefits), anticipated to result from the regulatory change. (An indirect impact is one that results from responses to the regulatory change, but which are not directly required by the regulation. Indirect impacts of a regulatory fee change on regulated entities could include a change in the prices they charge, changes in their operating procedures or employment levels, or decisions to enter or exit the regulated profession or market. Indirect impacts also include responses by other entities that have close economic ties to the regulated entities, such as suppliers or partners.) If there are no indirect costs or benefits, include a specific statement to that effect.

- (6) Information Sources: Describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why they are not.
- (7) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

(1) Direct Costs & Benefits	<p>This regulatory amendment would prohibit the retention of shortfin mako within Virginia’s state waters (0-3 miles) for the commercial and recreational fish sectors to correspond with NOAA fisheries implementing a zero fish retention limit in federal waters (3-200 miles).</p> <p style="text-align: center;">Direct Costs: \$0</p> <p>This amendment will have no direct costs as the shortfin mako fishery is currently closed within federal waters and are only actively fished for within those waters. In Federal waters since 2017, there have been 38 shortfin mako kept recreationally, while 10,362 pounds has been landed commercially using trawls and longlines. These gear types are used exclusively in Federal waters, with no landings from state waters.</p> <p style="text-align: center;">Direct Benefits: \$0</p> <p>According to a 2017 stock assessment, shortfin mako are overfished and subject to overfishing. In the time period since this finding, the population has not recovered. As such, the International Commission for the Conservation of Atlantic Tunas (ICCAT) and NOAA Fisheries implemented recommendations and regulations to prohibit the retention of these sharks in federal waters. By mirroring Federal regulation in state waters, illegal harvest of shortfin mako will be further deterred and allow the species to recover.</p>		
(2) Quantitative Factors	Estimated Dollar Amount	Present Value	
Direct Costs	(a) \$0	(c) \$0	
Direct Benefits	(b) \$0	(d) \$0	
(3) Benefits-Costs Ratio	0	(4) Net Benefit	\$0

<p>(5) Indirect Costs & Benefits</p>	<p>Indirect Costs:</p> <p>There will be no indirect costs by amending this regulation, law enforcement will undergo their normal vessel checks.</p> <p>Indirect Benefits:</p> <p>This change will enhance the ability for state law enforcement to prosecute the federal water prohibition on shortfin mako. Since the fishery is only executed in federal waters, any encounters of shortfin mako retained by a fisherman found in state waters was likely caught in federal waters. By mirroring federal rule, state law enforcement will have a greater likelihood of prosecuting a case regarding the retention of shortfin mako.</p> <p>A prohibition on retention within federal waters and state waters will shorten the time to rebuild the population, potentially allowing the fishery to reopen sooner.</p>
<p>(6) Information Sources</p>	<p>MRC Mandatory Harvest Reporting Program, Voluntary Seafood Pricing Survey, the Marine Recreational Information Program and NOAA Fisheries.</p> <p>The <i>Mandatory Harvest Reporting Program</i> is a MRC run program that requires all commercially licensed seafood harvesters in Virginia to report all harvests of seafood on a monthly basis.</p> <p>The <i>Voluntary Seafood Pricing Survey</i> is a MRC run pricing survey that solicits dockside prices of seafood from Virginia Seafood Dealers on an annual basis.</p> <p><i>NOAA Fisheries</i> is the federal group that manages highly migratory species and houses data from the <i>Marine Recreational Fishing Program</i>.</p> <p>NOAA funded recreation data collection programs, the <i>Large Pelagic Survey</i> (LPS), the <i>Highly Migratory Species</i> (HMS) permitting program and the <i>Access Point Angler Intercept Survey</i> (APAIS).</p>
<p>(7) Optional</p>	

(i) Title §28.2-201 which allows the MRC to establish fisheries regulation necessary to promote the general welfare of the seafood industry and to conserve and promote the seafood and marine resources of the Commonwealth. (ii) The zero retention limit for shortfin mako within state

waters will effectively close the fishery for shortfin mako to help rebuild the population to a healthier state to then be reopened for commercial and recreational fishing.

