

**SUPPORTING STATEMENT
SOUTHEAST REGION IFQ PROGRAMS
OMB CONTROL NO. 0648-0551**

INTRODUCTION

This request is for revision and extension of an approved information collection. A few information collections have been removed, and one has changed per RIN 0648-BC12 (final rule published in April, 2014) which affected this collection but for which a revision was overlooked at the time.

The Magnuson-Stevens Fishery Conservation and Management Act ([Magnuson-Stevens Act](#)) authorizes the Gulf of Mexico Fishery Management Council (Council) to prepare and amend fishery management plans for any fishery in waters under its jurisdiction. The National Oceanic and Atmospheric Administration (NOAA), National Marine Fisheries Service (NMFS) manages three individual fishing quota (IFQ) programs in the Southeast Region. The red snapper IFQ program is managed under the Fishery Management Plan for the Reef Fish Resources of the Gulf of Mexico (Gulf Reef Fish FMP). Gulf Reef Fish FMP Amendment 26 implemented a transferable IFQ program in the Gulf EEZ for commercial red snapper. The final rule published on November 22, 2006 (RIN 0648-AS67). The grouper and tilefish IFQ program is managed under the Gulf Reef Fish FMP. Gulf Reef Fish FMP Amendment 29 implemented a transferable IFQ program in the Gulf EEZ for commercial grouper and tilefish species. The final rule published on August 31, 2009 (RIN 0648-AX39). The wreckfish individual transferable quota (ITQ) system is managed under the Fishery Management Plan for the Snapper-Grouper Fishery of the South Atlantic Region (South Atlantic Snapper-Grouper FMP). South Atlantic Snapper-Grouper FMP Amendment 5 implemented an ITQ program in the South Atlantic EEZ for commercial wreckfish. The final rule published on March 3, 1992 (RIN 0648-AD57).

A. JUSTIFICATION

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

Gulf of Mexico commercial red snapper, grouper and tilefish, and South Atlantic wreckfish are managed under IFQ/ITQ programs. Commercial fishermen were allocated shares of the quota at the start of each program: in 1992 for South Atlantic wreckfish, in 2007 for Gulf red snapper and in 2010, for grouper and tilefish. These shares limit how many pounds of fish fishermen can harvest annually. Fishermen can transfer shares to other IFQ/ITQ program participants, and buy or sell allocation (pounds of fish) to increase or decrease the amount they can annually harvest. Share and allocation transfers, as well as landing transactions and landing notifications are completed electronically through an online web-based accounting system for Gulf red snapper and Gulf grouper and tilefish, and through the NMFS Sustainable Fisheries LAPPs/Data Management Branch for paper-based South Atlantic wreckfish share transfer transactions.

Since 1992 for South Atlantic wreckfish, 2007 for Gulf red snapper, and 2010 for Gulf grouper and tilefish, NMFS has been collecting this information to administer and operate these three

IFQ/ITQ programs, which are intended to address overcapitalization, prevent derby fishery conditions, and prevent overfishing of these resources.

The information collection addresses IFQ share certificate and allocation debits and transfers, as well as collection of landings information necessary to operate, administer, and review management of commercial red snapper, and grouper/tilefish in the Gulf of Mexico and wreckfish in the South Atlantic.

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.

Gulf Red Snapper and Grouper/Tilefish IFQ Programs

IFQ share and allocation debits and transfers are tracked using an electronic accounting/reconciliation process developed by NMFS, in which IFQ share holders or allocation holders, dealers, NMFS personnel, IFQ vessel account holders, and 24-hour customer service personnel participate. The IFQ share or allocation holder and dealer records share, allocation, and landing transactions, as well as landing notifications using the online web-based system (<https://ifq.sero.nmfs.noaa.gov>). Transactions are completed and tracked in real-time to ensure proper accounting of share/allocation transfers, landing notifications, and landing transactions. Each user of the IFQ online system is assigned a User ID and password for logging in.

Frequency of use of the online system varies greatly among participants, depending on total shareholdings, number of fishing trips, and number of landing transactions completed. Question 12 provides a summary of the number of annual responses NMFS expects to receive for online activities. NMFS and a 24-hour customer call service use the online system daily.

NMFS monitors and audits IFQ transactions to ensure that share caps are not exceeded, landing notifications are made, and landing transactions are completed in a timely fashion. NOAA also monitors quota shares suspended prior to issuance and other legal actions taken against IFQ share holders in which IFQ is garnished. For enforcement purposes, IFQ landings must occur at pre-approved landing locations, fish must be sold to IFQ permitted dealers, and fish can only be offloaded between 6:00 a.m. and 6:00 p.m. daily. Persons landing IFQ species are required to notify NMFS Enforcement at least three hours in advance of the time of landing and of the dealer location information where landing will occur.

