

**SUPPORTING STATEMENT
TILEFISH INDIVIDUAL FISHING QUOTA PROGRAM
OMB CONTROL NO. 0648-0590**

A. JUSTIFICATION

This request is for extension of this information collection.

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

Under the [Magnuson-Stevens Fishery Conservation and Management Act](#) (MSA), the Secretary of Commerce (Secretary) has responsibility for the conservation and management of marine fishery resources off the coast of the United States (U.S.). The majority of this responsibility has been delegated to the Regional Fishery Management Councils and National Marine Fisheries Service (NMFS). The Council develops management plans for fishery resources in the Mid-Atlantic. The Tilefish FMP manages golden tilefish caught and landed within the Tilefish Management Unit.

IFQ Allocation Permit

In 2009, Amendment 1 to the Tilefish Fishery Management Plan (FMP) implemented an individual fishing quota (IFQ) program. This program requires the issuance of IFQ Allocation permits to all entities that own IFQ. There are 12 tilefish IFQ Allocation permits. After the initial IFQ permit issuance, permanent IFQ transfers may occur at any point thereafter, which may change the number of IFQ Allocation permits that are issued annually. These permits are necessary to ensure that IFQ allocation owners are provided a statement of their annual catch quota, and are necessary for enforcement purposes to ensure vessels are not exceeding an individual quota allocation.

IFQ Permanent & Temporary Transferability

To achieve its objectives, it is essential that an IFQ program allow the free transfer of quota shares. These objectives include reduction in overcapacity, and provision for economic efficiency in the fishery. Amendment 1 allowed for IFQ to be permanently or temporarily transferred to any entity eligible to own a documented vessel. In order to process an IFQ transfer (temporary, or permanent), NMFS requires that an IFQ Allocation permit holder submit an IFQ transfer form. This IFQ transfer form must include the following information: the type of transfer (either temporary or permanent), the signature of both parties involved, the cost associated with the transfer, the amount of quota to be transferred, and a declaration of the interest held in tilefish IFQ allocation, with IFQ Allocation permit numbers, for the entity receiving the IFQ. The IFQ Transfer Application Form is made available to IFQ Allocation permit holders annually, along with notification of their annual individual quota. In addition, IFQ Allocation permit holders are notified that the form is available online through the Northeast Regional Office web site, at www.nero.nmfs.gov.

IFQ Share Accumulation

Section 303A(c)(5)(D) of the 2006 reauthorized MSA states that IFQ privilege programs should ensure that limited access privilege holders do not acquire an excessive share of the total limited access privileges in the program by: 1) establishing a maximum share, expressed as a percentage of the total limited access privileges, that a limited access privilege holder is permitted to hold, acquire, or use; 2) establishing any other limitations or measures necessary to prevent an inequitable concentration of limited access privileges; and 3) authorizing limited access privileges to harvest fish to be held, acquired, used by, or issued under the system to persons who substantially participate in the fishery, including in a specific sector of such fishery, as specified by the Council. Amendment 1 instituted a restriction on the acquisition of IFQ allocation to 49 percent. No person, corporation, partnership or other entity eligible to own a U.S. documented vessel (entity), may hold (permanently or temporarily) more than 49 percent of the total tilefish IFQ allocation. This prevents the accumulation of an excessive shareholding in the fishery, while still allowing for additional consolidation in the fishery to reduce overcapacity.

To ensure that an entity does not acquire more than 49 percent of the overall tilefish IFQ total allowable landings (TAL), NMFS must collect IFQ allocation interest data. IFQ Allocation permit holders must disclose their interest in IFQ allocations annually, prior to receiving their annual permit. To facilitate the collection of this information, NMFS requires that an IFQ Allocation Interest Declaration form be submitted prior to issuing IFQ Allocation permits. This form includes the signature of the owner, the complete address and phone number of the owner, an attestation that the owner is a U.S. Citizen, and the individual transferrable quota (ITQ) Allocation permit numbers that he/she has interest in. The ITQ allocations of which an individual declares an interest in must be identified by both full name (individual or corporation) and by NMFS IFQ Allocation permit number. An IFQ Allocation permit holder may not transfer IFQ (permanently or temporarily) if it will result in an entity holding more than 49 percent of the total tilefish IFQ TAL.

