

**SUPPORTING STATEMENT  
ATLANTIC SEA SCALLOP AMENDMENT 10 DATA COLLECTION  
OMB CONTROL NO.: 0648-0491**

**INTRODUCTION:**

This Paperwork Reduction Act (PRA) submission requests Office of Management and Budget (OMB) approval of the information collection requirements contained in Amendment 11 to the Atlantic Sea Scallop Fishery Management Plan (FMP) (Amendment 11).

**New Collections that Would Increase the Annual Budget**

The requirements under Amendment 11 to the FMP include collection information that is already accounted for under the Northeast Region Logbook Family of Forms (OMB Control No.: 0648-0212) and the Atlantic Sea Scallop Amendment 10 Data Collection (OMB Control No.: 0648-0491). Amendment 11 contains the following provisions that would increase the annual budget for the Atlantic Sea Scallop Amendment 10 Data Collection (OMB Control No.: 0648-0491):

1. Three new limited access general category scallop permit categories: limited access general category individual fishing quota (IFQ) scallop permit, IFQ Northern Gulf of Maine (NGOM) scallop permit, and IFQ incidental catch scallop (ICS) permit;
2. Vessel monitoring system (VMS) reporting requirements for all general category vessels;
3. IFQ and NGOM VMS pre-landing notification requirements;
4. State Waters Exemption Program VMS enrollment requirements;
5. An IFQ temporary transfer and permanent transfer program;
6. An IFQ cost recovery program; and
7. A new general category sector program.

**A. JUSTIFICATION**

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

Under the Magnuson-Stevens Fishery Conservation and Management Act, as amended in 2006 ([Magnuson-Stevens Act](#)), the Secretary of Commerce (Secretary) has responsibility for the conservation and management of marine fishery resources off the coast of the United States. The majority of this responsibility has been delegated to the Fishery Management Councils and the National Oceanic and Atmospheric Administration (NOAA), National Marine Fisheries Service (NMFS).

The general category scallop fishery in NMFS' Northeast Regional Office (NERO) is currently an open access fishery that allows any vessel to apply for, and be issued, a general category permit. The general category permit was created in 1994 under Amendment 4 to the FMP to allow vessels fishing in non-scallop fisheries to catch scallops as incidental catch, and for a small-scale scallop fishery to continue outside of the large scale limited access scallop fishery. Over time, participation in the general category fishery has increased. In 1994, there were 1,992 general category permits issued. By 2005 that number had increased to 2,950.

In January of 2006, the New England Fishery Management Council (Council) began the development of Amendment 11 to evaluate alternatives for a limited access program for the general category fishery to improve resource conservation, minimize the potential for excess harvesting capacity in the fishery, and provide a platform to promote long-term economic stability for harvesters, processors, and fishing communities. Amendment 11 was adopted by the Council on June 20, 2007. This amendment is designed to meet all the requirements of the Magnuson-Stevens Fishery Conservation and Management Act, as well as other applicable laws.

Following is justification for each of the new reporting requirements that would be established by Amendment 11.

### **New Limited Access Permit Categories**

Amendment 11 would implement a limited access program to control general category scallop fishing capacity and fishing mortality. There would be 3 new limited access general category scallop permit categories: IFQ, ICS, and NGOM. IFQ permit holders would be allocated an annual IFQ, the ICS permit holders would have a small incidental catch possession limit, and NGOM permit holders would be able to fish in the Northern Gulf of Maine Management Area. To qualify for an IFQ permit, a vessel must have had a valid scallop permit between March 1, 2000, and November 1, 2004, and landed at least 1,000 lb of scallops within 1 fishing year between March 1, 2000, and November 1, 2004. To qualify for either an ICS permit or NGOM permit, the vessel must have had a valid scallop permit on November 1, 2004. To obtain one of the above 3 permits, vessel owners must demonstrate their vessel's eligibility by submitting an initial permit application with supporting documentation. If a vessel qualifies for and is issued a limited access general category permit, they would be required to renew their permit(s) annually to maintain their eligibility. Like all of NERO limited access programs, if a vessel owner wants to move their permit to a new vessel or retain their permit eligibility through a confirmation of permit history (CPH), they must complete a replacement, upgrade, permit history (RUPH) application.

The above listed application requirements are necessary to: (1) qualify eligible vessels, (2) allow vessel owners to maintain their eligibility from year to year, and (3) allow vessel owners to transfer their eligibility to a new vessel or retain their eligibility in CPH.

Initial permit applicants that are denied would be given the opportunity to appeal their denial through the submission of additional information demonstrating why the determination made by NMFS was incorrect.

To maintain the historical character of the general category fishery, there would be restrictions on the amount of quota a given vessel owner or individual vessel could have. Specifically, vessel owners could not own more than 5% of the general category IFQ Total Allowable Catch (TAC) and individual vessels could not have more than 2% of the IFQ TAC. Consequently, IFQ permit holders would be required to submit an ownership form with their permit renewal each year documenting all of the IFQ vessels they have an ownership interest in. The ownership form is necessary to effectively administer the ownership quota cap. The 2% vessel quota cap would not require the submission of information by industry, and would be administered internally using NMFS permit data.

## **New VMS Requirements**

Currently, there are 2 open access general category fishing permits; 1A and 1B. The 1A permit category, which allows a vessel to possess up to 40 lb of scallops, does not have VMS requirements. The 1B permit, which allows vessels to possess up to 400 lb of scallops and participate in the access area program, currently, has VMS requirements. Under Amendment 11, VMS reporting requirements would extend to all general category vessels. Vessels that apply and qualify for a general category scallop permit would be required to purchase, install, and maintain a VMS on their vessel. VMS reporting requirements would be identical to 1B VMS reporting requirements (OMB Control No.: 0648-0491); including trip declaration, power down, and polling frequency requirements.

