

SUPPORTING STATEMENT
AMENDMENT 80 ECONOMIC DATA REPORT FOR THE CATCHER/PROCESSOR
NON-AFA TRAWL SECTOR
OMB CONTROL NO.: 0648-xxxx

INTRODUCTION

Amendment 80 to the Fishery Management Plan for Groundfish of the Bering Sea and Aleutian Islands Management Area (FMP) primarily would allocate several Bering Sea and Aleutian Islands Management Area (BSAI) non-pollock trawl groundfish fisheries among fishing sectors, and facilitate the formation of harvesting cooperatives in the catcher/processor sector of the non-American Fisheries Act (non-AFA) Trawl Catcher/processor Cooperative Program (hereinafter the “Program”). The Program would establish a limited access privilege program (LAPP) for the non-AFA trawl catcher/processor sector. This proposed action is necessary to increase resource conservation and improve economic efficiency for harvesters who participate in the BSAI groundfish fisheries.

Participants in the non-AFA trawl catcher/processor sector have traditionally harvested the majority of the BSAI species allocated under this Program. During the more recent years, the participants in that sector have harvested over 90 percent of each of those species. Vessels in the non-AFA trawl catcher/processor sector have also traditionally contracted to harvest the Western Alaska Community Development Quota (CDQ) allocations of these species. The actions taken as part of Amendment 80 directly impact the participants in the BSAI flatfish fisheries, the CDQ groups, and CDQ communities.

This action is a request for a new collection-of-information. Implementing regulations may be found at [50 CFR part 679](#).

A. JUSTIFICATION

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

The Program would incorporate statutory mandates in section 219 of the Consolidated Appropriations Act of 2005 ([Public Law No. 108-447](#); December 8, 2004) which defines who is eligible to harvest fish in the non-AFA catcher/processor sector for a defined list of non-pollock groundfish species. The Program would define the “Amendment 80 sector” as non-AFA trawl catcher/processor harvesters eligible to fish under this statutory mandate. The defined list of non-AFA trawl catcher/processors that may be used to fish in the Amendment 80 sector are “Amendment 80 vessels.”

The Program would allocate a specific portion of six non-pollock groundfish species defined in Public Law No. 108-447 among trawl fishery sectors. These six species would be the “Amendment 80 species,” and include Aleutian Islands Pacific Ocean perch, BSAI Atka mackerel, BSAI flathead sole, BSAI Pacific cod, BSAI rock sole, and BSAI yellowfin sole. These Amendment 80 species would be allocated between the Amendment 80 sector and all other BSAI trawl fishery participants. These other trawl fishery participants include AFA catcher/processors, AFA catcher vessels, and non-AFA catcher vessels. Collectively, this group of trawl fishery participants comprises the “BSAI trawl limited access sector.”

Each year, the Program would allocate an amount of Amendment 80 species available for harvest, the initial total allowable catch (ITAC), and crab and halibut prohibited species catch (PSC) to two defined groups of trawl fishery participants:

- (1) The Amendment 80 sector; and
- (2) The BSAI trawl limited access sector.

Allocations made to one sector would not be subject to harvest by participants in the other fishery sector except under a specific condition. Fish that are allocated to the BSAI trawl limited access sector and projected to be unharvested could be reallocated to Amendment 80 cooperatives.

Amendment 80 Quota Share (QS) holders would be able to form a cooperative with other Amendment 80 QS holders on an annual basis, provided they meet specific criteria. Each Amendment 80 cooperative would receive an annual cooperative quota (CQ), an amount of Amendment 80 species ITAC that would be for the exclusive use by that cooperative for harvest in a given year.

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.

An economic data collection report (EDR) would be implemented under the Program. The Program will collect cost, revenue, ownership, and employment data on an annual basis. The EDR would provide information unavailable through other means to review the Program. Data collected through the EDR would be mandatory for all Amendment 80 QS holders to ensure that the necessary information is collected.

The purpose of the EDR is to understand the economic effects of the Amendment 80 program on vessels or entities regulated by this action, and to inform future management actions. The data is needed to assess whether Amendment 80 addresses goals to mitigate the costs associated with reduced bycatch and improved utilization of groundfish.

Following is a brief description of the types of data to be collected in the EDR.

(a) EDR

Ownership Data

National Marine Fisheries Service, Alaska Region (NMFS) would need to collect detailed information on vessel ownership within the non-AFA trawl catcher/processor sector. A primary use of ownership data is to ensure individuals are complying with the proposed ownership caps. NMFS would not approve any ownership caps, unless they can be monitored and enforced. Collecting detailed ownership data is the only way for NMFS to ensure that the ownership caps are not being exceeded. Collection of this information would allow analysts to track consolidation and transfers that occur in the non-AFA trawl catcher/processor sector after cooperatives are implemented. Consolidation allows the fleet to operate more efficiently, but excessive consolidation could occur if an owner acquires a larger percentage of a fishery than is

allowed under the program. NMFS will collect ownership data through Amendment 80 permit applications and NMFS Alaska Fisheries Science Center (AFSC) will collect vessel ownership data through the Amendment 80 EDR.

