

**JUSTIFICATION FOR CHANGE
ALASKA AMENDMENT 80 PERMITS AND REPORTS
OMB CONTROL NO. 0648-0565**

JUSTIFICATION: This information collection is revised by adding to the Cooperative Agreement (submitted as part of the Application for Cooperative and Cooperative Quota Permit), the obligation for the AFA cooperative members to ensure full payment of cost recovery fees established by an associated rule (RIN 0648-BE05). This requirement is intended to encourage and facilitate coordination among Amendment 80 cooperative members for the timely and complete payment of fees.

The Magnuson-Stevens Fishery Conservation and Management Act 16 U.S.C. 1801 et seq. (Magnuson-Stevens Act) authorizes the North Pacific Fishery Management Council (Council) to prepare and amend fishery management plans for any fishery in waters under its jurisdiction. National Marine Fisheries Service (NMFS), Alaska Region manages fisheries in the Exclusive Economic Zone (EEZ) waters off the coast of Alaska under the Fishery Management Plan for the Groundfish Fishery of the Bering Sea and Aleutian Islands Management Area and Fishery Management Plan for Groundfish of the Gulf of Alaska. Implementing regulations are located at 50 CFR part 679.

The Magnuson-Stevens Act both authorizes and requires the collection of cost recovery fees for Limited Access Privilege (LAP) programs and CDQ programs. Magnuson-Stevens Act cost recovery fees may not exceed three percent of the ex-vessel value, and must recover costs associated with the management, data collection, and enforcement of these programs that are directly incurred by government agencies tasked with overseeing these fisheries.

There are no changes to burden and cost.

Comments and responses received on the proposed rule (RIN 0648-BE05) that pertain to the Amendment 80 collection are listed below.

Comment	Response
<p><u>Comment 5:</u> The commenter suggest that all programs receive a proportion of their catch that matches the proportion of fees paid, if the total fee liability hasn't been paid, similar to what is done for the AFA Offshore Cooperatives</p>	<p><u>NMFS Response:</u> The RIR indicates that NMFS can employ the release of a percentage of catch that is equal to the percentage of the cost recovery fee that is paid in single species LAP Programs. The Amendment 80 LAP Program is a multi-species fishery and holding back a percentage of the catch is complicated by the fact that each species has a different value and individuals within the cooperative are allocated different amounts of each species. Therefore, releasing a portion of the CQ that matches the percentage of the cost recovery fee paid would require assumptions and the species withheld may not match the allocations associated with the unpaid cost recovery fee. Because of these complications, NMFS will require full payment of the cost recovery fee for the Amendment 80 sector prior to releasing any of the cooperatives annual CQ. It is assumed that the cooperative contract will address the payment of the cost recovery fee and person that do not meet the terms of the contract will subject to penalties outlined in the contract.</p>

Comment	Response
	The commenter also indicated that they do not anticipate a company within the cooperative not meeting the terms of the cooperative agreement for submitting the cost recovery fee. Therefore, it is anticipated that this provision may never be necessary.
<p><u>Comment 8:</u> Please clarify regulations §679.95(c)(5) (iii) and §679.95(b) regarding who determines the fee liability of each permit holder.</p>	<p><u>NMFS Response:</u> NMFS clarifies that it will calculate the fee liability for each CQ permit holder. The fee liability will be determined in part using information from each Amendment 80 quota share permit holder. It is important to distinguish between the Amendment 80 quota share permit holder (each vessel in the cooperative that is assigned quota shares by NMFS) and the CQ permit holder. A CQ permit is issued annually to an Amendment 80 cooperative that submits a complete and timely application for CQ. Each Amendment 80 quota share permit holder is required to submit a volume and value report. NMFS uses that information to create a standard price. The standard price and the amount of each species quota used by the cooperative is submitted by NMFS along with a bill of the cooperative’s fee liability to the CQ permit holder (designated cooperative representative). The CQ permit holder is responsible for submitting the fee to the Regional Administrator. As stated in the PR at §679.95(c)(5)(iii) “... NMFS will provide a fee liability summary letter to all Amendment 80 CQ permit holders by December 1 of each year.” The summary will explain the fee liability determination including the current fee percentage, and details of Amendment 80 species CQ pounds debited from Amendment 80 CQ allocations by permit, species, date, and prices. The permit is the Amendment 80 permit assigned to each quota share holder. §679.95(b) defines the standard prices and states that those prices were used by NMFS to determine the fee liability for the CQ permit holder. The cooperative’s designated representative to NMFS will ultimately be responsible for submitting the fee and the cooperative will be accountable for ensuring that each member pays the share of the cost recovery fee they owe. NMFS is only responsible for determining whether the cooperative pays its cost recovery fee. The cooperative must be responsible for determining its individual members have complied with their cost recovery fee obligations to the cooperative.</p>
<p><u>Comment 9:</u> §679.95(g) includes a reference to CDQ that does not need to be there.</p>	<p><u>NMFS Response:</u> NMFS agrees. The reference has been removed.</p>