

**SUPPORTING STATEMENT  
ALASKA CRAB ARBITRATION SYSTEM  
OMB CONTROL NO. 0648-0516**

This action is a request for extension of the existing Crab Rationalization Arbitration information collection.

**BACKGROUND**

In January 2004, the United States Congress amended Section 313(j) of the [Magnuson-Stevens Act](#), 16 U.S.C. 1801 et seq., to mandate the Secretary of Commerce to implement the Crab Rationalization Program (CR Program) for the Bering Sea and Aleutian Islands Management Area (BSAI) crab fisheries. The CR Program allocates BSAI crab resources among harvesters, processors, and coastal communities. The North Pacific Fishery Management Council prepared, and NMFS approved, the Fishery Management Plan for BSAI King and Tanner Crabs (FMP). The FMP establishes criteria for the management of certain aspects of the BSAI crab fisheries by the State of Alaska Department of Fish and Game (ADF&G). Regulations that implement the FMP are found at 50 CFR part 680.

The CR Program crab fisheries are:

- BBR -- Bristol Bay red king crab (*Paralithodes camtshaticus*)
- BSS -- Bering Sea Snow crab (*Chionoecetes opilio*)
- EAG -- Eastern Aleutian Islands golden king crab (*Lithodes aequispinus*)
- EBT -- Eastern Bering Sea Tanner crab (*Chionoecetes bairdi*)
- PIK -- Pribilof red king and blue king crab (*Paralithodes camtshaticus* and *P. platypus*)
- SMB -- St. Matthew blue king crab (*Paralithodes platypus*)
- WAG -- Western Aleutian Islands golden king crab (*Lithodes aequispinus*)
- WAI -- Western Aleutian Islands red king crab (*Paralithodes camtshaticus*)
- WBT -- Western Bering Sea Tanner crab (*Chionoecetes bairdi*)

**INTRODUCTION**

Under the CR Program, eligible License Limitation Program (LLP) license holders (see OMB Control No. 0648-0334) were issued crab quota shares (QS), which are long term shares, based on their qualifying harvest histories. The QS yield annual individual fishing quota (IFQ) which represent a privilege to receive a certain amount of crab harvested with IFQ. Processor quota shares (PQS) are long term shares issued to processors. The PQS yield annual individual processor quota (IPQ), which represent a privilege to receive a certain amount of crab harvested with Class A IFQ.

The CR Program includes an Arbitration System that may be used to resolve ex-vessel price and other delivery term disputes for landings using Class A IFQ. The arbitration system serves several important purposes in the CR Program, including dissemination of market information to facilitate negotiations, the coordination of matching Class A IFQ held by harvesters to IPQ held by processors, and a binding arbitration process to resolve terms of delivery. The arbitration process begins with the two sectors (harvesters and processors) jointly selecting a “market analyst,” who produces a market report, a “formula arbitrator,” who develops a price formula specifying an ex vessel price as a portion of the first wholesale price, and a pool of “contract arbitrators,” who preside over any binding arbitration proceedings. Neither the market report nor the formula price has any binding effect. Rather, they are intended to provide baseline information concerning the market and a signal of a reasonable price.

## A. JUSTIFICATION

The Arbitration System is a series of steps that harvesters and processors can use to negotiate delivery and price contracts. Most of the System is regulated through private contracts among QS/IFQ holders and PQS/IPQ holders through mandatory Arbitration Organizations. The Arbitration System is designed to minimize antitrust risks for crab harvesters and processors and is intended to ensure that a reasonable price is paid for all landings.

The Arbitration System is designed to accommodate the varied interests of the parties involved as well as reflect the historical negotiations between harvesters and processors. The System identifies the general structure of the system, the general principles that guide oversight and management, and the roles and fundamental standards.

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

Under the CR Program, NMFS created an arbitration system in regulations at 50 CFR 680.20. The CR Program arbitration system consists of:

- ◆ Arbitration Organization (AO) – establishes an Arbitration System through a series of contracts that define and govern the share matching and arbitration system among shareholders and the AO. The AO is responsible for selecting arbitrators, coordinating and disseminating information among participants, ensuring confidentiality of sensitive information, and collection and disbursement of arbitration costs.
- ◆ Price Formula Analyst -- prepares a non-binding price formula that describes the historic division of first wholesale values among harvesters and processors that can be used in price negotiations and arbitrations.
- ◆ Contract Arbitrator -- reviews the positions of the parties during an arbitration proceeding and issues a binding decision based on a last-best offer form of arbitration.
- ◆ Market Analyst -- provides a pre-season market report of likely market conditions for each crab fishery to aid in price negotiations and arbitrations.

