DEPARTMENT OF THE INTERIOR
Fish and Wildlife Service
50 CFR Part 14
RIN 1018–AT59
Conferring Designated Port Status on Houston, TX; Louisville, KY; and Memphis, TN

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Final rule.

SUMMARY: We, the U.S. Fish and Wildlife Service, make Houston, Texas; Louisville, Kentucky; and Memphis, Tennessee, designated ports under section 9(f) of the Endangered Species Act of 1973 (ESA). This action will allow the direct importation and exportation of wildlife and wildlife products through these growing international ports. We are changing the designation of these ports to improve and enhance the functions of the existing Service port and would not amount to changing the status of an existing Service port and would not require start-up costs as would be the case in Louisville and Memphis. Houston is one of the fastest growing ports of entry in the nation in both international air and ocean cargo and shipping. The three airports comprising the Houston Airport System handled 42,016,609 passengers and 330,701 tons of cargo in 2002. International air cargo tonnage at George Bush Intercontinental increased by more than 62 percent in the past 10 years with a 10 percent per year increase in the past 5 years.

DATES: This rule is effective January 5, 2005.

ADDRESSES: Comments and materials received, as well as supporting documentation used in the preparation of this final rule, are available for public inspection, by appointment, during regular business hours at the Branch of Investigations, U.S. Fish and Wildlife Service, Office of Law Enforcement, 4501 North Fairfax Drive, Suite 3000, Arlington, Virginia 22203.


SUPPLEMENTARY INFORMATION:

Background

The ESA requires that all fish and wildlife, with only limited exceptions, be imported and exported through designated ports. Designated ports facilitate U.S. efforts to monitor wildlife trade and enforce wildlife protection laws and regulations by funneling wildlife shipments through a limited number of locations. The Secretary of the Interior, with the approval of the Secretary of the Department of Homeland Security, designates ports for wildlife trade by regulation after holding a public hearing and collecting and considering public comments. Public hearings were conducted in Houston on June 10, 2004, in Memphis on July 1, 2004, and in Louisville on July 8, 2004. We published a proposed rule to designate the ports of Houston, Louisville, and Memphis, with a 30-day comment period, on April 22, 2004 (69 FR 21806).

The Service selects designated ports based upon numerous criteria, such as volume of wildlife shipments, geographic diversity, frequency of requests for designated port exception permits, and the proximity to existing ports of entry. The Service presently has 14 designated ports of entry for the importation and exportation of wildlife and wildlife products: Anchorage, Alaska; Atlanta, Georgia; Baltimore, Maryland; Boston, Massachusetts; Chicago, Illinois; Dallas/Fort Worth, Texas; Honolulu, Hawaii; Los Angeles, California; Miami, Florida; New Orleans, Louisiana; New York, New York; Portland, Oregon; San Francisco, California; and Seattle, Washington. The Service maintains a staff of wildlife inspectors at each designated port to inspect and clear wildlife shipments.

Regulatory exceptions allow certain types of wildlife shipments to enter or leave the country through ports that are not designated. Under certain conditions, importers and exporters can obtain a permit from the Service, called a designated port exception permit, that allows their use of non-designated ports. The importer or exporter will be responsible for additional fees associated with the designated port exception permit ($25) and the inspection of their wildlife shipment at a non-designated port.

Need for This Rulemaking

Existing and projected increases in air and express cargo, along with substantial growth in the number of airline passengers, international visitors, and hunters seeking clearance of wildlife imports and exports, justify the designation of the ports of Houston, Louisville, and Memphis. The designation of these ports will improve service, while reducing costs, for international air and ocean cargo and mail carriers, small businesses, and the public, while maintaining effective monitoring and regulation of the U.S. wildlife trade.

In the Fiscal Year 2004 budget appropriation for the Service’s Office of Law Enforcement, monies were appropriated by Congress in the amount of $700,000 each for the purpose of establishing ports of Louisville and Memphis. The Service has not received an appropriation from Congress to designate the port of Houston. However, the designation of Houston has been under discussion for some time. At present, the Service has three wildlife inspectors on duty in Houston, which fulfills the staffing requirement that the Service has established for a designated port in funding and staffing models. Therefore, the designation of Houston would amount to changing the status of an existing Service port and would not require start-up costs as would be the case in Louisville and Memphis.

