

**SUPPORTING STATEMENT
ATLANTIC HAGFISH FISHERY COLLECTION OF INFORMATION
OMB CONTROL NO.: 0648-xxxx**

INTRODUCTION:

This submission requests Office of Management and Budget (OMB) approval of the information collection requirements associated with an information collection pilot program on the New England hagfish (hagfish) fishery. Specifically, this clearance is for hagfish dealer permitting and observer requirements. Electronic dealer and processor reporting requirements will also be revised as a result of the hagfish information collection program and submitted for clearance under OMB Control Numbers 0648-0229 and 0648-0018, respectively. This collection of information for the hagfish fishery is being proposed under the provisions of section 402(a) of the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), which allows for the collection of information on a fishery prior to its regulation under a Fishery Management Plan (FMP). A request for an information collection on Atlantic hagfish was received by the New England Fishery Management Council (Council) on October 3, 2006. This collection of information may become permanent through the development and implementation of the Atlantic hagfish FMP.

This information collection fulfills the requirements under section 402(a) of the Magnuson-Stevens Act. This data collection program would continue only until an FMP is implemented (presumably sometime in 2008), and would involve a limited number of dealers and vessels (i.e., there are 2 hagfish dealers and 5 hagfish vessels known to participate in the hagfish fishery at this time).

New collections that will increase the annual budget

The annual budget would increase slightly for the Northeast Region Permit Family of Forms (OMB Control No.: 0648-0202), as per the hagfish collection of information observer coverage and dealer permit requirements.

A. JUSTIFICATION

1. Explain the circumstances that make the collection of information necessary.

Under the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), the Secretary of Commerce has responsibility for the conservation and management of marine fishery resources off the coast of the U.S. The majority of this responsibility has been delegated to the Regional Fishery Management Councils and NOAA Fisheries Service. The New England Fishery Management Council (Council) develops management plans for fishery resources in New England. In order to develop appropriate management measures and to better understand the various aspects of a fishery that has been unregulated, section 402(a) of the Magnuson-Stevens Act allows NOAA Fisheries Service to collect information prior to development and implementation of a FMP.

The Atlantic Hagfish fishery is an unregulated fishery that relies on revenues from the export of whole frozen hagfish product overseas, primarily to South Korea. In recent years, this fishery,

which is prosecuted primarily off the coast of Gloucester, MA, has changed from an inshore fishery comprised of small vessels to an offshore fishery that consists of large vessels. According to reports from a workshop that was held to elucidate the challenges in collecting information on this fishery, the reason for this change in the way the fishery is being conducted is that the fishery has experienced localized depletion in nearshore waters necessitating movement to areas not historically harvested for hagfish.

A control date* of August 28, 2002, has been reaffirmed to forewarn participants that the Council and National Marine Fisheries Service (NMFS) will be considering the management of hagfish in the future. The Council has decided to prioritize the management of hagfish and to begin development of an FMP in 2007. The Northeast Regional Office's Fisheries Statistics Office (FSO) determined through their research of this fishery that five vessels on the U.S. eastern seaboard participate in the hagfish fishery, and all these vessels are currently required to provide catch information on their Fishing Vessel Trip Reports (FVTRs). Thus, vessel landings information is already being captured in existing databases (hagfish dealer reporting through this information collection will revise 0648-0229). In addition, due to a relative equilibrium between supply and demand—the driving force being a South Korean market for hagfish meat – there is stability in terms of participation in the NE hagfish fisheries that will likely remain unchanged. However, while the market forces are understood, there remains an inability to obtain information on new entrants to the fishery, verify vessel-level data, sub-sample the catch and collect basic fleet information on the fishery. Therefore, dealers will be required to obtain Federal hagfish dealer permits so that NMFS can obtain first purchase information on hagfish landings to evaluate the biological, economic, and social implications of future management measures. Also, vessel owners/operators who intend fish for, catch, and/or land hagfish taken in or from the Exclusive Economic Zone (EEZ) will be required to take an observer on board their vessel when requested in order to sample the catch and collect basic fleet information. This information collection should enable the Council and NMFS to proceed with the development of a management plan for hagfish.

2. Explain how, by whom, how frequently, and for what purpose the information will be used. If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.

The information requested would be used by several offices of NMFS and the Council in its development of the Hagfish FMP and to ensure that once implemented, the requirements for monitoring the fisheries are effective and enforceable. Social and economic data will be used to provide descriptive and behavioral information on the hagfish fishery and to provide estimates of the value of this important export fishery.

Observer requirement

Under the Atlantic hagfish information collection pilot program, any vessel owner/operator that intends to fish for, catch, or land hagfish taken in or from the EEZ would be required to take an observer when requested to do so. Hagfish vessel owners would be required to call to arrange deployment of observers on their vessels. These requests are made at the discretion of the

* Reference date for qualifying landings for future limited entry permit applications.

