

**SUPPORTING STATEMENT  
ECONOMIC SURVEYS OF U.S. COMMERCIAL FISHERIES  
OMB CONTROL NO. 0648-0369**

**A. JUSTIFICATION**

This request is for revision and extension of this generic collection of information. The National Oceanic and Atmospheric Administration's (NOAA) National Marine Fisheries Service (NMFS) has revised the program in several ways, but without increasing the estimated average annual burden hours.

- First, it has extended the program to explicitly include all onshore post-harvesting sector facilities through primary processing if it occurs (i.e., onshore fish processors, dealers, wholesalers, and auctions) not just onshore fish processors.
- Second, it has identified separate sets of potential questions for commercial and charter fishing sector vessels.
- Third, it expanded and modified the list of potential questions to ensure that it could collect information on the costs, revenues and asset values associated with catch share privileges.
- Fourth, it reorganized the categories of the types of data to be collected.
- Fifth, based on recently collected information concerning the burden hours associated with preparing the information requested in the surveys, NMFS increased the estimated burden per response.
- Finally, it made it explicit that, for basic demographic information, the respondents will be the crew/employees of fishing vessels that participate in the commercial and charter fishing sectors and onshore post-harvesting sector facilities through primary processing if it occurs.

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

Commercial fisheries economic data collection programs implemented by NMFS address statutory and regulatory mandates to: (1) determine the quantity and distribution of net benefits derived from living marine resources and (2) predict the economic impacts from proposed management options on the commercial and charter fishing sectors, onshore post-harvesting sectors through primary processing if it occurs (i.e., onshore fish processors, dealers, wholesalers, and auctions) and fishing communities. In particular, these economic data collection programs contribute to legally mandated analyses required under the Magnuson-Stevens Fishery Conservation and Management Act (MSA), the National Environmental Policy Act (NEPA), the Regulatory Flexibility Act (RFA), the Marine Mammal Protection Act (MMPA), the Endangered Species Act (ESA), Executive Orders 12866 and 13563 as well as a variety of state statutes including Florida Statute 120.54, Hawaii Revised Statute 201M-2, New Jersey Permanent Statutes 52:14B-19, and Oregon Revised Statutes 183.335 and 183.540.

The lack of economic data in the majority of federally-managed fisheries has continued to stymie the ability of NMFS to conduct these analyses and has led to lawsuits and regulatory challenges

of fisheries policies, resulting in overturned rebuilding objectives, biologically unsustainable total allowable catches, and eroded confidence in the decision making process and social sciences capability of NMFS. Expanded commercial fisheries economic data collections will improve the scientific foundation of the Agency's policies and help decision makers weigh the economic impacts of their decisions. It is important to note that a key feature of the federal regulatory process is that NMFS cannot simply implement a regulation to achieve a conservation goal but instead must consider a suite of management alternatives. Economic analyses can identify the alternative that minimizes losses to stakeholders while still achieving conservation goals, allowing NMFS to be proactive, rather than reactive, in its resource management strategy.

For these reasons, the collection of economic data in commercial fisheries has received a top priority in the NMFS Social Science Plan, the NMFS Strategic Plan and the NOAA Science Advisory Board.<sup>1</sup> In addition, NMFS regional offices, commissions and councils also recognize the need for commercial fisheries economic data, (e.g., see the Pacific Fisheries Management Council's report "*West Coast Research and Data Needs*", as well as the Northeast Fisheries Science Center report "*Data Needs for Economic Analysis of Fishery Management Regulations.*") The need for commercial fisheries economic data has also been identified by external sources, including the Kammer report, General Accounting Office (GAO) reports and National Research Council (NRC) reports.<sup>2</sup>

NOAA's Next Generation Strategic Plan (NGSP) includes four long-term goals; healthy oceans is one of the goals. To meet this goal, NOAA will use an ecosystem approach to management that "accounts for the complex connections among organisms (including humans); their physical, biotic, cultural, and economic environments; and the wide range of processes that control their dynamics" and that "will assist policy makers to weigh trade-offs between alternative courses of action". One of the objectives for this goal is to improve our understanding of ecosystems to inform resource management decisions. The identified evidence of progress toward that objective would include: (1) the increased use of ecosystem information (such as Integrated Ecosystem Assessments) in natural resource decisions, (2) living marine resource managers using high-quality data to inform management plans and decisions, and (3) increased use of social and economic indicators in the conservation and management decision making processes. NOAA cannot meet this goal and objective without the basic economic data that are required to conduct quantitative economic analyses of the trade-offs among various species, alternative uses of living marine resources and their habitat, or the intra and inter-generation distributions of the net benefits they provide to the Nation. Such trade-offs are an inherent part of an ecosystem approach to management. The *NOAA Fisheries Priorities and Annual Guidance for 2013* identifies the priorities that support NOAA Fisheries' core mission functions. Those priorities include the economic data and the analyses they support. For example, it includes the

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<sup>1</sup> Performance metrics cited within the NOAA Strategic Plan include the number of FMPs with complete economic data (variable cost, annual operating cost and revenue) collected for commercial harvesters and the number of FMPs for which net benefits can be calculated.

