

**REVIEW DRAFT**

**Regulatory Impact Review**  
**For a Proposed Regulatory Amendment**

**Modify Recordkeeping and Reporting Requirements**

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**Abstract:** This Regulatory Impact Review analyzes proposed changes to regulations to remove recordkeeping and reporting requirements. This action is intended to reduce administrative burden on the regulated fishing industry and the Agency. In April 2021, the Council requested that NMFS initiate rulemaking under the authority of section 305(d) of the Magnuson-Stevens Act to remove the requirement for a notary certification on IFQ Program transfer applications as well as remove the requirement for IFQ fishermen using longline pot gear in the GOA to obtain and mark their gear with pot tags. Upon review of the suite of application forms used in the administration of Alaska Fisheries management programs, NMFS identified additional changes to application forms that are described in this document.

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## List of Acronyms and Abbreviations

Acronym or Abbreviation	Meaning
AAC	Alaska Administrative Code
ABC	acceptable biological catch
ADF&G	Alaska Department of Fish and Game
AFA	American Fisheries Act
AFSC	Alaska Fisheries Science Center
AKFIN	Alaska Fisheries Information Network
BSAI	Bering Sea and Aleutian Islands
CAS	Catch Accounting System
CEQ	Council on Environmental Quality
CFR	Code of Federal Regulations
COAR	Commercial Operators Annual Report
Council	North Pacific Fishery Management Council
CP	catcher/processor
CV	catcher vessel
DPS	distinct population segment
E.O.	Executive Order
EA	Environmental Assessment
EEZ	Exclusive Economic Zone
EFH	essential fish habitat
EIS	Environmental Impact Statement
ESA	Endangered Species Act
ESU	endangered species unit
FMA	Fisheries Monitoring and Analysis
FMP	fishery management plan
FONSI	Finding of No Significant Impact
FR	<i>Federal Register</i>
FRFA	Final Regulatory Flexibility Analysis
ft	foot or feet
GOA	Gulf of Alaska
IRFA	Initial Regulatory Flexibility Analysis
IPA	Incentive Plan Agreement
JAM	jeopardy or adverse modification
lb	pound(s)
LEI	long-term effect index
LLP	license limitation program
LOA	length overall
m	meter or meters
Magnuson-Stevens Act	Magnuson-Stevens Fishery Conservation and Management Act

Acronym or Abbreviation	Meaning
MMPA	Marine Mammal Protection Act
MSST	minimum stock size threshold
t	tonne, or metric ton
NAICS	North American Industry Classification System
NAO	NOAA Administrative Order
NEPA	National Environmental Policy Act
NMFS	National Marine Fishery Service
NOAA	National Oceanic and Atmospheric Administration
NPFMC	North Pacific Fishery Management Council
NPPSD	North Pacific Pelagic Seabird Database
Observer Program	North Pacific Groundfish and Halibut Observer Program
OMB	Office of Management and Budget
PBR	potential biological removal
PSC	prohibited species catch
PPA	Preliminary preferred alternative
PRA	Paperwork Reduction Act
PSEIS	Programmatic Supplemental Environmental Impact Statement
RFA	Regulatory Flexibility Act
RFFA	reasonably foreseeable future action
RIR	Regulatory Impact Review
RPA	reasonable and prudent alternative
SAFE	Stock Assessment and Fishery Evaluation
SAR	stock assessment report
SBA	Small Business Act
Secretary	Secretary of Commerce
SPLASH	Structure of Populations, Levels of Abundance, and Status of Humpbacks
SRKW	Southern Resident killer whales
TAC	total allowable catch
U.S.	United States
USCG	United States Coast Guard
USFWS	United States Fish and Wildlife Service
VMS	vessel monitoring system

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## Executive Summary

This Regulatory Impact Review analyzes proposed changes to regulations to remove recordkeeping and reporting requirements. This action is intended to reduce administrative burden on the regulated fishing industry and the Agency. In April 2021, the Council requested that NMFS initiate rulemaking under the authority of section 305(d) of the Magnuson-Stevens Act to remove the requirement for a notary certification on IFQ Program transfer applications as well as remove the requirement for IFQ fishermen using longline pot gear in the GOA to obtain and mark their gear with pot tags. Upon review of the suite of application forms used in the administration of Alaska Fisheries management programs, NMFS identified additional changes to application forms that are described in this document.

### Purpose and Need

The purpose of this action is to remove recordkeeping and reporting requirements that are no longer necessary. This action is intended to reduce administrative burden on the regulated fishing industry and the Agency.

### Alternatives

Based upon the Council’s April 2021 request to modify IFQ Program recordkeeping and reporting requirements and upon review of Restricted Access Management (RAM) application forms, the National Marine Fisheries Service (NMFS) developed the following alternatives for analysis:<sup>1</sup>

**Alternative 1:** No action. Existing recordkeeping and reporting requirements remain unchanged.

**Alternative 2:** Remove the following recordkeeping and reporting requirements:

**Element 1:** Gulf of Alaska (GOA) Sablefish pot tags.

**Element 2:** Requirement to obtain a notary certification and submit an original signature on application forms.

**Element 3:** Requirement to submit a social security number to NMFS on application forms.

Table 1 and Table 2 (below) identify the application forms that could be modified under Elements 2 and Element 3 of Alternative 2.

**Table 1 Application forms and regulations requiring notarized signatures be submitted to NMFS.**

#	Program	Form Name	Required on Form?	Required in regulation at
1	IFQ	<a href="#">Eligibility to receive QS</a>	yes	none
2	IFQ	<a href="#">QS transfer</a>	yes	<a href="#">679.41(c)(3)</a>
3	IFQ	<a href="#">Temporary IFQ transfer</a> and <a href="#">Temporary military IFQ transfer</a>	yes	<a href="#">679.41(c)(3)</a> <a href="#">679.41(m)(3)(v)</a>
4	IFQ	<a href="#">QS transfer to RQE</a>	yes	<a href="#">679.41(c)(3)</a>
5	CQE	<a href="#">QS transfer to CQE</a>	yes	<a href="#">679.41(c)(3)</a>
6	IFQ	<a href="#">RQE application</a>	yes	<a href="#">679.41(n)(2)(iii)(D)</a>

<sup>1</sup> The Council motion is available under the April 2021 Agenda item D4, available at: <https://meetings.npfmc.org/Meeting/Details/1945>.