Amendment 11 would require IFQ and NGOM vessels to submit a VMS pre-landing notification form prior to crossing the demarcation line on their return to port that would provide scallop hail weight, estimated time and port of landing. Data from the VMS pre-landing notification form submitted by IFQ vessels would be used to enforce and oversee individual fishing quotas, alert enforcement personnel approximately when, where and how much a vessel should have onboard, and enforce the 400 lb IFQ possession limit. Data from the VMS pre-landing notification form submitted by NGOM vessels would be used to monitor the Northern Gulf of Maine Management Area TAC quota and to enforce the 200 lb Northern Gulf of Maine Management Area possession limit.

The FMP established the state waters exemption program. This program allows vessels to fish exclusively in state waters, exempting them from Federal gear restrictions and possession limits. Currently, to enroll in this program, a vessel must call the Interactive Voice Response System (IVR), an automated telephone response system. Since all scallop vessels would be required to have VMS, Amendment 11 would require vessel owners to declare into the state waters exemption program through their VMS and not through IVR. This adjustment was made to streamline permit reporting requirements and facilitate NMFS access to state waters exemption program data.

These VMS requirements have been implemented to improve scallop regulation enforcement and oversight of the above permit restrictions and requirements.

## **IFQ Transfers**

Amendment 11 would establish an IFQ transfer program which would allow IFQ permit holders to temporarily and/or permanently transfer individual fishing quota from one IFQ vessel to another. Quota transfers would occur through the submission of transfer applications. Required information would include vessel information, quota transfer information, and authorizing signatures from both parties.

The IFQ transfer program is entirely optional, and has been developed to provide greater flexibility for IFQ permit holders.

## **Cost Recovery**

Section 304(d)(2) of the Magnuson-Stevens Act (MSA) requires an IFQ cost recovery plan to recover management and enforcement costs for IFQ fisheries. Amendment 11 would implement an IFQ cost recovery program, whereby NMFS would collect up to 3% of ex-vessel value of

landed product to cover actual costs directly related to enforcement and management of the IFQ program. IFQ permit holders would be required to submit a cost recovery payment annually via a pre-existing Federal payment system called [www.pay.gov](http://www.pay.gov), which is also currently used by the Alaska Region and the Southeast Region.

Information submitted via the Internet would require the user to establish an online account, including personal and financial information.

## **IFQ Sector Program**

Amendment 11 contains provisions that would authorize a portion of the overall TAC to be allocated to a self-selected group of IFQ permit holders (sector), provided the sector provides adequate information describing the formation of the sector and its intended plan of operations. The proposed sector would be required to submit documents as described below.

### **Sector Allocation Proposal**

Any person may submit a Sector allocation proposal for a group of limited access general category scallop vessels to the Council, at least 1 year in advance of the start of a sector, and request that the Sector be implemented through a framework procedure specified at §648.55.

This document specifies the proposed maximum amount of TAC to be allocated to sector participants and the sector's proposed rules describing movement of vessels among sectors or to the common pool of vessels managed under the FMP. This document would be required to include an appropriate analysis that assesses the impacts of the proposed sector, in compliance with the National Environmental Policy Act (NEPA).

### **Plan of Operations**

A group that wants to form a sector and receive an allocation is required to submit a legally binding operations plan to the Council and the Regional Administrator. The operations plan must be agreed upon and signed by all members of the sector and, if approved, would constitute a contract.

This document provides a list of all participants involved with the sector; a contract signed by all proposed participants; historic information on the catch history, TAC associated with the proposed sector; detailed information regarding potential redistribution of TAC within the sector, if applicable; a plan and analysis of specific management rules for sector participants, including plans for the enforcement of sector rules and the monitoring of landings and discards; and procedures for the removal of participants from the sector. This document would be required to include a supplementary NEPA analysis that would include a revised assessment of the impacts of the proposed sector based upon changes that may have occurred since the submission of the sector allocation proposal mentioned above.

A sector is required to resubmit its operations plan to the Regional Director no later than December 1 of each year, whether or not the plan has changed. NMFS may consult with the Council and would solicit public comment on the operations plan for at least 15 days, through proposed rulemaking in the Federal Register. Upon review of the public comments, the Regional Administrator may approve or disapprove sector operations, through a final determination pursuant to the Administrative Procedure Act.

This information is necessary to describe the proposed sector and the proposed rules under which the sector would operate. This information would be used to determine whether this sector would maintain consistency with the goals and objectives of the FMP.

As current permit holders in addition to an estimated 175 not currently holding permits under this information collection may choose to apply for these new permits, the annualized total respondents affected by this collection are estimated to be 898.

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

**New Limited Access Permit Categories**

Vessels applying for a general category permit under the proposed limited access program would be required to complete an initial application for the limited access permit category for which they are applying. This information would be used by NMFS to qualify vessels for the applicable limited access permit category. The initial application for a limited access permit would be submitted only once. If a vessel is determined to qualify for a limited access permit, the owner must renew that permit annually.

To ensure owners do not exceed the 5% general category IFQ ownership cap, IFQ permit holders would be required to submit an ownership form each year with their permit renewal listing all IFQ vessels they have an ownership interest in.

If a limited access permit application is denied, the applicant would be given the opportunity to appeal their denial by submitting additional information that demonstrates why the determination made by NMFS was incorrect. This information would be used by NMFS to assess the merits of the appeal.

Each RUPH action would require an RUPH application. This information is necessary to execute the RUPH transaction as requested by the applicant.