In addition, a Third-party Data Provider arranges for the receipt and delivery of up-to-date information as required by an AO.

The CR Program requires that arbitration system costs be shared equally between IPQ holders and Class A IFQ holders – processors pay half and fishermen pay half.

### 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.

Since 2006, there exist the same two Arbitration Organizations: (1) Alaska Crab Processors Arbitration Organization (ACPAO) combined with Alaska Affiliated Crab Harvester Arbitration Organization (AACHAO) (which includes processors and affiliated harvesters) and (2) Bering Sea Arbitration Organization (BSAO) (which includes unaffiliated harvesters). Each of these organizations

has an authorized representative (who is not an employee) who is responsible for submitting required information to NMFS establishing the administrative aspects of the arbitration system, coordinating the dissemination of information among the participants, ensuring confidentiality of sensitive information, and collecting payments to disburse program costs.

Upon completion, the reports must be submitted as follows:

By mail to: Regional Administrator, NMFS  
P.O. Box 21668  
Juneau, AK 99802

By courier to: NMFS  
709 West 9th Street  
Juneau, AK 99801

By fax to: 907-586-7465

By email to: [Glenn.merrill@noaa.gov](mailto:Glenn.merrill@noaa.gov)

Based on comments received on this analysis, the authorized representatives scan and email the materials to NMFS to avoid the cost of mail without objection from NMFS.

Each Arbitration Organization must provide its members with a copy of the contracts for the Market Analyst, Formula Arbitrator, and Contract Arbitrator for each fishery in which the member participates.

#### **a. Notification and organization report**

The Arbitration Organization must notify NMFS annually of the persons for each crab fishery selected as the Market Analyst, Formula Arbitrator, and Contract Arbitrator(s) no later than June 1. The Arbitration Organization must submit a complete Annual Arbitration Organization report to NMFS. The Executive Directors assemble and submit the annual reports at no charge to the membership.

##### **Notification**

- A list of Arbitration Organizations that mutually agreed to the selection of the Market Analyst, Formula Arbitrator, and Contract Arbitrator(s)
- Signatures of representatives of those Arbitration Organizations
- A copy of the contract with Market Analyst, the Formula Arbitrator, and each Contract Arbitrator
- Curriculum vitae and other relevant biographical material for each of these individuals

##### **Organization Report**

- Type of arbitration organization
- Crab QS Fisheries to which arbitration report applies
- Arbitration Organization Information
  - Name of the Arbitration Organization
  - Name of primary contact
  - Permanent business mailing address
  - Business telephone number, fax number, and e-mail address
  - Additional contact information (secondary contact)
    - Name of contact person
    - Permanent business mailing address
    - Business telephone number, fax number, and e-mail address

- Members of the organization
- Amount of QS/IFQ or PQS/IPQ held by each member
- Ownership interest of the arbitration organization member
  - Indicate if member is a publicly held corporation
  - Indicate if member is a non-individual
    - If YES**, indicate if the entity still active
  - Indicate if member is an estate that has been probated
    - If YES**, enter date the probate was finalized
  - If an Arbitration Organization member holds ownership interest in separate or additional corporation, partnership, or other entity, indicate name of entity and the percentage interest that the member holds in that entity

Attachments

- Business license for Arbitration Organization
- Minutes of any meeting held by the Arbitration Organization or any members of the Arbitration Organization
- Resumes of management personnel
- Bylaws of the Arbitration Organization
- List of key personnel not limited to the board of directors, officers, representatives, and any managers
- Any last-best offers made during the Binding Arbitration process, including all contract details, the names of other participants in the arbitration, whether the bid was accepted by the Contract Arbitrator; and
- Any information, data, or documents given by the Contract Arbitrator to any person who is not a party to the particular arbitration for which that information was provided.

The personnel cost per hour is changed from \$25/hr to \$350/hr to reflect rates stated in comments.  
 Burden rate is changed from 8 hr to 3 hr to reflect burden stated in comments.

