

**SUPPORTING STATEMENT  
RATIONALIZATION OF THE PACIFIC COAST GROUND FISH  
TRAWL LIMITED ENTRY FISHERY  
OMB CONTROL NO. 0648-xxxx**

**A. JUSTIFICATION**

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

This request is for a new information collection related to a pending proposed rule, Regulation Identifier Number (RIN) 0648-AY68.

Since 2003, the Pacific Fishery Management Council (Council) has been developing a trawl rationalization program for the Pacific Coast groundfish fishery that would affect the limited entry trawl fishery. The trawl rationalization program is intended to increase net economic benefits to the nation; and for participants, to: 1) provide economic stability in the fishery, 2) provide full utilization of the trawl sector allocation, 3) improve safety, product quality and value, and 4) increase accuracy, and for catch and bycatch; mitigate or decrease environmental impacts that occur under current fishing practices and regimes.

The Council has developed the trawl rationalization program through two amendments to the Pacific Coast Groundfish Fishery Management Plan (FMP): (1) Amendment 20, which addresses the trawl rationalization program, and (2) Amendment 21, addressing intersector allocation. Amendment 20 would create the structure and management details of the trawl rationalization program, while Amendment 21 would allocate the groundfish stocks between trawl and non-trawl fisheries and within trawl fisheries. The Council took final action on Amendment 20 at their November 2008 meeting, with subsequent related actions at their March 2009, April 2009, June 2009, November 2009, and April 2010 meetings. The Council took final action on Amendment 21 at its April 2009 meeting, with trailing actions at their March 2010 meeting.

The Magnuson-Stevens Fishery Conservation and Management Act (MSA) authorizes the Council to prepare and amend FMPs for any fishery in waters under its jurisdiction. The National Oceanic and Atmospheric Administration's (NOAA) National Marine Fisheries Service (NMFS; also referred to as "the Agency") manages the groundfish fishery in 3 to 200 mile zone off of the coasts of Washington, Oregon and California. In 1993, the Council, under Amendment 6, limited entry into the groundfish fishery through a limited entry permit program. Currently, there are a total of 399 Pacific Coast limited entry permits and of which 177 are endorsed for trawl gear.

The trawl rationalization program will be a limited access privilege program (LAPP) under the MSA as reauthorized in 2007. A LAPP is considered a grant of permission to the holder of the limited access privilege, or quota share, to participate in the program. It may be revoked, limited, or modified by the Secretary of Commerce (Secretary) at any time. In other words, it is a conditional privilege, conveyed through quota shares or catch shares, to harvest a specified amount of fish. Under the trawl rationalization program, NMFS will issue the permits, as described below, for this conditional privilege.

In 2009, NMFS implemented Amendment 15 (RIN 0648-AW08, published March 10, 2009 (74 FR 10189)) which required a Pacific Whiting Vessel License for any vessel participating in either the shorebased or at-sea whiting fisheries. These licenses were issued to limit the number of vessels in the whiting fishery based on participation history in these fisheries. Under the trawl rationalization program, the Pacific Whiting Vessel Licenses will lapse and will be replaced by a new Mothership (MS) permit, and new catcher/processor (C/P) and mothership catcher vessel (MS/CV) endorsements for existing Pacific Coast limited entry permits.

### **Trawl Rationalization Program Structure**

The trawl rationalization program will consist of: (1) an individual fishing quota (IFQ) program for the shorebased trawl fleet and (2) co-operative (co-op) programs for the at-sea trawl fleet. The shorebased trawl fleet would include IFQ participants who land groundfish to shorebased processors or first receivers. The at-sea trawl fleet would include fishery participants harvesting whiting with midwater trawl gear (i.e., whiting catcher/processor vessels, whiting motherships, and whiting catcher vessels associated with motherships). The co-op programs for the at-sea trawl fleet are further divided as follows: (1) a single whiting catcher/processor co-op; and (2) one or more whiting mothership co-ops may form, or vessels may choose to fish in an open access or non-co-op fishery which would be unaffiliated with a co-op. For the co-op and non co-op fishery, vessel owners pool their harvest together.