<sup>2</sup> See "An Independent Assessment of the Resource Requirements for the National Marine Fisheries Service: A Report to the Deputy Under Secretary, NOAA and the Assistant Administrator, National Marine Fisheries Service," prepared by Ray Kammer, June 2000. In addition, National Research Council publications that identify the need for commercial fisheries economic data include "Marine protected areas: tools for sustaining ocean ecosystems" (2001); Improving the collection, management, and use of marine fisheries data" (2000); and "Sharing the fish: toward a national policy on individual fishing quotas (1999). GAO publications recognizing the importance of commercial fisheries economic data include "Individual Fishing Quotas: Better Information Could Improve Program Management" (2003); Commercial Fisheries: Entry of Fishermen Limits Benefits of Buyback Programs (GAO/RCED-00-120); and Fishery Management: Problems Remain With National Marine Fisheries Service's Implementation of the Magnuson-Stevens Act (GAO/RCED-00-69).

requirement for “More robust understanding of environmental, social and economic drivers to inform regulatory choices” and its anticipated Science results for 2013 include a “national assessments of marine recreational expenditures and the economic performance of catch shares.” In addition, it includes the following four statements concerning the priority for economic data and analysis: (1) “additional socio-economic research and forecast models are a priority”; (2) “We need to balance our biological understanding of marine species with information and forecasting capacity on the human environment”; (3) “Ultimately, both stock assessment and social and economic science products are needed to inform managers”; and (4) “NOAA Fisheries will continue to expand our understanding of the biological and economic value of ecosystem goods and services provided by U.S. Large Marine Ecosystems.”

## **Background**

### **MSA**

The MSA establishes eight Regional Fishery Management Councils (Councils). Each is charged with the preparation of a fishery management plan (FMP) and plan amendments with respect to each fishery requiring management within its jurisdiction. Each FMP prepared by a Council, or by the Secretary, must contain conservation and management measures that are consistent with the national standards, and any other applicable law [MSA Sec. 303(a)(1)(C)]. Economic data and the models and analyses they support are required to meet each of the ten national standards. The ten national standards (in *Italics*) and the importance of economic information for each are presented below.

*(1) Conservation and management measures shall prevent overfishing while achieving, on a continuing basis, the optimum yield from each fishery for the United States fishing industry.*

MSA Sec. 3(33) defines optimum yield (OY) for a fishery as “the amount of fish which— (A) will provide the greatest overall benefit to the Nation, particularly with respect to food production and recreational opportunities, and taking into account the protection of marine ecosystems; (B) is prescribed as such on the basis of the maximum sustainable yield [MSY] from the fishery, as reduced by any relevant economic, social, or ecological factor; and (C) in the case of an overfished fishery, provides for rebuilding to a level consistent with producing the maximum sustainable yield in such fishery.”

Economic data are required to determine the amount of fish that “will provide the greatest overall benefit to the Nation” and whether there are economic factors that justify setting the OY below the MSY; and they can be useful in defining a fishery.

*(2) Conservation and management measures shall be based upon the best scientific information available.*

Various sections of the MSA make it clear that scientific information includes economic information. They include Sections 302(g)(1)(A), 302(g)(1)(B) and 302(k)(1).

*(3) To the extent practicable, an individual stock of fish shall be managed as a unit throughout its range, and interrelated stocks of fish shall be managed as a unit or in close coordination.*

Principally biological information is required to identify the range of a stock of fish and the interrelated stocks of fish. However, stocks of fish can be interrelated due to fishing vessels that participate in multiple fisheries or take multiple species in a fishery, stocks that compete in similar markets, and fishing communities that are “substantially dependent on or substantially engaged in the harvest or processing of fishery resources [of multiple species] to meet social and economic needs”. Economic information is required to address these interactions.

*(4) Conservation and management measures shall not discriminate between residents of different States. If it becomes necessary to allocate or assign fishing privileges among various United States fishermen, such allocation shall be (A) fair and equitable to all such fishermen; (B) reasonably calculated to promote conservation; and (C) carried out in such manner that no particular individual, corporation, or other entity acquires an excessive share of such privileges.*

Basic economic data, including cost and revenue data for participants in the fishery, are required to identify some of the effects of such allocations and are therefore useful in determining whether such allocations are “fair and equitable.” Such data are also useful in determining what constitutes “an excessive share of such privileges.”