Employment Data

Limited employment data are available from catcher/processors operating in the BSAI. Through the weekly production reports (WPRs), NMFS collects information on the number of crew members on each vessel. However, the WPRs do not provide information on crew residence, compensation, or employment stability. Information on crew residence and compensation are necessary if community impact analyses are conducted.

Employment impacts are an important consideration in most rationalization programs in the North Pacific. Efficiency improvements that are expected under a cooperative program are a result of consolidation that reduces the number of jobs that are available in the fleet. Persons that live in communities that have relatively few employment opportunities can be negatively impacted if they are unable to find comparable employment elsewhere. This issue may be less of a concern than it has been for other rationalization programs (e.g., crab) developed by the North Pacific Fishery Management Council (Council); vessels in this fleet are typically operated from locations with more employment opportunities than exist for residents of rural Alaskan Communities. If crew members are hired from the local area where the vessel owner is located, then the economic impacts that result from the loss of jobs will likely have a smaller impact on the local economies than if the jobs were lost in an area with more economic dependence on this fleet. However, the impacts on specific individuals could be considered severe by those impacted.

Revenue Data

Revenue data are collected from the non-AFA trawl catcher/processor fleet through State of Alaska Commercial Operator's Annual Report (see OMB 0648-0428) and are available to NMFS through a memorandum of agreement. Additional information would be collected through the Amendment 80 EDR.

Cost Data

Cost data are not currently being collected from the non-AFA trawl catcher/processor sector, but would be collected through the Amendment 80 EDR.

To encourage compliance with the EDR regulations, NMFS would not issue CQ derived from QS holdings to a person who has not submitted a timely and complete EDR for each Amendment 80 QS permit held by that person. This requirement would not penalize members of an Amendment 80 cooperative who have submitted an EDR, but would limit the ability of a cooperative to use CQ derived from a QS holder who fails to comply with this provision.

For each calendar year, a completed EDR must be received by NMFS no later than 1700 hours Alaska Local Time on June 1 of the year following the calendar year during which the Amendment 80 QS permit was held, or if sent by U.S. mail, postmarked by that time to be considered timely.

This timing would provide the Amendment 80 QS holder adequate time to gather and review records.

The EDR may be submitted to NMFS by mail to:

NMFS, Alaska Fisheries Science Center
Economic Data Reports
7600 Sand Point Way NE, F/AKC2
Seattle, WA 98115

or by fax to: 206-526-6723

In addition, forms are available through the internet on the NMFS Alaska Region website at <http://www.fakr.noaa.gov>.

Amendment 80 Trawl catcher/processor economic data report (EDR)

Calendar year of EDR

Block A -- Amendment 80 QS holder certification

Name and signature of QS holder or representative and date signed
If completed by a representative, written authorization must be attached

Block B -- Amendment 80 QS holder information

Name of company, partnership, or other business entity
Business telephone number, business fax number, and e-mail address (if available)
Amendment 80 QS permits held
Name of Amendment 80 vessels owned (if applicable)

Block C -- Amendment 80 vessel operator information.

Name of company, partnership, other business entity
Business telephone number, business fax number, and e-mail address (if available);

Block D -- Person completing this EDR

Indicate whether the Amendment 80 QS holder or a designated representative
Name and title of the person completing the report
Business telephone number, fax number, and e-mail address (if available)

Block E -- Amendment 80 vessel information

Amendment 80 QS permit number
Vessel name, USCG Documentation number, and ADF&G vessel registration number
ADF&G processor code
Amendment 80 LLP license number(s)
Amendment 80 limited access fishery permit number
Name of Amendment 80 cooperative (if applicable)
Home port
U.S. gross registered tonnage, net tonnage, length overall
Beam, shaft horsepower, fuel capacity, year built

Block F -- Vessel characteristics: survey value

Most recent survey value
Date of last survey value
Indicate whether survey reflects value of permits and processing equipment

Block G -- Vessel characteristics: freezer space

Amount of freezer space available at the beginning of the calendar year
Maximum freezing capacity in pounds per hour

Block H -- Vessel characteristics: processing capacity

Type of product processed on the line in the Amendment 80 fishery
Number of processing lines of similar type
Maximum average throughput in pounds per hour under normal operating conditions

