

**SUPPORTING STATEMENT**  
**ALASKA PACIFIC HALIBUT AND SABLEFISH FISHERIES**  
**TEMPORARY INDIVIDUAL FISHING QUOTA TRANSFER**

This is a submission of a request, with a proposed rule, for a temporary new information collection due to an associated rule [RIN 0648-BG94].

The International Pacific Halibut Commission (IPHC) and National Marine Fisheries Service (NMFS), Alaska Region manage fishing for Pacific halibut (*Hippoglossus stenolepis*) through regulations established under the authority of the [Northern Pacific Halibut Act of 1982](#) (Halibut Act). The IPHC promulgates regulations governing the halibut fishery under the Convention between the United States and Canada for the Preservation of the Halibut Fishery of the Northern Pacific Ocean and Bering Sea.

The North Pacific Fishery Management Council (Council), under the authority of the Halibut Act (with respect to Pacific halibut) and the [Magnuson-Stevens Fishery Conservation and Management Act](#), 16 U.S.C. 1801 *et seq.*, as amended in 2006 (Magnuson-Stevens Act) (with respect to sablefish), manages the fixed gear Pacific Halibut and Sablefish Individual Fishing Quota Program (IFQ Program). The IFQ Program provides a limited access system for Pacific halibut in Convention waters in and off Alaska and sablefish fisheries in waters of the Exclusive Economic Zone off Alaska. Regulations implementing the IFQ Program are set forth at [50 CFR part 679](#).

NMFS will issue a proposed rule that would modify regulations governing the IFQ Program. This proposed rule would allow Western Alaska Community Development Quota (CDQ) groups to receive by transfer halibut individual fishing quota (IFQ) in IFQ regulatory areas 4B, 4C, and 4D in years of low halibut catch limits.<sup>1</sup> This action is necessary to give CDQ community residents more fishing opportunities in years when the halibut CDQ available may not be large enough to present a viable fishery for IFQ participants. This proposed rule is intended to promote the goals and objectives of the Magnuson-Stevens Act, the Halibut Act, the Fishery Management Plan for Groundfish of the Bering Sea and Aleutian Islands Management Area, and other applicable laws.

This proposed rule would allow CDQ groups to lease halibut IFQ from IFQ permit holders in years of low halibut abundance. Specifically, CDQ groups would be able to lease halibut catcher vessel IFQ in regulatory areas 4B, 4C, and 4D in years of low halibut catch limits in regulatory areas 4B and 4CDE. A CDQ group would only be able to lease halibut IFQ for the regulatory areas in which it holds halibut CDQ. Any IFQ transferred to a CDQ group under this provision would be available for use in conjunction with halibut CDQ and intended for use by residents that have traditionally harvested halibut CDQ. This action would not convert IFQ to CDQ. CDQ allocations would not change. No vessel over 51 feet length overall would be eligible to harvest the leased IFQ, and all vessels harvesting IFQ would need to comply with IFQ use restrictions. This proposed rule would not limit the amount of IFQ that could be leased by a CDQ group in a year. Additionally, under this proposed rule, CDQ groups that leased IFQ specified for IFQ regulatory area 4D would be able to harvest that IFQ in regulatory area 4E.

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<sup>1</sup> The North Pacific Fishery Management Council and the public frequently use the terms “IFQ lease” or “lease” to refer to the transfer of IFQ without the underlying QS. NMFS does not commonly use the term “lease” in its regulations, and the term “lease” could imply that a transfer of IFQ is accompanied by a contract or other agreement between the lessor and the lessee. For consistency with existing regulations and clarity, this proposed rule uses the term “transfer of IFQ.”

Under this proposed rule, a CDQ group that wished to lease halibut IFQ would arrange with an IFQ holder to transfer their IFQ. The CDQ group would need to complete an Application for Temporary Transfer of Halibut/Sablefish Individual Fishing Quota (IFQ) and submit it to NMFS for approval. Once approved, NMFS would issue the CDQ group an IFQ permit with the pounds of halibut IFQ that would be available to be fished. A CDQ group could then determine who would fish the halibut IFQ.

## **A. JUSTIFICATION**

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

NMFS issues a proposed rule (RIN 0648-BG94) that would modify regulations governing the Halibut and Sablefish Individual Fishing Quota (IFQ) Program. This action would allow Western Alaska Community Development Quota (CDQ) groups to lease (to receive by transfer) halibut individual fishing quota (IFQ) in IFQ regulatory areas 4B, 4C, and 4D in years of low halibut catch limits. This action would provide additional harvest opportunities to CDQ groups and provide IFQ holders with the opportunity to receive value for their IFQ when the halibut catch limits may not be large enough to provide for an economically viable fishery for IFQ holders.

