

SUPPORTING STATEMENT
U.S. Department of Commerce
National Oceanic & Atmospheric Administration
Northwest Region, Pacific Coast Groundfish Fishery:
Trawl Rationalization Cost Recovery Program
OMB Control No. 0648-0663

Introduction

This request is for the extension of a currently approved information collection. Beginning in January 2011, the National Marine Fisheries Service (NMFS) implemented a trawl rationalization program, a type of a catch share program or limited access privilege program, for the Pacific coast groundfish fishery's trawl fleet. The Pacific Coast Groundfish Trawl Rationalization Program (Trawl Program) was adopted through Amendment 20 to the Pacific coast groundfish fishery management plan (FMP). It consists of a Shorebased Individual Fishing Quota (IFQ) Program (including whiting and non-whiting fisheries); and cooperative (Co-op) programs for the at-sea Mothership (MS) Co-op Program and Catcher/Processor (C/P) Co-op Program trawl fleets (whiting only).

As a type of limited access privilege program, the Magnuson-Stevens Fishery Conservation and Management Act (MSA) requires the agency to recover part of the costs of management, data collection, and enforcement for the Trawl Program, up to 3 percent of the ex-vessel value [16 U.S.C. 1853a MSA §303A and §304(d)(2)]. This is called a cost recovery program. The cost recovery program for the Trawl Program (Cost Recovery Program) covers all three sectors in the Trawl Program: the Shorebased IFQ Program, the MS Co-op Program, and the C/P Co-op Program.

In the Pacific coast groundfish fishery regulations, the Cost Recovery Program is codified in the Code of Federal Regulations (CFR) at 50 CFR 660.115.

Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The Cost Recovery Program is required by the MSA. As a type of limited access privilege program, the MSA requires the agency to recover part of the costs of management, data collection, and enforcement for the trawl rationalization program, up to 3 percent of the ex-vessel value.

The Cost Recovery Program requires two types of information collection. The first is associated with the cost recovery fee payments made by Trawl Program fish receivers and the second are the annual landings reports required from the MS Co-op Sector.

The statute requiring cost recovery reporting can be found at 50 CFR 660.115 (d)(4)(ii).

“Reporting, including annual report. Each fish buyer shall submit reports in accordance with the following paragraphs: [§ 660.113\(b\)\(5\)](#) for the Shorebased IFQ Program, [§ 660.113\(c\)\(5\)](#) for the MS Coop Program, and [§ 660.113\(d\)\(5\)](#) for the C/P Coop Program. The fish buyer must submit a cost recovery form along with fee payment to NMFS. By March 31 each year, fish buyers in the MS Coop Program must submit an annual report to NMFS containing information

from the preceding calendar year as specified at [§ 660.113\(c\)\(5\)](#).”

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The Cost Recovery Program requires the fish sellers to pay the fee and all parties making the first ex-vessel purchase of groundfish (i.e., the fish buyers) to collect the fee, account for and forward the fee revenue to NMFS. To reduce the burden on the fish sellers and fish buyers, NMFS has structured the Cost Recovery Program to be similar to and utilize certain elements of the Pacific Coast Groundfish Buyback Program (Buyback Program), specified at 50 CFR 600.1102.

a. Fish sellers to fish buyers

The fish seller is required to pay the appropriate fee to the fish buyer (Note: In the C/P Co-op Program, a cooperative of vessels that both harvest and process whiting at-sea, the fish seller and the fish buyer are the same entity). The fish seller is billed by the fish buyer at the time of landing or delivery and the full fee is due and payable to the fish buyer at the time of fish landing/delivery. Each fish buyer shall collect the fee at the time of fish landing/delivery by deducting the fee from the landing/delivery value before paying the net landing/delivery value.

NMFS does not need to collect any new information as part of that transaction. NMFS already receives information on the amount of groundfish subject to the cost recovery fee as follows:

- For the Shorebased IFQ Program, NMFS already receives landing information from the electronic fish ticket.
- For the MS Co-op Program, NMFS receives information on the catch delivered from the catcher vessel to the mothership from the observer data.
- For the C/P Co-op Program, NMFS receives information on the harvest of groundfish from the observer data.

b. Fish buyers to NMFS

Each fish buyer collects the fees from fish sellers and must maintain a segregated account at a Federally-insured financial institution for the sole purpose of depositing fee collections and disbursing them to NMFS through a U.S. Treasury Limited Access System Administrative Fund (LASAF) subaccount. The LASAF is established by section 305(h)(5)(B) of the MSA.