The IFQ program for the shorebased fleet will require NMFS to make an initial allocation of harvest quota share (QS) (expressed as a percentage of the total sector amount) through a new QS permit to current owners of limited entry trawl permits and shorebased whiting first receivers who meet the qualifying criteria. Depending on a person's limited entry trawl permit history in qualifying years, the permit owner will receive an initial allocation for various target species/species groups (~20 species), some with area designations. In addition, NMFS will allocate QS for overfished species based on a proxy of the amount of target species allocated to the quota share holder. Shorebased whiting first receivers will receive an initial allocation of whiting only, based on their history of being the first receiver reported on state fish tickets (with an opportunity to reassign their history). Each year, based on the optimum yield amounts for each species and the amount of QS a holder has for a particular species/area, NMFS will allocate quota pounds to the QS account. The QS owner, in turn, must allocate quota pounds to vessel accounts. Vessels are required to have IFQ or quota pounds in an account to cover all IFQ landings and discards incurred while fishing under this program. In order to comply with the MSA, NMFS will track ownership interest in QS to determine if individuals are within set accumulation limits, both at the initial allocation stage and during the operation of the program. In Amendment 20, the Council has adopted limits (by species group and area) on the amount of QS an individual can control (i.e. control limits) and limits on the amount of quota pounds that may be registered to a vessel for use in a given year.

For the at-sea whiting component of the trawl rationalization program, the Council has adopted a program that provides for a C/P co-op and MS co-ops that differ from how the co-ops have operated in the past. The C/P co-op will not require an initial allocation of catch shares to individual vessels, provided that a co-op is established. However, whiting catch shares for the MS fleet (called catch history assignments) would initially be allocated to qualifying limited entry trawl permits that were registered to catcher vessels in qualifying years and which were used in the mothership whiting fishery. The catch history assignments would be non-severable

from the permit. Holders of qualifying permits that are allocated a whiting catch history assignment may choose to participate in either the MS co-op or non-co-op fishery. As with the shorebased IFQ program, NMFS would be required to track permit ownership interests in the MS sector to determine if individuals are in compliance with accumulation limits.

**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 trawl rationalization program includes a series of information collections from industry members who have participated or who intend to participate in the shorebased groundfish fishery and/or the at-sea whiting fishery. These information collections are required to support permit and endorsement applications and/or to receive an initial issuance of quota share of whiting and non whiting groundfish species. NMFS will use these applications to determine whether the applicant qualifies for the permit or endorsement and/or to determine the appropriate amount of QS or catch history assignment allocation. The discussion below describes specific information collections required to apply for the following: 1) an initial issuance of groundfish QS and associated QS permit for harvesters, and initial issuance whiting QS and QS permit for qualified shorebased first receivers; 2) MS/CV endorsement and associated whiting catch history assignment; 3) a C/P endorsement; and 4) a MS permit. Ownership interest forms will be required from applicants for QS initial issuance (both whiting and non whiting), MS permit, and MS/CV endorsement and catch history assignment. This information collection also includes information provided by applicants who appeal the disapproval of a permit or endorsement application or who wish to appeal the amount of QS or catch history assignment allocation.

**SHORE BASED TRAWL SECTOR: INDIVIDUAL FISHING QUOTA/QUOTA SHARE PROGRAM**

**Initial Issuance of QS Allocation and QS Permit Application**

Current owners of trawl endorsed limited entry permits that have qualifying permit landing history must apply for an initial issuance of QS for various groundfish species/species groups, including Pacific halibut. In addition, shorebased first receivers who received whiting during qualifying years must apply for an initial issuance of whiting QS. If NMFS approves an application for initial issuance of QS, it will issue a permit authorizing the entity or individual to hold QS. The application must be complete and postmarked or hand delivered to NMFS Northwest Region by a specified deadline date in order to be accepted for review by NMFS. This is a one-time information collection and the only opportunity to apply for an initial issuance of QS. Two years after the start of the trawl rationalization program, QS will be transferrable to other persons. At that time, new persons (who do not have an existing QS permit) receiving QS as a result of transfer will need to apply for and obtain a QS permit to receive QS.

For the initial issuance of QS, NMFS will extract a dataset from the Pacific Fisheries Information Network (PacFIN) database as of the publication date of the proposed regulations. NMFS will calculate QS for limited entry trawl permit owners using a combination of permit landing history, equal division of QS from permits retired through the buyback program, a formula based on target species and area fished, or pro-rata (certain species will be allocated in proportion to

the QS allocation amount allocated for another species). NMFS will calculate whiting QS for first receivers using permit landing history. NMFS will calculate Pacific halibut individual bycatch quota (IBQ) for limited entry trawl permit owners using a formula based on target species and area fished. Detailed descriptions of these calculations are provided in the proposed rule.