<b>Notification &amp; Organization Report, Respondent</b>	
<b>Number of respondents</b>	<b>2</b>
<b>Total annual responses</b>	<b>2</b>
Frequency of response = 1	
<b>Total burden hours</b>	<b>6 hr</b>
Time per response = 3 hr	
<b>Total personnel cost (\$350/hr x 6)</b>	<b>\$2,100</b>
<b>Total miscellaneous costs (0.10)</b>	<b>\$1</b>
Email = 0.05 x 2 = 0.10	

<b>Notification &amp; Organization Report, Federal Government</b>	
<b>Number of responses</b>	<b>0</b>
<b>Total burden hours</b>	<b>0</b>
<b>Total personnel costs</b>	<b>0</b>
<b>Total miscellaneous costs</b>	<b>0</b>

**b. Price Formula and Market Report**

The Price Formula and the Market Report combined provide an analysis of the market for products of a specific fishery and report on activities occurring within three months prior to its generation. Data must be sufficiently aggregated in the report such that it does not identify specific price information by an individual provider. The production costs of the Price Formula and Market Report are included in the legal fees listed under section c -- Combined Shared Arbitration Accounting Report.

The Non-Binding Price Formula must be produced not later than 50 days prior to the first crab fishing season for that crab QS fishery, except that the Non-Binding Price Formulas for the western Aleutian Islands golden king crab fishery and the eastern Aleutian Islands golden king crab fishery must be produced not later than 30 days prior to the first crab fishing season for those crab QS fisheries. The number of annual reports is dependent upon how many crab fisheries are open. If a crab fishery is

closed, a report is not required. Of the nine CR fisheries, three are usually closed each year for various reasons.

The Market Analyst produces a Market Report for each crab QS fishery unless it is anticipated that the crab QS fishery will not open for fishing during a crab fishing year. The purpose of the Market Report is to provide background information on each crab fishery, the products generated by each fishery, and position of those products in the marketplace. The Market Report also discusses the historical division of wholesale revenue, and provides a methodology for predicting wholesale prices before the fishery occurs. In addition, the Market Report examines trends in both ex-vessel prices and in wholesale prices.

The Market Report is due just before the season opens, so it is known in advance if a fishery is going to open or not. The Market Analyst must provide the Market Report not later than 50 days prior to the first crab fishing season for each crab QS fishery in that crab fishing year to:

- ◆ Each Arbitration Organization in that fishery;
- ◆ NMFS Alaska Regional Administrator
- ◆ Formula Arbitrator, and
- ◆ Contract Arbitrator(s) for the fishery

#### **Market Report**

The Market Report shall consider the following factors:

- Current ex-vessel prices, including ex-vessel prices received for crab harvested under Class A IFQ, Class B IFQ, and CVC IFQ permits;
- Consumer and wholesale product prices for the processing sector and the participants in the arbitration (recognizing the impact of sales to affiliates on wholesale pricing);
- Innovations and developments of the harvesting and processing sectors and the participants in the arbitration (including new product forms);
- Efficiency and productivity of the harvesting and processing sectors (recognizing the limitations on efficiency and productivity arising out of the management program structure);
- Quality (including quality standards of markets served by the fishery and recognizing the influence of harvest strategies on the quality of landings);
- The interest of maintaining financially healthy and stable harvesting and processing sectors;
- Safety and expenditures for ensuring adequate safety;
- Timing and location of deliveries; and
- The cost of harvesting and processing less than the full IFQ or IPQ allocation (underages) to avoid penalties for overharvesting IFQ and a mechanism for reasonably accounting for deadloss.

#### **Non-binding Price Formula**

The Non-Binding Price Formula is designed to serve as a starting point for negotiations between fishermen and processors, or as a starting point for an arbitrator in evaluating offers in an arbitration process. It is not binding. The recommended formula is not considered the only possible formula for all fishermen and processors—negotiations between individual fishermen and processors may find that other price formulas work better for their specific needs. The Formula Report for each crab fishery will be presented as a report with complete documentation as to how each formula was developed, and with detailed analysis of each of the elements entering into each non-binding price formula calculation.

The Non-Binding Price Formula may rely on any relevant information available to the Formula Arbitrator, including, but not limited to, information provided by the QS, PQS, IPQ and IFQ holders in the fishery, and the Market Report for the fishery, and the Formula Arbitrator.