7	CQE	<a href="#">CQE application</a>	yes	<a href="#">679.41(l)(3)(iii)(D)</a>
8	CHP	<a href="#">CHP transfer</a>	yes	<a href="#">300.67(i)(4)</a>
9	LLP	<a href="#">Crab or groundfish LLP transfer</a>	yes	<a href="#">679.4(k)(7)(iii)</a>
10	Crab	<a href="#">PQS transfer</a>	yes	<a href="#">680.41(i)(2)</a>
11	Crab	<a href="#">QS transfer</a>	yes	<a href="#">680.41(i)(2)</a>
12	Crab	<a href="#">ECCO application</a>	yes	<a href="#">680.41(j)(2)(i)(C)</a>
13	Crab	<a href="#">ECCO QS transfer</a>	yes	<a href="#">680.41(k)(3)(ix)</a>
14	Crab	<a href="#">QS beneficiary designation</a>	yes	none
15	Crab	<a href="#">QS/PQS and IFQ/IPQ eligibility</a>	no	<a href="#">680.41(c)(2)(ii)(F)(2)</a>

**Table 2** Forms and regulations requiring Social Security or Tax Identification numbers.

#	Program	Form Name	Location Required
1	FPP	<a href="#">FPP application</a>	SSN or TIN submitted on form
2	Crab	<a href="#">ECCO QS transfer</a>	<a href="#">680.41(k)(3)</a>
3	Crab	<a href="#">QS/PQS and IFQ/IPQ eligibility</a>	<a href="#">680.41(c)(2)(ii)(B)(1)</a>
4	Crab	<a href="#">Crab RCR permit</a>	<a href="#">680.4(j)(2)</a>
5	Crab	<a href="#">Registered Crab Receiver Fee Submission Form</a>	<a href="#">680.5(g)(3)(i)</a>

## Summary of Impacts

*To be completed prior to submission of Secretarial Review Draft Analysis.*

# 1. Introduction

This document describes proposed changes to recordkeeping and reporting requirements recommended by the North Pacific Fishery Management Council (Council) and National Marine Fisheries Service (NMFS).

This document is a Regulatory Impact Review (RIR). An RIR provides assessments of the benefits and costs of the alternatives, the distribution of impacts, and identification of the small entities that may be affected by the alternatives. This RIR addresses the statutory requirements of the Magnuson Stevens Fishery Conservation and Management Act (MSA), the Halibut Act, the National Environmental Policy Act, Presidential Executive Order 12866, and some of the requirements of the Regulatory Flexibility Act. An RIR is a standard document produced by the Council and the NMFS Alaska Region to provide the analytical background for decision-making.

This Regulatory Impact Review (RIR)<sup>2</sup> examines the benefits and costs of a proposed regulatory amendment to remove the pot tag requirement in the Gulf of Alaska (GOA) sablefish Individual Fishing Quota (IFQ) fishery as well as the requirements to provide a notary certification on application forms submitted to NMFS. This action would remove specific recordkeeping and reporting requirements applicable to specific stakeholders who participate in the IFQ Program, Community Quota Entity Program, and Crab Rationalization (CR) Program as well as Charter Halibut Permit holders and License Limitation Program (LLP) holders. This action would reduce the burden for industry participants to comply with recordkeeping and reporting requirements as well as reduce administrative burden for NMFS.

The preparation of an RIR is required under Presidential Executive Order (E.O.) 12866 (58 FR 51735, October 4, 1993). The requirements for all regulatory actions specified in E.O. 12866 are summarized in the following Statement from the E.O.:

*In deciding whether and how to regulate, agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating. Costs and benefits shall be understood to include both quantifiable measures (to the fullest extent that these can be usefully estimated) and qualitative measures of costs and benefits that are difficult to quantify, but nevertheless essential to consider. Further, in choosing among alternative regulatory approaches agencies should select those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity), unless a statute requires another regulatory approach.*

E.O. 12866 requires that the Office of Management and Budget review proposed regulatory programs that are considered to be “significant.” A “significant regulatory action” is one that is likely to:

- Have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local or tribal governments or communities;
- Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;
- Materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

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<sup>2</sup> Analysts have preliminarily determined that none of the alternatives have the potential to have an effect individually or cumulatively on the human environment. This determination is subject to further review and public comment. If this determination is confirmed when a proposed rule is prepared, the action will be categorically excluded from the need to prepare an Environmental Assessment.

- Raise novel legal or policy issues arising out of legal mandates, the President’s priorities, or the principles set forth in E.O. 12866.

## 1.1. Purpose and Need

The purpose of this action is to remove recordkeeping and reporting requirements that are no longer necessary. This action is intended to reduce administrative burden on the regulated fishing industry and the Agency.

## 1.2. History of this Action

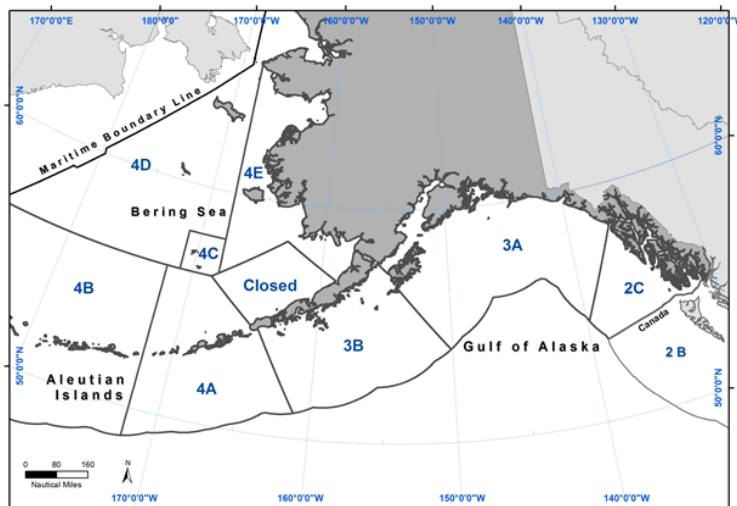
In April 2021, the Council requested that NMFS initiate rulemaking under the authority of section 305(d) of the Magnuson-Stevens Act to remove specific recordkeeping and reporting requirements implemented under the Halibut and Sablefish IFQ Program. Specifically, the Council requested that NMFS remove the requirement for a notary certification on IFQ Program transfer applications as well as remove the requirement for IFQ fishermen using longline pot gear in the GOA to obtain and mark their gear with pot tags.

Upon review of the suite of application forms used in the administration of Alaska Fisheries management programs, NMFS identified additional changes to application forms that are described and analyzed in this document.

## 1.3. Description of Management Area

There are eight halibut IFQ regulatory areas (Figure 1) in Alaska, inclusive of Areas 2C through 4E. For the sablefish IFQ fishery, there are two FMP areas (Figure 2): Bering Sea and Aleutian Islands (BSAI) and GOA. Management areas are further broken out into the Bering Sea, Aleutian Islands, Western GOA, Central GOA, West Yakutat, and Southeast. Only sablefish harvested in the Exclusive Economic Zone (EEZ) are managed under the IFQ Program. State water sablefish fisheries are managed by the State of Alaska. Quota Share (QS) was originally issued to participants based on participation in the fisheries during historical qualifying periods in each of these areas and is generally restricted to use on the size class of vessel it was originally earned on.