For the Shorebased IFQ Program and the MS Co-op Program, the process is similar to the requirements for the Buyback Program. Each month the fish buyer must disburse all collected cost recovery fees to NMFS, unless the subaccount has less than \$100 of collected fees. By the 14th calendar day of every month, the fish buyer will send the full deposit principle to NMFS via electronic payment on pay.gov. To support this system, the buyer must maintain certain records and submit a cost recovery program fee collection report.

For the C/P Co-op Program, which is not subject to the Buyback Program, the fish buyer must disburse all cost recovery fees to NMFS annually by December 31 each year. The fish buyer will send the full deposit principle to NMFS via electronic payment on pay.gov. To support this system, the buyer must

maintain certain records and submit a cost recovery program fee collection report.

Fee Collection Report – Monthly for Shorebased IFQ and MS Co-op Programs, annually for the C/P Co-op Program.

The fee collection report contains the following information: fish buyer's name, mailing address, city, state, zip, phone number, state buyer code, date of landings, weight, ex-vessel value, fee collected, payment of late charges, and any fee adjustments.

The fish buyers contact information and state buyer's code is included in case NMFS needs to contact them and to match them with the appropriate landings information. The date of landings is to verify which landings the submitted fees cover. The weight, ex-vessel value, and fee collected are to document what the fish buyer is submitting the fees for and what they claim are the appropriate landings. Fee adjustments are to document any changes to prices or fees. A box is included so they can specify any amount paid for late charges. Fees are subject to a 1.5% late charge for which they receive a Bill of Collection for late charges. Many fish buyers pay the outstanding late charges with the monthly fee payment so that, for their convenience, one payment covers all outstanding cost recovery related payments.

Some of this information included in these forms is available other places, such as the weight and ex-vessel value. For the Shorebased IFQ Program, the ex-vessel value is available on the electronic fish ticket, the groundfish buyback fee collection report, and the economic data collection form. The weight is available on the electronic fish ticket and in the NMFS online vessel account system. For the MS Co-op Program, the ex-vessel value is available on the groundfish buyback fee collection report and the weight is available from observer data. For the C/P Co-op Program, the ex-vessel value is not available on any other form and the weight is available from the observer program. However, requiring the weight and ex-vessel value to be reported on the cost recovery fee collection report provides fish buyers one place to document and confirm what information they are paying the fee based on. It also provides NMFS all of the information in one place and verification that the appropriate fees have been paid.

Recordkeeping by the fish buyers

Each fish buyer must maintain accurate records of all transactions involving fees. Each fish buyer must maintain such records in a secure and orderly manner for a period of at least 3 years from the date of the transactions involved. The following information shall be maintained by each fish buyer for all deliveries of fish such fish buyer buys from each fish seller:

- o Delivery date;
- o Fish seller's name;
- o Weight (in pounds) of each species of fish bought;
- o Identity of the fishing vessel that delivered the fish;
- o Ex-vessel price per pound of each species of fish;
- o Net ex-vessel value of such fish;
- o Name of party to whom net ex-vessel value paid if other than fish seller;
- o Date net ex-vessel value paid;
- o Total fee amount collected.

Much of this information (date, name, pounds delivered, vessel, price per pound, date) is collected as

part of normal fish ticket procedures in many fisheries. The fee information is an additional burden.

In addition, the buyer collecting fees must maintain records on all fee collection deposits to, and disbursements from, the deposit account, including:

- o Dates and amounts of deposits;
- o Dates and amounts of disbursements to the Fund subaccount the Secretary designates; and
- o Dates and amounts of disbursements to the fish buyer, fish seller, or other parties of interest earned on deposits (this information would be a normal part of bank statements).

The fish ticket and deposit/disbursement information is necessary to enforce the fee collection process to ensure that the Federal government is paid the required fees and that fishermen's fees are directed to that end.

This information is needed to track, verify, and enforce the fee collection system.

c. MS Co-op annual reports

The MS Co-op annual reports may be submitted electronically or through the mail. However, at this time all annual reports are being submitted electronically via email.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also, describe any consideration of using information technology to reduce burden.