Fees and Cost Recovery

NMFS is required under the MSA to collect fees to recover the costs directly related to management, data collection and analysis, and enforcement of IFQ programs. Under section 304(d)(2)(A) of the MSA, the Secretary is authorized to collect a fee to recover these costs. The fee shall not exceed 3 percent of the ex-vessel value of fish harvested. The IFQ fees collected are deposited in the Limited Access System Administrative Fund (LASAF) established in the U.S. Treasury. There is a separate marked account within the LASAF to ensure that the fees collected are only recovered to pay for the incremental costs directly related to management, data collection and analysis, and enforcement costs of the NMFS Northeast Region Tilefish IFQ Program. Amendment 1 requires that the IFQ permit holder pay a cost recovery fee for every pound of tilefish that he or she lands. As soon as possible after the end of the calendar year, NMFS mails a bill for the IFQ fee from the previous calendar year to each IFQ permit holder. Bills may also be made available electronically via the internet. Payment of the IFQ fee must be made within 45 days of the date on the NMFS bill.

Payments of the IFQ fee must be made electronically via the Federal web portal, www.pay.gov, or other internet sites as designated by the Regional Administrator (RA). The reason for the electronic fee collection system is to minimize paper transactions, as at the present time the NMFS Northeast

Regional Office is not equipped to process paper collections. Instructions for electronic payment are available on both the payment website and the paper bill. Payment options include payment via a plastic card (e.g. Visa, MasterCard, Discover, etc.), or direct automated clearing house (ACH) withdrawal from a designated checking account. Payment by check could be authorized by the RA for any reason including in the case of an emergency (i.e., the geographical area or an individual(s) is affected by catastrophic conditions).

IFQ Reporting Requirements

A trip identifier (VTR Serial Number) is used to match all reported landings reported via interactive voice response (IVR) to their corresponding dealer reports. This allows for all IVR data to more accurately match dealer (weightout) data on a trip-by-trip basis. In addition, the dealer number also needs to be recorded into the IVR to have vessels report pounds by dealer on the IVR. This ensures that amounts of tilefish landed and ex-vessel prices are properly recorded for quota monitoring purposes and the calculation of IFQ fees, respectively.

Recreational Permits and Reporting Requirements

The tilefish FMP does not contain management measures that require the recreational fishery to report landings. The FMP regulations allow for tilefish to be harvested by the recreational sector with no restrictions. When the FMP was first developed, the recreational participation in this fishery was thought to be minimal. However, recent anecdotal evidence suggests that there has been an increase in recreational tilefish landings. Currently, the recreational component of the fishery is not captured through Federal reporting requirements. The issuance of a permit is an essential ingredient in the management of fishery resources. The purposes and uses of the Charter/Party (CP) permits are: 1) registration of fishermen and fishing vessels; 2) listing of the characteristics of fishing vessels; 3) provision of a mailing list for the dissemination of important information to the industry; and 4) provision of a means for the collection of reporting of recreational landings data.

The Council adopted management measures, in Amendment 1, that established a CP Permit in the fishery. Any owner of a party or charter vessel carrying recreational fishermen for hire to fish for tilefish within the U.S. EEZ (exclusive economic zone) needs to obtain a CP vessel permit from NMFS. This requires CP vessels to report tilefish landings using vessel trip reports. The collection of this information provides valuable information to determine the number of vessels and level of activity in the recreational fishery. An applicant must apply for a Federal vessel permit in writing to the Regional Administrator. The application must be signed by the applicant and submitted to the Regional Administrator at least 30 days before the date upon which the applicant desires to have the permit made effective. Applications must contain the name, principal place of business, mailing address and telephone number of the applicant.