**Figure 1. Halibut IFQ Regulatory Areas**



**Figure 2. Sablefish IFQ Regulatory Areas**

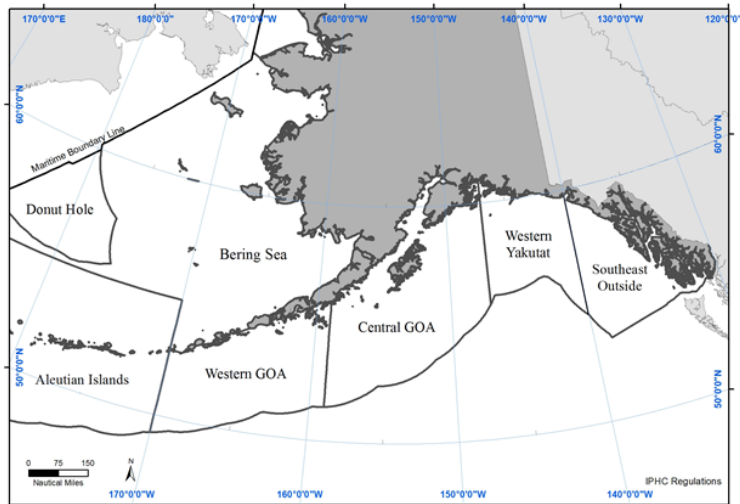


Figure 14 to Part 679. Sablefish Regulatory Areas and Districts

## 1.4. Statutory Authority

Under the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act) (16 U.S.C. 1801, *et seq.*), the United States has exclusive fishery management authority over all marine fishery resources found within the EEZ. The management of these marine resources is vested in the Secretary of Commerce (Secretary) and in the regional fishery management councils. In the Alaska Region, the Council has the responsibility for preparing fishery management plans (FMPs) and FMP amendments for the marine fisheries that require conservation and management, and for submitting its recommendations to the Secretary. Upon approval by the Secretary, NMFS is charged with carrying out the Federal mandates of the Department of Commerce with regard to marine and anadromous fish.

The groundfish fisheries in the EEZ off Alaska are managed under the Fishery Management Plan FMP for Groundfish of the Bering Sea and Aleutian Islands Management Area (BSAI FMP) and the Fishery Management Plan for Groundfish of the Gulf of Alaska (GOA FMP). The halibut fishery is managed under regulations promulgated in accordance with the Northern Pacific Halibut Act of 1982. The Bering Sea crab fisheries in the EEZ off Alaska are managed under the FMP for Bering Sea/Aleutian Islands King and Tanner Crabs (Crab FMP). The proposed action under consideration would amend this FMP and Federal regulations at 50 CFR 679 and 50 CFR 680. Actions taken to amend FMPs or implement regulations governing these fisheries must meet the requirements of applicable Federal laws, regulations, and E.O.'s.

This action is authorized under section 305(d) of the Magnuson-Stevens Act, which authorizes the Secretary of Commerce to develop regulations necessary to implement FMPs. Specifically, this action is necessary to implement monitoring requirements consistent with section 3.9.1 and the following management objectives included in Section 2.2.1 of the BSAI FMP and the GOA FMP, which state—

- “Continue and improve current incidental catch and bycatch management program” (Objective 14) and
- “Continue to account for bycatch mortality in total allowable catch accounting and improve the accuracy of mortality assessments for target, prohibited species catch, and non-commercial species” (Objective 19).



## 2. Alternatives

Based upon the Council's April 2021 request to modify IFQ Program recordkeeping and reporting requirements, NMFS developed the following alternatives for analysis:<sup>3</sup>

**Alternative 1:** No action. Existing recordkeeping and reporting requirements remain unchanged.

**Alternative 2:** Remove the following recordkeeping and reporting requirements:

**Element 1:** GOA Sablefish pot tags.

**Element 2:** Requirement to obtain a notary certification and submit an original signature on application forms.

**Element 3:** Requirement to submit a social security number to NMFS on application forms.

### 2.1. Alternative 1, No Action

This section describes the current recordkeeping and reporting requirements as required in regulation.

#### 2.1.1. Element 1, GOA Sablefish Pot Tags

Regulations at § 679.7(f)(18)(ii) prohibit using pot gear in the GOA in the IFQ halibut and sablefish fisheries without a pot tag attached to each pot in accordance with § 679.42(1)(4). A vessel owner must apply to NMFS annually to register a vessel to participate and may request new pot tags for a specified vessel, and specific district or regulatory area. All pot longline gear registered to a vessel participating in the sablefish IFQ fishery must have a registered tag attached to the pots before leaving port and the tag may only be removed from the pot after the pot is returned to shore.

The owner of a vessel requests pot tags by completing the IFQ Sablefish Longline Pot Gear: Vessel Registration and Request for Pot Gear Tags application form. The form requires the vessel owner to assign the requested pot tags to a vessel licensed by the State of Alaska. The vessel's length overall (LOA), as recorded on the vessel's U.S. Coast Guard (USCG) Certificate of Documentation, must be consistent with the length category specified on the IFQ permits used by persons harvesting IFQ on board the vessel.

NMFS will register the pot tags to the vessel owner, including:

- Number of pot tags requested by IFQ regulatory area or district within a regulatory area (up to the maximum number of pots specified);
- Unique serial number imprinted on each pot tag; and
- Pot tag color unique to the IFQ regulatory area.

A valid pot tag is inscribed with a legible serial number and color coded according to the IFQ regulatory area to which the tagged pot is registered and where the pot longline gear will be fished. A pot tag color coded to the regulatory area fished with the pot must be fastened to the pot bridge or cross-member such that the entire tag is visible and not obstructed by the pot structure or another pot tag for a different regulatory area. NMFS does not authorize transfers of pot tags from one individual to another.

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<sup>3</sup> The Council motion is available under the April 2021 Agenda item D4, available at: <https://meetings.npfmc.org/Meeting/Details/1945>.

The vessel owner is required to have tags for each pot and may request a specific number of pot tags. The maximum number of annual pot tags issued to a vessel owner is equal to the pot limit established for the use of pot longline gear in the GOA Sablefish IFQ fishery: Limit of 120 pots per vessel in West Yakutat and Southeast outside waters (WY and SE); limit of 300 pots per vessel in Western GOA and Central GOA (WG and CG).

If a pot longline tag is lost, stolen, or mutilated, the tag must be replaced by submitting the IFQ Sablefish Request for Replacement of Longline Pot Gear Tags application form to NMFS. Tags might be lost due to normal wear, tight gear stacking on small vessels, or the need to cut lines on tangled gear. Fishermen who realize a tag is lost while at sea must notify the enforcement agency to notify them that they will be landing a pot without a tag, thus, avoiding a citation or the seizure of an untagged pot. Sometimes tender vessels are used to deliver replacement tags to vessels that are still on the fishing grounds.

In addition to pot limit enforcement, this form provides an opportunity to enhance the tracking of lost fishing gear. Issuing replacement tags requires some level of trust that the tag was actually lost, but in the long run an individual who was using more tagged pots than the limit allows would be detected during a dockside inspection. Alaska Department of Fish and Game (ADF&G) managers noted that some fishermen do not bother to seek a replacement tag, instead fishing with one less pot. Issuing pot tags on a multi-year basis would increase the disadvantage of fishing less gear, thus, increasing the incentive to seek replacements and also improving the department's information about the location of lost gear.

To obtain replacement tags, a complete form must be signed by the vessel owner. The form is a sworn affidavit to the Regional Administrator indicating the reason for the request for a replacement pot tag or pot tags and the number of replacement pot tags requested by IFQ regulatory area.

Since implementation of GOA Amendment 101 and the pot tagging requirements, this has added additional Agency costs for the management and administration of the IFQ Program. NMFS Restricted Access Management (RAM) division administers the registration and issuance process for GOA sablefish IFQ pot tags. RAM staff process application forms for annual vessel and pot tag registration as well as requests for replacement pot tags. RAM staff keep track of thousands of uniquely numbered pot tags and handle each new pot tag when issued to a vessel.