Vessel permit information is available to the public via NERO's web site at [www.nero.noaa.gov](http://www.nero.noaa.gov), and is also available upon request. In most cases, vessel permit information is provided in aggregate form. However, there are cases, such as for law enforcement or mailings, that individual permit information is required. The individual vessel information used for mailings that is derived from the vessel permit application provides NMFS with the assurance of reaching all affected constituents with notices of fishery closures, regulatory changes, and other important information. Thus, this information is used frequently; at least once a month.

**New VMS Requirements**

Although many vessels that qualify for a general category scallop permit would already have a VMS unit, some would not. Vessel owners that must purchase a unit to participate in the general category fishery must verify the installation and operation of the unit prior to a permit being issued. Installation verification is a one time requirement that is necessary to ensure a vessel has an operational VMS unit prior to participating in the fishery.

Prior to moving the vessel from the dock or mooring, vessel operators must send a VMS fishery declaration code that specifies the intent of the vessel, thereby identifying what regulations the vessel is subject to. Upon returning to the dock or mooring at the end of a trip, vessel operators are allowed to submit a power down code pursuant to regulations specified at 50 CFR 648.9(b)(2). The power down code allows the owner to turn off the VMS unit while the vessel is at the dock or mooring to reduce reporting polling costs and preserve battery power.

Unless the vessel has submitted a power down code, the VMS unit would send a position polling signal every ½ hour. Automatic polling monitors the vessel's geographic location, ensuring the vessel complies with spatial and temporal restrictions.

The VMS pre-landing notification for IFQ and NGOM vessels would be submitted by the vessel operator prior to crossing the demarcation line at the end of each general category scallop trip. Data from these forms would be used to enforce and oversee individual fishing quotas and monitor the Northern Gulf of Maine TAC.

To participate in the state waters exemption program, vessel operators would submit a VMS declaration code and VMS enrollment form instead of calling into the IVR system as is the current practice. The state waters exemption program requires the enrollment of at least 7 days. The enrollment form would notify NMFS of the period of time the vessel would be enrolled in the program. The VMS declaration code and enrollment form would be critical in the enforcement and oversight of the state waters exemption program.

### **IFQ Transfers**

Each quota transfer would require a transfer application signed by both parties. This information is necessary to process transfer applications.

### **Cost Recovery**

Under section 304(d)(2) of the MSA, IFQ permit holders would be required to submit cost recovery payments annually to NMFS to enable the collection of funds for the purpose of offsetting the administrative and enforcement burden incurred by NMFS as the result of the IFQ program. This information would be collected via a secure Internet website.

### **IFQ Sector Program**

Amendment 11 would establish a process by which industry participants may propose the creation of a sector fishery. A sector allocation proposal, operation plan, and accompanying analysis included within each document would be reviewed by Council and NMFS staff for consistency with the objectives of the FMP. No limit to the number of sectors that may be proposed has been defined in the proposed rule for Amendment 11.

Any person may submit a Sector allocation proposal for a group of limited access general category scallop vessels to the Council, at least 1 year in advance of the start of a sector, and request that the Sector be implemented through a framework procedure specified at §648.55.

A sector is required to resubmit its operations plan to the Regional Director no later than December 1 of each year, whether or not the plan has changed. NMFS may consult with the

Council and would solicit public comment on the operations plan for at least 15 days, through proposed rulemaking in the Federal Register. Upon review of the public comments, the Regional Administrator may approve or disapprove sector operations, through a final determination pursuant to the Administrative Procedure Act.

It is anticipated that the information collected for all of the above listing reporting requirements would be disseminated to the public or used to support publicly disseminated information. As explained in the preceding paragraphs, the information gathered has utility. NMFS would 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 would 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.**

**New Limited Access Permit Categories**

After initial permit issuance, permit renewal is made as easy as possible for both the public and the issuing office. The information obtained from the vessel's initial permit application is used to prepare a computer generated pre-printed renewal form. This pre-printed form is sent directly to the vessel owner each year along with permit renewal instructions. If there are no changes to the information contained on the pre-printed renewal form, renewal only requires the applicant's signature. This feature minimizes the reporting burden on the public and administrative burden on the agency. Furthermore, vessel owners may also request a pre-printed renewal form at any time during the year to make necessary changes to their permit or contact information.

In addition to being available upon request, vessel permit information and all initial permit applications and forms, in addition to RUPH and CPH applications, are available on the Northeast Regional Office's web site at [www.nero.noaa.gov](http://www.nero.noaa.gov). Posting this information on the web makes it easier for the general public to obtain necessary forms and instructions, and eases the administrative burden on the agency.

**New VMS Requirements**

VMS position data is collected via automated polling. The VMS pre-landing notification form and the state waters exemption program enrollment form are available electronically through the vessel's VMS unit. These VMS forms are submitted electronically from the vessel.

**IFQ Transfers**

IFQ transfer applications would be available via NERO's website, [www.nero.noaa.gov](http://www.nero.noaa.gov). Applications must be mailed because NMFS requires original signatures of the two parties involved in the transfer.

## Cost Recovery

Vessel owners would submit payment via the secure Internet site: [www.pay.gov](http://www.pay.gov).

## IFQ Sector Program

Due to the size of sector applications, operation plans, and associated analyses and reports, submission of these documents via the Internet would not be feasible at this time.

### **4. Describe efforts to identify duplication.**

NMFS is aware of all related fishery management activities, and these 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 would not have a significant impact on small entities. Only the minimum data to meet the requirements of the above data needs are requested from all participants. Furthermore, detailed instructions are included with all required applications and forms to help facilitate proper completion. 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.**

As described in the above responses, these collection requirements are necessary to implement Amendment 11 to the FMP. Specifically, the general category limited access program is necessary to improve scallop resource conservation, minimize the potential for excess harvesting capacity in the fishery, and provide a platform to promote long-term economic stability for harvesters, processors, and fishing communities. The one-time initial permit application is a requirement that is necessary to identify the universe of eligible fishery participants. The appeals process affords vessel owners recourse to demonstrate why a denial was made in error. The RUPH applications are consistent with all other NERO limited access fisheries, and provide vessel owners flexibility to move and maintain their eligibility for the general category scallop fishery as they change vessels.