To facilitate recordkeeping and reporting requirements for this rule, NMFS will remove the existing form Application for Transfer of QS/IFQ and split it into two new forms. This is necessary to monitor IFQ transfers, in which this rule creates an exception for CDQ groups. The new form associated with this proposed rule, Application for Temporary Transfer of Halibut/Sablefish Individual Fishing Quota (IFQ), designates a temporary transfer valid only for the calendar year in which it is approved. This form is not specific to this exception; they are used by many QS/IFQ holders.

Additionally, a reporting requirement would be added at § 679.5(l)(10) to require the CDQ groups to submit an annual report on the criteria used to select IFQ holders to receive IFQ transfers from, the criteria used to determine who can receive transferred IFQ, and the amount and type of IFQ transferred.

### **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.**

#### **a. Application for Temporary Transfer of Halibut/Sablefish Individual Fishing Quota (IFQ) [NEW; most of this information was collected by the Application for Transfer of QS/IFQ]**

IFQ is eligible to be temporarily transferred in limited exceptions. The Application for Temporary Transfer can be used for several temporary transfers, including Category A IFQ transfer, surviving beneficiary transfer, military service transfer, and the newest justification, transfers to CDQ groups in Areas BCD in times of low halibut abundance.

There are specific regulatory criteria that must be met before any of these transfers are approved. A temporary IFQ transfer is valid only for the calendar year in which it is approved.

The information required by this application is necessary to ensure that IFQ are transferred in compliance with the regulations governing the buying, selling or gifting of IFQ.

This application may be submitted to NMFS by mail or delivery. NMFS will not accept a fax submittal because of a notarized signature is required.

### **Application for Temporary Transfer of Halibut/Sablefish Individual Fishing Quota**

#### Block A – Type of Temporary IFQ Transfer Requested

Please indicate the type of temporary IFQ transfer requested (Category A IFQ transfer, surviving beneficiary, temporary military service transfer, IFQ transfer to CDQ groups during year of low halibut abundance)

#### Block B –Transferor Information

Name and NMFS Person ID

Date of Birthday

Business mailing address (indicate whether permanent or temporary)

Business telephone number, business fax number, and business e-mail address

#### Block C –Transferee Information

Name and NMFS Person ID

Date of Birthday

Business mailing address (indicate whether permanent or temporary)

Business telephone number, business fax number, and business e-mail address

#### Block D – Identification of IFQ to be Transferred

Indicate halibut or sablefish

Indicate IFQ Regulatory Area

Number of IFQ Pounds

From IFQ Permit Number

For Fishing Year

#### Block E – Required Transferor Supplemental Information

Price per pound

Total Amount paid for IFQ in this transaction, including all fees

#### Block F – Required Transferee Supplemental Information

Indicate the primary source of financing for this transfer

How was the IFQ located?

What is the Transferee's relationship to the IFQ Holder?

#### Block G – Temporary Military Transfer

Does the Transferor qualify to hire a master under regulatory provisions at 50 CFR 679.42(i)(1)? See instructions for more information.

Is the Transferor a member of a branch of the National Guard or a member of a reserve component under a call to active service or, in the case of a member of the reserve component, been ordered to report for military service beginning on the date of the member's receipt of the order and ending on the date on which the member reports for active duty military service?

**If YES**, you must provide documentation of active military mobilization or deployment. This documentation must include the following:

A copy of official documentation such as valid military orders or call that direct the transferor to report to active duty military service, to mobilize for a military deployment, or to report to active service.

A concise description of the nature of the military deployment or active duty military service, including verification that the applicant is unable to participate in the IFQ fishery for which he or she holds IFQ permits during the IFQ season because of his/her active duty military service.

#### Block H -- Certification of Transferor

Printed name and signature of Transferor and date signed

If authorized representative, attach authorization

Signature, commission expiration date, and stamp of notary

#### Block I -- Certification of Transferee

Printed name and signature of Transferee and date signed.

If authorized representative, attach authorization.

Signature, commission expiration date, and stamp of notary

The number of respondents is based on IFQ transfer activity for 2017. Two people, the transferor and the transferee, complete one application for a transfer.

<b>Application for Temporary Transfer of Halibut/Sablefish Individual Fishing Quota, Respondent</b>	
<b>Estimated number of respondents</b>	<b>742</b>
<b>Total annual responses</b>	<b>371*</b>
Number of responses per year = 1	
<b>Total Time burden</b>	<b>742 hr</b>
Time per response = 2 hr	
<b>Total personnel cost</b> (\$37/hr x 742)	<b>\$27,454</b>
<b>Total miscellaneous cost</b> (2,166.64)	<b>\$2,167</b>
Postage (0.49 x 371 = 181.79)	
Photocopy (0.05 x 7 pp x 371 = 129.85)	
Notary (\$5 x 371 = 1,855)	

\* Two respondents per response

<b>Application for Temporary Transfer of Halibut/Sablefish Individual Fishing Quota, Federal Government</b>	
<b>Total annual responses</b>	<b>371</b>
<b>Total Time burden (185.5)</b>	<b>186 hr</b>
Time per response = 30 min	
<b>Total personnel cost</b> (\$37/hr x 186)	<b>\$6,882</b>
<b>Total miscellaneous cost</b>	<b>0</b>

#### **b. Annual Report [NEW]**

The proposed rule would establish new reporting requirements for CDQ groups. A CDQ group would be required to submit an annual report only in years in which the CDQ group took advantage of the opportunity to receive catcher vessel halibut IFQ by transfer. The annual report would allow CDQ groups to demonstrate how this opportunity is benefiting its residents without the Council or NMFS needing to define who is a “resident.”

