

**SUPPORTING STATEMENT  
ALASKA HALIBUT CATCH SHARING PLAN SURVEY  
OMB CONTROL NO. 0648-XXXX**

**A. JUSTIFICATION**

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

The National Marine Fisheries Service (NMFS) is the agency responsible for collecting and analyzing scientific data on the United States' (U.S.) living marine resources, including Pacific halibut (*Hippoglossus stenolepis*). Under the [Magnuson-Stevens Fishery Conservation and Management Act](#) (see Section 303), [Executive Order 12962](#) (Marine Recreational Fishery Statistics, Section 1(h)), and [Executive Order 12866](#) (Section 1(b)(6)), NMFS is required to provide economic analyses of Federal management actions and policies to improve the Nation's fisheries. This data collection project will meet these statutory and administrative requirements by providing resource managers with the information necessary to understand the likely future impacts of management actions on the Alaska charter boat-based halibut sport fishery.

The halibut sport fishery in Alaska is quite large. During 2012, for instance, over 387,000 halibut were harvested by sport anglers in the state, a large proportion of which were caught by anglers on charter vessels.<sup>1</sup> The Alaska charter boat sector has undergone significant change in recent years due, at least in part, to regulatory changes in the management of the Pacific halibut sport fishery. To control growth of the charter sector in the primary recreational charter boat fishing areas off Alaska, a limited entry program was implemented in 2011 (75 Federal Register 554). In addition, in the past several years, charter vessel operators in Southeast Alaska (International Pacific Halibut Commission [IPHC] Area 2C) have been subject to harvest controls that impose both size and bag limits on the catch of Pacific halibut on guided fishing trips, with these limits being more restrictive than the regulations for non-guided trips (e.g., 78 Federal Register 16425).<sup>2</sup> Most recently, a Halibut Catch Sharing Plan (CSP) is being implemented during 2014 that formalizes the process (a) of allocating catch between the commercial and charter sector and (b) for evaluating changes to harvest restrictions (78 FR 75843). Importantly, the CSP allows leasing of commercial halibut individual fishing quota (IFQ) by eligible charter businesses. Leased halibut IFQ (called guided angler fish, or GAF) could then be used by charter businesses to relax harvest restrictions for their angler clients, since GAF fish would not be subject to the charter sector-specific size and bag limits that may be imposed—though the non-charter sector size and bag limit restrictions (currently two fish of any size per day) would still apply to charter anglers individually..

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<sup>1</sup> From Alaska Department of Fish and Game's Statewide Harvest Survey website: <http://www.adfg.alaska.gov/sf/sportfishingsurvey/index.cfm?ADFG=region.home>. Accessed July 25, 2014.

<sup>2</sup> The other main area of Alaska in which saltwater fishing for Pacific halibut occurs is Southcentral Alaska (IPHC Area 3A), an area that includes the Cook Inlet region, Kodiak Island, and the Prince William Sound. Similar harvest restrictions were implemented in this area during 2014 (79 FR 13906).

Under the initial rules for the IFQ leasing program, henceforth the GAF leasing program, several restrictions are placed on the use of GAF, including the following:

1. **Single-season use.** GAF must be used before the end of the season for which it is leased, with automatic returns if the GAF is unused by a certain date (15 days before the end of the commercial fishing season).
2. **No transfers.** GAF can't be transferred between CHP holders during the season.

The restrictions listed above are features that are sometimes relaxed in other IFQ (or, more generally, tradable permit) programs to increase flexibility for participants. Recent research has shown that the restrictions imposed on transfers within IFQ markets can have significant effects on economic efficiency and other goals (e.g., Kroetz et al. 2013). To aid decision makers about the likely impacts of relaxing program features such as those above, as well as other programs that may be considered by the North Pacific Fishery Management Council (Council), the survey will collect data from eligible participants in the IFQ leasing market to determine their attitudes towards, and behavior in, the lease market and attitudes and preferences towards alternative programs.

**2. 1Explain how, by whom, how frequently, and for what purpose the information will be used. 1If 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 from this collection will be used by NMFS economists in the Alaska Fisheries Science Center (AFSC) to address issues discussed in Question 1 above, and others that may arise. Using these data, analyses will be conducted to describe the reception of the CSP in the charter sector, its early effects on the charter sector (e.g., participation in the GAF lease market), and likely changes to charter sector participants resulting from the ability to lease GAF under the current program, and under alternative programs.