#### **Non-Binding Price Formula**

Be based on the historical distribution of first wholesale revenues between fishermen and processors in the aggregate based on arm's length first wholesale prices and ex-vessel prices, taking into consideration the size of the harvest in each year; and

Establish a price that preserves the historical division of revenues in the fishery revenues in the fishery while considering the following:

- Current ex-vessel prices, including ex-vessel prices received for crab harvested under Class A, Class B, and CVC IFQ permits

- Consumer and wholesale product prices for the processing sector and the participants in arbitrations (recognizing the impact of sales to affiliates on wholesale pricing)

- Innovations and developments of the harvesting and processing sectors and the participants in arbitrations (including new product forms)

- Efficiency and productivity of the harvesting and processing sectors (recognizing the limitations on efficiency and productivity arising out of the management program structure)

- Quality (including quality standards of markets served by the fishery and recognizing the influence of harvest strategies on the quality of landings)

- The interest of maintaining financially healthy and stable harvesting and processing sectors

- Safety and expenditures for ensuring adequate safety

- Timing and location of deliveries; and

- The cost of harvesting and processing less than the full IFQ or IPQ allocation (underages) to avoid penalties for overharvesting IFQ and a mechanism for reasonably accounting for deadloss.

Include identification of various relevant factors such as product form, delivery time, and delivery location

Consider the "highest arbitrated price" for the fishery from the previous crab fishing season, where the "highest arbitrated price" means the highest arbitrated price for arbitrations of IPQ and Arbitration IFQ which represent a minimum of at least 7 percent of the IPQ resulting from the PQS in that fishery.

#### **c. Contract Arbitrator Report**

In a previous version of this analysis, a Contract Arbitrator Report was mentioned. Rather than provide a report, each arbitrator provides professional services under an agreement to resolve disputes concerning the terms of delivery, price, performance, quality, or other factors in the crab fishery. Each contract arbitrator is part of a pool of contract arbitrators available to all unaffiliated holders of Class A IFQ in the crab fishery that are eligible to use the CR Program's arbitration system to resolve disputes with holders of IPQ.

The Contract Arbitrator serves as mediator and arbitrator of disputes in accordance with an agreement with the Arbitration Organization's representative. The Arbitration Organizations will pay the Contract Arbitrator at an hourly rate, based on work performed as itemized on a written, monthly invoice to the Arbitration Organizations.

The Contract Arbitrator expense is included in the Combined Shared Arbitration Accounting Report.

#### **d. Combined Shared Arbitration Accounting Report**

Federal regulations for the CR Program require that the crab arbitration costs be shared equally between IPQ holders and Class A IFQ holders – processors pay half and fishermen pay half.

According to an annual Cost Allocation and Payment Methodology Agreement, the Alaska arbitration organizations submit the year-end accounting of the shared arbitration system costs for the crab fishing year. This year-end accounting covers the period March through June. These costs are allocated equally between Class A IFQ holders and IPQ holders for the entire crab fishing year. The ACPAO holds landing fees paid by Class A IFQ holders which are to be used only for payment of the Class A IFQ holder's share of the shared arbitration system costs. The IPQ holders receive reimbursement of the season shared arbitration system costs incurred from March through June.

At the time of each landing, each Class A IFQ holder will be assessed and each IPQ holder receiving crab from Class A IFQ holders will deduct a fee per pound of crab received, including deadloss, for half of the estimated arbitration costs (the landing fee).

Contractors produce one report that provides combined shared arbitration accounting costs including:

- ◆ Cost to produce the market report and non-binding pricing formula for each fishery;
- ◆ Cost of the third party data provider (Sharematch.com). Contractor shall design, construct and maintain a system in accordance with NMFS regulations for:
  - tracking uncommitted IPQ;
  - allowing the matching of uncommitted Arbitration IFQ with uncommitted IPQ (and the unmatching of Arbitration IFQ and IPQ as necessary);
  - communicating the identity of holders of uncommitted IPQ and their amount of uncommitted IPQ to holders of uncommitted Arbitration IFQ; and
  - communicating arbitration results to holders of uncommitted class A IFQ.

In addition, Contractor shall train the Arbitration Organizations, as requested to operate the system and be available to respond to questions. Also, Contractor shall provide the Arbitration Organizations with technical support for the system.

- ◆ Fees and expenses necessary for the participation in the CR Program
- ◆ Cost of the contract arbitrators for each fishery
- ◆ General liability insurance, and directors and officers insurance for each arbitration organization
- ◆ Cost of attorney's fees to prepare, negotiate and administer the contracts, participate in the CR Program review process, and otherwise implement the arbitration system, as amended from time to time by NOAA regulation.