Although specifically a part of this program; in actuality, the burden and cost for the permit applications is covered under the CP permit burden in OMB Control No. 0648-0202, Northeast Region Permit Family of Forms, and the reporting burden and cost covered under the IFQ reporting in that same collection.

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.

The information requested is used by several offices of NMFS and the United States Coast Guard (USCG) for the monitoring, implementation, and enforcement of the provisions outlined in the Tilefish FMP.

The information gathered is required for the institution of a Limited Access Permit Program (LAPP), as stipulated in the MSA, and for the issuance of a Federal CP permit. This information, as stated above, enables NMFS to manage the IFQ program and to better assess the role of the recreational component of the fishery. All of the information described in response to Question 1 will be collected annually, with the exception of the IFQ Allocation Transfer form, which will be collected every time an IFQ allocation transfer occurs, and the landings information collected through Interactive Voice Response (IVR), required within 48 hours of every tilefish landing.

It is anticipated that the information collected would be disseminated to the public or used to support publicly disseminated information. NMFS retains control over the information and safeguards 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 is 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 collection of cost recovery fees, as required by the MSA for the institution of a LAPP, will be accomplished using www.pay.gov, the electronic Federal payment system managed by the Department of the Treasury.

The IVR system is an electronic phone call-in system and does not require any additional submission of documents or other information outside of what is called into the IVR system. The IVR system is an automated system and, hence, it is always available.

The paper forms used to collect the information will also be available for download electronically on the NERO website, www.nero.noaa.gov, are: The CP permit application (included on the Federal EEZ Permit Application); the application form for Tilefish IFQ Allocation; the Tilefish ITQ Allocation Transfer Form and the IFQ Allocation Interest Declaration form. Although these forms may be downloaded and completed electronically, they will need to be mailed in with an original signature(s).

4. Describe efforts to identify duplication.

NMFS is aware of all related fishery management activities, and these requirements do not duplicate any in existence.

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

This collection of information does not have a significant impact on small entities. Only the minimum data to meet the requirements of the above data needs are requested from all participants. Most forms are downloadable from the Web and fillable on a computer. Furthermore, detailed instructions are included with all required applications and forms to help facilitate proper completion. Since most of the respondents are small businesses, separate requirements based on the size of the business have not been developed.

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

Amendment 1 to the Tilefish FMP instituted a LAPP in the fishery. The information collected as described in Question 1 is required for a LAPP, as stipulated in the MSA, with the exception of the CP permit for recreational tilefish vessels. The CP permit, instituted in Amendment 1, is needed to capture the reporting of recreational landings data that is not currently captured by NMFS. This data is needed to ensure that the recreational fishery is properly factored into tilefish stock assessments.

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

IFQ allocation owners may transfer quota more frequently than quarterly, but transferring quota is a voluntary action, and is to the benefit of the fishing industry. The additional IVR system collection will be required within 48 hours of every landing and is authorized under the Act (Section 303A(c)(1)(H)) for the management of a LAPP.

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 May 23, 2013 (78 FR 30865) solicited public comments. One comment was received, but it was not relevant to the proposed collection.

In addition, the Northeast Regional Administrator announced the open comment period at the Mid-Atlantic Fishery Management Council meeting on June 11, 2013 and at the New England Fishery Management Council meeting on June 18, 2013. The announcements included a summary of the

information collections included in this extension and encouraged affected parties to submit comments on the Federal Register Notice. This solicitation was also available as a handout with the Council meeting materials available at both Council meetings. No comments were received.

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

Neither payments nor gifts are given to the respondents.

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

All data is handled in accordance with [NOAA Administrative Order 216-100](#), Confidentiality of Fisheries Statistics, and is not released for public use except in aggregate statistical form (and without identifying the source of data, e.g., vessel name, owner, etc.). In addition, any information submitted according to the provisions outlined in Amendment 1, or any other management action implemented by NMFS, is considered confidential and is not disclosed except as provided in Section 402(b) of the Magnuson-Stevens Act.

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.

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

A full summary of the public burden associated with this collection of information can be found in Table 1. Note that the burden for CP application and all but the 2 specified questions on the IVR (VTR serial number and dealer number) are covered under OMB Control No. 0648-0202.