During catastrophic conditions only, the IFQ program provides for use of paper-based components for basic required functions as a backup. The Regional Administrator (RA) will determine when catastrophic conditions exist, the duration of the catastrophic conditions, and which participants or geographic areas are deemed affected by the catastrophic conditions. The RA will provide timely notice to affected participants via publication of notification in the Federal Register, NOAA weather radio, fishery bulletins, and other appropriate means will authorize the affected participants' use of paper-based components for the duration of the catastrophic conditions. NMFS will provide each IFQ dealer the necessary paper forms, sequentially coded, and instructions for submission of the forms to the RA. The program functions available to participants or geographic areas deemed affected by catastrophic conditions will be limited under the paper-based system. However, there will be no mechanism

for transfers of IFQ shares or allocation under the paper-based system in effect during catastrophic conditions. Assistance in complying with the requirements of the paper-based system will be available via IFQ Customer Service 1-866-425-7627 Monday through Friday between 8:00 a.m. and 4:30 p.m. eastern time.

South Atlantic Wreckfish ITQ System

Wreckfish ITQ shares transfers are paper-based and are completed through the NMFS Sustainable Fisheries LAPPs/Data Management Branch. The transfer form is printed on the back of the percentage shares certificate. With each transfer of ownership, the certificate will be reissued. The certificate identifies the seller, but the buyer's name, address, corporate (employer's) Federal tax identification number, and telephone number must be provided. The sale price is necessary for economic analysis. The signatures of buyer, seller, and witness will secure the transaction. If the party purchasing shares is a shareholder, the share certificate must be surrendered so that it can be reissued.

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.

Gulf Red Snapper and Grouper/Tilefish IFQ Programs

Information is collected via a web-based system, and through a 24-hour call hot line, with paper submission an option only in catastrophic circumstances.

IFQ share certificate and allocation debits and transfers are tracked using an electronic accounting/reconciliation process developed by NMFS, in which the IFQ share certificate holder or allocation holder, dealer, NMFS, and a 24 hour call service participates. The following information is currently collected and monitored through the electronic accounting/reconciliation process:

- Sale of IFQ managed species to an IFQ dealer by an IFQ vessel account holder.
- Sale price of IFQ species, IFQ shares, and IFQ allocation.
- The weight of the landed catch and state trip ticket number for the transaction.
- Cost recovery fees collected by the dealer from the fisherman at the time of the landing transaction (our site links to the page the users complete in order to submit their CRF payments to the IFQ system, a site maintained by pay.gov)
- To whom the catch was sold and their dealer/permit number.
- To whom shares or allocation were sold and their shareholder or vessel account User ID.
- Whether initial recipients hold enough IFQ.
- IFQ shareholdings, to ensure no one entity holds an excessive amount of shares.

- IFQ landing notifications, including vessel involved in landing, landing location, dealer to whom fish will be sold, time and date of landing, and estimated pounds to be landed.
- Reconciliations of IFQ share certificate holder or allocation holder/dealer transactions, which would be confirmed and authorized using NMSF approval codes.
- Adding an IFQ landings location.
- Landing approvals.

South Atlantic Wreckfish ITQ System

The wreckfish share transfer process requires the signatures of witnesses. With only four respondents, it is not cost effective to set up an information technology system to handle this.

4. Describe efforts to identify duplication.

The Magnuson-Stevens Act's operational guidelines require each FMP to evaluate existing state and federal laws that govern the fisheries in question, and the findings are made part of each FMP. Each Fishery Management Council membership is comprised of state and federal officials responsible for resource management in their area. These two circumstances allow identification of other collections that may be gathering the same or similar information. In addition, each FMP undergoes extensive public comment periods where potential applicants review the proposed permit application requirements. Therefore, NMFS is confident it is aware of similar collections if they exist. The other information proposed to be collected is not being collected elsewhere; therefore, this data collection would not cause duplication.

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

Because all applicants are considered small businesses, separate requirements based on size of business have not been developed. Only the minimum data to meet the current and future needs of NMFS fishery managers are requested from participants in the Southeast Region IFQ programs.

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

NMFS would be unable to manage the Southeast Region IFQ programs if this collection were not conducted or were conducted less frequently. The approved participants would be unknown and landing transactions could not be effectively tracked or enforced, which would result in allocations potentially being exceeded.

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

No special circumstances are associated with this information collection.