Tags are not available as "ready-made" products and are manufactured according to special requirements (size, specific font, serialized, biodegradable, etc) which takes approximately three months. Due to the substantive increase in requests for new pot tags in 2020, the Agency ran out of pot tags in the Fall of 2020 causing a serious backlog of applications that could not be processed until new tags were ordered and received at a higher cost due to the "rush" orders.

### **2.1.2. Element 2, Notary Certification**

Notarized signature requirements are one tool used by NMFS to help verify the identity of document signers. To fulfill a notary requirement, a form must be signed in the presence of a notary public who verifies the identity of the signer(s) and certifies the signature(s) with their own signature and commission information. A notary public is an official appointed by the State to serve the public as an impartial and unbiased witness, with duties prescribed by law.<sup>4</sup> Because of the notary requirement, original signatures are generally required and forms must be mailed or physically delivered to NMFS.

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<sup>4</sup> <https://ltgov.alaska.gov/notaries-public/>.

The notary requirement was originally implemented to help protect program participants from unauthorized action related to their fishery privileges, and to help the Agency verify applicant information. The six IFQ program forms identified in Table 1 have a notary requirement.

In addition to notarized signature requirements identified for IFQ Program forms, ten other NMFS applications have notarized signature requirements. These include charter halibut permits (CHP) and Community Quota Entity (CQE) program applications that may interact with the IFQ Program, as well as CR Program forms that are unrelated to the IFQ program. They are identified here to allow the Council to consider recommending this change for all forms and applications in the Alaska Region.

**Table 3 Application forms and regulations requiring notarized signatures be submitted to NMFS.**

#	Program	Form Name	Required on Form?	Required in regulation at
1	IFQ	<a href="#">Eligibility to receive QS</a>	yes	none
2	IFQ	<a href="#">QS transfer</a>	yes	<a href="#">679.41(c)(3)</a>
3	IFQ	<a href="#">Temporary IFQ transfer</a> and <a href="#">Temporary military IFQ transfer</a>	yes	<a href="#">679.41(c)(3)</a> <a href="#">679.41(m)(3)(v)</a>
4	IFQ	<a href="#">QS transfer to RQE</a>	yes	<a href="#">679.41(c)(3)</a>
5	CQE	<a href="#">QS transfer to CQE</a>	yes	<a href="#">679.41(c)(3)</a>
6	IFQ	<a href="#">RQE application</a>	yes	<a href="#">679.41(n)(2)(iii)(D)</a>
7	CQE	<a href="#">CQE application</a>	yes	<a href="#">679.41(l)(3)(iii)(D)</a>
8	CHP	<a href="#">CHP transfer</a>	yes	<a href="#">300.67(i)(4)</a>
9	LLP	<a href="#">Crab or groundfish LLP transfer</a>	yes	<a href="#">679.4(k)(7)(iii)</a>
10	Crab	<a href="#">PQS transfer</a>	yes	<a href="#">680.41(i)(2)</a>
11	Crab	<a href="#">QS transfer</a>	yes	<a href="#">680.41(i)(2)</a>
12	Crab	<a href="#">ECCO application</a>	yes	<a href="#">680.41(j)(2)(i)(C)</a>
13	Crab	<a href="#">ECCO QS transfer</a>	yes	<a href="#">680.41(k)(3)(ix)</a>
14	Crab	<a href="#">QS beneficiary designation</a>	yes	none
15	Crab	<a href="#">QS/PQS and IFQ/IPQ eligibility</a>	no	<a href="#">680.41(c)(2)(ii)(F)(2)</a>

Table 1 does not include the application for [Temporary IFQ transfer used in 2021 which includes a temporary waiver of notarized signature requirements authorized under temporary regulations at 50 CFR 679.41\(p\)](#). That form was implemented by an emergency rule published March 30, 2021 ([86 FR 16542](#)), and it will expire on September 27, 2021 therefore this temporary form is not included in this analysis. Because of the implementation of two emergency rules in two years, this emergency version of the temporary IFQ transfer form will be added to the IFQ Program information collection (OMB Control Number 0648-0272) as part of the 2021 renewal. If another emergency rule implementing similar temporary IFQ transfers if promulgated in the future, this form will be available for use without the need to request emergency OMB approval.

#### 2.1.2.1. Description of forms

The following sections describe the existing application forms with a notary requirement.

##### 1. Application for Eligibility to Receive QS/IFQ by Transfer

Quota share represents a harvesting privilege for a person. Annually, NMFS issues IFQ to QS holders to harvest specified poundage. The specific amount of IFQ held by a person is determined by the number of

QS units held, the total number of QS units issued in a specific regulatory area, and the total pounds of sablefish or halibut allocated for the IFQ fisheries in a particular year.

An applicant must be a United States (U.S.) citizen or U.S. corporation, partnership, or other non-individual business entity in order to receive QS/IFQ by transfer. Those applying to receive QS or IFQ by transfer must submit this application to obtain a Transfer Eligibility Certificate (TEC). A person applies for eligibility only once. To be eligible, persons must have at least 150 days of experience working as part of a harvesting crew in any U.S. commercial fishery. Work in support of harvesting but not directly related to it is not considered harvesting crew work. An application for eligibility may be submitted by mail or delivery to NMFS, Alaska Region, RAM. Fax submittal is not accepted due to the notary requirements.

The following information is collected on the Application for Eligibility to Receive QS/IFQ by Transfer.

Block A – Applicant Information

Name and NMFS Person ID

Business mailing address (indicate whether permanent or temporary)

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

If applicant is a U.S. citizen, enter date of birth

If applicant is a U.S. corporation, partnership, association, or other non-individual business entity, enter date of incorporation and Taxpayer ID No. (Employer ID No.)

If a resident of Adak, Alaska, enter date residency began

Block B – Freezer Shares

If this TEC is for an entity that intends to buy or lease only category A QS and participant is a corporation, partnership, association, or other non-individual entity, **attach** QS holder: Identification of Ownership Interest form.

Block C – Commercial Fishing Experience

Species

Gear type

Location

Begin date and end date of fishing experience

Number of actual days spent harvesting fish

Duties performed while directly involved in the harvesting of fish

Vessel name

Alaska Department of Fish and Game (ADF&G) vessel registration number or U.S. Coast Guard (USCG) documentation number of vessel

Name of vessel owner and name of vessel operator

Reference name

Relationship to applicant

Reference business mailing address and business telephone number

Block D – Notary Certification

Printed name and signature of applicant or authorized representative and date signed

If authorized representative, attach authorization

Notary public signature, commission expiration date, and notary stamp or seal

## 2. Application for Transfer of QS

Any person that received QS/IFQ as an Initial Issue or that holds a Transfer Eligibility Certificate (TEC) is eligible to receive QS/IFQ by transfer.

The Application for Transfer of QS is used to permanently transfer QS. An Application for Transfer of QS must be approved by the NMFS Regional Administrator before a person may use IFQ that results

from a direct transfer to harvest IFQ halibut or IFQ sablefish. The IFQ Program does not permit transfer of QS subject to any conditions of repossession or resale to the transferor except by court order, operation of law, or security agreement.

The information required by this application is necessary to ensure that QS and IFQ are transferred in compliance with the regulations governing the buying and selling of QS and the leasing of IFQ. An Application for Transfer of QS may be submitted to NMFS RAM by mail or delivery. Fax submittal is not accepted due to the notary requirements. A separate application must be submitted for each group of QS being transferred.