The information collection consists of conducting a survey sent to all eligible participants in the GAF leasing market, meaning any individual or business that holds a valid charter halibut permit (CHP) allowing their clients to fish for Pacific halibut. Since the population is small (about 650 in 2011), the survey will be conducted as a voluntary census. For this implementation, we will mail questionnaires to population members, followed by follow-ups to encourage response. Among the follow-up efforts will be a postcard reminder, a full second mailing, and a telephone contact with non-responding charter businesses to encourage response and gather data for assessing non-response behavior. Respondents will also be given the opportunity to provide information via a telephone interview that will be offered to respondents during the telephone prompt. Due to issues of timing sensitivity discussed below, we do not anticipate being able to conduct a formal pretest to test the mail survey instrument.

The charter boat fishing season in Alaska generally runs from mid-May through mid-September. After numerous discussions with charter boat operators, it was determined that the off-season

(January-April) is the best time for collecting the type of information sought in this particular data collection. *Since the survey collects information about the first year of the CSP and plans for participating in the second year (season) of the program, conducting the survey in the winter of 2015 appears to be the best time to conduct the survey. As a consequence, we are targeting March 2015 for implementing the survey.*

The mail survey and the follow-up telephone interview script are described below. The telephone survey is based on the mail survey (and will be conducted with a paper questionnaire in the respondent's possession), and involves asking the same questions. As a result, it will not be discussed separately.

### **Mail Questionnaire**

The questionnaire is divided into six sections. The following is a discussion of how particular questions in the questionnaire will be used.

Section A is short and presents some basic information about the CSP, including the IFQ leasing (GAF) component of the program, while asking for information about general attitudes toward the CSP generally (A1), the GAF leasing program specifically (A2), and the expected effect the GAF leasing program will have on the individual's business (A3). These introductory questions are easy to answer for respondents and serve the dual purpose of enabling them to voice general opinions about the CSP and to get them thinking about specific aspects of the program relevant to the survey.

Section B focuses on gathering information about respondents' behavior in the GAF leasing market during 2014. This includes questions on whether or not the respondent leased GAF during 2014 and, if not, their reasons for not leasing GAF (B1); the amount of GAF leased (B2), whether a broker was used to facilitate the leasing process (B3); the relationship between the respondent and the person/entity from whom GAF was leased (B4); and the level of difficulty of the leasing process to the respondent (B5). Respondents indicating they did not lease GAF during 2014 are directed to B10, which asks all respondents to indicate whether or not they plan to lease GAF in the following year (i.e., in 2015). In addition, respondents are given some information about the program rules regarding mandatory returns of unused GAF (B6). They are then asked whether they returned any GAF (B6) and whether there were any provisions in their lease agreement that allowed them to get a refund (or partial refund) for GAF that was unused and returned (B7). For respondents who leased GAF, question B8 asked respondents to assess how positive or negative the impact of having GAF during 2014 was for their business, while B9 asks them to state their reasons for leasing GAF during 2014. The data collected in this section supplement information on lease transactions from IFQ transfer/lease application forms submitted to NMFS.

Section C is a short section that presents information on two restrictions in the current GAF leasing program that are sometimes relaxed in other tradable permit programs: single-season use and no transfers between CHP holders. In C1, they are asked how helpful, if at all, they believe being able to relax each of those restrictions would be for their business. This is followed by two

questions that ask how their behavior in the GAF leasing market would change if the restrictions were relaxed in terms of how much GAF they would lease (C2 and C3).

Section D extends the line of questioning in Section C by asking respondents several stated preference questions in which they are asked to choose their preferred option between two programs: the current GAF leasing program (and all the associated restrictions and rules) and an alternative program that relaxes one or both of the restrictions discussed in Section C. Each alternative program would have a different associated market price that the respondent would have to pay (payment vehicle). These three choice questions (D1, D3, and D5) provide information on how respondents trade off relaxed restrictions with price variations they would hypothetically see in the market (i.e., the prices presented are hypothetical, but based on amounts determined to be in a range of plausible values in pretesting). In addition to these choice questions, respondents are asked to identify the amount of GAF they would lease under each of the presented options in D2, D4, and D6. D7 identifies how confident individuals are about their answers to the stated preference questions. In combination with the stated preference choice questions (D1, D3, and D5), these questions will be used to estimate the demand for GAF under different GAF leasing programs, and can be used to assess trade-offs charter businesses make with respect to relaxing restrictions and higher costs. Respondents stating they are “not at all confident” in their answers may be excluded from the model estimation since these individuals, for whatever reason, are uncertain that their answers reflect how they feel.