The reporting requirement would be added at § 679.5(l)(10) to require the CDQ groups to submit an annual report on the criteria used to select IFQ holders to receive IFQ transfers from, the criteria used to determine who can receive transferred IFQ, and the amount and type of IFQ transferred. A CDQ group will not be eligible to lease halibut IFQ until a timely and complete report is submitted. The report would be submitted to NMFS and the Council through mail or email no later than January 31 after the transfer activity was completed. A CDQ group will not be eligible to lease halibut IFQ until a timely and complete report is submitted.

This program is voluntary and is limited to small vessels (under 51 feet length overall). The CDQ group receiving the IFQ transfer would provide the annual report to NMFS and the Council. There are 6 CDQ groups total. Since this program is implemented only in times of low abundance and not all vessels would opt to participate, NMFS anticipates 0 responses at this time.

<b>Annual Report on IFQ Transfers to CDQ Groups, Respondent</b>	
<b>Estimated number of respondents</b>	<b>6</b>

<b>Total annual responses</b>	<b>1</b>
Number of responses per year = 1	
<b>Total Time burden</b>	<b>12 hr</b>
Time per response = 2 hr	
<b>Total personnel cost</b> (\$37/hr x 0)	<b>\$74</b>
<b>Total miscellaneous cost</b> (6.69)	<b>\$7</b>
Postage (0.49 x1 = 0.49)	
Photocopy (0.05 x 4 pp x 1 = 0.2)	
Notary (\$6 x 1 = 6)	

<b>Annual Report on IFQ Transfers to CDQ Groups, Federal Government (archiving only)</b>	
<b>Total annual responses</b>	<b>0</b>
<b>Total Time burden</b>	<b>0 hr</b>
Time per response = 0 min	<b>0</b>
<b>Total personnel cost</b> (\$37/hr x 0)	<b>0</b>
<b>Total miscellaneous cost</b>	<b>0</b>

**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 applications are “fillable” on the computer screen at the NMFS Alaska Region website at <https://alaskafisheries.noaa.gov/fisheries-applications>. The applications may be completed on the computer screen by the participant, downloaded, printed, and mailed or delivered to NMFS.

**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.**

NMFS has defined all IFQ halibut vessels and CDQ groups as small businesses, for the purpose of this analysis. This 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 specified reporting scheme described in this Supporting Statement, the transfers of IFQ to CDQ groups would be unable to proceed. All temporary transfers of IFQ would not be completed, resulting in delays of operations for IFQ/QS holders.

The lack of adequate information to manage the CDQ Program and IFQ Program would result in the fishery management decision-making process being less objective, more political, and potentially less equitable. This would decrease the credibility of the fishery management process and result in an unnecessarily costly and ineffective management system. The cost of making decisions based on inadequate information would adversely affect the viability of the CDQ

Program and the IFQ Program. The Council will use the Annual Reports to examine if this program is meeting its objectives.

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

Not Applicable

**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 proposed rule will be published in the Federal Register, coincident with this submission, to solicit public comments.

**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.**

The information collected is confidential under section 303(d) of the Magnuson-Stevens Act (16 U.S.C. 1801 et seq.); and also under [NOAA Administrative Order \(AO\) 216-100](#), which sets forth procedures to protect confidentiality of fishery statistics. Assurance of confidentiality under these authorities is stated on all forms.

A Privacy Act System of Records Notice (SORN), COMMERCE/NOAA System-19, Permits and Registrations for United States Federally Regulated Fisheries, was published in the *Federal Register* on April 17, 2008 (73 FR 20914); an amended SORN was published August 7, 2015 (80 FR 47457), and became effective September 15, 2015.

**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: 748. Estimated total responses: 377. Estimated total burden hours: 754. Personnel cost: 27,528.

**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: \$2,174.

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

Estimated total responses: 371. Estimated total burden hours: 186 hr. Estimated total personnel costs: \$7,812. Personnel labor costs are estimated to the average wage equivalent to a GS-8 employee in Alaska at \$42 per hour.

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

**Program changes**

The associated proposed rule would allow Western Alaska Community Development Quota (CDQ) groups to lease halibut individual fishing quota (IFQ) in IFQ regulatory areas 4B, 4C, and 4D in years of low halibut catch limits. This action would give CDQ community residents more fishing opportunities in years when the halibut catch limits available may not be large enough to present a viable fishery for participants.

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

The information collected 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.**

Not Applicable.

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

Not Applicable.

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

This collection does not employ statistical methods.