The following information is collected on the Application for Transfer of QS:

Indicate whether transferee has a TEC

Checklist

Use this list to ensure application is complete.

Block A – Identification of Transferor (Seller)

Name and NMFS Person ID

Date of birth

Business mailing address (indicate whether permanent or temporary)

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

Block B – Identification of Transferee (Buyer)

Name and NMFS Person ID

Date of birth

Business mailing address (indicate whether permanent or temporary)

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

Block C – Sweep-up or CDQ Compensation

If QS is to be included in a sweep-up, list the QS Group Number on the QS Holder Summary Report into which this new piece should be combined.

If this is a transfer of Catcher Vessel CDQ Compensation QS and the vessel category was never declared, indicate the vessel category in which you would like to have your QS issued.

Block D – Identification of QS and IFQ to be Transferred

Whether halibut or sablefish

IFQ Regulatory area

Vessel category

Number of QS units to be transferred

Transferor IFQ permit number

Start and end serial numbers of QS to be transferred

Indicate whether all remaining pounds for the current fishing year should be transferred

**If NO**, number of pounds to be transferred

Block E – Required Transferor Supplemental Information

Price per pound of IFQ

Price per unit of QS

Total amount paid for the QS/IFQ, including all fees

Reasons for transferring the QS/IFQ (check all that apply)

If a broker is used for this transaction, enter amount paid in brokerage fees or % of total price

Block F – Required Transferee Supplemental Information

Indicate whether QS/IFQ being purchased will have a lien attached

**If YES**, name of lien holder and NMFS ID number

Primary source of financing for this transfer (check one)

How the QS/IFQ was located (check all that apply)

Buyer's relationship to the QS/IFQ Holder (check all that apply)  
If agreement exists to return QS/IFQ to Transferor or other person, or a condition placed on resale, explain

Block G – Certification of Transferor

Printed name and signature of Transferor or Authorized Representative and date signed  
If authorized representative, **attach** authorization  
Signature, commission expiration date, and stamp of notary

Block H – Certification of Transferee

Printed name and signature of Transferee or Authorized Representative and date signed  
If authorized representative, **attach** authorization.  
Signature, commission expiration date, and stamp of notary

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

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

Specific regulatory criteria 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 a notarized signature is required.

The following information is collected on the 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 Birth  
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 Birth  
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

**4. Application for Transfer of Quota Share To or From a Recreational Quota Entity (RQE)**

Once established, a Recreational Quota Entity (RQE) is eligible to receive QS by transfer and to transfer QS. An RQE is limited to holding no more than 10 percent of the 2015 commercial QS pool in Area 2C and no more than 12 percent of the 2015 commercial QS pool in Area 3A. An RQE may not annually transfer more than 1 percent of the commercial QS units in Area 2C or more than 1.2 percent of the commercial QS units in Area 3A based on the 2015 QS pool.

An RQE may not purchase any D class QS in Area 3A and may not purchase more than 10 percent of the D class QS in Area 2C based on the D class QS pool in 2015. An RQE is also limited to purchasing no more than 10 percent of the B class QS in Area 2C based on the B class QS pool in 2015. If an RQE transfers QS to another person, the quota class and block designation of the QS is retained. Any person that holds a TEC is eligible to receive QS by transfer from the RQE. The IFQ Program does not permit transfer of QS subject to any conditions of repossession or resale to the transferor except by court order, operation of law, or security agreement.

The Application for Transfer of Quota Share To or From a Recreational Quota Entity is used by an RQE to permanently receive or transfer QS. This application collects information necessary for NMFS to ensure that QS are transferred in compliance with regulations governing the buying and selling of QS.

This application may be submitted to NMFS RAM by mail or delivery. Fax submittal is not accepted due to the notary requirements.

The Application for Transfer of Quota Share To or From a Recreational Quota Entity collects the following information:

**Block A –Transferor Information (Seller)**

Name and NMFS Person ID

Business mailing address (indicate whether permanent or temporary)  
Business telephone number, Business fax number, and business e-mail address

Block B – Transferee Information (Buyer)

Name and NMFS Person ID  
Business mailing address (indicate whether permanent or temporary)  
Business telephone number, business fax number, and business e-mail address

Block C – Questions for Transferee

If QS is to be included in a sweep-up, list the identifier on the QS Group Number into which this new piece should be combined.

If this is a transfer of Catcher vessel CDQ compensation QS and the vessel category has never been declared, designate the catcher vessel category in which QS should be issued.

Block D – Identification of QS to be Transferred

Quota Share to be transferred  
IFQ Regulatory Area  
Vessel Category  
Total QS units  
Designation of QS, as shown on the QS Holder Report

Block E – Required Transferor Supplemental Information

Indicate the reason(s) transfer being proposed.

Price per unit of QS

Total amount paid for the QS in this transaction, including all fees

If a broker is used for this transaction, indicate amount paid in brokerage fees or percentage of total price.

Indicate reason for transferring QS.

Block F – Required Transferee Supplemental Information

If QS will have a lien attached, identify the lien holder

Primary source of financing for this transfer

How was the QS located

Relationship to the transferor

If an agreement exists to return the QS to the transferor or any other person or a condition placed on resale, explain.

Block G -- 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 H -- 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

## **5. Application for Transfer of QS to or from a CQE**

A CQE obtains catcher vessel QS through transfer. Once QS is held, the CQE may lease the annual IFQ resulting from the QS to individual community residents. This application is used to apply for a transfer



of QS to or from a CQE. Persons receiving the QS transfer must hold a TEC. If the application is to permanently transfer QS from a CQE to another party, the application must be signed by a representative of the community for whom the CQE holds the QS.

A CQE may transfer QS for the following reasons (§ 679.41(g)(7)):

- to generate revenue to provide funds to meet administrative costs for managing the community QS holdings;
- to generate revenue to improve the ability of residents within the community to participate in the halibut and sablefish IFQ fisheries;
- to generate revenue to purchase QS to yield IFQ for use by community residents
- to dissolve the CQE; or
- as a result of a court order, operation of law, or as part of a security agreement.

The following information is collected on the Application for Transfer of QS to or from a CQE:

Block A – Transferor Information

Name and NMFS Person ID  
Name of community represented by the CQE  
Business mailing address (indicate whether permanent or temporary)  
Business telephone number, business fax number, and business email address

Block B – Transferee Information

Name and NMFS Person ID  
Name of community represented by the CQE  
Business mailing address (indicate whether permanent or temporary)  
Business telephone number, business fax number, and email address

Block C – Questions for Transferee

If QS is to be included in a sweep-up, list the identifier on the QS certificate into which this new piece should be combined  
For sweep-up, **attach** the original QS Certificates of both the transferor and the transferee  
If this is a transfer of catcher vessel CDQ compensation QS and the vessel category has never been declared, designate the catcher vessel category in which QS should be issued

Block D – Identification of QS to be Transferred

Quota Share to be transferred  
Total QS units  
Designation of QS, as shown on the QS certificate: from and to

Block E – Required Transferor Supplemental Information

Indicate the reason(s) transfer being proposed  
Price per unit of QS  
Total amount paid for the QS in this transaction, including all fees  
If a broker is used for this transaction, indicate amount paid in brokerage fees or percentage of total price  
Indicate reasons for transferring QS/IFQ

Block F – Required Transferee Supplemental Information

If QS will have a lien attached, identify the lien holder  
Primary source of financing for this transfer  
How the QS was located

Relationship to the transferor

If an agreement exists to return the QS to the transferor or any other person or a condition placed on resale, explain

Block G -- Certification of Transferor

Printed name and signature of Transferor or authorized representative and date signed

If authorized representative, **attach** authorization

Signature, commission expiration date, and stamp of notary

Block H -- Certification of Transferee

Printed name and signature of Transferee or authorized representative and date signed.