VMS polling and reporting requirements are critical in the enforcement of scallop regulations and the oversight of individual fishing quotas, the Northern Gulf of Maine Management Area TAC, and access area trip quotas. Without these requirements, it would be extremely difficult to enforce spatial and temporal restrictions in addition to other regulatory requirements, and impossible to effectively manage access area trip limits and the Northern Gulf of Maine Management Area TAC.

IFQ transfer applications are needed to implement a transfer program. Without these applications, industry would not be afforded the benefit of the transfer program.

The cost recovery requirements are critical to administer the cost recovery program and collect payment from IFQ permit holders. The minimum amount of information would be collected to effectively administer this program.



Without sector application, analysis, and reporting requirements, NMFS could not successfully implement a sector program.

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

Vessel applicants would be required to submit RUPH applications for each such action. It is possible that an applicant may perform a replacement or CPH more often than quarterly. Vessels would be required to submit a VMS trip declaration and pre-landing notification report each fishing trip. Consequently, individuals may be required to submit a trip identification code more often than quarterly. IFQ vessel owner's may transfer quota more frequently than quarterly, but this collection is completely voluntary and to the benefit of the fishing industry. A vessel owner may submit more than one transfer application quarterly. Each time a vessel enrolls in the state waters exemption program, they would be required to submit the appropriate VMS code and enrollment form. They are allowed to enroll in this program more often than quarterly.

**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 information collections contained in this submission are part of a proposed rule, RIN: 0648-AU32, scheduled to publish in December, 2007.

The Council held 35 public meetings that received public comment, as part of the development of Amendment 11 to the FMP. These meetings took place from January 2006 through the present.

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

No payment or gift would be made to respondents.

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

All data would be kept confidential as required by Section 402(b) of the Magnuson-Stevens Act, and in accordance with NOAA Administrative Order 216-100, Confidentiality of Fisheries Statistics, and would not be transferred for public use except in aggregate statistical form (and without identifying the source of data, i.e. vessel name, owner, etc.)

**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 full summary of the burden increase to the public associated with this collection of information can be found in Table 1. *The total estimated increase in unduplicated respondents is 175, the total response increase is 42,154, and the total burden hour increase is 3,739 hours; the new hourly burden including this increase is 11,688.*

### **Application Process**

It is estimated that there would be 500 applicants for an IFQ permit, 200 applicants for a NGOM permit, and 500 applicants for an ICS permit. Each IFQ application will take approximately 30 minutes to process, while each NGOM and ICS permit application will take approximately 15 minutes to process. Consequently, the total time burden for the initial applications will be of 425 hours ( $500 \times 30 \text{ minutes}/60 \text{ minutes} = 250$ ;  $200 \times 15 \text{ minutes}/60 \text{ minutes} = 50$ ;  $500 \times 15 \text{ minutes}/60 \text{ minutes} = 125$ ;  $250 + 50 + 125 = 425$ ). According to Council analysis performed for Amendment 11, only 370 IFQ, 190 NGOM, and 465 ICS applicants are expected to qualify and consequently renew their application each year. Permit renewal is estimated to take 15 minutes per application on average, for a total burden of 256 hours per year ( $370 + 190 + 465 = 1025 \times 15 \text{ minutes}/60 \text{ minutes} = 256$ ). The 3 year average total public time burden for IFQ, NGOM, and ICS initial permit applications, and permits renewals would thus be **312 hours** ( $425 + 256 + 256/3 = 312$ ). The labor cost, at an hourly rate of \$15, would be \$4,684.

To implement the 5% IFQ ownership cap, vessel owners would be required to submit an ownership form with each permit renewal. Since it is estimated there would be 370 IFQ permits, there would be 370 ownership forms each in the second and third years. It is estimated it would take 5 minutes to complete each ownership form; therefore, the annual reporting burden would be 31 hours ( $370 \times 5 \text{ minutes}/60 \text{ minutes}$ ), or **21 hours**, averaged over the first three years ( $0 + 31 + 31 = 62/3 = 20.6$  or 21 hours). At an hourly rate of \$15, the annualized time burden would be approximately \$315.

Up to 80 applicants are expected to appeal the denial of their permit application over the course of the three month application period. The appeals process is estimated to take 2 hours per appeal to complete, on average, for a total burden of 160 hours. The burden of this one-time appeal, annualized over three years, would be **54 hours**. At an hourly rate of \$15, the time burden would be approximately \$810.

### **RUPH Applications**

General category scallop vessels would be subject to the same replacement and permit history restrictions as other NERO limited access fisheries. Completion of an RUPH application requires an estimated 3 hours per response. It is estimated that no more than 100 RUPH applications would be received annually. The resultant burden would be up to **300** ( $3 \times 100$ ) **hours**. At an hourly rate of \$15 / hour, the total public cost burden for RUPH applications would be \$4,500 per year.