Houston is one of the fastest growing ports of entry in the nation in both international air and ocean cargo and shipping. The three airports comprising the Houston Airport System handled 42,016,609 passengers and 330,701 tons of cargo in 2002. International air cargo tonnage at George Bush Intercontinental increased by more than 62 percent in the past 10 years with a 10 percent per year increase in the past 5 years.

Houston is the primary air cargo gateway to and from Mexico, and the Houston sea port handles 81 steamship lines with 6,414 vessel calls, hauling 175,000,000 tons of cargo between Houston and 200 countries worldwide in 2002. The Port of Houston ranks first in the United States in tonnage imported, and third in tonnage exported. Houston also has an extensive designated Foreign Trade Zone.

Service records indicate that a wide variety of wildlife and wildlife products are imported and exported through Houston under designated port exception permits. Wildlife and wildlife products include game trophies, reptile leather goods, scientific and museum specimens, live tropical fish, and curios. The number of designated port exception permits issued for the port of Houston suggests that demand for the use of this port is high. In addition, the number of import/export licenses issued to companies in the State of Texas has nearly doubled since 2001. Doubtless, many of these companies are doing business in or near the Houston area and will benefit from the designation of this port.

Before this designation, the designated ports of entry for wildlife and wildlife products nearest to Houston were Dallas/Fort Worth, Texas (approximately 239 miles), and New Orleans, Louisiana (approximately 347 miles). In the 2003 Fiscal Year, 4,434 wildlife shipments were processed in Dallas/Forth Worth, and 659 wildlife shipments were processed in New Orleans. We estimate that a significant fraction of this volume is shipped directly to Houston for Service inspection and clearance with its...
Before this designation, importations or exportations of wildlife or wildlife products arriving in Houston without Service clearance had to be either shipped in-bond, under U.S. Bureau of Customs and Border Protection (CBP) authority, to designated ports of entry for Service inspection and clearance, or had to be accompanied by a designated port exception permit that authorized Service inspection and clearance in Houston. Designated port exception permits for Houston have been issued on a regular basis since the Service does have three wildlife inspectors on duty at that location. However, either alternative creates delays and increased costs to businesses.

In Louisville, the presence of the United Parcel Service (UPS) hub at the Louisville International Airport makes Louisville the 6th largest handler of air cargo in the world. In 2002, UPS at Louisville handled 3,360,155,981 lbs. of cargo in 3.5 million shipments, including 665,000 CBP import entries. In addition, the port of Louisville had 34,354 CBP entries for other importations and waterborne cargo at the Louisville Container Freight Port separate from the UPS facility.

Before this designation, the designated ports of entry for wildlife and wildlife products nearest to Louisville were Chicago, Illinois (approximately 297 miles), and Atlanta, Georgia (approximately 421 miles). In the 2003 Fiscal Year, 5,434 wildlife shipments were processed in Chicago, and 2,020 wildlife shipments were processed in Atlanta. In addition, 11,800 wildlife shipments were processed in Anchorage, which is the Pacific rim first port of landing for FedEx. We estimate that a significant percentage of this volume will be shipped directly to Memphis for Service inspection and clearance with its designation, resulting in considerable savings in shipping time and costs. Before this designation, importations or exportations of wildlife or wildlife products arriving in Louisville without Service clearance had to be shipped in-bond, under CBP authority, to designated ports of entry for Service inspection and clearance, thereby creating delays and increased costs to businesses. Designated port exception permits for Louisville have been issued on an extremely limited basis since the Service does not currently have staff at that location, and issuing these permits can only be done subject to the availability of Service staff from other ports to conduct inspections. In Memphis, the presence of the Federal Express (FedEx) headquarters and Superhub makes Memphis International Airport the world’s largest processor of international airfreight, handling 2.63 million metric tons in 2001, more than Los Angeles or Hong Kong. FedEx’s global network spans over 210 countries, and 121,000 international shipments pass through the Memphis hub each day. More than 130 foreign-owned firms from 22 countries employing over 17,000 workers have relocated to Memphis in the past 20 years. In addition, Memphis is home to both rail and waterborne freight imports and exports, with a CBP port of entry for such cargo. In 2001, the International Port of Memphis handled 16,907,000 tons of cargo. Memphis is served by five Class 1 railroads, which operate approximately 220 freight trains daily through the city.