If authorized representative, attach authorization.

Signature, commission expiration date, and stamp of notary

Block I -- Certification of COE Community Representative

Printed name, title, and signature of Community Representative and date signed

Signature, commission expiration date, and stamp of notary

**6. Application for a Non-profit Corporation to be Designated as a Recreational Quota Entity (RQE)**

An RQE is authorized to purchase and hold a limited amount of commercial halibut quota share that will yield additional pounds of recreational fishing quota on an annual basis to augment the amount of halibut available for harvest in the charter halibut fishery. The RQE provides a mechanism for a compensated reallocation of a portion of commercial halibut quota share to the charter halibut fishery.

A non-profit organization that intends to establish itself as an RQE and participate in the IFQ Program must complete an Application for a Non-profit Entity to be Designated as a Recreational Quota Entity (RQE) for approval by NMFS. This application collects information necessary for NMFS to determine eligibility of the entity to be designated an RQE.

NMFS will approve only one entity as the RQE. Upon approval by NMFS, the RQE may buy, sell, and hold halibut QS in Areas 2C and 3A. The application may be submitted to NMFS by mail or delivery. Fax submittal is not accepted due to the notary requirements.

The Application for a Non-profit Corporation to be Designated as a Recreational Quota Entity collects the following information:

Block A--Identification of applicant

Name of nonprofit organization

Tax ID Number

NMFS ID Number

Name of contact person

Permanent business mailing address

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

Block B -- Required Attachments -- Checklist of required attachments

Applicants Articles of Incorporation

Applicant's Corporate By-laws

List of applicant's key personnel, including its Board of Directors, officers, representatives, and managers  
Applicant's organizational chart or, at minimum, a written explanation that fully reveals the applicants line and staff responsibilities and relationships

Block C – Notary Certification

Printed name and signature of applicant or authorized representative and date signed. If representative, attach authorization.  
Signature, date when commission expires, and stamp of notary

**7. Application for a Nonprofit Corporation to be Designated as a Community Quota Entity (CQE)**

This application is required for each nonprofit entity seeking to become a CQE. A CQE must be a new nonprofit entity incorporated under the State of Alaska or a new nonprofit entity formed by an aggregation of several eligible communities. A CQE must be incorporated after April 10, 2002, and must represent at least one eligible community listed in [Table 21 of 50 CFR 679](#). A CQE must be approved by NMFS in order to, on behalf of an eligible community, request charter halibut permits; buy, sell, and hold halibut and sablefish QS; and request Pacific cod endorsements for non-trawl groundfish LLP licenses.

A CQE must have the written approval of each community it represents. A CQE may represent more than one community, but a community may be represented by only one CQE. This application is submitted only once, unless a community withdraws support from its CQE. A separate application is submitted for each community that the CQE will represent. As part of the approval process, NMFS provides a copy of the complete application to the Alaska Department of Community and Economic Development and considers comments received from it.

Currently, 33 CQEs are active. A list of CQEs and the community represented by each is posted on the [NMFS Alaska Region website](#). Currently, no CQE represents more than one community. The application include fields for taxpayer identification number and NMFS person ID as these are required for a complete application under § 679.41(l)(3)(iii)(D).

The following information is collected on the Application for a Nonprofit Corporation to be Designated as a CQE:

Block A–Identification of applicant

Name of nonprofit organization  
Name of contact person  
Taxpayer identification number  
CQE NMFS person ID  
Permanent business mailing address  
Business telephone number, fax number, and email address  
Name of community represented by nonprofit organization  
Name of contact person for community governing body

Block B – Required Information

Checklist of required attachments

Block C – Notary Certification

Printed name and signature of applicant or authorized representative and date signed. If representative, attach authorization.  
Signature, date when commission expires, and stamp of Notary

## **8. Application for Transfer of Charter Halibut Permit (CHP)**

The application period and initial issuance of CHPs ended in 2010 (other than for Military CHPs, and Community CHPs); therefore, a CHP may be obtained only through transfer. The CHPs were issued as either transferrable or non-transferrable, based on certain minimum participation criteria. Non-transferrable CHPs are invalid once the permit holder dies or the holding entity dissolves, or new shareholders or partners are added to the business.

The application form collects identification information of the CHP(s) to be transferred; transferor and transferee identification and contact information; transferee ownership and affiliation information; and transaction information. This application requires return of the original CHP(s) and notarized signatures of the transferor and the transferee or their authorized representatives.

## **9. Application for the transfer of LLP licenses**

LLP license holders use the transfer applications to request transfer of an LLP license to an eligible receiver. Each transfer request must include a completed transfer application and a copy of the sale or transfer agreement. The information collected on the groundfish and crab transfer application includes the type of license to be transferred (crab license, groundfish license, Aleutian Islands less than 60-ft trawl endorsement); LLP number; identification of Rockfish QS, if applicable; identification of transferor and transferee (name, business contact information); vessel identification; ownership documentation; method and mode of payment, including financing; and certification of transferor and transferee. The information collected on the scallop transfer application includes license identification; identification of transferor and transferee (name, business contact information, NMFS Person ID); and certification of transferor and transferee.

The information collected is necessary for NMFS to determine the eligibility of the transfer to occur and transfer the license to the transferee. From the copy of the transfer contract or Bill of Sale for LLP licenses, NMFS can look up much of the same financial information if needed. The financial information requested on the applications is primarily used for research and program evaluation.

NMFS will approve transfer of a groundfish LLP license, an Aleutian Islands area endorsement, or crab LLP license if the transfer meets the provisions of 50 CFR 679.4(k)(7). NMFS will approve the transfer of a scallop LLP license if the transfer meets the provisions of 50 CFR 679.4(g)(5).

During the extension and revision of this collection that was approved in 2018, the groundfish and crab LLP license transfer application was changed to add the notary public certification requirement, which was inadvertently removed in 2016. Section 679.4(k)(7)(iii) requires a complete application to have notarized and dated signatures of the applicants. Blocks K and L on the application were revised to include fields for the notary public's signature, the notary stamp or seal, and the date the notary public's commission expires.

## **10. Application for Transfer of Crab Processor Quota Share (PQS)**

The CR Program allows for transfer of all or part of a person's processor quota share (PQS) to persons qualified to receive PQS by transfer. Transfers may occur anytime except from June 15 until individual processor quota (IPQ) is issued for a fishery. This application to transfer PQS will not be processed between June 15 of any year and the date of issuance of the IPQ in the CR Program fisheries.

If requesting transfer of PQS for use outside an eligible crab community that has designated an entity to represent it in exercise of Right of first refusal (ROFR) under § 680.41(l), the Regional Administrator will not act upon the application for a period of 10 days. At the end of that time period, the application will be approved pending meeting the criteria set forth in § 680.41(i).