*(5) Conservation and management measures shall, where practicable, consider efficiency in the utilization of fishery resources; except that no such measure shall have economic allocation as its sole purpose.*

Economic data are required to consider efficiency.

*(6) Conservation and management measures shall take into account and allow for variations among, and contingencies in, fisheries, fishery resources, and catches.*

The “variations among and contingencies in fisheries” can in part be defined in terms of economic variables. Therefore, basic economic data are required to meet this national standard.

*(7) Conservation and management measures shall, where practicable, minimize costs and avoid unnecessary duplication.*

Economic data are required to determine if costs are minimized.

*(8) Conservation and management measures shall, consistent with the conservation requirements of this Act (including the prevention of overfishing and rebuilding of overfished stocks), take into account the importance of fishery resources to fishing communities by utilizing economic and social data that meet the requirements of paragraph (2), in order to (A) provide for the sustained participation of such communities, and (B) to the extent practicable, minimize adverse economic impacts on such communities.*

There is an explicit requirement to use “economic data” to meet this national standard. Specifically, economic data are required to predict the extent to which conservation and management measures are expected to provide for the “sustained participation” and “minimize adverse economic impacts”.

*(9) Conservation and management measures shall, to the extent practicable, (A) minimize bycatch and (B) to the extent bycatch cannot be avoided, minimize the mortality of such bycatch.*

Congress and NMFS have made it clear that the broadly defined benefits and costs of further reductions in the levels of bycatch or the discard mortality rates should be considered in determining if further reductions are practicable. Therefore, economic data are required to meet this national standard.

*(10) Conservation and management measures shall, to the extent practicable, promote the safety of human life at sea.*

Economic data are required to determine what further improvements in safety are practicable.

In addition, economic data are required to meet 10 of the 15 required provisions for each fishery FMP. For example, FMPs are required to:

“Contain a description of the fishery, including, but not limited to, the number of vessels involved, the type and quantity of fishing gear used, the species of fish involved and their location, the cost likely to be incurred in management, actual and potential revenues from the fishery, any recreational interest in the fishery, and the nature and extent of foreign fishing and Indian treaty fishing rights, if any” [MSA Sec. 302(g)(1)(A)(2)];

“Include a fishery impact statement for the plan or amendment ... which shall assess, specify, and analyze the likely effects, if any, including the cumulative conservation, economic, and social impacts, of the conservation and management measures...”, [MSA Sec. 302(g)(1)(A)(9)];

“Include a description of the commercial, recreational, and charter fishing sectors which participate in the fishery, including its economic impact, and, to the extent practicable, quantify trends in landings of the managed fishery resource by the commercial, recreational, and charter fishing sectors.”, [MSA Sec. 302(g)(1)(A)(13)]; and

“To the extent that rebuilding plans or other conservation and management measures which reduce the overall harvest in a fishery are necessary, allocate, taking into consideration the economic impact of the harvest restrictions or recovery benefits on the fishery participants in each sector, any harvest restrictions or recovery benefits fairly and equitably among the commercial, recreational, and charter fishing sectors in the fishery”, [MSA Sec. 302(g)(1)(A)(14)].

Finally, economic data and the models and analyses they support are required to effectively perform the following required actions by the Secretary included in [MSA Sec. 304].

1. Review the plan or amendment to determine whether it is consistent with the national standards, the other provisions of this Act, and any other applicable law [Sec. 304(a)].
2. Evaluate the proposed regulations to determine whether they are consistent with the fishery management plan, plan amendment, this Act and other applicable law [Sec. 304(b)].
3. Specify a time period for rebuilding the fishery that shall be as short as possible, taking into account the status and biology of any overfished stocks of fish, the needs of fishing communities, recommendations by international organizations in which the United States participates, and the interaction of the overfished stock of fish within the marine ecosystem [Sec. 304(e)(4)(A)].
4. Allocate both overfishing restrictions and recovery benefits fairly and equitably among sectors of the fishery [Sec. 304(e)(1)(C)].
5. In preparing and implementing any plan or amendment for any Atlantic highly migratory species fishery, evaluate the likely effects, if any, of conservation and management measures on participants in the affected fisheries and minimize, to the extent practicable, any disadvantage to United States fishermen in relation to foreign competitors [Sec. 304(g)(4)(A)].

Acting under authorities provided in the MSA, the Councils and Secretary have implemented 45 FMPs, each of which addresses biological and socio-economic characteristics and issues associated with the fishery. For example, the Pacific Coast groundfish FMP includes a framework for the development and evaluation of management decisions having substantial socio-economic implications (Section 6.2.3 of the Pacific Coast Groundfish Plan). Where management is necessary to address socio-economic issues, the Council must prepare a report, which addresses the achievement of goals and objectives of the FMP, economic impacts and how the proposed action will address at least one of 15 items including: maintaining stability in the fishery, increasing economic yield, and increasing fishing efficiency. With respect to allocation actions, the Council must consider such factors as present participation in and dependence on the fishery, including alternative fisheries, historical fishing practices in and historical dependence on the fishery, as well as consistency with MSA national standards. FMPs prepared by other Councils address issues comparable to those addressed in the Pacific Coast groundfish FMP.