NMFS will identify permit owners or first receivers that appear to be qualified for QS and will send by certified mail a prefilled application form. On the prefilled form, NMFS will provide the permit owner, or first receiver name, TIN (if a business entity), limited entry permit number, business address, phone number, fax number and email address based on existing records in the Northwest Region (NWR) Permit's Office database. The applicant will be requested to update this information if it has changed or was not previously provided to NMFS. If the permit owner or first receiver is made up of individuals, they will be required to provide date of birth for each individual given as part of the ownership group.

Shorebased first receivers, to qualify for an initial allocation of whiting QS, must meet a "recent participation" requirement. Specifically, the first receiver must have taken deliveries of whiting in the amount of 1 metric ton or greater in any two years from 1998-2004. In a separate section in the form, NMFS will display the amount of whiting landings received by the first receiver in these qualifying years.

In another application section, NMFS will provide the applicant their preliminary QS for each species category (Group 1, 2, and 3 species) and halibut. The applicant will be required to either accept or not accept this information as given. If they do not accept data as given in part or whole, they must check the appropriate box and provide state landing records or other credible information with the application that would correct the information provided in the prefilled application.

Attached to the application form, NMFS will provide individual summary sheets for each species (Group 1, 2, and 3 species) and halibut IBQ that provides landing and logbook data for each qualifying year and applicable calculations. The purpose of providing the preliminary summary sheet data is to allow the applicant to understand the qualifying data at a finer level of detail that was used to support the aggregate figures displayed on the prefilled application form and to provide NMFS' calculations to derive QS allocations for various species. These individual summary sheets support relative history amounts for the various species given in Section C of the QS initial issuance/permit application. This also helps the applicant determine if they need to file a correction with NMFS to correct any errors. The applicant will also be required to either accept or not accept this information as given in each of the summary sheets. If the applicant accepts the landing data and calculations provided in the prefilled application, NMFS will use these data to calculate and make the initial issuance of QS using the calculation formula prescribed by the Council and NMFS.

If the applicant does not accept part or all of the preliminary qualifying data or calculations as given in the prefilled application or for the summary sheets, they will be required to submit a letter with the completed application that details which data they believe was incorrectly used by NMFS or which calculations were incorrectly applied by NMFS. In addition, the applicant must provide copies of state landing tickets or other credible information that supports a correction of the qualifying data or calculation of QS. This documentation is required to support the need for

a correction of the data or calculation. The applicant cannot challenge whether the data as given in PacFIN is correct, but may contest the accuracy of the qualifying data as extracted, aggregated or expanded by NMFS. The applicant may also challenge whether NMFS properly applied the calculation of QS. The applicant may request a correction of the lowest relative history years if they believe NMFS incorrectly calculated those years. NMFS will consider corrections requested by the applicant and will either accept or not accept these corrections based on its review.

NMFS may request other supplementary information it deems necessary to make a determination of eligibility and/or accuracy of the QS calculation. NMFS will review the applicant's information and determine whether a correction to the landing data or calculation is justified. Applicants have been given notice (75 FR 4684, 1/29/10) to review and, if necessary, correct their landing history data in PacFIN, but this must take place before the proposed rule associated with this PRA collection publishes.

Shorebased first receivers applying for an initial issuance of whiting QS may provide a letter and valid written agreement from a first receiver listed on the state landing tickets that reassigns whiting landing history to another person that was in fact the first processor of the fish. The purpose of this provision is to allow for reassignment of landing histories that have been sold by the entity listed on the landing ticket to another shorebased processor or for situations where the first receiver given on the landing ticket is a subsidiary of a parent company. The letter must be signed and dated by the first receiver (or authorized representative) named on the state landing ticket and signed by an authorized representative of individual or entity receiving the landing history. The letter must detail the dates and amounts of the landing history that is being reassigned and provide the legal name, date of birth or tax identification number, business address, phone number, fax number and email address (optional) of the person receiving the reassignment of the whiting landing history. This documentation must be submitted with the application form by the application deadline.

NMFS will review the agreement for authenticity and make a determination whether or not to make a reassignment of the landing history. When NMFS issues an initial administrative determination, the Agency will indicate whether it accepted the request to reassign the landing history or if not accepted, the reasons it did not reassign the landing history.

NMFS will not mail prefilled applications to current trawl limited entry permit owners or shorebased first receivers that do not appear in the extracted PacFIN dataset as having qualified for an initial issuance of QS. Persons who do not receive a prefilled application and believe they may qualify for QS may submit an application by the deadline. The applicant will be required to provide all of the information required of and provided to those persons receiving a prefilled application and necessary to determine all QS allocations, and all the prefilled data (state landing data and logbook data) provided to prequalified applicant. In addition, the applicant must provide NMFS with copies of state landing tickets, logbook data and/or other credible information for an initial issuance of QS. First receivers will be required to show how they met the recent participation requirement. NMFS will provide blank application forms on the [NOAA/NMFS/NWR Permits Office website](#) or by request for applicants that did not receive a prefilled application.