Section E presents information about a proposed program that will be discussed at the Council in the next year or two. This program, the Catch Accountability through Compensated Halibut (CATCH) proposal, creates a recreational quota entity (RQE) that would be eligible for purchasing commercial halibut IFQ that would be added to the charter sector’s allocation that is determined under the CSP. By increasing the overall share of the allocation to the recreational charter sector, the program intends to reduce the risk of the Council imposing overly-restrictive harvest restrictions (e.g., setting maximum size limits on halibut that are very small fish or reducing the number of fish that may be caught to a single fish in combination with a size limit). Thus, it is a common pool approach to increasing the recreational charter sector’s allocation. Question E1 asks about the respondent’s familiarity with the program. In E2, respondents are provided information about several options for financing the program, then are asked how supportive they would be of each of those funding mechanisms. E3 asks respondents if they would be willing to pay a specific amount of money (that depends upon how many client anglers the respondent can take out fishing as per the CHP they hold (again, the presented amounts are hypothetical, but are based upon amounts viewed as plausible by respondents in pretesting activities). The section ends with a question that asks how much the respondent agrees or disagrees to several statements about the CATCH project (E4). These include statements regarding passing on higher fees to customers, supporting the CATCH project no matter how much it costs, how effective the program will be if implemented, and whose responsibility it is to fund the CATCH project.

The final section contains questions aimed at another alternative to the GAF leasing program, a program in which CHP holders were eligible to own GAF (IFQ), putting them on level ground with commercial fishermen. After describing the program, respondents are asked how helpful

they feel such a program would be (F1) and how likely they would be to purchase halibut IFQ (F2). The final survey question (F3) asks how supportive the respondent would be to each of the three types of programs asked about in the survey, programs that relax GAF leasing restrictions, the CATCH project, and the GAF ownership program described in Section F.

### **Telephone Follow-Up**

Following the initial mailing, postcard reminder, and second full mailing, we will contact non-respondents by telephone to encourage them to complete the mail survey and to collect limited information from those who decide not to participate in the survey (and to give them the option of completing the survey over the telephone).<sup>3</sup> The information provided by these non-respondents will be compared with that from respondents to address issues concerning non-response bias. Selected questions from the survey regarding their attitudes toward the CSP (Q1, Q2, and Q3) and whether or not they plan to lease GAF in 2015 (Q4) are asked to statistically test whether non-respondents differ from respondents with respect to these characteristics. These questions match questions in the survey (A1, A2, A3, and B10, respectively). Together, information from these questions can be used to evaluate and adjust the results for potential non-response bias in the data.

It is anticipated that the information collected will be disseminated to the public or used to support publicly disseminated information. 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. 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.**

Not Applicable.

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

The information collected in this survey is not collected by other Federal, state, or local agencies. We have informed the Council, the Alaska Department of Fish and Game, and the Pacific States Marine Fisheries Commission (PSMFC) about this project. None of these entities have conducted or are conducting similar economic data collections.

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<sup>3</sup> In the telephone follow-up, a limited amount of information may also be collected from those agreeing to return the mail survey.

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

All respondents are small businesses. Considerable efforts have been made to minimize the burden of filling out the survey on charter boat businesses. Nine cognitive interview sessions were conducted with CHP holders (charter fishing businesses) to obtain their input on potential questions and ways of improving the questions to make them easier (and faster) for them to answer. Moreover, we have made considerable efforts to stay in contact with the charter boat associations in the state to keep them informed of the status of the survey and the questions that we intend to ask.

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

If the data collection is not conducted, the Council and NMFS will not have information on how the population of CHP holders view the Catch Sharing Plan and alternative policies that affect the Alaska charter fishing businesses or the ability to estimate the effects of recent and proposed changes in fishing regulations.

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

The collection is 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 May 8, 2014 (79 FR 26412) solicited comments on the information collection. No comments were received about the proposed data collection.

Several individuals outside NMFS were consulted about the survey, availability of existing data, data to collect, and other aspects of the project. These included staff at the Alaska Department of Fish and Game (Scott Meyer and William Romberg), and the North Pacific Fishery Management Council (Jane DiCosimo and their consultant on halibut management issues, Jonathan King), all individuals with experience in recreational fishing issues in Alaska.

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

No payments or gifts will be provided to respondents.