<b>Annual Combined Shared Arbitration Costs</b>		
Third party provider base contract	\$17,000	<b>\$157,700*</b>
Market report & Non-binding Price Formula	\$44,700	
Contract Arbitrators (\$2,000 x 4)	\$8,000	
Arbitrations (\$15,000 x 3)	\$45,000	
EAG/WAG		
BBR		
BSS		
Legal fees (\$12,000 & 23,000)	\$35,000	
Insurance, general liability & directors & officers	\$8,000	

**\*50% allocation to Class A IFQ holders = \$78,850**

**50% allocation to IPQ holders = \$78,850**

<b>Annual Combined Shared Arbitration Costs, Federal Government</b>	
<b>Total responses</b>	<b>0</b>
<b>Total burden hours</b>	<b>0</b>
<b>Total personnel costs</b>	<b>0</b>
<b>Total miscellaneous costs</b>	<b>0</b>

It is anticipated that the information collected will not be disseminated to the public or used to support publicly disseminated information. NOAA Fisheries 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 No. 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.**

The reports are submitted to NMFS as attachments to email.

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

None of the information collected as part of this information collection duplicates other collections. This information collection is part of a specialized and technical program that is not like any other.

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

The respondents of this collection of information are arbitration organizations in the CR Program. These organizations are not estimated to be small entities; the collection of information does not impose a significant impact on small entities.



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

Without the collection of specified information to support the crab arbitration system, the CR Program would be jeopardized. NMFS could not fulfill the intent of the law created under Pub. L. No. 108-199 if this information is not collected. This law also requires that each component of the CR Program enacted by Congress must be implemented or the whole program must be withdrawn. Thus, disapproval of this data collection program would threaten all components of P.L. No. 108-199.

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

No special circumstances exist.

**8. Provide a copy of the PRA Federal Register notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

A Federal Register Notice, 79 FR 15957, was published on March 24, 2014, and solicited public comment. No comments were received.

A questionnaire, requesting comments, was sent to the two arbitration organizations. The questionnaire is appended.

Summary of Comments

The responses to the questionnaires are somewhat misleading because they were completed by the contractors, who charge the arbitration organizations an annual fee (see section c). The questionnaires were not completed by the arbitration organizations. Responses from:

- (1) Alaska Crab Processors Arbitration Organization (ACPAO) & Alaska Affiliated Crab Harvester Arbitration Organization (AACHAO)
- (2) Bering Sea Arbitration Organization (BSAO)

<b>Notification &amp; Organization Report</b>
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<b>1. Are any of your office personnel involved with completing these reports?</b>
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(1) We assume this question relates to the time necessary to prepare the reports required by 50 CFR 680.20(d), and to notify NMFS of the vendors hired to implement the program as required by 680.20(e) (5). The BSAO Executive Director assembles and submits the annual reports for 50 CFR 680.2 at no charge. BSAO counsel reviews and coordinates submittal of the “vendor” report submitted by email to NMFS by the attorney for ACPAO.
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(2) ACPAO and AACHAO assume this question relates to the time necessary to prepare the annual report required by 50 CFR 680.20(d)(2) and (3), and to notify NMFS of the vendors hired to implement the program as required by 680.20(e)(5).
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The BSAO Executive Director assembles and submits the annual reports for 50 CFR 680.2 at no charge. BSAO counsel reviews and coordinates submittal of the “vendor” report submitted by email to NMFS by the attorney for ACPAO.

**If YES, what are your estimated personnel costs?**

- (1) Estimated AO legal costs are \$675. Staff time is not charged.
- (2) \$300 (office personnel only)

**If YES, how many hours do your personnel take to complete and submit these reports?**

- (1) 2.5 hours for each organization
- (2) About 3 hours for all reports

**3. (sic 2) We estimate that contractor costs to complete and submit this report are \$125/hour. Is this cost accurate and reasonable? If NO, explain.**

- (1) ACPAO and AACHAO legal counsel hourly rate is \$450 per hour. Staff time is not charged
- (2) BSAO Counsel’s hourly rate is \$295 per hour. Staff time is not charged.

**4. We estimate that it costs \$24 to mail the application and make copies of the application and attachments. Do you agree? If NO, explain.**

- (1) The last couple of years ACPAO and AACHAO have scanned and emailed the materials to NMFS to avoid the cost of mail. There have been no objections to this methodology. A cost of \$24 for mailing is reasonable.
- (2) The last couple of years the AOs have scanned and emailed the materials to NMFS to avoid the cost of mail. There have been no objections to this methodology. A cost of \$24 for mailing is reasonable.