Before this designation, the designated ports of entry for wildlife and wildlife products nearest to Memphis were New Orleans, Louisiana (approximately 402 miles), Dallas, Texas (approximately 452 miles), and Atlanta, Georgia (approximately 463 miles). In the 2003 Fiscal Year, 659 wildlife shipments were processed in New Orleans, 4,434 wildlife shipments were processed in Dallas, and 2,020 wildlife shipments were processed in Atlanta. In addition, 11,800 wildlife shipments were processed in Anchorage, which is the Pacific rim first port of landing for FedEx. We estimate that a significant percentage of this volume will be shipped directly to Memphis for Service inspection and clearance with its designation, resulting in considerable savings in shipping time and costs. Before this designation, importations or exportations of wildlife or wildlife products arriving in Memphis without Service clearance had to be shipped in-bond, under CBP authority, to designated ports of entry for Service inspection and clearance, thereby creating delays and increased costs to businesses. Designated port exception permits for Memphis have been issued on an extremely limited basis since the Service has only one special agent at that location whose responsibilities extend far beyond the port. While there are 18 CBP inspectors and 10 U.S. Department of Agriculture Inspectors in Memphis, the absence of Service inspectors has increased the likelihood that illegal wildlife shipments have been imported or exported through Memphis, impacting both the United States’ ability to fulfill treaty obligations under the Convention on International Trade in Endangered Species (CITES) and creating an avenue for the introduction of injurious or invasive species into the nation. Prior to September 11, 2001, CBP inspectors in Memphis initiated about 156 wildlife-related seizures per year, mostly consisting of reptile leather goods. The single Service agent stationed in Memphis is responsible for criminal investigations in all of West Tennessee and, therefore, has had very little time to devote to import/export matters. However, by spending minimal time at the FedEx air facility, he has routinely made about 40 seizures of illegally imported wildlife or wildlife products annually. Designated port status for Memphis will expedite the processing of wildlife shipments, which is financially advantageous for Memphis’ and the region’s carriers, importers, and exporters, while interdicting the illegal international import and export trade in wildlife and wildlife products.

In summary, the Service makes Houston, Louisville, and Memphis designated ports under section 9(f) of the ESA. The justification for this designation is based primarily on past and projected increases in the import and export of wildlife or wildlife products through these ports. The result of this designation will be to ease the financial and administrative burden on companies and individuals seeking to import or export wildlife or wildlife products through the ports of Houston, Louisville, and Memphis. With this final rule, the list of designated ports is now alphabetized by city name.

Summary of Public Comments Received

In response to our proposed rule to designate the ports of Houston, Louisville, and Memphis, published on April 22, 2004 (69 FR 21806), we received a total of 35 comments. All of these comments supported the designation of Houston, Louisville, and Memphis. In addition, we received three written comments at our hearing in Houston, and one written comment at our hearing in Louisville. All of these comments supported the designation of these ports.

Required Determinations

Executive Order 12866 (Regulatory Planning and Review)

This rule has not been reviewed by the Office of Management and Budget (OMB) under Executive Order 12866. Under the criteria in Executive Order 12866, this rule is not a significant regulatory action.

a. This rule will not have an annual economic effect of $100 million or adversely affect an economic sector, productivity, jobs, the environment, or other units of government. A cost-
will save the $55 administrative fee plus inspections and clearance, such as commercial importers and exporters, as designated ports, wildlife inspectors, as designated ports, and Memphis for all varieties of wildlife shipments. This rule provides a significant benefit to those businesses that import or export wildlife or wildlife products by allowing the inspection of shipments in Houston, Louisville, and Memphis, and will result in a savings for the importer or exporter in both time and the expense of shipping to a designated port for Service inspection and clearance.

b. This rule will not create inconsistencies with other agencies’ actions.

The Service is the lead agency regulating wildlife trade through the declaration process, the issuance of permits to conduct activities affecting wildlife and their habitats, and carrying out the United States’ obligations under CITES. Therefore, this rule has no effect on other agencies’ responsibilities and will not create inconsistencies with other agencies’ actions.

c. This rule will not materially affect entitlements, grants, user fees, loan programs, or the rights and obligations of their recipients.