Regional Administrator for the purpose of monitoring fishing activities, collection of data, and compliance with pilot program requirements. An observer is necessary because of the high discard rates (culling) that have been reported to occur in the hagfish fishery at sea due to rejection of the live hagfish product at the docks and because the proportion of the catch that is rejected by the dealer and later discarded at sea is not measured. The information collected by observers may also be used to verify the information received by vessels through the FVTRs.

Dealer/Processor Permit Applications

Dealers that want to purchase/sell hagfish caught in Federal waters must have a hagfish-specific Federal dealer permit. Hagfish dealers will be required to obtain an initial dealer permit upon implementation of the hagfish information collection requirements and to renew the permit annually. The dealer permit requirement ensures complete reporting from hagfish dealers. Reports furnished by permitted dealers provide important information on the volume, value, and distribution of value, at the point of first purchase.

It is anticipated that the information collected will be disseminated to the public or used to support publicly disseminated information. As explained in the preceding paragraphs, the information gathered has utility. NMFS will retain control over the information and safeguard it from improper access, modification, and destruction, consistent with National Oceanic and Atmospheric Administration (NOAA) standards for confidentiality, privacy, and electronic information. See response #10 of this Supporting Statement for more information on confidentiality and privacy. Basic fleet information is provided in aggregate statistical form (and without identifying the source of data, i.e., vessel name, owner, etc.). The information collection requirements described herein are designed to yield data that meet all applicable information quality guidelines. Prior to dissemination, the information will be subjected to quality control measures and pre-dissemination review pursuant to Section 515 of Public law 106-554.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology.

Catch data will be collected from observations taken at sea, on hagfish fishing boats, and sales transactions made at the dock. Observer data will be processed and compiled using computer systems. The catch data summarizes the actual fishing event/transaction that just occurred.

Federal Northeast seafood dealer initial permit applications can be downloaded at <http://www.nero.noaa.gov/permits/#Dealer>

4. Describe efforts to identify duplication.

NMFS is aware of all related fishery management activities and since the hagfish fishery is currently an unregulated fishery, the information collection requirements do not duplicate any in existence.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

The proposed collection of information requirements will not have a significant impact on small entities. Only the minimum data to meet the requirements of the above identified data needs are requested from all participants. The observer requirements will be detailed to the respective vessel owners/operators prior to deployment in order to facilitate the process. Permit information and all initial permit applications are posted on the NE Regional Office's (NERO) web site. Posting such information on the internet makes it widely available to the public, thereby reducing both public and administrative burden. Since all of the respondents are small businesses, separate requirements based on the size of the business have not been developed.

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

The observer requirements to be implemented through the pilot hagfish information collection program is intended to improve upon the quality and quantity of information currently available on the hagfish fishery resource and fishery operations. Since there is currently no management program for this fishery, and consequently no permitting or reporting requirements, there is considerable uncertainty regarding the actual level of hagfish landings. Moreover, the level of discards and discard mortality of hagfish culled at sea in response to a rejection by the dealer in port is unknown. Specifically, the information provided by the hagfish information collection program participants would help NMFS and the Council shape future hagfish management measures to reflect the unique aspects of this fishery and its interaction with other Federally-managed fisheries. Without this information, management measures may not capture accurately the geographic and seasonal aspects of this fishery which help to characterize its demand in overseas markets and ensure that it may be sustained in future years. Increased knowledge of this fishery may also help managers and scientists understand the factors that contribute to this species' localized depletion. Localized depletion if left to continue may lead to increased economic impacts, as well overall depletion of the species. Therefore, these data are critical to the development of a Hagfish FMP. In addition, hagfish have been collected in limited numbers throughout the 40 years of the New England Fisheries Science Center (NEFSC) groundfish trawl survey. These NEFSC surveys provide the best available stock abundance information, but none of the surveys cover the entire range of hagfish habitat, which extends from depths of 25 m to greater than 1,000 m.

Dealer permits for hagfish vessels will ensure that the data collection covers the entire fishery and any new dealer entrants. Reports furnished by permitted dealers provide important information on the volume, value, and distribution of the hagfish resource at the point of first purchase.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

There are no special circumstances associated with this proposed rule that would require the collection of information to be conducted in a manner inconsistent with OMB guidelines.

8. Provide a copy of the PRA Federal Register notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

At the September 2006 Council meeting, the Council voted to recommend that NMFS conduct a pilot information collection program on hagfish. In addition, NMFS received feedback from industry representatives on the fishery's current operations and in doing so they helped contribute to the development of the proposed information collection requirements. The information collections contained in this submission are part of a proposed rule, RIN 0648-AU80, scheduled to publish in November, 2006. Once public comments have been considered, a final rule outlining the measures that would be implemented, as modified by public comment, would be published in the Federal Register.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

Neither payments, nor gifts are given to the respondents of this information collection.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.