All applicants will be required to certify that the application is true, correct and complete to the best of their knowledge and ability by signing and dating the form. The form must be notarized to authenticate the identity of the individual signing the form. A corporate resolution may be required of a non-individual entity to establish that the individual signing the application is authorized to do so on behalf of the entity.

As part of the application for QS initial issuance/QS permit, the applicant will be required to provide a completed ownership interest form which provides information on all shareholders or members -- to the individual level of ownership -- who have a 2% or greater interest in the ownership group, and provides the specific amount of that ownership interest. Each individual who has a 2% interest or greater in the ownership group must provide TIN or date of birth and business address. Entities that own multiple qualifying permits and shareholders that have ownership interest in multiple permits must comply with accumulation limits on control of quota share. This ownership information will be used to determine if the permit owner and/or the shareholders in an entity that receives an initial allocation of QS exceeds the individual accumulation limits for each species. An application for QS will not be considered completed unless and until an ownership interest form is provided. NMFS will provide a prefilled ownership interest form for all permit owners and first receivers who provided an ownership interest form as part of information collection authorized by OMB Control No. 0648-0599. Persons receiving the prefilled form need only update the form by adding and deleting shareholders as necessary or updating business addresses and shareholder amount of ownership interest. Individuals who do not receive a prefilled QS initial issuance/QS permit application form will be required to fill out a blank ownership interest form available from the [NOAA/NMFS/NWR Permits Office website](#). For more information on this collection, see the discussion description provided further on in Question 2, [Ownership Interest Form](#).

Any applicant who is qualified for an initial allocation of QS will be issued a QS permit. All QS permit owners will be registered with NMFS. NMFS will establish an electronic QS account in which QS amounts for groundfish IFQ species will be registered and tracked. The QS permit owner will be recognized as eligible to own/control QS and the permit will give the terms and conditions associated with the use of QS. Quota share amounts (%) issued to the QS owner will be transferrable two years after the start of the program to persons eligible to own a QS permit. The QS permit itself is not transferrable and must be renewed each year. Any person who was not initially issued QS and seeks to obtain QS through a transfer (after two years) will be required to obtain a QS permit.

NMFS will submit another rulemaking later this year that will include a series of information collections required to renew a QS permit, to transfer QS allocations, assign associated quota pounds to a vessel account, and to obtain a QS permit (after the start of the program).

## **AT SEA WHITING SECTOR**

### **Mothership Processor Permit Application**

NMFS will limit the number of mothership processor vessels authorized to participate in the at-sea whiting fishery by issuing permits to those vessels that meet the qualifying criteria prescribed by the Council and implemented by NMFS. To qualify for the MS permit, a vessel must have processed at least 1,000 metric tons (mt) of whiting in each of any of 2 years from 1997-2003. NMFS will calculate the amount of whiting processed during the qualifying years based on

NMFS observer data in the North Pacific (NORPAC) database as of the publication date of the proposed rule and determine which vessels qualify for a MS permit. An application for a MS processor permit is a one-time collection of this information and the only opportunity to obtain this new type of limited entry permit.

For those vessel owners and bareboat charterer that appear to be qualified for a MS permit, NMFS will send by certified mail a prefilled application form. In one section, NMFS will provide the vessel owner name, vessel name, vessel number, TIN (for business entities), date of birth (for individuals given as owners), business address, phone number, fax number (optional) and email address (optional) based on existing records. NMFS will request applicants to update this information if it has changed or has been omitted previously. In a separate section, NMFS will provide the amount of whiting processed by the vessel from 1997-2003, which will show if the qualifying criteria is met by the vessel.

If the applicant accepts the preliminary qualifying data as given, they need only sign, date and notarize the application: the applicant will be required to certify the application is true, correct and complete to the best of their knowledge and ability by signing and dating the form. The form must be notarized to authenticate the individual signing document. A corporate resolution may be required of a non-individual entity applicant to establish that the individual signing the application is authorized to do so on behalf of the entity.