#### **NEPA**

NEPA requires federal agencies to consider the interactions of natural and human environments, and the impacts on both systems of any changes due to governmental activities or policies. This consideration is to be done using "a systematic, interdisciplinary approach which will ensure the integrated use of the natural and social sciences . . . in planning and in decision-making. . ." (NEPA Section 102(2)(A) and, further, to "identify and develop methods and procedures, . . . , which will insure that presently unquantified environmental amenities and values may be given appropriate consideration in decision making along with economic and technical considerations" (NEPA Section 102(2)(B)). In addition, NOAA's NEPA implementation guidelines require that

the environmental impact statement (required under NEPA Section 102(2)(C)(i)) include both economic and social consequences.<sup>3</sup>

### **RFA**

The RFA requires federal agencies to fully analyze the effects of regulations to determine whether an action will "have a significant economic impact on a substantial number of small entities" [NMFS "Operational Guidelines Fishery Management Plan Process"]. At a minimum, sufficient information is necessary to allow a determination of whether the impacts will be "significant." Determination of the significance of impacts requires cost and revenue information for the specific activity in question (fish harvest and processing) as well as some level of general information on the full range of income producing activities in which firms are engaged.

### **MMPA**

The MMPA establishes both short-term (six month) and long-term (five year) goals for marine mammal bycatch reduction. Take Reduction Plans (TRPs) are required to reduce, within six months of implementation, the incidental mortality or serious injury of marine mammals incidentally taken in the course of commercial fishing operations to levels less than a stock's potential biological removal (PBR) level. Within five years of implementation, TRPs are required to reduce the mortality or serious injury of marine mammals incidentally taken in the course of commercial fishing operations to insignificant levels approaching a zero mortality and serious injury rate (commonly referred to as the Zero Mortality Rate Goal or ZMRG), taking into account the economics of the fishery, the availability of existing technology, and existing state or regional fishery management plans (16 U.S.C. § 1387(f)).

### **ESA**

Requirements for economic analysis are also included in the ESA. For example, to designate critical habitat, and make revisions thereto, the Secretary is to consider the economic impact [[50 C.F.R. § 424.12\(a\)](#)].

### **E.O. 12866 and E.O. 13563**

E.O. 12866, "Regulatory Planning and Review", requires an assessment of all costs and benefits of available regulatory alternatives. When choosing among regulatory approaches, agencies should select those approaches that maximize net benefits. (E.O. 12866 Sec. 1(a)). In addition, E.O. 12866 states that "Each agency shall base its decisions on the best reasonably obtainable scientific, technical, economic and other information concerning the need for, and consequences of, the intended regulation." (E.O. 12866 Sec. 1(b)(7)). E.O. 13563, "Improving Regulation and Regulatory Review", sets out certain principles and requirements designed to promote public participation, improve integration and innovation, increase flexibility, ensure scientific integrity, and increase retrospective analysis of existing rules. It is designed to affirm and to supplement E.O. 12866; it adds to and amplifies the provisions of E.O. 12866, rather than displacing or qualifying them.

These executive orders, combined with the MSA national standard on the use of best scientific information available, obligate NMFS to seek clearance for the collection of the information necessary to meet decision standards set out in the national policies outlined above. Regardless

<sup>3</sup> For NOAA's NEPA implementation guidelines see, NOAA Administrative Order (NAO) 216-6, "Environmental Review Procedures for Implementing the National Environmental Policy Act," May 20, 1999.

of what action the Council and Secretary take with respect to management of federal fisheries for 2013 and beyond (including no action alternatives), economic information is needed to meet the requirements listed above.

**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.**

Information will be collected using a series of surveys of the industry conducted by NMFS, its contractor(s) or by NMFS in conjunction with the marine fisheries commissions (Pacific States Marine Fisheries Commission, Gulf States Marine Fisheries Commission and the Atlantic States Marine Fisheries Commission). Data collections will focus each year on a different component of the United States (U.S.) commercial fisheries, with only limited data collected in previously surveyed components of these fisheries. These surveys will be administered to different strata of the commercial and charter fishing sectors and onshore post-harvesting sector, which includes onshore fish processors, dealers, wholesalers, and auctions. On average, we expect to conduct six surveys per year.