Block I -- Vessel characteristics: fuel consumption

Annual and average fuel consumption
fishing and processing

steaming fully loaded with product
steaming empty

Block J – Vessel characteristics: vessel activity

Number of days vessel was engaged
Fishing
Processing
Traveling (steaming empty) or offloading
Inactive in shipyard

Block K – Revenues

Total fishery product sales volume and FOB Alaska revenue
All other income derived from vessel operations
Income and quantity of QS from sale or lease of fishery licenses, permits, harvesting or processing rights
Royalties received from leasing allocations including metric tons and dollars for
Amendment 80 yellowfin sole, rock sole, flathead sole, Atka mackerel, Pacific ocean perch,
Pacific cod, Amendment 80 leased halibut PSC, Amendment 80 leased crab PSC, and
any other species leased

Block L – Capital expenditures and materials usage

Fishing gear (nets, net electronics, doors, cables, etc.)
Expenditures on processing equipment
Expenditures on vessel and onboard equipment (other than fishing, processing, or storage equipment)
Purchase amount and cost in dollars of LLP license(s)

Block M – Expenses

Fishing labor expenses (including bonuses and payroll taxes, but excluding benefits and insurance)
Processing labor expenses (including bonuses and payroll taxes, but excluding benefits and insurance)
Labor expenses for all other employees aboard the vessel
Food and provisions not paid by crew
Recruitment, travel, benefits, and other employee related costs
Lease expense for this vessel and onboard equipment
Fishing gear leases, repairs, and purchases (nets, net electronics, doors, cables, etc.)
Repair and maintenance expenses for vessel and processing equipment
Freight, storage, and other sales costs for non-FOB sales
Freight and storage costs other than for products (e.g., gear, supplies, etc.)
Product packaging materials
Fuel and lubrication
Observer fees and monitoring costs
Cooperative costs including lawyer and accountant costs, association fees, and other fees charged
by harvest cooperative
General administrative costs including professional services and management fees
Insurance
Fisheries landing taxes
Total raw fish purchases from other vessels
Costs and quantity of QS for the purchase or acquisition of fishery licenses, permits, harvesting or
processing rights
Royalties paid for leases of catcher/processor quota, including metric tons, and dollars for Amendment 80
yellowfin sole, rock sole, flathead sole, Atka mackerel, Pacific ocean perch, Pacific cod, Amendment
80 leased halibut PSC, leased king crab PSC, and any other species leased;
All other expenses related to vessel operations not included in the preceding list

Block N -- Labor.

Average number and total number of employees for fishing, processing, and other activities on this vessel.
Average number of hours worked per day by processing line employee
Indicate whether crew revenue share system is used for some processing, all processing,
some non-processing, and all non-processing crew

Amendment 80 catcher/processor EDR, Respondent	
Number of respondents	28
Total annual responses	28
Frequency of response annually	
Total burden hours	1,120 hr
Time per response (40 hr)	
Total personnel cost (\$100 x 1,120)	\$112,000
Total miscellaneous costs	
Photocopying (\$0.1 x 15 x 28)	\$42

Amendment 80 catcher/processor EDR, Federal Government	
Total annual responses	28
Total burden hours	112
Time per response = 4 hr	
Total personnel cost (\$50 x 112)	5,600
Total miscellaneous costs	0

(b) Verification of data.

Measures to verify the accuracy of the EDR data would be developed by NMFS economists and analysts to ascertain anomalies, outliers, and other deviations from averaged variables. The principle means to verify data would be consultation between NMFS and the submitter when questions arise regarding data. NMFS would request oral or written confirmation of data submissions and request copies of or review documents or statements that would substantiate data submissions. The person submitting the EDR would need to respond within 20 days of the inquiry for information. Responses after 20 days could be considered untimely and could result in a violation and enforcement action.

NMFS would amend data in the EDR through this audit verification. NMFS could choose to audit an EDR either through random selection or when circumstances require more thorough review of the submissions. In instances where a random audit occurs or an audit is otherwise justified, NMFS may retain a professional auditor/accounting specialist who would review and request financial documents substantiating economic data that is questioned.

Amendment 80 EDR Verification of Data, Respondent	
Number of respondents	28
Total annual responses	28
Frequency of response = annually	
Total burden hours	84
Time per response = 3 hr	
Total personnel cost	\$2,100
Cost per hour = \$25	
Total miscellaneous costs	\$560
Photocopy (\$15 x 28 = 420)	
Telephone calls (\$5 x 28 = 140)	

Amendment 80 EDR Verification of Data, Federal Government	
Total annual responses	28
Total burden hours	84
Time per response = 3 hr	
Total personnel cost	\$2,100
Total miscellaneous cost	0

It is anticipated that the information collected will be disseminated in aggregated and non-confidential form to the public or used to support publicly disseminated information about the Amendment 80 Program. As explained in the preceding paragraphs, the information gathered has utility. NOAA Fisheries will retain control over the information and safeguard it from improper access, modification, and destruction, consistent with NOAA standards for confidentiality, privacy, and electronic information. See response #10 of this Supporting Statement for more information on confidentiality and privacy. The information collection is designed to yield data that meet all applicable information quality guidelines. Prior to dissemination, the information will be subjected to quality control measures and a 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.