NMFS will not mail prefilled applications to owners of mothership vessels that appear to not qualify for the permit based on NMFS observer data in the NORPAC database. Vessel owners who feel they may qualify for a MS permit must submit a complete application to NMFS by the deadline date. Specifically, they will need to provide the applicant identifier information (vessel name, vessel registration number, vessel owner name, business address, etc) and list the amount of whiting processed for the qualifying years in which the vessel met the qualifying criteria (> 1,000 mt of whiting processed in each of any of 2 years from 1997-2003). The vessel owner must provide with the application copies of NMFS Whiting Observer records and/or other credible information that demonstrates the vessel meets the qualifying criteria. NMFS may request any other documentation it deems necessary to make a determination on whether to approve or disapprove the application. NMFS will provide blank application forms on the [NOAA/NMFS/NWR Permits Office website](#) or by request for applicants that did not receive a prefilled application.

All applicants will be required to submit a complete ownership interest form as part of the MS permit application. The proposed regulations includes a limit provision that provides that no individual or entity owning a MS permit may process more than 45% of the total MS sector whiting allocation. The ownership interest will identify the amounts of ownership any individual or entity has in a particular MS permit and allow NMFS to monitor compliance with the limit. A more detailed discussion of the ownership interest information collection follows at the end of this section.

The MS permit is a limited entry permit, will be transferrable, and must be renewed each year. NMFS will submit another rulemaking later this year that describes the information collections required to transfer and renew MS permits.

## **Catcher Vessel Delivering to Mothership (MS/CV) Endorsement Application**

NMFS will limit the number of MS/CV harvesting vessels authorized to participate in the mothership fishery by issuing endorsements to owners of trawl endorsed limited entry permits. Permits that qualify for the MS/CV endorsement will also receive a catch history assignment of whiting (expressed as a percentage of the total sector amount) based on the permit's whiting delivery history. The catch history assignment will represent an amount of whiting (expressed as a percentage of the total sector allocation) that is available for use by a mothership co-op or in the non-co-op fishery. The MS/CV endorsement and the catch history assignment are not severable from the limited entry permit. Only owners of current trawl limited entry permits may apply for the MS/CV endorsement and catch history assignment. This is a one-time information collection and will be the only opportunity to apply for this MS/CV endorsement and whiting catch history assignment.

In order to qualify for the a MS/CV endorsement, the vessels registered to a trawl endorsed permit must have delivered a total of more than 500 metric tons of whiting to a mothership during the qualifying years of 1994 through 2003. The criteria to qualify for a catch history assignment of whiting to the permit will be based on the relative catch history of whiting for the years 1994 through 2003, after dropping the two worst years.

For those permit owners that appear to be qualified for a MS/CV endorsement and catch history assignment, NMFS will send by certified mail a prefilled application form to the current limited entry trawl permit owner. In one section, NMFS will provide the permit owner name, limited entry permit number, TIN (for business entities), business address, phone number, fax number (optional) and email address (optional) based on existing permit records. If the permit ownership is made up of individuals, they will be required to provide their date of birth. NMFS will request the applicant to update this information if it has changed or was previously omitted.

NMFS Whiting Observer data in the NORPAC database will be used to determine if a limited entry trawl permit qualifies for both the MS/CV endorsement and an amount of whiting catch history assignment. In another section, NMFS will provide preliminary qualifying data to receive an MS/CV endorsement. Specifically, NMFS will provide the total amount of whiting delivered in the MS sector by vessels registered to the permit during qualifying years.

In a third section in the form, NMFS will provide preliminary data that includes: the amount of pounds of whiting delivered by vessels registered to the permit in each of the qualifying years; the total amount of whiting delivered for the mothership sector for each of the qualifying years, the relative permit history amount given as a percentage; and NMFS' designation of the worst two years (lowest relative history percent amount given for a year). These data will be used by NMFS to calculate the preliminary catch history assignment amount (given as percentage). NMFS will designate the two worst years in the application (lowest relative history percent amount given for a year). The applicant may request a change in the worst years as part of their application. NMFS will also show the whiting delivery history for any permits that were combined to generate the current permit.

The applicant will be required to either accept or not accept qualifying data as given. If the applicant does not accept the qualifying data or the designation of the worst years, the applicant must provide a letter to NMFS with the application specifying which data are not correct,

providing the corrected data amount, and providing copies of whiting observer records or other credible information that would support a correction of the preliminary qualifying data. Also, if the applicant does not agree with NMFS designation of the worst 2 years, they must indicate which years should be given as the worst years.