All information collected in the surveys will be used to conduct retrospective analysis of existing regulations, to analyze the effects of alternative fishery management actions or to monitor the economic performance of Federally-managed fisheries. In general, analysis of cost and revenue information for the commercial and charter fishing sectors and the onshore post-harvesting sector through primary processing will allow analysts to estimate:

- Net economic value to the nation
- Economic health of the fishery
- Effects on business efficiency
- Community economic impacts
- Firms' economic dependence on the fishery
- Economic impacts of current and proposed regulations, including area closures, gear restrictions, catch restrictions
- Distribution of economic impacts from current and proposed regulations and, in particular, the significance of impacts on small businesses
- Likelihood of bankruptcies
- Effects on international competitiveness.

Two recent economic surveys (one for catcher vessels and the other for charter vessels) conducted under the currently approved information collection request are included as Supplementary documents. Final survey instruments will be provided with each data collection clearance request initiated under this PRA approval.

In addition to the sample surveys, included in this request are lists of potential questions for each of the following six types of surveys:



1. Catcher vessel surveys
2. Charter vessel surveys
3. Onshore post-harvesting sector facilities through primary processing if it occurs (i.e., onshore fish processors, dealers, wholesalers, and auctions) surveys
4. Mothership surveys
5. Catcher/processor vessel surveys
6. Demographic data surveys for crew/employees of fishing vessels and post-harvesting sector facilities through primary processing

These lists comprise a source for questions for future surveys. The following is a summary of the need for each type of question by industry type.

**Question 1. Vessel and Facility Characteristics:** Information on United States Coast Guard (USCG), NOAA and state identifiers is necessary to help identify specific vessels. While much of the information on physical descriptors such as hull type, tonnage, length, and engine power exists in other sources, these data are often outdated, missing or conflicting. Information on other vessel characteristics, such as engines, fuel capacity, electronics, the difficulty in switching gears, and at-sea freezer capacities and processing equipment is typically not available from other sources. Little information, such as the facility size, freezer/cold storage capacities and fish handling equipment available currently exists for onshore post-harvesting sector facilities through primary processing if it occurs (i.e., onshore fish processors, dealers, wholesalers, and auctions). Vessel and facility characteristics information is useful in assessing the ability and desire of these vessels and facilities to participate in a fishery and to make general decisions concerning harvesting, processing or other fish handling plans given changes in regulations and environmental or market conditions.

**Question 2. Ownership:** Questions regarding ownership are necessary to provide linkages between seemingly independent entities. Often, individual vessels or facilities are treated as separate entities when in reality they are part of a larger company. Uncovering these linkages is useful to analysts in identifying small entities as defined by the RFA and in modeling the behavior of these vessels and facilities. In addition, these questions are useful in terms of demographic interest; however, evaluation of owner participation also plays a role in predicting whether marginal vessels or facilities will stay in business. For example, the owner of a vessel with zero or slightly negative net profits may decide to remain in the fishery if the owner is deriving a wage from personally operating a vessel. On the other hand, an owner who hires a skipper may be more likely to choose to exit the fishery under a similar circumstance. Finally, vessels with a wider species base, or vessels that are part of a larger company may be more capable of weathering a fishery downturn. Similarly, facilities with a wider species and product base, or facilities that are part of a larger company may be more capable of weathering a fishery downturn than an independent facility that handles a smaller suite of products.

**Question 3. Capital and Other Asset Costs:** This series of questions is designed to provide information analysts can use to estimate market value and replacement costs of major existing assets, including limited entry permits and catch share privileges, and the economic life of these major assets. These values are used to calculate the economic opportunity costs of capital goods

and other assets that in turn are used to calculate net economic benefits to the nation of industry participation. They are also used for conducting financial analyses as required by the RFA.

**Question 4. Fixed and Variable Costs:** For a fishing vessel (i.e., catcher vessels, charter vessels, motherships, or catcher/processor vessels), fixed costs are expenses that generally do not vary with the level, type and location of fishing activities. Similarly, for a fish handling facility, fixed costs are expenses that generally do not vary with the level and types of fish handling. They are fixed over the short-term but some of them may be eliminated if a vessel (facility) owner decides not to engage in any fishing (fish handling) activity for a period of time. Conversely, variable costs are expenses that vary with the level, type and location of fishing activities or the level and types of fish handling. Both fixed and variable costs are necessary to: (1) estimate the net value of participation in the fishery; (2) assess the expected changes in net benefits due to proposed management actions or changes in environmental or market conditions; (3) estimate the income, value added, sales, and employment impacts of a fishery or proposed management actions; and (4) assess, in combination with catch (fish handling) and revenue information, the relative importance and dependence of the vessel (facility) on harvesting (fish handling) versus other income producing activities of the vessel (facility). The fixed costs must be allocated among the various activities of a vessel (facility) to estimate the net economic value of an activity. The variable costs can be used for allocating fixed costs between different activities, as well to model the timing of when expenses are incurred and when revenues may be received. For charter vessels, that information is used in assessing the cost implications of changes in trip demand associated with recreational fisheries management. For fish handling facilities, motherships or catcher/processor vessels that receive fish from catcher vessels, questions regarding variable costs are also important to capture end-of-year settlements or in-kind payments not captured by the trip level data (e.g., fish ticket, logbook and dealer report data).