### **New VMS Reporting Requirements**

Most vessels that qualify for an IFQ permit would already be participating in the directed general category scallop fishery. To participate in this fishery, a vessel must have a 1B permit, which

already has VMS reporting requirements. Therefore, it is likely that most vessels that qualify for an IFQ permit already have VMS. Vessels that qualify for an ICS or NGOM would not likely be participating in the directed general category scallop fishery. However, vessels that qualify for an ICS or NGOM permit may already have VMS reporting requirements through other fisheries, particularly the Northeast multispecies fishery. Since it is not economically practical for a vessel to purchase, install and operate a VMS unit solely for a NGOM or ICS permit, it is unlikely that Amendment 11 would result in vessels purchasing or installing new VMS units. However, it is possible that some new permit holders would decide to purchase and install new VMS units in order to participate in one of these fisheries. Therefore, it is estimated that up to 10 vessels would purchase and install VMS units as a result of Amendment 11. It is estimated that it would take 2 hours to purchase each unit for a time burden of 20 hours (2 x 10); annualized over 3 years, the burden would be **7 hours**. It is anticipated that vessel owners would hire a VMS technician to install the VMS unit; therefore there would be no installation time burden. At an hourly rate of \$15 / hour, the total public cost burden for VMS purchases would be \$105 (7 x \$15). Since position polling is automated, there is no associated time burden with this reporting requirement.

### **IFQ Notification Requirements**

Each time a general category vessel leaves port or is moved from the dock or mooring, the operator must submit a VMS trip declaration code to notify NMFS of their intent, and consequently, what regulations the operator must adhere to.

According to 2007 VMS trip declaration data for 1B scallop vessels, approximately 40% of the time general category 1B vessels declare a general category scallop trip; the remainder are codes for other activities (if a vessel leaves port, general category regulations require it to declare a trip, regardless of the fishing activity). The 2008 scallop harvest specifications have not yet been finalized, but the proposed IFQ quota is 2.5 million lbs. Assuming each trip harvests the 400 lb possession limit, there would be an estimated 6,250 IFQ trip declarations per year ( $2.5 \text{ million} / 400 = 6,250$ ), with an additional 9,375 trip declarations for some activity other than scallop fishing, for a total of 15,625 trip declarations. Following each trip, it is anticipated that the vessel operator would submit a power down code to reduce polling costs and conserve battery power. It is estimated that it takes approximately 2 minutes to submit a trip declaration or power down code. It is estimated the IFQ fleet would submit 31,250 VMS declaration codes (15,625 trip declarations and 15,625 corresponding power down code submissions); therefore, the annual IFQ trip declaration time burden would be **1,042 hours** per year ( $31,250 \times 2 \text{ minutes} / 60 \text{ minutes}$ ). At an hourly rate of \$15, this burden would be \$15,630.

### **NGOM Notification Requirements**

The proposed Northern Gulf of Maine Management Area TAC is expected to be 64,000 to 100,030 lbs each year. Assuming each trip lands the 200 lb possession limit, and using the upper limit of the proposed TAC, it is projected that there would be up to 500 NGOM trip declarations per year ( $100,030 / 200 \text{ lb}$ ). As previously noted, for economic purposes it is unlikely that a vessel owner would incur the cost of a VMS unit solely to have a NGOM permit. Therefore, assuming these vessels already have VMS reporting requirements for other fisheries, VMS declaration reporting requirements for activities other than NGOM activity have already been accounted for in other PRA collections. The increased reporting burden resulting from the NGOM permit category would be approximately 500 trip declarations and 500 power down declarations. Assuming each declaration takes approximately 2 minutes, the annual NGOM trip

declaration time burden would be approximately **34 hours** (2 x 500 x 2 minutes/60 minutes). At an hourly rate of \$15, this burden would be \$510.

### **ICS Notification Requirements**

In 2004 and 2005, dealer data indicated that the percent of scallops landed in quantities of 40 lb or less was 0.02% and 0.06%, respectively. The average pounds of scallops landed in quantities of 40 lb in 2004 and 2005 was 19,363 lb. Using this average, it is estimated that there were approximately 500 general category 1A trips that landed scallops. Assuming this rate would remain approximately the same, there would be an estimated 500 ICS trip declarations made annually. As previously noted, for economic purposes it is unlikely that a vessel owner would incur the cost of a VMS unit solely to have an ICS permit. Therefore, assuming these vessels already have VMS reporting requirements for other fisheries, VMS declaration reporting requirements for activities other than ICS activity have already been accounted for in other PRA collections. The increased reporting burden resulting from the ICS permit category would be approximately 500 trip declarations and 500 power down declarations. Assuming each trip declaration takes approximately 2 minutes, the annual ICS trip declaration time burden would be approximately **34 hours** (2 x 500 x 2 minutes/60 minutes). At an hourly rate of \$15, this burden would be \$510.

### **Pre-landing Notification Requirements**

VMS pre-landing notification forms would be required for each IFQ and NGOM trip. Therefore, there would be 6,250 IFQ and 500 NGOM pre-landing notification forms submitted annually. It is estimated that it would take 5 minutes per each of the 6750 reports, for an annual pre-landing notification time burden of **563 hours** (6750 x 5 minutes/60 minutes). At an hourly rate of \$15, this burden would be \$8,445.

### **State Waters Exemption Program Requirements**

The state waters exemption program enrollment form is estimated to take 5 minutes to submit through the VMS, the same amount of time as it has taken to enroll through IVR. State waters exemption program trip declaration requirements are already accounted for in OMB Control No.: 0648-0202. Therefore, this burden would not increase the collection budget.

### **IFQ Transfers**

Quota temporary transfers and permanent transfers apply to IFQ vessels only.

Using the Northeast Region's Northeast Multispecies Days-at-Sea (DAS) Leasing Program (OMB Control No.: 0648-0475) as a proxy for the response rate for the quota leasing program, it is anticipated there would be approximately 75 quota temporary transfers annually. Each application would include information from both parties involved in the temporary transfer; therefore there would be 2 responses per application. It is estimated that it would take 5 minutes per response, or 10 minutes per temporary quota transfer application. Therefore, the estimated temporary transfer burden would be **13 hours** (75 x 2 x 5 minutes/60 minutes). At an hourly rate of \$15 / hour, the total public cost burden for temporary quota transfer applications would be \$195.