The applicant cannot correct the NMFS observer data as given in NORPAC after the publication date the proposed rule associated with this PRA collection. The applicant can challenge only whether NMFS properly extracted, aggregated or expanded the observer data from NORPAC or if NMFS properly calculated the catch history assignment amount from the NORPAC data. As part of the Initial Agency Determination (IAD) denying any claim, NMFS will make a determination of whether it properly extracted, aggregated or expanded the preliminary qualifying data and/or applied the calculation properly and either make a correction to the data provided in the application or not accept the changes requested by the applicant.

NMFS will provide with each MS/CV endorsement application with an ownership interest form. An ownership interest form must be completed and submitted with the application. The information provided in this form will enable NMFS to determine whether an entity or individual owns permits for which the cumulative catch history assignment is greater than 20%. NMFS will not issue the MS/CV endorsement and catch history assignment if the permit owner exceeds the MS/CV permit ownership and control limit. The ownership interest form is discussed in greater detail at the end of this section.

NMFS will not mail prefilled applications to current trawl permit owners that do not appear to qualify for the MS/CV endorsement or catch history assignment based on NMFS observer data in the NORPAC database. If a current owner of a trawl limited entry permit did not receive an application, and they believe their permit history would qualify for the MS/CV endorsement and catch history assignment, they must submit a complete application and copies of NMFS Whiting Observer records and/or other credible information that would demonstrate that the permit met the qualifying criteria for the endorsement and data that supports the allocation of a catch history assignment. The applicant will be required to fill in all sections of the application. NMFS will provide blank application forms on the [NOAA/NMFS/NWR Permits Office website](#) or by request for applicants that did not receive a prefilled application.

The applicant will be required to certify that the application is true, correct and complete to the best of the applicant's knowledge and ability by signing and dating the form. The form must be notarized to verify that the individual signing the form is properly identified. A corporate resolution may be required of the applicant if it is an entity and will verify that the individual signing is authorized to sign the application by the officers of the entity.

Because these endorsements would be added to an existing limited entry permits, they will be subject to the current annual renewal requirements and requirements for any change in vessel registration, permit owner or vessel owner. These requirements are currently authorized under the information collection OMB Control Number 0648-0203.

### **Catcher Processor (C/P) Endorsement Application**

NMFS will limit the number of permits in the C/P sector by qualifying certain trawl limited entry permits for a C/P endorsement based on the permit's catch and processing history. In the future,

only vessels registered to a C/P endorsed permit can participate in the C/P fishery. The C/P endorsement will not be severable from the qualifying limited entry permit. In order to qualify for a C/P endorsement, vessels registered to the permit must have harvested and processed whiting in the catcher processor sector any time during the primary whiting season from 1997 through 2003.

For those permits that appear to be qualified for C/P endorsement, NMFS will send by certified mail a prefilled application form to the current limited entry trawl permit owner. NMFS will provide the permit owner name, limited entry permit number, TIN (for business entities), date of birth (for individuals), business address, phone number, fax number and email address based on existing records. The applicant will be asked to update this information if it has changed or was previously absent from the permit data base.

NMFS Whiting Observer data in the NORPAC database extracted as of publication date of the proposed rule associated with this PRA collection will be used determine if a permit qualifies for the C/P endorsement. NMFS will send a prefilled application form to those permit owners who are found to qualify for the endorsement. Applicants will be required to certify that they accept the determination made for the endorsement and that the information provided is correct and true. This is a one-time information collection and the only opportunity to obtain the C/P endorsement.

NMFS will not mail prefilled applications to permit owners that do not appear to qualify for the endorsement based on NMFS observer data in the NORPAC database. If a current trawl limited entry permit owner believes they qualify for the endorsement, they must submit a complete application by the deadline date. The applicant must provide copies of NMFS observer records and/or other credible information that would demonstrate that the permit met the qualifying criteria. The applicant must complete all sections of the application. NMFS will provide blank application forms on the [NOAA/NMFS/NWR Permits Office website](#)) or by request for applicants that did not receive a prefilled application.

Because the C/P endorsement is on an existing limited entry permit, it will be subject to the current requirements to renew on an annual basis and requirements for any change in vessel registration, permit owner or vessel owner. These requirements are currently covered under the information collection given in OMB Control Number 0648-0203.