**Question 5. Effort/Gear Descriptors:** The analysts can use the responses to these questions for catcher vessel and catcher/processor vessels to describe and quantify fishing effort in terms of gear deployed. This information can be used in developing models: (1) to estimate efficient fleet size in support such activities as fleet reduction programs and (2) to monitor or forecast fishing costs and employment. Similarly, for charter vessels, analysts can use the responses to these questions to describe the types of trips offered by charter operators, where and when these trips occur, and the number of passengers for various types of trips. This information can be used in developing models of passenger demand, in estimating how regulatory changes may affect demand for specific types of trips and the related impact on the charter sector, and in both monitoring and forecasting variable costs and employment. For fish handling facilities, the analysts can use the responses to these questions to describe and quantify effort in terms of length of activity as well as to monitor and forecast variable costs and employment.

**Question 6. Catch, Production and Revenue:** Revenue information, in conjunction with cost information, is necessary to derive net economic value; and revenue information from each activity can be used to allocate fixed costs between different activities and as part of the assessment of relative dependence on the fishery. For catcher vessels delivering to fish handling facilities, questions about revenue are important to capture end-of-year settlements or in-kind payments not reflected in the trip level data (e.g., fish ticket, logbook and dealer report data).

For catcher vessels delivering to motherships, these questions are particularly important because, with few exceptions, there are no trip level records for at-sea landings. Information on revenue from other fisheries is needed because of similar deficiencies in trip level data, and lack of access to confidential information for fisheries in some states. In addition, if the respondents calculate their net income based on their other answers and the result is out-of-line with their experience, they may stop to consider whether they have answered the preceding questions on costs and revenue correctly and entirely. Further, if respondents provide previously calculated net income without checking for consistency, or if analysts compare the reported values with trip level revenue information where available, analysts may derive a result different from the survey responses alerting them to some degree of incompleteness in either the survey or the responses to the questions.

**Question 7. Opportunity Cost of Capital:** The responses to these questions are used to calculate net economic benefits to the nation of industry participation, to determine alternative uses of capital under the existing regulatory environment, and to determine potential new uses of capital given changes in regulations and environmental or market conditions.

**Question 8. Regional Impact:** One assumption generally made in assessing the community or regional economic impacts of a fishing vessel (fish handling facility) is that all of its crew (employees) live in the coastal area of the vessel's homeport (facility) and spend most of their related earnings in that area. Similarly, current models assume most other expenses for the vessel (fish handling facility) occur in the port where fish are landed (where the facility is located) or the port where charter services are offered. However, given the ownership of multiple fishing vessels, vessels that operate out of multiple ports, companies with fish handling facilities in multiple locations, and geographically mobile vessel crews and fish handling facility employees, these simplifying assumptions may be erroneous. The additional information solicited in these questions is necessary to provide the ability to more accurately estimate the magnitude and geographic distribution of economic impacts.

**Question 9. Labor and Demographics:** This information is used to: (1) estimate the effects of fisheries and proposed fishery management actions on the fishing community; (2) determine alternative uses of capital and labor under the existing regulatory environment; (3) determine potential new uses of labor in light of regulatory change and changes in environmental or market conditions; and (4) determine general community employment. Income-related questions will allow a systematic assessment of the degree to which individuals are engaged in and dependent on fishing-related activities while questions on age, ethnicity, language and education will give social scientists a better grasp of issues related to socio-cultural background and specifically highlight potential issues, such as mobility, vulnerability and marginalization.

**Question 10. Other:** The answers to business strategy, distribution and marketing questions are needed to understand the general business climate in which these vessels and fish handling facilities operate. Understanding these factors helps to distinguish between impacts associated with fisheries management and synergistic or cumulative effects of the general economy; and to assess the bargaining and buying/selling strategies at various levels of the distribution chain. Understanding these factors greatly aids in predicting and interpreting of changes in their output prices and input costs.

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 response to Question 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. Although the information collected is not expected to be disseminated directly to the public, results may be used in scientific, management, technical or general informational publications. Should NMFS decide to disseminate the information, it will be subject to the 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.**

Typically, NMFS will use in-person, mail or telephone surveys. To help reduce burden on the public for mail surveys, the surveys will be available on the web for viewing, downloading and, to the extent practicable, completing online. In addition, respondents to mail surveys will have an option of sending completed surveys via mail or by facsimile machine. Lastly, the appropriate electronic mail addresses or telephone numbers will be supplied with surveys mailed to fishing industry members.