Impact on Local Partners

- (1) Describe the direct costs and benefits (as defined on page 1) for local partners in terms of real monetary costs and FTEs. Local partners include local or tribal governments, school divisions, or other local or regional authorities, boards, or commissions. If local partners are not affected, include a specific statement to that effect and a brief explanation of the rationale.
- (2) Quantitative Factors:
 - (a) Enter estimated dollar value of total (overall) direct costs described above.
 - (b) Enter estimated dollar value of total (overall) direct benefits described above.
- (3) Indirect Costs & Benefits: Describe any indirect benefits and costs (as defined on page 1) for local partners that are associated with all significant changes. If there are no indirect costs or benefits, include a specific statement to that effect.
- (4) Information Sources: describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why they are not.
- (5) Assistance: Identify the amount and source of assistance provided for compliance in both funding and training or other technical implementation assistance.
- (6) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

Note: If any of the above information was included in Table 1, use the same information here.

Table 2: Impact on Local Partners

(1) Direct Costs & Benefits	There are no local partners that would be affected by these changes.
(2) Quantitative Factors	Estimated Dollar Amount
Direct Costs	(a)
Direct Benefits	(b)
(3) Indirect Costs & Benefits	
(4) Information Sources	

(5) Assistance	
(6) Optional	

Economic Impacts on Families

- (1) Describe the direct costs and benefits (as defined on page 1) to a typical family of three (average family size in Virginia according to the U. S. Census) arising from any proposed regulatory changes that would affect the costs of food, energy, housing, transportation, healthcare, and education. If families are not affected, include a specific statement to that effect and a brief explanation of the rationale.
- (2) Quantitative Factors:
 - (a) Enter estimated dollar value of direct costs.
 - (b) Enter estimated dollar value of direct benefits.
- (3) Indirect Costs & Benefits: Describe any indirect costs and benefits (as defined on page 1) to a typical family of three that are most likely to result from the proposed changes.
- (4) Information Sources: describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why not.
- (5) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

Note: If any of the above information was included in Table 1, use the same information here.

Table 3: Impact on Families

(1) Direct Costs & Benefits	A typical family of three would not be affected by changes to this regulation as typical families are not engaged in shortfin mako harvest.
(2) Quantitative Factors	Estimated Dollar Amount
Direct Costs	(a)
Direct Benefits	(b)
(3) Indirect Costs & Benefits	

(4) Information Sources	
(5) Optional	

Impacts on Small Businesses

- (1) Describe the direct costs and benefits (as defined on page 1) for small businesses. For purposes of this analysis, “small business” means the same as that term is defined in § 2.2-4007.1. If small businesses are not affected, include a specific statement to that effect and a brief explanation of the rationale.
- (2) Quantitative Factors:
 - (a) Enter estimated dollar value of direct costs.
 - (b) Enter estimated dollar value of direct benefits.
- (3) Indirect Costs & Benefits: Describe the indirect benefits and costs (as defined on page 1) for small businesses that are most likely to result from the proposed changes.
- (4) Alternatives: Add a qualitative discussion of any equally effective alternatives that would make the regulatory burden on small business more equitable compared to other affected business sectors, and how those alternatives were identified.
- (5) Information Sources: describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why not.
- (6) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

Note: If any of the above information was included in Table 1, use the same information here.

Table 4: Impact on Small Businesses

(1) Direct Costs & Benefits	Small businesses should not be effected by this change, as stated previously, shortfin mako are caught in Federal waters, not state waters.
(2) Quantitative Factors	Estimated Dollar Amount
Direct Costs	(a) The proposed change would not create any new costs.
Direct Benefits	(b) The direct benefits are not quantifiable.
(3) Indirect Costs & Benefits	

(4) Alternatives	
(5) Information Sources	
(6) Optional	

Changes to Number of Regulatory Requirements

For each individual VAC Chapter amended, repealed, or promulgated by this regulatory action, list (a) the initial requirement count, (b) the count of requirements that this regulatory package is adding, (c) the count of requirements that this regulatory package is reducing, (d) the net change in the number of requirements. This count should be based upon the text as written when this stage was presented for executive branch review. Five rows have been provided, add or delete rows as needed.

Table 5: Total Number of Requirements

	Number of Requirements			
Chapter number	Initial Count	Additions	Subtractions	Net Change
4 VAC 20-490	1	0	0	0