An application for transfer of PQS may be submitted to NMFS only by mail or courier because the application requires an original signature and notary. This application will not be processed or approved unless it is complete. A complete application indicates the type of transfer, transferor information, transferee information, QS to be transferred with costs, terms and conditions, transaction survey questions for the transferor and transferee, certifications from the transferor and transferee, and any attached supporting documentation (bill of sale, promissory note, or other document(s) that reveal the contractual terms between the parties)

#### **11. Application for Transfer of Crab Quota Share (QS)**

The CR Program allows for transfer of all or part of a person's QS to persons qualified to receive QS by transfer. This application to transfer QS will not be processed between June 15 of any year and the date of issuance of the IFQ in the CR Program fisheries.

This application will not be processed or approved unless it is complete. In addition to providing the information required in the application, a copy of the terms and conditions of the transfer agreement must be attached. Such documentation may consist of a bill of sale, promissory note, or other document(s) that reveal the contractual terms between the parties.

An application for transfer of QS may be submitted to NMFS only by mail or courier because the application requires an original signature and notary. A complete application includes the type of QS transfer, transferor information, transferee information, transferee eligibility, the reason for transfer, how the QS was located by the transferee, certifications by the transferor and transferee, and any attached documentation.

#### **12. Application to Become an Eligible Crab Community Organization (ECCO)**

An eligible crab community (ECC) is an Alaskan non-CDQ community in which 3 percent or more of any CR crab fishery was historically processed. An ECC can form a nonprofit entity to receive QS, IFQ, PQS and IPQ transfers on behalf of the community. The nonprofit entity is called an eligible crab community organization (ECCO).

This application is required by NMFS to establish the non-profit's eligibility to receive QS, PQS, IFQ, or IPQ by transfer, as an ECCO.

A complete application includes applicant information with supporting documentation, and a notarized certification of the applicant.

#### **13. Application for Transfer of Crab QS/IFQ to or from an Eligible Crab Community Organization (ECCO)**

An ECC may form a nonprofit entity to receive QS, IFQ, PQS and IPQ transfers on behalf of that community. Crab may be transferred to or from an ECCO, which is a non-profit organization that represents at least one ECC. The ECCO must be approved by the Regional Administrator to obtain by transfer and hold crab QS and to lease IFQ resulting from the crab QS on behalf of an ECC. NMFS uses this information collection to transfer QS or IFQ to or from an ECCO.

This form may only be used if an ECCO is the proposed transferor or the proposed transferee of the QS or IFQ. The party to whom an ECCO is seeking to transfer the QS/IFQ must be eligible to receive QS/IFQ by transfer.

A complete application includes transferor information, transferee information, identification of the QS/IFQ being transferred, price information, financing information, notarized certification of the parties, and associated documentation relating to the deal.

#### **14. BSAI Crab Rationalization (CR) Program Quota Share (QS) Beneficiary Designation Form**

Individuals who hold QS in the CR Program may provide NMFS with the name of a designated beneficiary to receive survivorship transfer privileges in the event of the QS holder's death. This form is used to designate the surviving spouse, or in the absence of a surviving spouse, an immediate family member to be the beneficiary for these purposes. NMFS will allow the transfer of IFQ only (lease) resulting from the QS transferred to the beneficiary by right of survivorship, for a period of 3 years following the death of the original QS holder. It should be noted that BSAI Crab QS/IFQ can only be held by a U.S. citizen.

If the QS holder does not have a surviving spouse, they may name an immediate family member to be the beneficiary. NMFS may approve an application to transfer QS to the surviving spouse or designated beneficiary, unless a contrary intent is expressed by the decedent in a Will and provided that sufficient evidence has been provided to verify the death of the individual.

A complete application includes QS holder information, identification of the beneficiary, relationship of the beneficiary, and a notarized signature of the QS holder.

#### **15. Application for CR Program Eligibility to Receive QS/PQS or IFQ/IPQ by Transfer**

This application is required by NMFS to establish an applicant's eligibility to receive QS, PQS, IFQ, or IPQ by transfer, if the person is not an ECCO.

The regulations that govern the BSAI CR Program provide that only persons who meet certain eligibility requirements may receive QS/IFQ or PQS/IPQ by transfer. Persons eligible to receive catcher vessel crew (CVC) or catcher/processor crew (CPC) QS by transfer must also meet additional participation requirements at the time of transfer.

Eligibility to receive harvester QS/IFQ by transfer depends in part on the type of quota. In general, to be eligible to receive QS or IFQ, a person must be a U.S. citizen, or a U.S. company or other non-individual business entity. Owner QS may be received by initial QS recipients, by others who meet sea time requirements, and by CDQ groups and eligible crab community entities. In addition, crew type QS/IFQ may be received by transfer only by individuals who can demonstrate "recent participation" in the crab fisheries before each transfer.

Once approved, a person is eligible to receive crab thereafter, without reapplying, except for the two types of crew QS. Even after a person becomes initially eligible, he or she must show recent participation within the last 365 days in the CR fishery each time they apply to receive that type of QS.

Regulations specifically require a notary certification however, this field has been removed from the form and a complete application includes the QS type, applicant information, eligibility information, entity information, commercial fishing experience, documentation, and certification of the applicant.

##### **2.1.3. Element 3, Social Security Number**

Some fishery application forms require the submission of a Social Security Number (SSN) or Tax identification number (TIN) for approval. The primary purpose for requiring the SSN/TIN is for the collection and reporting on any delinquent amounts arising out of such person's relationship with the government pursuant to the Debt Collection Improvement Act of 1996 (Public Law 104-134). The requirement to submit a social security number also assists with verification of applicant information. One IFQ program form includes the submission of a SSN/TIN requirement ([Eligibility to Receive QS/IFQ](#)). This requirement is not included in regulation and is currently only included in the application form approved under OMB approved collection 0648-0272. This collection expires June 30, 2021. NMFS has

begin the process to renew OMB approval of this approved collection and has submitted a revised form that removes the requirement to submit a SSN on the application for Eligibility to receive QS/IFQ form.

In addition to the SSN requirement identified for one IFQ Program form, four other NMFS applications this requirement. These include CR Program forms and the application for a Federal Processing Permit.

The following forms listed in Table 4 require the submission of a social security number.

**Table 4 Forms and regulations requiring Social Security or Tax Identification numbers.**

#	Program	Form Name	Location Required
1	FPP	<a href="#">FPP application</a>	SSN or TIN submitted on form
2	Crab	<a href="#">ECCO QS transfer</a>	<a href="#">680.41(k)(3)</a>
3	Crab	<a href="#">QS/PQS and IFQ/IPQ eligibility</a>	<a href="#">680.41(c)(2)(ii)(B)(1)</a>
4	Crab	<a href="#">Crab RCR permit</a>	<a href="#">680.4(j)(2)</a>
5	Crab	<a href="#">Registered Crab Receiver Fee Submission Form</a>	<a href="#">680.5(g)(3)(i)</a>

**2.1.3.1. Description of forms.**

**1. Application for Federal Processor Permit (FPP)**

FPPs are non-transferable, 1-year permits, issued to owners on request and without charge. These permits are authorized at 50 CFR 679.4(f). An FPP is required for stationary floating processors (processing vessels that operate solely within Alaska State waters) and for shoreside processors that receive and/or process groundfish harvested from Federal waters (or from any federally permitted vessels). An FPP is required before the manager of a shoreside processor, stationary floating processor (SFP), or a CQE floating processor may receive, process, purchase, or arrange to purchase unprocessed groundfish harvested in the GOA or BSAI (see 50 CFR 679.4(f)).