There are currently 12 individual respondents estimated under this submission. These respondents represent those entities that are currently issued a tilefish IFQ Allocation permit, and/or a Tilefish CP permit. This number includes all entities that are affected by this information collection, although different provisions affect different numbers of entities. Due to duplication of participants affected by the various provisions, affected entities were counted only once. The burdens included in this information collection request are described in further detail below and summarized in Table 1 at the end of the text. **There are 324 responses and 42 hours estimated.**

IFQ Allocation Permit

There are currently 12 IFQ Allocation permits. Each allocation application will take approximately 30 minutes to complete. Consequently, the total time burden for the initial applications will be 6 hours ($12 \times 30 \text{ minutes} / 60 \text{ minutes} = 6$). IFQ Allocation permit renewal is estimated to take 15 minutes per application on average, for a total burden of 3 hours per year ($12 \times 15 \text{ minutes} / 60 = 3$).

minutes = 3). The 3-year average total public time burden for IFQ permit applications and renewals would thus be **4 hours** ($6 + 3 + 3 = 12$ minutes/3 = 4).

IFQ Allocation Acquisition – IFQ Ownership Cap Forms

To administer the 49 percent limit on IFQ Allocation holdings, IFQ Allocation permit holders are required to submit IFQ Allocation Interest Declaration (IFQ Ownership Cap) form prior to each IFQ permit year. Since there are 12 IFQ Allocation permits, there would be 12 forms submitted each year. It is estimated it would take 5 minutes to complete each ownership form; therefore, the annual reporting burden would be **1 hour** ($12 \times 5 = 60$ minutes/60 minutes).

IFQ Permanent & Temporary Transferability

It is estimated that each transfer form takes approximately 5 minutes to complete and an average of 4.5 transfers has been completed since the inception of the IFQ program. There are currently 12 IFQ Allocation holders. If these 12 IFQ allocation owners complete 5 transfers (total of 60), at 5 minutes per form, the annual burden will be approximately **5 hours** ($12 \times 5 = 60$ x 5 minutes/60 minutes).

Fees and Cost Recovery

We are still conducting an analysis on the current burden associated with submitting a cost recovery payment. Using the burden per response used by the Alaska Region's Alaska Individual Fishing Quota Cost Recovery Program Requirements (OMB Control No. 0648-0398) as a proxy for the tilefish IFQ program, it is estimated that it would take 2 hours per response. Each IFQ permit holder would be required to submit a cost recovery payment once annually. Therefore, 12 payments would take **24 hours**.

IFQ Reporting Requirements

The IFQ reporting requirements include a phone call to the IVR system. It is estimated that it would take 2 minutes for each IVR response. Each IFQ permit holder is required to input both the pre-printed VTR serial number and dealer number to the IVR system within 48 hours of each landing. On average a tilefish vessel will land 19 times in a given fishing year. Therefore, if there are 12 allocations, it is likely that 12 vessels will land tilefish, and report to the IVR system 19 times a year. This burden would be approximately **7 hours and 36 minutes (8 hours)** ($12 \times 19 = 228$ responses X 2 minutes = 456 minutes/60 minutes).

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).

A full summary of the cost to the public associated with this collection of information can be found in Table 1. **Total costs are estimated at \$45.**

Table 1 – Public Costs

Reporting Requirement	# Items	Responses per item	Total responses	Burden hours	Recordkeeping/ reporting costs
Permit Application (IFQ) (3 –year average)	12	1	12	4	\$5.40 (\$5)
IFQ Ownership Cap Forms	12	1	12	1	\$6.60 (\$7)
IFQ Allocation Transfer Applications (temporary and permanent)	12	5	60	5	\$33
Cost Recovery	12	1	12	24	0
CP Permit Application*	10	1			
IFQ Additional Reporting**	12	19	228	8	0
TOTAL	12 unduplicated	-	324	42	\$45

IFQ Allocation Permit

It is estimated that it would cost \$0.45 in postage fees to submit an initial permit application or a renewal. Therefore, it would cost on average over a three year period an estimated **\$5.40** per year in postage fees (12 applications x \$0.45 = \$5.40).

