

JUSTIFICATION FOR CHANGE
SOUTHEAST REGION PERMIT FAMILY OF FORMS
OMB CONTROL NO. 0648-0205

With the implementation of the Gulf Grouper And Tilefish Individual Fishing Quota (IFQ) Program, per RIN 0648-AW12, effective January 1, 2010, we must collect the percentage of ownership in corporations, not only for Gulf red snapper IFQ fishermen, but also for Gulf grouper and tilefish IFQ fishermen, as well as any Gulf reef fish permit holders that could buy into one of the IFQ programs: § 622.20(c)(3)(6)(i) "A corporation must provide to the RA the identity of the shareholders of the corporation, by December 1, 2009, for initial issuance of IFQ shares and allocation, and provide updated information to the RA within 30 days of when changes occur. This information must also be provided to the RA any time a commercial vessel permit for Gulf reef fish is renewed or transferred."

There are currently 279 Gulf Reef Fishery permit holders to which the above requirement applies. We would like to extend this requirement to all 735 Southeast Region Federal Exclusive Economic Zone (EEZ) permit holders who are members of a corporation, so that the "percentage of company ownership" checkbox currently included as part of ownership information in Section 4 of the permit application would now apply to all corporate shareholders.

The collection of percent ownership in a corporation from all Southeast Region permit holders would satisfy the requirements of the Regulatory Flexibility Act (RFA), which requires an evaluation of the economic effects on small entities to ensure that small entities are not disproportionately affected by proposed regulation relative to large entities. The determination of whether an entity is a small or large business entity is based on the total receipts of the entity including all of its affiliates. Because fleet ownership is known to exist in Southeast fisheries, the number of individual permits in a given fishery is insufficient to determine both the number of entities and their status as small or large entities. For a business entity that is incorporated, information on percent ownership in the corporation is needed to determine this information.

This information is also needed to quantify the economic effects of new management measures on these entities and aids in minimizing any adverse economic effects new management measures would be expected to have on small business entities.

This information would also be used to track corporate ownership in order to be sure the IFQ share ownership cap is not violated.

As always, only appropriate National Oceanic and Atmospheric Administration (NOAA)'s National Marine Fisheries Service Fisheries Service (NMFS) personnel will have access to this information.

In the information collection request related to RIN 0648-AW12, the burden for the 279 reef fishermen was not included. Therefore we are now requesting additional burden for all 735 respondents (including the 279) needing to add this piece of information to the permit application; a maximum additional 5 minutes would be required, for an annual total of 62 hours. There is no additional cost, as this information is an addition to a document already being submitted.