**5. Do you believe this report has practical utility? Explain.**

- (1) The 680.20(d)(2) and (3) report provide information about the structure and organization of the arbitration organization.  
The 680.20(e)(5) report identifies the vendors and their contracts that implement the program.
- (2) The 680.20(d) reports provide information about the structure, organization, and membership of the arbitration organizations. The 680.20(e)(5) report identifies the vendors and their contracts that implement the program.

**6. Can you suggest ways for NMFS to enhance the quality and clarity of the information to be collected?**

**If YES, explain**

- (1) The bylaw required by 680.20(d)(2)(iv)(A) and the key personnel required by 680.20(d)(2)(iv)(B) should only be submitted to the extent of a change. The 680.20(d)(4) report contains information that is redundant to information collected by 680.20(d)(2)(iii) and reported as required by 680.20(d)(3).
- (2) Arbitration QS & IFQ holders belong to a single AO, the BSAO. Annual re-submittal of unchanged BSAO formation and management documents required by 680.20(d)(2)(iv)(A) should not be required, and only re-submitted in the event of change. Except for IFQ holder membership, the formation and management information required for the IFQ report in 50 CFR 680.20(d)(4) is the same as the report provided by May 1 pursuant to 50 CFR 680.20(d)(3)

**7. Can you suggest ways to minimize the burden of completing this report through use of automated collection techniques or other forms of information technology. If YES, explain.**

(1) Consider using an internet based form. For example, a concept something like [www.doodle.com](http://www.doodle.com)

(2) No

**8. Please provide any additional comments on any aspect of the Crab Arbitration System.**

(1) 680.20(d)(2)(ii) and (iii) require the identification of the quantity of QS, IFQ, PQS, or IPQ held by a member. This information adds no perceived value. We obtain this information from NMFS' website and simply resubmit it. 680.20(d)(2)(vi) requires the disclosure of corporate minutes. The value of this disclosure is unclear.

(2) 680.20(d)(2) requires the identification of the quantity of QS, IFQ, PQS, or IPQ held by a member. This information adds no perceived value. It is available on NMFS website. There is only one Arbitration QS/IFQ AO. All holders of Arbitration QS/IFQ must join. Unless another Arbitration QS/IFQ AO is formed, the quantity of QS/IFQ is not relevant. I am not sure that providing the meeting Minutes serves any purpose.

**PRICE FORMULA & MARKET REPORT**

**1. Are any of your office personnel involved with completing these reports?**

(1) Information is prepared by a vendor selected by the arbitration organizations. Our offices distribute the reports to members of the ACPAO and AACHAO.

(2) Information is gathered and reports prepared by a vendor selected by the arbitration organizations. BSAO counsel reviews those reports. The Executive Director circulates those reports to members of the arbitration organization.

**2. Do you believe this report has practical utility? Explain**

(1) These reports are a corps part of the regulatory program for sharing of information between all market participants.

(2) These reports are the AOs part of the regulatory program for sharing of information between all market participants.

**3. Can you suggest ways for NMFS to enhance the quality and clarity of the information to be collected? If YES, explain**

(1) No

(2) No

**4. Can you suggest ways to minimize the burden of completing this report through use of automated collection techniques or other forms of information technology. If YES, explain**

(1) No

(2) No

**5. Please provide any additional comments on any aspect of the Crab Arbitration System.**

(1) No comment

(2) No comment

**COMBINED SHARED ARBITRATION ACCOUNTING REPORT**

**1. Are any of your office personnel involved with completing these reports?**

(1) We assume this question relates to the estimated time to prepare the mid-year accounting and the year-end accounting as required by the Cost Allocation Agreement, which is required by 680.20(e)(1)(v).

(2) We assume this question refers to the Cost Allocation Agreement which is required by 680.20(e)(1)(v).
<b>If YES, what are your estimated personnel costs?</b>
(1) Estimated ACPAO legal costs are \$1,350. Staff time is not charged.
(2) We assume this question relates to the estimated time to prepare and submit the mid-year and the year-end accounting. The attorney for ACPAO prepares these accounting reports. BSAO counsel reviews the reports and the Executive Director circulates the reports to BSAO directors and makes available to BSAO members. This response does not take into account time to prepare and enter into the annual Cost Allocation Agreement between the AOs.
<b>If YES, how many hours do your personnel take to complete and submit these reports?</b>
(1) 16 hours
(2) No response
<b>2. Do you believe this report has practical utility? Explain</b>
(1) These reports are a corps part of the regulatory program to account for and provide transparency into program costs.
(2) These reports account for and provide transparency into program costs.
<b>3. Can you suggest ways for NMFS to enhance the quality and clarity of the information to be collected?</b>
(1) No
(2) No
<b>3. Can you suggest ways for NMFS to enhance the quality and clarity of the information to be collected? If YES, explain</b>
(1) No
(2) No
<b>4. Can you suggest ways to minimize the burden of completing this report through use of automated collection techniques or other forms of information technology. If YES, explain</b>
(1) No
(2) No
<b>5. Please provide any additional comments on any aspect of the Crab Arbitration System.</b>
(1) No comment
(2) No comment