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 soliciting public comment on the information collection was published on June 2, 2014 (79 FR 31308). No comments were received.

Boen and Keithly (2012) conducted a survey of Red Snapper IFQ participants to gauge their level of satisfaction regarding the IFQ online system and customer service. In general, responses indicated satisfaction with regards to the IFQ online system, customer service when contacting NMFS and customer service while making landing notifications by phone. Despite indicating overall satisfaction with customer service, some respondents to the survey indicated the online computer system was difficult for some people to adjust to initially.

NMFS also held public workshops in 2013 regarding possible changes to the Southeast Region IFQ Programs, and one item brought to NMFS attention was adding more information to the landing notification forms. Because the information is already reported elsewhere and because there is additional cost associated with including more information through the VMS units, NMFS determined to not modify the landing notification form at this time.

In addition, NMFS hears of challenges regarding submitting the 3-hour pre-landing notification. Fishers may submit the notice in any one of 3 different ways: call-in, online, or through VMS. With VMS, users are charged by character or by submission, similar to a phone plan. For those who opt out of using the VMS method of submission, if they have a fast boat and do not get cell-phone service when they are 3 hours or more offshore, they either have to make the pre-landing notification and wait until the appropriate time has passed or they may opt to purchase a satellite phone. NMFS does not get these calls with great frequency, but NMFS does recognize the challenges with balancing the different costs.

Along the same line, NMFS did receive a comment during the proposed rule stage of the IFQ Admin Changes rule, (RIN 0648-BD36): "On numerous occasions I have declared my 3 hour intentions to land and requested email notification confirmation only to get NO NOTIFICATION or 3 hour confirmation number for a dealer to complete the transaction after the fish have been offloaded and weighed. Usually the problem rests with the service provider (GMPCS) and their server not sending the landing through to NOAA or NOAA not sending the notice through. I'm all for the call in system which works great but it's hard to get cell service 30 miles offshore." NMFS is aware of VMS or server outages which may result in delays to notifications being processed. NMFS guidance to fishers is that if they can confirm the submission of the notice on their units, they have done everything on their part to submit the notification.

Another comment NMFS received was, "The landing notification should be on an editable form so changes can be submitted without submitting a new notification." NMFS responded, "NMFS understands that it would be more efficient to have an editable form that could be updated. However, the IFQ database and VMS forms do not provide a mechanism for allowing

changes directly to a notification that was already submitted. Thus, NMFS determined that a new notification must be submitted." In the recent rulemaking, NMFS provided specific guidance for amended notifications (subsequent notices) for situations which will and will not require at least 3 hours notification, in an effort to clarify the process for users.

Last, NMFS received a comment requesting a dedicated support line, "Also, we need someone to call when we are not going to meet our landing time or with any other IFQ issue. Every number provided is just a recording after business hours. We need someone to talk to 24 hours a day if we have an enforcement question or issue." NMFS has heard this request a few times in the past at meetings. In the final rule for the IFQ Admin Changes, we mentioned that this (among other) comments fell outside of the scope of the rulemaking, and therefore was not addressed in the response to comments, however, it could be a consideration in the future when looking at long-term changes to the program.

Because these data collection programs are part of fishery management plans, all aspects of the programs have been reviewed by both statistical and constituent advisory committees. Furthermore, comments and suggestions from fishermen are routinely submitted, reviewed, and considered. Experience with the various programs, some of which have been operating for many years, provides a continual feedback mechanism to NMFS on issues and concerns to the applicants.

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

There are no payments or other remunerations to respondents.

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

Gulf Red Snapper and Grouper/Tilefish IFQ Programs

As stated on the forms, all data are treated as confidential in accordance with [NOAA Administrative Order 216-100](#).

South Atlantic Wreckfish ITQ System

CFR 622.15 requires that the shareholder's name, address, and number of shares be reported to the industry. Based on recent court decisions, the [Freedom of Information Act](#) serves as the basis for release of confidential name and address information via a NOAA Internet website for informational purposes. All other data submitted will be handled as confidential material in accordance with NOAA Administrative Order 216-100, Protection of Confidential Fishery Statistics.

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 question that could be deemed sensitive is the value paid for the shares. Values are confidential and only released in aggregate form. This information is necessary for economic

analysis for the purpose of managing the ITQ. No one has ever objected to providing any of the information on the form.

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

The following table is based upon the existing 2013 collection of information, with adjustments made based on current estimates.