The Northeast Multispecies DAS Permanent Transfer Program cannot be easily correlated with the general category permanent quota transfer program because of the Northeast Multispecies Program has a 20% conservation tax on all transfers while there is no conservation tax on scallop quota transfers. Although it is anticipated there would be more quota transfers than DAS transfers, quota transfers would be restricted by the requirement that no IFQ vessel owner have more than 5% of the IFQ quota nor any individual vessel have more than 2% of the IFQ quota at any time. It is anticipated there would be approximately 10 permanent quota transfers per year. Each application would include information from both parties involved in the transfer; therefore there would be 2 responses per application. It is estimated that it would take 5 minutes per response, or 10 minutes per permanent transfer application. Therefore, the estimated permanent quota transfer burden would be **2 hours**. At an hourly rate of \$15 / hour, the total public cost burden for permanent quota transfer applications would be \$30.

### **Cost Recovery**

As we are initiating cost recovery for this program, there are no current data for use in estimating the burden associated with submitting a cost recovery payment. Using the burden per response used by the Alaska Region's Alaska Individual Fishing Quota Cost-Recovery Program Requirements (OMB Control No.: 0648-0398) as a proxy for the scallop IFQ program, it is estimated that it would take 2 hours per response. Each IFQ permit holder would be required to submit a cost recovery payment once annually. Therefore, 370 payments would take **740 hours**. At an hourly rate of \$15 / hour, the total public cost burden for cost recovery would be \$11,100.

### **IFQ Sector Program**

Based on conversations with Council and NMFS staff, and the general category scallop fishing industry, it is estimated there would be 9 sector proposals received over the next three years (2008-2009); 5 in the first, 2 in the 2<sup>nd</sup> year and 2 in the 3<sup>rd</sup> year. The earliest the sectors proposed in the 2008 year could be implemented would be the 2009 fishing year. Therefore, these sectors would be required to submit operation plans for the 2010 fishing year.

Any person may submit a Sector allocation proposal for a group of limited access general category scallop vessels to the Council at least 1 year in advance of the start of a sector, and request that the Sector be implemented through a framework procedure specified at §648.55. Based upon consultations with the Northeast multispecies sector program, it is estimated it would take 150 hours to prepare and submit a sector proposal. Therefore, the three year average annualized time burden for sector proposals would be **450 hours** per year (9 x 150/3). At an hourly rate of \$15 / hour, the total public cost burden for sector proposals would be \$6,750.

A sector is required to resubmit its operations plan to the Regional Director no later than December 1 of each year, whether or not the plan has changed. Based upon consultations with the Northeast multispecies sector program, each operations plan takes approximately 100 hours. The earliest sector operation plans would be submitted in 2010 for the proposals submitted in 2008. Therefore, it is estimated it would take 500 hours to submit 5 operation plans. The 3 year average annualized time burden would be **167 hours** per year (5 operation plans over 3 years). At an hourly rate of \$15/ hour, the annual time burden cost would be approximately \$2,500.

**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).**

A full summary of the increased cost to the public associated with this collection of information can be found in Table 1. *The total cost increase is \$42,232, and the new total including this increase is \$1,489,055.*

**Limited Access Application Process**

It is estimated that it would cost \$0.41 in postage fees to submit an initial permit application and permit renewal application. Therefore, it would cost on average over a three year period an estimated \$444 per year in postage fees (1,200 initial applications + 1,025 renewals + 1,025 renewals = 3,250 x \$0.41 = \$1,333 / 3years = **\$444**).

It is estimated that it would cost \$0.41 in mailing fees and \$0.10 in copy fees to submit an ownership cap form. Since it is estimated that there will be 370 ownership cap forms submitted annually, the additional expense resulting from this requirement would be **\$189** (370 x \$0.51).

It is estimated that it would cost approximately \$1 in mail fees and \$1 in copy fees (10 pages at \$0.10 per page) to submit materials supporting an appeal. Since it is anticipated that there will be approximately 80 appeals during the 90 day application period, annualized to 27 appeals, the cost burden resulting from the appeals process would be approximately **\$54** (\$2 x 27).

**RUPH Applications**

It is estimated that it would cost approximately \$1 in mail fees and \$1 in copy fees to submit an RUPH application. Therefore, it is estimated that 100 RUPH applications submitted annually would cost **\$200** to print and mail (\$2 x 100).

**New VMS Reporting Requirements**

Since the purchase of the VMS unit would be reimbursed by NMFS, there would be no new cost burden as the result of new VMS unit purchases. VMS installation costs on average \$340. Therefore the cost burden of installing 10 VMS units would be approximately \$3,400 (\$340 x 10); the annualized cost would be **\$1,134**. The annual VMS polling cost per vessel averages \$954. For the estimated 10 new VMS units as the result of Amendment 11, the new VMS polling cost not covered by other PRA collections would be **\$9,540** (\$954 x 10).

It is estimated that it costs \$0.79 to send a VMS declaration code, including power down codes. Therefore, the cost burden resulting from Amendment 11 VMS requirements would be **\$26,268** per year (31,250 IFQ declarations + 1,000 NGOM declarations + 1,000 ICS declarations = 33,250 x \$0.79).

Each VMS pre-landing notification form is estimated to cost \$0.79. Therefore, 6,750 pre-landing notification forms would cost **\$5,333** (6,250 IFQ + 500 NGOM = 6,750 x \$0.79).

Each VMS state waters exemption program enrollment form is estimated to cost \$0.79 to submit

(although the submission burden is already covered under 0202, there is a cost for the new form). Only 13 vessels enrolled in the state waters exemption program in the previous calendar year (October 1, 2006 – September 30, 2007). It is anticipated that this rate would continue in the coming years. Therefore, it is estimated that the cost burden associated with the state waters exemption program VMS enrollment form would be **\$10** per year ( $\$0.79 \times 13 = 10$ ).