Although not accepted by NMFS at this time, the above comments could eventually affect regulation revisions as shown below:

680.20(a)(3)	(3) Document submittal information. Submit documents and reports to NMFS as follows: by mail to the Regional Administrator, NMFS, P.O. Box 21668, Juneau, AK 99802; by courier to NMFS, 709 West 9th Street, Juneau, AK 99801; or by fax to 907-586-7465. or by email or by Internet
680.20(d)(2)	(2) Each Arbitration Organization must submit a complete <b>Annual Arbitration</b>

	<p><b>Organization report</b> to NMFS. A complete report must include:</p> <ul style="list-style-type: none"> <li>(i) A copy of the business license of the Arbitration Organization;</li> <li>(ii) A statement identifying the members of the organization</li> <li>(iii) QS, PQS, IFQ, and IPQ ownership information on the members of the organization; <b>[duplicates (d)(2)(ii)]</b></li> <li>(iv) Management organization information, including: <ul style="list-style-type: none"> <li>(A) The bylaws of the Arbitration Organization; <b>[submit only if changed]</b></li> <li>(B) A list of key personnel of the management organization including, but not limited to, the board of directors, officers, representatives, and any managers; <b>[submit only if changed]</b></li> </ul> </li> <li>(v) The name of the Arbitration Organization, permanent business mailing addresses, name of contact persons and additional contact information of the managing personnel for the Arbitration Organization, resumes of management personnel; and</li> <li>(vi) A copy of all minutes of any meeting held by the Arbitration Organization or any members of the Arbitration Organization. <b>[explain why or remove]</b></li> </ul>
680.20(d)(3)	(3) An Arbitration Organization, with members who are <i>QS or PQS holders</i> , must submit a complete <b>Annual Arbitration Organization Report</b> to NMFS in accordance with paragraph (a)(3) of this section by May 1 of each subsequent year for the crab fishing year beginning on July 1 of that year.
680.20(d)(4)	(4) An Arbitration Organization, with members who are <i>IFQ or IPQ holders</i> , must submit a complete <b>Annual Arbitration Organization Report</b> to NMFS in accordance with paragraph (a)(3) of this section by not later than 15 days after the issuance of IFQ and IPQ for that crab QS fishery

The comments are not integrated into regulations at this time, because the Council is in the midst of preparation for the ten year review of the CR Program. This 10 year review follows the previously completed 18 month, 3 year, and 5 year reviews of the CR Program. Information on those reviews can be seen at <http://www.npfmc.org/crabrationalization/>. A schedule for completion of the 10 year review is not available at this time; however, NMFS will have the opportunity to submit the comments received from the arbitration groups to the Council during that review.

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

No payment or gift will be provided under this program.

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

Under the Magnuson-Stevens Act, fishery information required to be submitted under Fishery Management Plans, including landings data, is confidential. [NOAA Administrative Order \(NAO\) 216-100](#) is the principal guidance for NOAA Fisheries employees on protocols for handling confidential data. To assure confidentiality, data must be structured or aggregated so that the identity of the submitter cannot be determined from the present release of the data or in combination with other releases. "Submitter" is applied in context for the specific data presented. Data provided by the State of Alaska may have another standard applied, as required by State statute and policy.

**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.**

This information collection does not involve information of a sensitive nature.



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

Estimated total respondents: 2, down from 15. Estimated total responses: 2, down from 15.  
Estimated total burden: 6 hr, down from 78 hr. Estimated total personnel costs: \$ 2,100, down from \$ 4,250.

**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).**

Estimated total miscellaneous costs: \$157,701 down from \$435,545.

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

Estimated total burden: 0 hr, down from 30 hr. Estimated total personnel costs: \$0, down from \$150.

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

This action is an extension with adjustments. One adjustment is to rewrite this analysis to show that all but one of the required reports is completed by contractors.