### **Ownership Interest Form**

The trawl rationalization program includes a series of accumulation limits on the amount of permits, QS, or catch history assignments an individual or entity may own, control, or use. These accumulation limits apply to selective parts of the shorebased IFQ program and the MS Co-op program. Specifically, these accumulation limits include the following: 1) a limit on the amount of QS any entity or individual may control for each species; 2) a limit on the amount of quota pounds a vessel may use or have in their account; 3) a limit on the MS/CV permits any individual or entity may own; and 4) a limit on the amount an individual or entity who owns a MS permit may process of the total mothership sector whiting allocation in a given year. As part of the initial allocation of QS to current limited entry trawl permit owners, NMFS will determine if any of the QS holders would exceed the accumulation limits at initial issuance. Those who acquired permits registered to the limited entry trawl permit owner by November 30, 2008, will

be allowed to receive a QS allocation in an amount in excess of the QS control limits. However, these QS owners must divest the excess amount QS by the start of the fifth year of the program. QS owners that acquired trawl permits after November 30, 2008 that result in an QS allocation of QS in amounts exceeding the control limits will be restricted to the stated QS control limits for each specie/species group.

NMFS will require any owner of MS/CV endorsed limited entry permit, MS permit, or QS permit to submit an ownership interest form as part of the application for a MS/CV endorsement, a MS permit, or QS initial allocation (both current trawl permit owners and whiting first receiver associated with initial issuance). The form will be prefilled with current permit owner name(s), business address, phone number, fax number and email address, if this information is available. In addition, the form will provide the names of the individuals with ownership interest and their ownership interest amounts in excess of 2% as previously obtained under the information collection authorized in OMB Control No. 0648-0599. If the previously reported shareholders and amounts of ownership interest in the permit or vessel remain the same, the respondent need only certify the application as being correct. If the shareholders or ownership interest amounts have changed, the respondent will need to provide those revisions on the form. If the permit owner did not file an ownership interest form as required in the information collection, OMB Control No. 0648-0599, the permit owner will be required to provide all of the information described above. NMFS will implement another rulemaking later this year which will require an information collection for ownership interest as part of the renewal or transfer of QS and MS permits and MS/CV endorsed permits.

### **Appeal of an Initial Administrative Determination (IAD)**

NMFS will issue an IAD that either approves or disapproves an application received by the deadline date for the following: QS initial issuance/QS Permit, MS/CV endorsement, C/P endorsement or a MS Permit. If NMFS disapproves any part of the application in an IAD, the applicant named in the IAD may submit an appeal in writing consistent with regulations. The applicant will be required to provide documents and information that support the applicant's claim that the qualifying criteria was met or that NMFS incorrectly extracted, aggregated or expanded the data or erroneously calculated the QS allocation or catch history assignment as provided by regulation. Once the associated proposed rule has published, the applicant may not appeal the accuracy of the state landing ticket data or the whiting observer data logbook data as existed in the PacFIN or NORPAC databases at the time of extraction for use in determining eligibility for these permits. NMFS issued previous regulations (75 FR 4684, 1/29/10) that gave notice to potential applicants that they must revise the accuracy the landing ticket and whiting observer data prior to the publication of the proposed rule associated with this PRA collection. An appeal must be made in writing to NMFS within 30 calendar days of the date on the IAD. NMFS may request additional information from the appellant as necessary to adjudicate the appeal.

NMFS anticipates that the information collected will be disseminated to the public or used to support publicly disseminated information, except for PII data. 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 NOAA standards for confidentiality, privacy, and electronic information. See the response to Question 10 in this section 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.**

Applications will not be submitted to NMFS electronically, but applicants that are not prequalified, and thus do not receive prefilled forms, may obtain application forms from the NOAA/NMFS/NWR Permits Office website. Prequalified applications will receive prefilled forms as described in Question 5.

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

This is a unique information collection and does not duplicate other collections. The trawl rationalization program has been developed by the Pacific Fishery Management Council and is unique to the Pacific Coast trawl based fisheries. This program has been reviewed in many public meetings and subject to public comment. No issues have been raised in the Council process identifying duplication of this program. This program and the associated information collection are targeted at a specific part of the fishing industry and authorize specific information required to implement and administer this program.

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

NMFS estimates that approximately 75% of all permit, endorsement and quota share applicants are small business. In addition to blank applications that will be available, NMFS will provide prefilled applications targeted to those individuals and entities that NMFS determines qualify for the program. Qualification will be based on existing data that resides in various state and Federal databases and NMFS will provide potentially qualified applicants with the basis of the qualification for an endorsement or permit and/or preliminary qualifying data that will be used in the calculation of QS or catch history assignments. The applicant may accept or not accept the preliminary data and calculations as given by NMFS and provide information for NMFS to determine if a correction is warranted.