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

In the development of each survey, every attempt will be made to identify whether other surveys are currently collecting similar data from a population that includes some potential respondents for the proposed data collection. Since NMFS economists will develop or oversee the development of the sampling frame for each survey, a cross-check with all other economic survey sample frames will be done prior to finalizing a survey's sample frame. A potential respondent already providing comparable information under a similar survey may be excluded from the survey's sample frame.

In addition, in developing the survey instrument, a NMFS economist will either

- a) verify that a question does not duplicate a question on an existing survey instrument; or
- b) certify why the information collected under the existing data collection is inadequate, e.g., confidentiality restrictions.

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

The vast majority of fishing vessels, fish processors, dealers, wholesalers, and auctions affected by this information request are considered small business. The burden will be the same for all businesses, regardless of size, and has been minimized to collect only that information essential to regulatory analysis and modeling. Respondents should be able to derive the requested information from past income tax records, payroll records and fish management reporting records (including fish tickets and logbooks). No additional data aggregation by the respondents should be necessary to respond to these surveys.

Another area where the burden on the industry can be reduced is in regards to the vessel or facility characteristics questions. Some of these questions request an update of data that has been collected in the past. Where available, the survey instrument will provide the information as it is currently available and ask the respondent to submit corrections as necessary.

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

Economic data, including cost, revenue, and employment data, are among the data required to monitor and predict the economic effects of specific conservation and management actions. Therefore, the ability of NMFS to design and implement actions that will assist in meeting its stewardship responsibilities for living marine resources and their habitat would be limited severely if NMFS does not continue to collect this information. Specifically, the standards for making substantial changes in the management of a fishery require a clear demonstration that benefits will increase as a result of the change in allocation. In the absence of adequate information, failure to demonstrate a substantial improvement in benefits does not necessarily mean that such a change would not generate those benefits; it simply means that the information was not available to demonstrate change. Alternatively, partially specified indicators of benefits, such as reliance on gross revenues rather than net revenues, could lead to a change that would decrease, rather than increase, net benefits to the nation. Therefore, not collecting this information could prevent or misdirect decisions.

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

These information collections are consistent with OMB guidelines.

**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 Federal Register Notice published on August 27, 2012 (77 FR 166) solicited public comment on this collection. No public comments were received.

A number of people, within NMFS, the Regional Fishery Management Councils and the industry were consulted on the types of data elements necessary and available, recordkeeping disclosures, confidentiality of the data, and timing of data collection exercises. Section B, Question Number 5 of this information collection request has a partial list of NMFS and Council contacts.

The West Coast Limited Entry Groundfish Fixed Gear Cost Earnings Survey conducted in 2012 and the West Coast (Open Access) Commercial Fishing Vessel Cost and Earnings Data Collection Survey conducted in 2011 collected information similar to what will be collected

under the renewal and revision of this information collection. These surveys were conducted in person and the time required for each interview was recorded. Therefore, very accurate information is available concerning that aspect of the information collection burden. In-person interviews for the limited entry survey and the open access survey took an average of 82 minutes and 77 minutes, respectively. These estimates do not include the time respondents took to prepare for the interviews after receiving a list of the types of information that would be requested in the interviews.

Recently, NMFS contacted seven respondents to the limited entry survey to determine their average interview preparation time. Their reported preparation times ranged from 30 to 150 minutes and averaged 105 minutes per interview. Given that the types of questions and the average interview times were similar for the two surveys, NMFS believes that the average preparation time was about the same for both surveys. Therefore, the estimated average total burdens per respondent are 187 minutes and 182 minutes, respectively, for the limited entry survey and the open access survey. The previous burden estimates per respondent were 60 minutes for the open access survey and 120 minutes for the limited entry survey. The revised estimates that include better estimates of both the preparation and interview time per response will be used to improve the burden hour estimates for future surveys conducted under OMB Control No. 0648-0369.

NMFS will continue to use input from the interviewers and respondents, assessments of responses to individual question, and survey pre-tests to determine if the forms are unnecessarily complex, burdensome, or confusing and to identify ways to reduce burdens and to increase simplification and ease of comprehension.

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

There are no plans to provide any payment or gift to respondents.

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

The survey forms will contain the following language:

The data collected will be kept confidential as required by section 402(b) of the Magnuson-Stevens Act as amended in 2007 (16 U.S.C. 1881a, *et seq.*) and [NOAA Administrative Order 216-100](#), Confidentiality of Fisheries Statistics, and will not be released for public use except in aggregate statistical form without identification as to its source.

**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.**

The only potentially sensitive questions included in the generic list of questions are religion and household income. These questions will be collected directly from each individual -- not via the

individual's employer.

Religion is an important variable because it may affect days when fishing is considered appropriate or inappropriate, requirements for using specific living marine resources in festivals, solidarity of social connections and support networks based on religious affiliation or membership in a particular congregation, among other things.