Notification & Organization Report

- a decrease of 12 respondent and response, 2 instead of 14
- a decrease of 52 hours burden, 6 instead of 58 hours
- a decrease of \$350 personnel costs, \$2,100 instead of \$1,750
- a decrease of \$29 miscellaneous cost, \$1 instead of \$30

Combined Shared Arbitration Accounting Report (includes Price Formula, Market Report, and Contract Arbitrator Report)

- a decrease of \$277,815 miscellaneous cost, \$157,700 instead of \$435,515

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

The results of this collection-of-information will not be published.

**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.**

NA.

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

NA.

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

This collection does not employ statistical methods.

Appendix

**SURVEY**

**WHAT DO YOU THINK ABOUT THE  
ALASKA CRAB ARBITRATION COLLECTION?  
OMB Control No. 0648-0516**

August, 2014

In the renewal process for information collections, the Office of Management and Budget (OMB) requires each Federal agency to ask for comments from non-agency persons who are required to comply with recordkeeping and reporting requirements for that agency. NOAA National Marine Fisheries Service, Alaska Region, is asking if you would help us out with this task, as a participant in the Crab Rationalization (CR) Program Arbitration System, identified as OMB Control Number 0648-0516.

Please take a few minutes to comment on the details of CR Crab arbitration recordkeeping requirements. The comments you send will help NMFS modify and improve this collection. Then, email your responses to me at [patsy.bearden@noaa.gov](mailto:patsy.bearden@noaa.gov) no later than August 15, 2014.

If you have questions or need additional information, please call me at 907-586-7008. Thanks in advance.

Respectfully,

Patsy A. Bearden  
Sustainable Fisheries Division  
NMFS Alaska Region



**OMB 0648-0516 – Expiration Date 09/30/2014**

<b>NOTIFICATION &amp; ORGANIZATION REPORT</b>	<b>YES (X)</b>	<b>NO (X)</b>	<b>COMMENTS</b>	<b>No Comment (X)</b>
1. Are any of your office personnel involved with completing these reports?				
<b>If YES</b> , what are your estimated personnel costs?				
<b>If YES</b> , how many hours do your personnel take to complete and submit these reports?				
3. We estimate that contractor costs to complete and submit this report are \$125/hour. Is this cost accurate and reasonable? <b>If NO</b> , explain.				
4. We estimate that it costs \$24 to mail the application and make copies of the application and attachments. Do you agree? <b>If NO</b> , explain.				
5. Do you believe this report has practical utility? Explain.				
6. Can you suggest ways for NMFS to enhance the quality and clarity of the information to be collected? <b>If YES</b> , explain.				
7. Can you suggest ways to minimize the burden of completing this report through use of automated collection techniques or other forms of information technology. <b>If YES</b> , explain.				
8. Please provide any additional comments on any aspect of the Crab Arbitration System.				

**OMB 0648-0516 – Expiration Date 09/30/2014**

<b>PRICE FORMULA &amp; MARKET REPORT</b>	<b>YES (X)</b>	<b>NO (X)</b>	<b>COMMENTS</b>	<b>No Comment (X)</b>
1. Are any of your office personnel involved with completing these reports?				
<b>If YES</b> , what are your estimated personnel costs?				
<b>If YES</b> , how many hours do your personnel take to complete and submit these reports?				
2. Do you believe this report has practical utility? Explain				
3. Can you suggest ways for NMFS to enhance the quality and clarity of the information to be collected? <b>If YES</b> , explain				
4. Can you suggest ways to minimize the burden of completing this report through use of automated collection techniques or other forms of information technology. <b>If YES</b> , explain				
5. Please provide any additional comments on any aspect of the Crab Arbitration System.				

<b>COMBINED SHARED ARBITRATION ACCOUNTING REPORT</b>	YES (X)	NO (X)	COMMENTS	No Comment (X)
1. Are any of your office personnel involved with completing these reports? If <b>YES</b> , what are your estimated personnel costs?  <b>If YES</b> , how many hours do your personnel take to complete and submit these reports?				
2. Do you believe this report has practical utility? <b>Explain</b>				
3. Can you suggest ways for NMFS to enhance the quality and clarity of the information to be collected? <b>If YES</b> , explain				
4. Can you suggest ways to minimize the burden of completing this report through use of automated collection techniques or other forms of information technology. <b>If YES</b> , explain				
5. Please provide any additional comments on any aspect of the Crab Arbitration System.				