The EDRs are fillable and may be downloaded from the NMFS web site at www.fakr.noaa.gov, printed, and submitted by mail or FAX to the Regional Administrator. NMFS plans to create an online form for the EDR in the near future.

4. Describe efforts to identify duplication.

None of the information collected as part of this information collection duplicates other collections. This information collection is part of a specialized and technical program that is unlike any other.

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

There are no small businesses involved in this collection.

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

The intent of this action is to monitor the progress and success of the LAPP established for the non-AFA trawl catcher/processor sector and to study the impacts of the Amendment 80 Program.

Several pieces of recent legislation affect various aspects of the Program.

- Section 219 of the Consolidated Appropriations Act of 2005 (Public Law No. 108-447; December 8, 2004) referred to as the Capacity Reduction Program (CRP). The elements of the CRP relevant to the Program: legislates who may participate in the non-AFA trawl catcher/processor sector in the BSAI for “non-pollock groundfish fisheries;” and defines the non-pollock groundfish fisheries in the BSAI as “target species of Atka mackerel, flathead sole,

Pacific cod, Pacific ocean perch, rock sole, turbot, or yellowfin sole harvested in the BSAI.” Because all of the Amendment 80 species are included in the CRP’s definition of non-pollock groundfish fishery, the CRP’s eligibility requirements for the non-AFA trawl catcher/processor sector apply to the Program’s eligibility criteria for the Amendment 80 sector. Therefore, the Program would incorporate the CRP’s definition of a non-AFA trawl catcher/processor.

- Section 416 of the Coast Guard and Maritime Transportation Act of 2006 (Public Law No. 109-241; July 11, 2006) referred to as the Coast Guard Act. The elements of the Coast Guard Act relevant to the Program are the species or species groups allocated to the CDQ Program, the regulation of harvest of these allocations, and the percentage allocations of all of the groundfish species allocated to the CDQ Program, except pollock and sablefish.

- The Magnuson-Stevens Fishery Conservation and Management Reauthorization Act (Public Law No. 109-479, January 12, 2007) referred to as the MSRA. Pertinent to the Program, the MSRA includes amendments relating to LAPPs, the CDQ Program, and cost recovery and fee collection provisions. which modified provisions related to the CDQ Program and instituted other measures applicable to LAPPs.

The consequences of not collecting this information would be that NMFS could not fulfill the intent of the laws mentioned above and would be unable to provide data to the Council and the State of Alaska to evaluate the Program annually.

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

Each EDR is required to be submitted annually by June 1; after submission, response to requests for verification of data is required within 20 days of a question. The need for the 20-day response period is that there may be EDR verification questions that are sequential based on previous questions. The verification questions are likely to be small in number, and would often be addressed with a telephone call or other short communication. The 20-day response period should not place a significant burden on submitters.

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.

The NMFS Alaska Region will submit a proposed rule, RIN 0648-AU68, coincident with this submission, requesting comments from the public

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

No payment or gift will be provided under this program.

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

The information collected is confidential under section 402(b) of the Magnuson-Stevens Act (16 U.S.C. 1801, et seq.). It is also confidential under NOAA Administrative Order 216-100, which sets forth procedures to protect confidentiality of fishery statistics. Storage for the information will include a computerized data base in electronic storage media; paper records will be filed in folders in locked cabinets. Buildings where the records are maintained employ security systems with locks and access limits. Only those that have the need to know, to carry out the official duties of their job, have access to the information.

Computerized data base is password protected and access is limited. Paper records are maintained in secured file cabinets in areas that are accessible only to authorized personnel. These personnel of NMFS, Alaska Region and its contractors are instructed on the confidential nature of this information.

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.

This information collection does not involve information of a sensitive nature.

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

Total estimated unique respondents: 28. Total estimated responses: 56. Total estimated time burden: 1,204 hr. Total estimated personnel cost: \$113,200.

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).

Total estimated miscellaneous costs: \$602.

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

Total estimated time burden: 196 hr. Total personnel cost: \$7,700. Total estimated miscellaneous costs: 0.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB 83-I.

This is a new program.

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

The information collected will not be published.

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.

In accordance with OMB requirements, the control number and the expiration date of OMB approval will be shown on the EDRs.

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

In accordance with OMB requirements, the certification statement will be shown on the EDRs.