### **IFQ Transfers**

It is estimated that IFQ transfer submission would cost \$0.41 postage and \$0.10 copy fees per transfer application (\$0.51 total). Since NMFS anticipates approximately 85 transfers per year (75 temporary transfers, 10 permanent transfers), the resultant cost burden would be **\$43** per year ( $85 \times \$0.51$ ).

### **Cost Recovery**

PRA collection cost does not include the actual cost recovery funds submitted by industry; only the costs associated with the submission of these funds. Since cost recovery would be collected only via the Internet, there is no cost burden associated with this cost recovery program.

### **IFQ Sector Program**

The submission of sector allocation proposals and plans of operations required under Amendment 11 would incur costs from copying and postage of these documents. Based upon Northeast multispecies sector program estimates as documented in OMB Collection No.: 0648-0489, the total cost burden for each sector proposal or operation plan is estimated to cost \$3.64 (\$2 for two copies of a 10-page document, and two \$0.41 stamps for each document:  $\$2 + (2 \times \$0.82)$ ). Therefore, the 3 year average annual cost for 9 sector proposals and 5 operation plans would be **\$17** ( $14 \times 3.64 = \$51/3$ ).

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

A full summary of the increased cost to the Federal Government associated with this collection of information can be found in Table 2. *The total cost increase is \$63,181 and the new total including this increase is \$67,519.*

### **Limited Access Application Process**

The estimated average cost to the Federal Government to issue a Federal fishery permit is \$33 per permit, including labor, printing, distribution, computer time, and handling. In the 1<sup>st</sup> year there would be 500 IFQ, 200 NGOM, and 500 ICS initial applications = 1,200. The following 2 years, there would be 740 IFQ, 380 NGOM, and 930 ICS renewal applications =  $1,025 \times 2 = 2,050$  over the two years. Therefore, at an hourly rate of \$25, it would cost on average over a three year period an estimated **\$35,750** per year ( $1,200 + 2,050 = 3,250 \times 33 = \$107,250/3$  to process all limited access scallop permits).

The annual estimated cost to the Federal Government is estimated to be \$25 for processing appeals, vessel replacements, vessel upgrades, and confirmations of permit history applications. It is estimated that there would be 80 appeals the first year, and 100 RUPH applications processed annually, which would increase the annual government burden by **\$4,500** ( $\$180 \times \$25$ ).

It takes approximately 10 minutes to process each ownership cap form. Since there are 370 ownership cap forms per year, at an hourly rate of \$25, the annual government burden would be **\$1,542** (370 x 10 minutes/60 minutes x \$25).

### **New VMS Reporting Requirements**

The estimated 10 new VMS units that would result from Amendment 11 are not expected to increase the government cost burden appreciably above the current burden as accounted for in OMB Control No.: 0648-0202.

It is estimated that it would take 1 minute to process each VMS pre-landing notification form and VMS state waters exemption program enrollment form. Therefore, at a cost per hour of \$25, these reporting requirements would increase the government cost burden by **\$2,818** per year (6,750 pre-land notification forms, and 13 state water exemption program enrollment forms = 6,763 x 1 minute/60 minutes x \$25).

### **IFQ Transfers**

It is estimated that it would take 30 minutes to process each transfer request. Since it is estimated that NMFS would process 85 transfers per year, the annual government cost would be **\$1,063** (85 x 30 minutes/60 minutes x \$25).

### **Cost Recovery**

Cost recovery payments would be collected through [www.pay.gov](http://www.pay.gov), an established government payment collection program. It is anticipated it would take one hour to program [www.pay.gov](http://www.pay.gov) to accept payment from IFQ permit holders. Once the program has been programmed to accept payment from [www.pay.gov](http://www.pay.gov), there would be no additional cost to the government since the scallop cost recovery program would be completely automated. At an hourly rate of \$25, the annual government burden would be \$25 for the first year only, or an annualized burden of \$8.34 (\$8).

### **IFQ Sector Program**

Based upon Northeast multispecies sector program estimates, sector proposals and operation plans require extensive review by the Council and NMFS staff to ensure that proposals and operation plans meet the objectives of the FMP. It is estimated that each proposal and operation plan requires approximately 150 hours to review and implement. Using a wage rate of \$25/hour, this results in a 3-year average annual cost to the government of **\$17,500** per year (5 proposals the 1<sup>st</sup> year, 2 proposals the second year, 2 proposals and 5 operation plans the third year)(14 x 150 = 2,100 x 25/3).

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

OMB Control No.: 0648-0491 responses would increase from 236,219 by approximately 42,154 to 278,373; hours, from 7,949 by 3,739 to 11,688, and cost, from \$1,445,823 by \$43,232 to \$1,489,055, as a result of Amendment 11.



### **Limited Access Application Process**

The IFQ permitting requirements, which includes the initial permit application and permit renewals, would increase the 3-year annual budget on average by 17 minutes and \$4.74 per response. The 3 year average total public time burden and cost for IFQ, NGOM, and ICS initial permit applications, and permits renewals would thus be 312 hours and \$444.

The IFQ ownership cap form would increase the annual budget by approximately 10 minutes and \$0.51 per response. The average overall public burden would be approximately 21 hours and \$54.

The Appeals process would increase the annual budget by approximately 2 hours and \$11 per response. The average overall public burden would be approximately 54 hours and \$106.

RUPH applications would increase the annual budget by approximately 3 hours and \$2 per response. The overall public burden would be approximately 300 hours and \$200.

### **New VMS Reporting Requirements**

The purchase and installation of new VMS units, annualized, would increase the annual budget by approximately 2 hours and \$126 per response. The overall increase would be approximately 7 hours and \$378.