Collection	Responsible Party	Number of Responses per Responsible Party	Burden Time	Annual Responses	Total Annual Burden Hours
Dealer Landing Transaction Report	Dealer (98)	67.2 (1-767)*	6 minutes	6,586	659
Submitting Cost Recovery Fees	Dealer (177)	4	3 minutes	708	35
Landing Correction Form	Dealer/Fisherman** (92)	1.67 (1-20)*	3 minutes	154	8
Notification of Landing	Fisherman** (418)	14.4 (1-89)*	5 minutes	6,019	502
Transfer of Share	Shareholder**** (138)	3.4 (1-16)*	3 minutes	469	23
Transfer of Allocation	Shareholder**** (553)	14.6 (1-599)*	3 minutes	8,073	404
IFQ online account renewal application	Shareholder**** (1249)	1	12 minutes	625 (Responses are every 2 years)	125
Close Account Form	Dealer/Shareholder**** (11)	1	2 minutes	11	.37 (1)
Wreckfish share transfer	Shareholder (6)	1.67	15 minutes	10	2.5 (3)
Reef fish landing location	Fisherman (40)	1	3 minutes	40	2
TOTALS	2,742 (unduplicated, 1,850)			22,695	1,762

*This number represents an unweighted number of responses per party. A better representation might be a calculated average, because some dealers/fisherman/shareholders only complete one or a few transactions each year while others complete multiple transaction each year. A range of received values per individuals is given when available.

**Fishermen is defined here as those who are actively fishing.

***Shareholder is defined here as an account that may or may not hold shares. To participate in the IFQ program you must have a shareholder account and these accounts may transfer shares and allocation and must renew citizenship every two years. Shareholder accounts include public participants (accounts without associated reef fish permits). Shareholder accounts without a reef fish permit must fill out the citizenship requirement through the IFQ system, while those with a reef fish permit renew citizenship with their permit each year.

The labor cost for 1,762 burden hours is estimated to be \$26,430 for all reporting activities, based on an estimated average labor cost of \$15.

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).

NMFS collects cost-recovery fees for the red snapper and grouper/tilefish IFQ programs, pursuant to section 304(d)(2)(A) of the Magnuson-Stevens Act, which provides the Secretary of Commerce the authority to establish a fee to assist in recovering the actual costs directly related the management and enforcement of any IFQ program. However, such fees are not considered to be recordkeeping/reporting cost under the PRA.

The only recordkeeping/reporting costs would be:

Wreckfish quota share transfer at \$5.50 per response, totaling \$55 for 10 responses.
Close Account form at \$0.47 per response, totaling \$5 for 11 responses.
Total: \$60 in annual recordkeeping/reporting costs.

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

The following expenditures include incremental costs directly associated with management of the Red Snapper IFQ and exclude incremental costs associated with management of the Grouper-Tilefish IFQ program.

<u>Planned Expenditures</u>	<u>\$767,000</u>
Program administration	\$195,000
Web development	135,000
Research and monitoring	100,000
Law Enforcement	300,000
24-hour call service	6,000
Vessel monitoring system updates	20,000
Travel, printing, etc.	10,000
Wreckfish coupons	1,000

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

Adjustments:

Based on current estimates of respondents and numbers of responses in each category, and some minor changes to estimated response times, there are **net decreases of 5,415 responses, 428 hours and \$980,428** in recordkeeping/reporting costs, this last mainly due to a correction, to no longer include cost recovery fees as recordkeeping/reporting costs.

Program Changes:

Dealer quarterly report: This requirement should have been changed to weekly reports as part of RIN 0648-BC12, published April 9, 2014 (changes were made to OMB Control Nos. 0648-0205 and -0013, but it was overlooked that this information collection needed to be revised as well); therefore, the cost recovery fee submission is no longer tied to dealer reports, and thus the

total response time is now three minutes, rather than 10 minutes. This resulted in a decrease of 71 hours.

In addition, these information collections are no longer applicable, or are now part of another collection:

Reef fish active vessels report: no longer required.

Reef fish permit consolidation: now part of OMB Control No. 0648-0205.

Wreckfish ITQ landings information appeals: This was a one-time information collection.

Total program changes: Net decreases of 144 responses, 113 hours and \$36.

Total decreases: 5,559 responses, 541 hours and \$980,464.

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

The results from this collection are not planned for peer-review publication. IFQ program staff complete a summary report of the program annually. This report undergoes scientific review by the Southeast Fisheries Science Center and complies with Information Quality Act guidelines. Data collected are aggregated, as needed, to maintain confidentiality when disseminating data.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

Not Applicable.

18. Explain each exception to the certification statement.

Not Applicable.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

The collection does not employ statistical methods.