IFQ Share Accumulation (Ownership Cap Form)

It is estimated that it would cost \$0.45 in mailing fees and \$0.10 in copy fees to submit an ownership cap form. Since there are 12 IFQ Allocation permits, 12 IFQ Allocation Interest Declaration forms are submitted annually, the additional expense resulting from this requirement would be **\$6.60** (12 x \$0.55).

IFQ Permanent & Temporary Transferability

It is estimated that IFQ transfer submission would cost \$0.45 postage and \$0.10 copy fees per transfer application (\$0.55 total). Since there has been an average of 4.5 (5) transfers per year per permit holder, the resultant cost burden for 12 permit holders to submit a total of 60 requests would be **60 x \$0.55 or \$33**.

Fees and Cost Recovery

The Cost Recovery Fee must be paid online. Because internet access is readily available, it is not expected that this requirement will result in any additional burden from internet use or costs associated with acquiring access.

IFQ Reporting Requirements

As these reports are made through the IVR system, there is no cost incurred.

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

A full summary of the cost to the public associated with this collection of information can be found in Table 2.

Table 2 – Government Cost					
Requirements	# entities	Items per entity	Total Items	Cost per item	Total cost
Permit Application (IFQ) (3-year average)	12	1	12	\$33	\$396
Ownership Cap Forms	12	1	12	\$4.17	\$50
IFQ Allocation Transfer Applications (temporary and permanent)	5	1	4.5	\$13	\$56.25
Cost Recovery Billing	12	1	12	\$1.05	\$12.60
TOTAL	-	-	-	-	\$614.85

*Burden covered under OMB Control No. 0648-0202

**Burden for all but the two questions described in Question 2, covered under OMB Control No. 0648-0202

IFQ Permit Allocation

The estimated average cost to the Federal Government to issue a Federal fishery permit (including the time to process all applications) is \$33 per permit (1 hour and 20 minutes, at an hourly rate of \$25), including labor, printing, distribution, computer time, and handling. Since there are 12 IFQ Allocation permits, there would be 12 renewals per year. Therefore it would cost an estimated \$396 per year ($12 \times 33 = \396) to process all Tilefish IFQ Permits.

IFQ Share Accumulation

It is estimated that it would take 10 minutes to process each IFQ Allocation Ownership Interest Declaration form. Since there would be 12 forms per year, at an hourly rate of \$25, the annual government burden would be **\$50** ($12 \times 10 \text{ minutes}/60 \text{ minutes} \times \25).

IFQ Permanent & Temporary Transferability

It is estimated that it would take 30 minutes to process each transfer request. Since it is estimated that NMFS is processing approximately 4.5 (5) transfers per year, the annual government cost would be **\$63.33** ($5 \times 30 \text{ minutes}/60 \text{ minutes} \times \25).

Fees and Cost Recovery

It is estimated that it would cost \$0.45 in mailing fees and \$0.10 per page in copy fees to copy and mail a cost recovery annual bill. Since there are 12 permanent IFQ Allocation permit holders that each receive a six-page bill and report, annually, the expense resulting from this requirement would be **\$12.60** ($12 \times \$1.05 = \12.60).

Cost recovery payments would be collected through www.pay.gov, an established government payment collection program. Since the program has been programmed to accept payment from www.pay.gov, there are no additional costs to the government.

IFQ Reporting Requirements

This submission will not incur additional annualized costs beyond what is already accounted for in the IVR portion of the current submission of OMB Control No. 0648-0202.

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

There are no program changes or adjustments.

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

Results from this collection may be used in scientific, management, technical or general informational publications such as *Fisheries of the United States* which follows prescribed statistical tabulations and summary table formats. Data are available to the general public on request in summary form only; data are available to NMFS employees in detailed form on a need-to-know basis only.

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.

Not Applicable.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

No statistical methods are employed in the information collection procedures.