VMS polling fees would not increase the burden hours, but would increase the annual budget by approximately \$954 per respondent. The overall increase would be approximately \$9,540.

VMS trip declaration and power down for IFQ vessels would increase the annual budget by approximately 2 minutes and \$0.79 per response. The overall increase would be approximately 1042 hours and \$26,628.

VMS trip declaration and power down for NGOM vessels would increase the annual budget by approximately 2 minutes and \$0.79 per response. The overall public burden would be approximately 34 hours and \$403.

VMS trip declaration and power down for ICS vessels would increase the annual budget by approximately 2 minutes and \$0.79 per response. The overall public burden would be approximately 34 hours and \$403.

The VMS pre-landing notification form would increase the annual budget by approximately 5 minutes and \$0.79 per response. The overall public burden would be approximately 563 hours and \$5,333.

The VMS state waters exemption program enrollment form would not increase the burden hours, but would increase the annual budget by approximately \$0.79 per response. The overall public burden would be approximately \$10.

## **IFQ Transfers**

IFQ transfer applications would increase the annual budget by approximately 5 minutes and \$0.26 per response. The overall public burden would be approximately 15 hours and \$43.

## **Cost Recovery**

The cost recovery program would increase the annual budget by approximately 2 hours per response. Cost would not increase since [www.pay.gov](http://www.pay.gov) is a free service. The overall public burden would be approximately 740 hours.

## **IFQ Sector Program**

Sector proposals would increase the 3-year annualized budget by approximately 150 hours and \$2.67 per response. The average overall public burden would be increased approximately 450 hours and \$8.

Sector operation plans would increase the 3-year annualized budget by approximately 33 hours and \$2 per response. The average overall public burden would be approximately 150 hours and \$6.

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

The results from this collection may be used in scientific, management, technical or general information publications such as the Fisheries of the United States, which follows prescribed statistical tabulations and summary table format, and the annual Stock Assessment and Fishery Evaluation (SAFE) Report prepared by the New England Fishery Management Council (NEFMC) for the herring fishery. Data obtained from this collection would be available to the public upon request in summary form only. Furthermore, 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.**

Except for VMS forms, all forms would display the OMB control number and expiration date along with information relevant to the Paperwork Reduction Act of 1995. The VMS forms would not display this information because these forms are in electronic media format only. There is limited space in this format to provide a PRA statement. Additionally, one of the approved VMS vendors (Boatrac, Inc) has a limit of 50 lines of text per macro or VMS form, and is also limited to a total of 600 lines of text for all macros. As VMS requirements become more complex with changing Northeast regulations, the macros are approaching these limits. Including the PRA text would negatively impact NMFS' ability to expand the macros within the current limits to comply with regulatory changes.

### **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**

<b>Reporting Requirement</b>	<b># Items</b>	<b>Responses per Item</b>	<b>Total Responses</b>	<b>Burden Hours</b>	<b>Wages and Salaries</b>	<b>Recordkeeping /Reporting Costs</b>
<b>Permit Application (IFQ, NGOM, ICS) (3 -year average)</b>	1,083	1	1,083	312	\$4,680	\$444
<b>IFQ Ownership Cap Forms</b>	370	1	370	21	\$315	\$189
<b>Appeals (IFQ, NGOM, ICS) (3-year average)</b>	27	1	27	54	\$810	\$54
<b>RUPH applications</b>	100	1	100	300	\$4,500	\$200
<b>New VMS Purchases (3-year average)</b>	3	1	3	7	\$105	\$0
<b>New VMS Installation (3-year average)</b>	3	1	3	0	\$0	\$1,134
<b>VMS polling fees</b>	10	1	10	0	\$0	\$9,540
<b>IFQ, NGOM, ICSVMS Trip Declaration and Power Down</b>	33,250	1	33,250	1,110	\$16,650	\$26,268
<b>VMS Pre-Landing Notification Form (IFQ, NGOM)</b>	6,750	1	6,750	563	\$8,445	\$5,333
<b>VMS State Waters Exemption Program Enrollment Form (IFQ, NGOM, ICS)</b>	13	1	13	0	\$0	\$10
<b>Quota Transfer Applications (temporary and permanent)</b>	85	2	170	15	\$225	\$43
<b>Cost Recovery</b>	370	1	370	740	\$11,100	\$0
<b>Sector Proposals (3 year average)</b>	3	1	3	450	\$6,750	\$11
<b>Sector Operation Plans (3 year average)</b>	1.67(2)	1	1.67 (2)	167	\$2,505	\$6
<b>TOTAL</b>	-	-	<b>42,154</b>	<b>3,739</b>	<b>\$56,085</b>	<b>\$43,232</b>

**TABLE 2**

<b>GOVERNMENT COST</b>					
<b>Requirement</b>	<b># Entities</b>	<b>Items per Entity</b>	<b>Total Items</b>	<b>Cost Per Item</b>	<b>Total Cost</b>
<b>Permit Application (IFQ, NGOM, ICS) (3-year average)</b>	1,083	1	1,083	\$33	\$35,750
<b>Ownership Cap Forms</b>	370	1	370	\$4.17	\$1,542
<b>Appeals</b>	80	1	80	\$25	\$2,000
<b>RUPH Applications</b>	100	1	100	\$25	\$2,500
<b>VMS Pre-Landing Notification Form</b>	6,750	1	6,750	\$0	\$2,818
<b>Quota Transfer Applications (temporary and permanent)</b>	85	1	85	\$13	\$1,063
<b>Cost Recovery Programming Cost (3-year average)</b>	1	1	1	\$8	\$8
<b>Sector Proposals + Operation Plans (3 year average)</b>	5	1	5	\$3,750	\$17,500
<b>TOTAL</b>					<b>\$63,181</b>