This information collection will require payment of fees from fish buyers to NMFS via electronic payment only through the pay.gov website. Collecting information and payment online benefits both the fish buyer and NMFS by providing a more efficient and accurate method and by allowing NMFS to have the information entered directly into the database. Fish buyers in all three sectors of the Trawl Program (Shorebased IFQ Program, MS Co-op Program, and C/P Co-op Program) are familiar with electronic technology. Fish buyers in the Shorebased IFQ Program have been required to submit electronic fish tickets since implementation of the Trawl Program. They are required to have a specific technology, as specified at §660.15(d), to participate in the program, including a computer, internet connection, and a printer. Fish buyers in the MS Co-op Program and the C/P Co-op Program are larger business entities that generally have business managers and accountants. While they do not have the same electronic fish ticket reporting requirements as the Shorebased IFQ Program, they are expected to be familiar with electronic technologies, including paying and reporting information online.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Question 2

No duplication exists with other information collections. This information collection has purposely been designed to coordinate with the Buyback Program that is part of the federal fishing capacity reduction program (OMB control number 0648-0376). This information collection has been designed to collect fees in a similar manner and using similar forms to those used by fish buyers in the Shorebased IFQ Program and the MS Co-op Program for the Buyback Program.

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

These requirements are not expected to have a significant impact on small businesses or entities. Of the three sectors, the Shorebased IFQ Program is the only sector with small entities. The fish buyers that are small entities are already required to comply with the Buyback Program and the reporting requirements of the Trawl Program. This information collection is similar to other reporting requirements for this sector and utilizes existing reporting requirements, such as the Buyback Program, as much as possible.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

As stated in the introduction, as a type of limited access privilege program, the Magnuson-Stevens Fishery Conservation and Management Act (MSA) requires the agency to recover part of the costs of management, data collection, and enforcement for the trawl rationalization program, up to 3 percent of the ex-vessel value [16 U.S.C. 1853a MSA §303A and §304(d)(2)]. This is called a cost recovery program. The Cost Recovery Program covers all three sectors in the Trawl Program: the Shorebased IFQ Program, the MS Co-op Program, and the C/P Co-op Program.

In the Pacific coast groundfish fishery regulations, the Cost Recovery Program is codified in the Code of Federal Regulations (CFR) at 50 CFR 660.115.

If this collection was not conducted, the Cost Recovery Program would be in violation of MSA and if it was conducted less frequently, it would be in violation of the Cost Recovery Regulations. In addition, the collection provides vital information used to track Cost Recovery Program compliance and provides data for the calculation of the yearly cost recovery fees and MS Co-op average price.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner inconsistent with OMB guidelines.

The requirements are consistent with OMB guidelines except for the following: Reporting will take place more often than quarterly in the case of submission of the fee collections for the Shorebased IFQ Program and MS Co-op Program, which are required for any month with fishing activity. This was established to parallel the groundfish Buyback Program requirements (OMB Control Number 0648-0376) at the request of the Pacific Fishery Management Council and the industry participating in that process.

8. If applicable, provide a copy and identify the date and page number of publications in the Federal Register of the agency's notice, required by 5 CFR 1320.8 (d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

This is an extension of a currently approved information collection. A notice of this extension was published in the *Federal Register* on September 13, 2022 (87 FR 56000) soliciting public comments on

the extension. No comments were received.

Additionally, NMFS reached out to several stakeholders in an effort 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. No responses were received.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No payments or gifts are provided under this program at this time.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If the collection requires a systems of records notice (SORN) or privacy impact assessment (PIA), those should be cited and described here.

Some of the information collected above is confidential under section 402(b) of the MSA. It is also confidential under [NOAA Administrative Order 216-100](#), Protection of Confidential Fisheries Statistics. 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.

All collections of phone numbers, fax numbers, and email addresses are not released to the public. Transfer amount and price, tax identification number (TIN), date of birth (DOB), the names of individuals who have an OI in an entity and the percentage of ownership, and cooperative agreements provided with Co-op permit applications are considered business confidential information. DOB is also protected under the Privacy Act. A statement of the confidentiality of this information is provided on each form.

The information collected is part of a Privacy Act System of Records (SORN), COMMERCE/NOAA #19, Permits and Registrations for United States Federally Regulated Fisheries. A notice was published in the Federal Register on April 17, 2008 (73 FR 20914) and became effective on June 11, 2008 (73 FR 33065). An amended SORN was published on August 7, 2015 (80 FR 47457) and became effective on September 15, 2015 (80 FR 55327).