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

The applications for MS/CV and C/P endorsements, the MS permit and the application for QS initial issuance are one-time information collections. It is necessary that qualified applicants apply to NMFS for such privileges to confirm that existing data that qualifies the applicant for the privilege and/or the basis of calculation for an amount of QS or catch history assignment are correct. If these information collections are not conducted, NMFS would not have a basis for making a determination and the trawl rationalization program could not be implemented.

Ownership interest forms must be submitted as part the collection referenced above. The ownership interest is required to determine initially if any applicant (including individuals who

have interest in entities who are applicant) will own and control QS, MS permits, or MS/CV permits in excess of the accumulation limits. If NMFS does not collect this ownership interest, NMFS would not be able to meet its legal mandate under MSA which requires that individuals and/or entities should not receive access to a disproportionate amount of the resource.

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

N/A.

**8. Provide information on 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.**

A proposed rule, RIN 0648-AY68, will be published coincident with the submission of this information collection request to the Office of Management and Budget.

NMFS provided the Pacific Fishery Management Council with a preliminary draft of the initial issuance and program regulations. These regulations were available for review and comment at the March, 2010 and April 2010 meetings. In addition, at the April meeting NMFS provided to the Groundfish Advisory Panel copies of the preliminary draft application forms for review and comment.

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

N/A.

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

All data submitted under the proposed collection will be handled as confidential in accordance with Magnuson-Stevens Fishery Conservation and Management Act (MSA), 16 U.S.C. 1881a, Section 402b, and NOAA Administrative Order 216-100, Protection of Confidential Statistics. Some of the information collection described above is confidential under section 402(b) of the Magnuson-Stevens Act and NOAA Administrative Order 216-100, Protection of Confidential Fisheries Statistics. The names of individuals who have an ownership interest in an entity that owns a permit, vessel or processing plant and the actual percentage of ownership are considered business confidential and not releasable to the public. The phone number, fax, email, TIN, and date of birth are confidential. Any records/data (state landing tickets, logbook data, business records) provided by the applicant in support of a correction or their application is confidential.

A Privacy Act System of Records Notice, COMMERCE/NOAA-19, Permits and Registrations for United States Federally Regulated Fisheries, was published in the Federal Register on April 17, 2008 and became effective on June 11, 2008 (73 FR 33065).

**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.**

N/A.

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

<b>One-time respondents and burden</b>	No. of Respondents	Frequency of Responses per year	Total Annual Responses	Average Time	Total Hours
QS Initial Issuance/QS Permit	180	1	180	6 Hours	1080 Hours
MS Permit	6	1	6	1 Hour	6 Hours
MS/CV Endorsement & catch history assignment	30	1	30	2 Hours	60 Hours
C/P Endorsement	10	1	10	30 minutes	5 Hours
Ownership Interest Form	216*	1	216	30 minutes	108 Hours
Appeals	100	1	100	6 Hours	600 Hours
<b>Total</b>	<b>120** (unduplicated)</b>		<b>542</b>		<b>1,859 Hours</b>

\*Ownership interest forms are not required from permit owners applying for a C/P endorsement.

\*\* Several respondents are applying for more than one permit.

**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 Question 12 above).**

Mailings of application forms and appeals (ownership forms are enclosed with applications): 326 x \$0.44 = \$143

Notarize forms: (form not required for appeals) 442 x \$10 per = \$4,420

Copy of forms/documents = ~10,250 pages x .05 per page = \$513

Estimated Application Fees: QS application: \$480 per application x 180 = \$86,400

MS/CV Endorsement application: \$175 per application x 30 = \$5,250

MS Permit application: \$110 per application x 6 = \$660.

C/P endorsement application: \$140 per application x 10 = \$1,400.

**Total one-time costs: \$98,786.**

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

NMFS will charge application processing fees for this one-time initial issuance process to recapture administrative costs. The costs to NMFS will include staff time to: prepare the application packages; review and process (enter data) incoming applications; prepare agency decision documents and permit documents; and respond to applicant's questions about the application process. The total administrative cost accruing to the Federal government is approximately \$87,000.

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

Not applicable.

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

There are no plans to tabulate and publish applicant specific application data. However, the names and business addresses of MS permit owners and owners of vessels registered to the permit and QS Permit owners and their business address will be posted on the NMFS, Northwest Region website. As an endorsement on an existing limited entry permit and consistent with current practice for limited entry permits, MS/CV and C/P endorsed permits owners and their business addresses will be posted on the NMFS, Northwest Region website.

**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.**

Not applicable.

**18. Explain each exception to the certification statement.**

Not applicable.

**B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS**

This collection does not employ statistical methods.