All data would be handled in accordance with NOAA Administrative Order 216-100, Confidentiality of Fisheries Statistics, and would not be released for public use except in aggregate statistical form (and without identifying the source of data, i.e., vessel name, owner, etc.). In addition, any information submitted in support of the hagfish information collection pilot program implemented by NMFS, would be considered confidential and would not be disclosed except as provided in section 402(b) of the Magnuson-Stevens Act.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

There are no questions of a sensitive nature.

12. Provide an estimate in hours of the burden of the collection of information.

A summary of this burden estimate can be found in Table 1.

There are approximately 5 active participants in the hagfish fishery that would be subject to the information collection's observer coverage requirements. Responses to requests to carry an observer are estimated at 2 minutes per request. The estimated annual time to comply with the observer requirements would be 2 hours (12 responses x 5 respondents) x 2 minutes/response).

There are approximately 2 dealer/processors that currently participate in the hagfish fishery. While one of these dealers has a Federal dealer permit to purchase federally-regulated species, both participants will be required to obtain a Federal dealer permit to purchase hagfish. Initial dealer permit applications take an estimated 15 minutes to complete, while preprinted dealer permit renewal forms require an estimated 5 minutes to complete. The estimated annual time to comply with the dealer permit requirement would be 30 minutes for an initial application and 10 minutes for a renewal application (2 responses x 15 minutes per response; 2 responses x 5 minutes per response, respectively), with a total annualized burden of 14 minutes.

Total annualized burden for the two requirements would be 2.24 (2) hours.

13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the value of the burden hours in #12 above).

The cost burdens to the public associated with the measures proposed are summarized in Table 1 and described in further detail below.

No special equipment or technology is needed to comply with the reporting requirements reflected in this submission. Respondents will have the option of electing to use the on-line services associated with applying for the hagfish-specific dealer permit. The only cost associated with this collection is the cost of postage for submitting the initial/renewal dealer permit applications.

The annual postage fees for the dealer applications for the permit applications/renewals would be \$0.78 (\$0.39 x 2).

14. Provide estimates of annualized cost to the Federal government.

A full summary of the cost to the Federal Government associated with this collection of information can be found in Table 1.

The cost calculations for observer deployment are based on \$25/wage and overhead value for the Government. Assuming that each observation takes 2 minutes to complete and we expect no more than 3 trips per quarter for a total of 24 trips for the complete time that the collection of information will be in place. The annualized cost of processing observer reports is estimated to be \$10.00 (\$25/hour x (0.033 hours x 12 trips).

The estimated average cost to the Federal Government for issuance of a dealer permit is \$33/permit, including labor, printing, distribution, computer time, and handling. The annualized burden is based on one response per year for each of the three respondents, or \$99 (\$33 x 3).

15. Explain the reasons for any program changes or adjustments reported.

No program changes or adjustments relate to this collection of information as this is a new collection.

16. For collections whose results will be published, outline the plans for tabulation and publication.

Results from this collection may be used in scientific, management, technical or general informational publications such as Fisheries of the United States, which follows prescribed statistical tabulations and summary table formats and the annual Stock Assessment, and Fishery Evaluation (SAFE) Report prepared by the Council for the hagfish fishery. Data are available to the general public on request in summary form only; data are available to NMFS employees in detailed form on a need-to-know basis only.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

All forms will display the OMB control number and expiration date along with information relevant to the Paperwork Reduction Act of 1995.

18. Explain each exception to the certification statement identified in Item 19 of the OMB 83-I.

All instances of this submission comply with 5 CFR 1320.9.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

No statistical methods are employed in the information collection procedures.

TABLE 1. Calculation of Public and Federal Estimate of Annual Reporting Burden Hours and Costs

Requirement	# of Entities	Items Per Entity	Total # of Items	Response Time	Total Burden Time	Cost to:		
						Public (labor) ⁽¹⁾	Govt. ⁽²⁾ ₍₃₎	
Observer Coverage								
Year 1	FY 2007	5	12	60	2 minutes	2 hours	\$0.00	\$49.50
Year 2	FY 2008	5	12	60	2 minutes	2 hours	\$0.00	\$49.50
Year 3	FY 2009	5	12	60	2 minutes	2 hours	\$0.00	\$49.50
3 Year Average Burden		5	12	60	2 minutes	2 hours	\$0.00	\$49.50
Dealer Permit (Initial and Renewal)								
Year 1	FY 2007 (Initial)	2	1	2	15 minutes	30 minutes	\$0.78	\$99.00
Year 2	FY 2008 (Renewal)	2	1	2	5 minutes	10 minutes	\$0.78	\$99.00
Year 3	FY 2009 (Renewal)	2	1	2	5 minutes	10 minutes	\$0.78	\$99.00
3 Year Average Burden		2	1	2	7 minutes	14 minutes	\$0.78	\$99.00
Total		7		62		2.24 (2) hours	\$0.78	\$148.50

(1) The cost to the public is for postage to mail the applications and is based on \$0.39 per application.

(2) The cost to the Government for observer coverage is estimated to be \$25 / burden hour

(3) The cost to the Government for permit application processing is estimated to be \$33/entity