Household income can be an important indicator of household economic resiliency and can be an important factor to consider when evaluating regulatory alternatives. For example, all else equal, a regulation that disproportionately affects low-income households may be less preferred than one that more widely distributes economic impacts. In addition, combining respondents' household income information with home address data can be used to construct an indicator on community economic resilience, which may be useful when analyzing economic impact on communities as required under National Standard 8 of the MSA [MSA Section 301(a)(8)].

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

The total burden hours are projected to be 7,000 hours per year. An estimate of the annual number of expected responses and burden hours for the economic surveys are shown below.

<b>Surveys for:</b>	<b>Expected # of Responses</b>	<b>Hours per Response</b>	<b>Burden Hours</b>
Catcher vessels	2,000	2 hours, 30 min.	5,000
Charter vessels	300	2 hours, 30 min.	750
Motherships & Catcher/Processors	20	8	160
West Coast & Alaska Post-Harvesting Sector Facilities Through Primary Processing (i.e., onshore fish processors, dealers, wholesalers, and auctions)	70	8	560
East Coast & Gulf Coast Post-Harvesting Sector Facilities Through Primary Processing	70	4	280
Demographic Data from Crew/Employees of Fishing Vessels and Post-Harvesting Sector Facilities Through Primary Processing	1,000	15 min.	250
<b>Total</b>	<b>3,460</b>		<b>7,000</b>

**Total estimated responses and burden hours for the full three years are 10,380 and 21,000.**

**13. Provide an estimate of the total annual recordkeeping/reporting cost burden to the respondents resulting from the collection (excluding the value of the burden hours in Question 12 above).**

There are no recordkeeping/reporting costs.

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

No additional NMFS staff will be utilized other than those regularly assigned to support this collection of information mandated by law. In addition, no special or new equipment will be procured for the special purpose of conducting this information collection. In the Northeast, Alaska, and Northwest Regions, the average annual cost for NMFS to implement its economic surveys is estimated to be \$150,000 - \$200,000 per region (average of \$175,000). In the Southeast, Southwest and Pacific Islands Regions, the average annual cost is estimated to be \$75,000 per region. The total estimated total is \$750,000. These funds will be used to support the economic data surveys authorized under this and other information collection requests.

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

**Program Changes**

NMFS has revised the program in five ways, but without increasing the estimated average annual burden hours.

First, it extended the program to explicitly include all onshore post-harvesting sector facilities through primary processing if it occurs (i.e., onshore fish processors, dealers, wholesalers, and auctions) not just onshore fish processors. In addition, the estimated hours per response for East and Gulf Coast fish handling facilities were increased to allow for more questions and more time for respondents to prepare their responses.

Second, NMFS expanded and modified the list of potential questions to ensure that it could collect information on the costs, revenues and asset values associated with catch share privileges.

The net effect is about a 50 hour increase in the expected annual average burden.

Third, NMFS identified separate sets of potential questions for commercial and charter fishing sector vessels, with no associated burden change.

Fourth, NMFS made it explicit that, for basic demographic information, the respondents will be the crew/employees of fishing vessels that participate in the commercial and charter fishing sectors and onshore post-harvesting sector facilities through primary processing if it occurs. NMFS expects 1,000 responses to its basic demographic surveys with a total average annual burden of 250 hours for crew/employees of fish handling facilities and fishing vessels.

Finally, based both on recently collected information concerning the burden hours associated with preparing the information requested in the surveys and on the expanded list of potential questions associated with catch-share programs, NMFS increased the estimated burden per response for fishing vessels even though the crew/employee demographic questions were removed from the list of potential questions for these vessels.



## Adjustment

Due to reduced and more realistic estimates of the average annual numbers of fishing vessel responses, the net effect is reduction of 109 responses and 300 hours per year for fishing vessels.

Given this set of expected changes and adjustments in the average annual responses and burden hours per response, the current burden hour ceiling appears to be appropriate and does not need to be increased. Overall, estimated responses, however, have decreased to 3,460 annually.

**Correction:** In the 2009 extension, only annual hours were given, as opposed to the full 3-year burden. We are now aware that we are supposed to state the 3-year burden, so this is now reflected in ROCIS: 10,380 responses and 21,000 hours.

### Change summary:

Program changes resulted in a net annual decrease of 3,431 responses and an increase of 300 hours annually. An adjustment resulted in a decrease of 109 responses and 300 hours annually. Correcting the total responses and burden from annual to the full three years added 6,920 responses and 14,000 hours.

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

The results from the proposed data collection are not planned for statistical publication. Data will be used as empirical input in descriptions of current economic performance in federally managed commercial fisheries, and in evaluations of proposed regulations in the fisheries. Descriptive and analytical reports will include summaries of the data (totals and averages only) and will not release or reveal confidential information.

### **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.