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

In the cover letter accompanying each mailing, respondents will be told that their responses are voluntary and will be kept strictly confidential. The initial mailing letter and the follow-up mailing cover letter also include the following statement:

“All information you provide in the survey is considered confidential under section 402(b) of the Magnuson-Stevens Act (16 U.S.C. 1801, *et seq.*) and NOAA Administrative Order 216-100. Only aggregated results from the survey will be released publicly. Your personal information will not be disclosed and will only be accessible to authorized personnel responsible for management and research of fisheries under the authority of NOAA.”

Following completion of the data collection, the survey contractor will delete any information identifying individuals (i.e., names and addresses) before any data file is delivered to NMFS or any other participating researchers and agencies. The plan for collecting data and maintaining its confidentiality will adhere to [NOAA Administrative Order 216-100](#) and Section 402(b) of the Magnuson-Stevens Fishery Conservation and Management Act of 1996, as amended. per the notice above.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.**

There are no questions of a sensitive nature asked in the survey.

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

The survey will be sent to all individuals who hold a charter halibut permit (CHP). In general, these are saltwater sport fishing charter businesses. For 2014, this amounts to 602 individuals. The contact information for each business will be obtained from the NMFS CHP database that contains updated address information for each permit holder. We expect a final response rate of approximately 40 percent, leading to 241 responding CHP holders returning completed surveys (or completing the survey via telephone interview). Charter business representatives who have taken the survey during the cognitive interviews have taken, on average, 20 minutes to complete the survey. For the purpose of computing the potential burden hours, however, we use a more conservative estimate of the completion time (30 minutes). In addition, our tests administering the survey via telephone take approximately the same amount of time (30 minutes). As a result, those ultimately completing the survey are expected to contribute up to 120.5 hours to the overall annual hour burden ( $241 \times 0.5 \text{ hours} = 120.5 \text{ hours}$ ).

Based on our experience with other surveys, we expect 210 respondents to have returned a completed survey following the initial mailing, postcard reminder, and second full mailing (~87% of all completed surveys). Given that the ADF&G license database has business names for each CHP holder, we anticipate being able to find telephone contact information via web and

telephone lookup services. Therefore, we expect to be able to contact all of those who have not yet responded to the mail survey (602 - 210 = 392 respondents). These 392 CHP holders will be contacted by telephone and encouraged to complete and return the survey and asked to answer a few questions if they indicate they will not be returning the survey or are unwilling to complete the full survey over the telephone. Thus, the telephone follow-up serves multiple purposes: (a) to increase the number of mail responses, (b) provide an alternative survey mode to complete the survey (telephone survey), and (c) to gather basic information by telephone needed to estimate the impact of non-response. The phone interview is expected to take 10 minutes on average to complete, and assuming 100% of the 392 individuals for which there is a phone number are reached and complete phone interviews, the contribution of the phone interview to the total time burden totals 65.3 (65) hours. Thus, totaling the time contribution of the 241 completed mail or telephone surveys (120.5 (121)hours) with the time from the phone interviews (65.3 hours) yields a total of 185.8 (186) hours per year (Table 1).

The total number of unique respondents to all contacts in the survey implementation will be 241 (full survey respondents) + 392 (phone respondents) – 31 (phone respondents who also complete the full survey) = 602 (the total population size).

*Table 1. Annual Burden Hours by Survey Instrument*

Survey instrument	Estimated number of respondents	Estimated time per respondent (minutes)	Estimated total annual burden hours (hours)
Mail survey (from initial mailing, postcard reminder, and second full mailing) or full Telephone Interview	241	30	121
Follow-up phone survey	392 <sup>a</sup>	10	65
Totals	<b>602<sup>b</sup></b> (633 with duplication)		<b>186</b>

<sup>a</sup> Number of successful phone contacts of CHP holders that have not returned completed surveys following initial mailing, postcard reminder, and second full mailing.

<sup>b</sup> Total unique respondents reflect the total CHP holders who complete the mail survey and all who completed the phone interview, including those who completed the survey afterward (accounts for individuals who completed both).

**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).**

No additional cost burden will be imposed on respondents aside from the burden hours indicated above.

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

Cost to the Federal government of the survey implementation is approximately \$40,000, divided as follows: \$35,000 in contract award money and \$5,000 in staff time and resources.

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

This is a new collection.

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

The response rates, survey data, and analysis of the data will be described in a report. A separate paper describing economic models used to analyze the data and the results from estimating these models will be submitted to a peer-reviewed journal.

**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.