This rule will not materially affect entitlements, grants, loan programs, or the rights and obligations of their recipients. This rule will, however, affect user fees. User fees will be decreased or cancelled depending on whether the import or export of wildlife or wildlife products is for commercial purposes. For example, when we establish Houston, which is currently staffed with three wildlife inspectors, as a designated port, commercial importers and exporters will save a minimum of $40 per shipment and noncommercial importers and exporters will save a minimum of $95 per shipment. When we establish Memphis and Louisville, which are not currently staffed with wildlife inspectors, as designated ports, commercial importers and exporters will save all costs associated with inspections and clearance, such as travel, salary, and per diem, and noncommercial importers and exporters will save the $55 administrative fee plus all costs associated with inspections and clearance. In addition, when we establish Houston, Louisville, and Memphis as designated ports, all importers and exporters will save the $25 designated port exception permit fee.

d. This rule will not raise novel legal or policy issues.

This rule will not raise novel legal or policy issues because it is based upon specific language in the ESA and the Code of Federal Regulations, which has been applied numerous times to various ports around the country.

Regulatory Flexibility Act (5 U.S.C. 601 et seq.)

The Department of the Interior has determined that this rule will not have a significant economic effect on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.). An initial regulatory flexibility analysis is not required. In addition, a Small Entity Compliance Guide is not required.

Most of the businesses that engage in commerce importing or exporting wildlife or wildlife products would be considered small businesses as defined under the Regulatory Flexibility Act. This rule is intended to ease the financial and administrative burden on companies and individuals seeking to import or export wildlife or wildlife products through the ports of Houston, Louisville, and Memphis. This burden will be eased through the reduction or elimination of user fees, and the elimination of the need for designated port exception permits. In addition, the designation of these ports will provide small entities with opportunities for additional brokerage, freight forwarding, and related services to accommodate the increased volume of imports and exports of wildlife and wildlife products through these ports.

b. This rule will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions.

This rule is intended to ease the financial and administrative burden on companies and individuals seeking to import or export wildlife or wildlife products through the ports of Houston, Louisville, and Memphis, thereby decreasing costs or prices for consumers or individual businesses.

c. This rule does not have significant negative effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based companies to compete with foreign-based companies.

This rule is intended to ease the financial and administrative burden on companies and individuals seeking to import or export wildlife or wildlife products through the ports of Houston, Louisville, and Memphis, thereby promoting competition, employment, and investment, and increasing the ability of U.S.-based enterprises to compete with foreign-based enterprises.

Unfunded Mandates Reform Act (2 U.S.C. 1501 et seq.)

Under the Unfunded Mandates Reform Act (2 U.S.C. 1501 et seq.), this rule, as proposed, will not “significantly or uniquely” affect small governments.

a. This rule will not significantly or uniquely affect small governments. A Small Government Agency Plan is not required.

We are the lead agency for carrying out regulations that govern and monitor the importation and exportation of wildlife and wildlife products. Therefore this rule has no effect on small government’s responsibilities.

b. This rule will not produce a Federal requirement that may result in the combined expenditure by State, local, or tribal governments of $100 million or greater in any year, so it is not a “significant regulatory action” under the Unfunded Mandates Reform Act.
This rule will not result in any combined expenditure by State, local, or tribal governments. 

**Executive Order 12630 (Takings)**

Under Executive Order 12630, this rule does not have significant takings implications. Under Executive Order 12630, this rule does not affect any constitutionally protected property rights. This rule will not result in the physical occupancy of property, the physical invasion of property, or the regulatory taking of any property. A takings implication assessment is not required. The purpose of this rule is to confer designated port status on the ports of Houston, Louisville, and Memphis. The result will be easing the financial and administrative burden on the public by eliminating the need for non-designated port permits, and decreasing or eliminating the administrative fees associated with shipment inspections. Therefore, this rule does not have significant takings implications.

**Executive Order 13132 (Federalism)**

Under Executive Order 13132, this rule does not have significant Federalism effects. A Federalism evaluation is not required. This rule will not have a substantial direct effect on the States, on the relationship between the Federal Government and the States, or on the distribution of power and responsibilities among the various levels of government.