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior or attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

This information collection does not require the submission of information of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information.

The total estimated annual cost burden to the respondents or record-keepers resulting from this collection is \$11,066.40.

Information Collection	Type of Respondent (e.g., Occupational Title)	# of Respondents (a)	Annual # of Responses / Respondent (b)	Total # of Annual Responses (c) = (a) x (b)	Burden Hrs / Response (d)	Total Annual Burden Hrs (e) = (c) x (d)	Hourly Wage Rate (for Type of Respondent) (f)	Total Annual Wage Burden Costs (g) = (e) x (f)
Trawl rationalization cost recovery fee collection reports *		59		574	1	574	\$19.08	10,951.92
IFQ	First Receiver/Processor	43	12	516	1	516	\$19.08	\$9,845.28
MS	First Receiver/Processor	6	8	48	1	48	\$19.08	\$915.84
C/P	First Receiver/Processor	10	1	10	1	10	\$19.08	\$190.80
MS annual reports *	First Receiver/Processor	6	1	6	1	6	\$19.08	\$114.48
Totals		65		580		580		\$11,066.40

* all report submissions are online only

Note - The above time burden does not include the time required to submit a "failure to pay" report. This report had previously included these costs however we have not received any failure to pay reports in the eight years of our cost recovery program. We anticipate that a submission of this report would be a very rare event.

13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected on the burden worksheet).

There is no cost burden to respondents or record keepers.

14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.

NMFS has very little costs associated with this collection. The data is downloaded and collated once a year as part of the annual Cost Recovery Program fee calculation and generation of the MS Co-op average price.

Cost Descriptions	Grade/Step	Loaded Salary /Cost	% of Effort	Fringe (if Applicable)	Total Cost to Government
Federal Oversight	na	na	na		0
Other Federal Positions	ZP-3/401/3	\$80,537.60	5%		\$4,026.88
Contractor Cost		na	na		0
Travel					0
Other Costs:					0
TOTAL					\$4,026.88

15. Explain the reasons for any program changes or adjustments reported in ROCIS.

Information Collection	Respondents		Responses		Burden Hours		Reason for change or adjustment
	Current Renewal / Revision	Previous Renewal / Revision	Current Renewal / Revision	Previous Renewal / Revision	Current Renewal / Revision	Previous Renewal / Revision	
Trawl rationalization cost recovery fee collection reports	59	166	574	1858	574	1858	Change in respondents over time
<i>IFQ</i>	43	150	516	1800	516	1800	There has been a significant reduction in the number of shorebased first receivers (fish buyer) permits since the start of the program. Folks with these permits are the ones who submit payments (i.e., information collection). This reflects not so much a reduction of fishing effort but the number of individuals reporting the catch. Previously a vessel might land fish with several buyers (generating several reports), now they might just land all of their fish with one buyer generating just the one report.
<i>MS</i>	6	6	48	48	48	48	No change
<i>C/P</i>	10	10	10	10	10	10	No change
MS annual reports	6	6	6	6	6	6	No change
Failure to pay report	0	10	0	10	0	40	This is a regulatory requirement but none has been received in the past 8 years, removing burden to reflect.
Total for Collection	65	182	580	1874	580	1904	
Difference	-117		-1,294		-1,324		

Information Collection	Labor Costs		Miscellaneous Costs		Reason for change or adjustment
	Current	Previous	Current	Previous	
Trawl rationalization cost recovery fee collection reports	\$10,951.92	0	0	0	Labor costs not previously calculated.

<i>IFQ</i>	\$9,845.28	0	0	0	No change
<i>MS</i>	\$915.84	0	0	0	No change
<i>C/P</i>	\$190.80	0	0	0	No change
MS annual reports	\$114.48	0	0	6	Labor costs not previously calculated. All responses expected electronically going forward, resulting in no expected miscellaneous costs.
Failure to pay report	0	0	0	8	No reports anticipated going forward.
Total for Collection	\$11,066.40	0	0	14	
Difference	\$11,066.40		-14		

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

There are no plans for publishing the results from this collection.

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

The expiration date will be displayed on this information collection.

18. Explain each exception to the certification statement identified in "Certification for Paperwork Reduction Act Submissions."

The agency certifies compliance with [5 CFR 1320.9](#) and the related provisions of [5 CFR 1320.8\(b\)\(3\)](#).