**Executive Order 12988 (Civil Justice Reform)**

Under Executive Order 12988, the Office of the Solicitor has determined that this rule does not overly burden the judicial system and meets the requirements of sections 3(a) and 3(b)(2) of the Order. Specifically, this rule has been reviewed to eliminate errors and ensure clarity, has been written to minimize lawsuits, provides a clear legal standard for affected actions, and specifies in clear language the effect on existing Federal law or regulation.

**Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.)**

This rule does not contain any information collection requirements that require approval by the Office of Management and Budget under the Paperwork Reduction Act, 44 U.S.C. 3501 et seq.

**National Environmental Policy Act**

This rule has been analyzed under the criteria of the National Environmental Policy Act and 318 DM 2.2(g) and 6.3(D). This rule does not amount to a major Federal action significantly affecting the quality of the human environment. An environmental impact statement/evaluation is not required.

This rule is categorically excluded from further National Environmental Policy Act requirements, per part 516 of the Departmental Manual, Chapter 2, Appendix 1.10.

**Executive Order 13175 (Tribal Consultation) and 512 DM 2 (Government-to-Government Relationship With Tribes)**

Under the President’s memorandum of April 29, 1994, “Government-to-Government Relations with Native American Tribal Governments” (59 FR 22951), Executive Order 13175, and 512 DM 2, we have evaluated possible effects on Federally recognized Indian tribes and have determined that there are no effects. Individual tribal members are subject to the same regulatory requirements as other individuals who engage in the import and export of wildlife or wildlife products.

**Executive Order 13211 (Energy Supply, Distribution, or Use)**

On May 18, 2001, the President issued Executive Order 13211 on regulations that significantly affect energy supply, distribution, and use. Executive Order 13211 requires agencies to prepare Statements of Energy Effects when undertaking certain actions. The purpose of this rule is to confer designated port status on the ports of Houston, Louisville, and Memphis. This rule is not a significant regulatory action under Executive Order 12866 and it is not expected to significantly affect energy supplies, distribution, and use. Therefore, this action is not a significant energy action and no Statement of Energy Effects is required.

**Endangered Species Act**

A determination has been made under section 7 of the ESA that the revision of part 14 will not affect federally listed species.

**Author**

The originator of this rule is Mark Phillips, Office of Law Enforcement, U.S. Fish and Wildlife Service, Washington, DC.

**List of Subjects in 50 CFR Part 14**

Animal welfare, Exports, Fish, Imports, Labeling, Reporting and recordkeeping requirements, Transportation, Wildlife.

**Regulation Promulgation**

For the reasons described above, we amend part 14, subchapter B of chapter 1, title 50 of the Code of Federal Regulations as set forth below.

**PART 14—IMPORTATION, EXPORTATION, AND TRANSPORTATION OF WILDLIFE**

1. The authority citation for part 14 continues to read as follows:


2. Revise §14.12 to read as follows:

   **§14.12 Designated ports.**

   The following ports of entry are designated for the importation and exportation of wildlife and wildlife products and are referred to hereafter as “designated ports”:

   - (a) Anchorage, Alaska.
   - (b) Atlanta, Georgia.
   - (c) Baltimore, Maryland.
   - (d) Boston, Massachusetts.
   - (e) Chicago, Illinois.
   - (f) Dallas/Fort Worth, Texas.
   - (g) Honolulu, Hawaii.
   - (h) Houston, Texas.
   - (i) Los Angeles, California.
   - (j) Louisville, Kentucky.
   - (k) Memphis, Tennessee.
   - (l) Miami, Florida.
   - (m) New Orleans, Louisiana.
   - (n) New York, New York.
   - (o) Portland, Oregon.
   - (p) San Francisco, California.
   - (q) Seattle, Washington.


   David P. Smith,
   Deputy Assistant Secretary for Fish and Wildlife and Parks.

   [FR Doc. 04–26717 Filed 12–3–04; 8:45 am]

   BILLING CODE 4310–55–P

**DEPARTMENT OF THE INTERIOR**

**Fish and Wildlife Service**

50 CFR Part 17

RIN 1018–AT65

**Endangered and Threatened Wildlife and Plants; Establishment of an Additional Manatee Protection Area in Lee County, FL**

**AGENCY:** Fish and Wildlife Service, Interior.

**ACTION:** Emergency rule.

**SUMMARY:** We, the Fish and Wildlife Service (Service), as required by regulation, hereby provide notice of the termination of the emergency