Only persons who are U.S. citizens are authorized to receive or hold an FPP.

A shoreside processor, SFP, or CQE floating processor that is issued an FPP under 50 CFR 679.4(f) must use eLandings (see OMB Control No. 0648-0515) or other NMFS-approved software to daily record and report groundfish harvest. For more information on eLandings, see <https://elandings.atlassian.net/wiki/spaces/doc/pages/79659055/eLandings+Reporting+System+FAQ+s>.

Persons holding an FPP may be required to pay an ex-vessel value-based observer fee to NMFS to support the funding and development of observers on vessels and in plants in the partial coverage category under the North Pacific Observer Program (see OMB Control No. 0648-0711; 50 CFR 679.55). This fee is intended to be split evenly between the vessel owner and the processor or registered buyer. However, the owner of a shoreside processor or SFP named on an FPP and the registered buyer are responsible for collecting the fee, including the vessel’s portion, at the time of landing and remitting the full fee amount to NMFS. Additional information on the observer fee is available on the NMFS Alaska Region website at <https://www.fisheries.noaa.gov/alaska/commercial-fishing/observer-fee-collection-and-payment-north-pacific-groundfish-and-halibut>.

An FPP permit holder who has incurred an observer fee must pay the fee to NMFS by February 15 of the year following the calendar year in which the landing was made. For an FPP application to be considered complete, all observer fees due to NMFS per § 679.55 must be paid.

The owner or authorized representative of the shoreside processor, SFP, or CQE floating processor must complete an FPP application to obtain, amend, renew, or surrender an FPP. The FPP application is available on the NMFS Alaska Region website and may be submitted to NMFS by mail, courier, or fax.

For a SFP, a GOA inshore processing endorsement is required to process GOA inshore pollock and Eastern GOA inshore Pacific cod. A SFP that wishes to receive GOA inshore processing endorsements must complete number 11 of Block B on the FPP application. A SFP that holds an inshore processing endorsement is prohibited from processing GOA pollock and GOA Pacific cod in more than one single geographic location during a fishing year and is also prohibited from operating as a catcher/processor in the BSAI. Vessels holding the GOA inshore processing endorsement face additional operating restrictions (see 50 CFR 679.7). Once issued, a GOA inshore processing endorsement cannot be rescinded for the duration of a fishing year. It may be changed for the next fishing year by submitting an FPP application to amend the permit prior to the beginning of that fishing year.

The information collected on an FPP application includes the processor category the application is for and whether the request is new, a renewal, an amendment or a surrender. If requesting to renew, amend, or surrender an existing FPP, an FPP number must be provided. An FPP application has four sections, Blocks A through D, that collect information on the shoreside processor, SFP or CQE information, ownership information of the shoreside processor or vessel, the applicant's signature, and attachment of the USCG Abstract of Title or Certificate of Documentation if requesting a new FPP or if changing the ownership.

The information requested on the permit application is used for fisheries management and regulatory compliance by NMFS Sustainable Fisheries Division, NMFS Restricted Access Management Program, NMFS Observer Program, NOAA Office of Law Enforcement, the USCG, and the Council.

## **2. Application for Transfer of Crab QS/IFQ to or from an Eligible Crab Community Organization (ECCO)**

Regulations at 50 CFR 680.41(k)(3) specify the requirements for a complete application for transfer of crab QS/IFQ to or from an ECCO. An ECCO may form a nonprofit entity to receive QS, IFQ, PQS and IPQ transfers on behalf of that community. Crab may be transferred to or from an eligible crab community organization (ECCO), which is a non-profit organization that represents at least one ECC. The ECCO must be approved by the Regional Administrator to obtain by transfer and hold crab QS and to lease IFQ resulting from the crab QS on behalf of an ECC. NMFS uses this information collection to transfer QS or IFQ to or from an ECCO.

This form may only be used if an ECCO is the proposed transferor or the proposed transferee of the QS or IFQ. The party to whom an ECCO is seeking to transfer the QS/IFQ must be eligible to receive QS/IFQ by transfer.

Regulations specifically state that a SSN or Tax ID must be submitted as part of the transferor and transferee information included on the form. However, this field has been removed from the form and a complete application includes transferor information, transferee information, identification of the QS/IFQ being transferred, price information, financing information, certification of the parties, and associated documentation relating to the deal.

## **3. Application for CR Program Eligibility to Receive QS/PQS or IFQ/IPQ by Transfer**

This application is required by NMFS to establish an applicant's eligibility to receive QS, PQS, IFQ, or IPQ by transfer, if the person is not an Eligible Crab Community Organization.



The regulations that govern the BSAI CR Program provide that only persons who meet certain eligibility requirements may receive QS/IFQ or PQS/IPQ by transfer. Persons eligible to receive CVC/CPC QS by transfer must also meet additional participation requirements at the time of transfer.

Eligibility to receive harvester QS/IFQ by transfer depends in part on the type of quota. In general, to be eligible to receive QS or IFQ, a person must be a U.S. citizen, or a U.S. company or other non-individual business entity. Owner QS may be received by initial QS recipients, by others who meet sea time requirements, and by CDQ groups and eligible crab community entities. In addition, crew type QS/IFQ may be received by transfer only by individuals who can demonstrate “recent participation” in the crab fisheries before each transfer.

Once approved, a person is eligible to receive crab thereafter, without reapplying, except for the two types of crew QS. Even after a person becomes initially eligible, he or she must show recent participation within the last 365 days in the CR fishery each time they apply to receive that type of QS.

Regulations specifically state that a SSN or Tax ID must be submitted on the form. However, this field has been removed from the form and a complete application includes the QS type, applicant information, eligibility information, entity information, commercial fishing experience, documentation, and certification of the applicant.

#### **4. Application for Registered Crab Receiver (RCR) Permit**

NMFS requires an annual Registered Crab Receiver (RCR) permit for any person receiving CR crab or unprocessed crab from the harvester, the owner/operator of a vessel that processes crab at sea, any person holding IPQ, and any person required to submit a departure report. In addition, an RCR permit is required for each shore facility or stationary floating processor at which a person receives crab. Only one permit (and one application) is needed for an application with one or more catcher/processors.

Regulations specifically state that a SSN or Tax ID must be submitted on the form. However, this field has been removed from the form and a complete application includes the RCR type, applicant information, operational information, and the authorized representative’s information and signature. The applicant must also submit all required Economic Data Reports and pay all outstanding fee obligations before NMFS will issue a new, revised, or renewed permit.

#### **5. Registered Crab Receiver Fee Submission Form**

NMFS annually publishes in the *Federal Register* the fee percentage used for holders of crab allocations to calculate their cost recovery fee payment for the CR Program. Payment instructions are posted on the NMFS Alaska Region website at <https://alaskafisheries.noaa.gov/>.

Although this form is still titled “fee submission form,” all fees are now submitted electronically. Registered crab receivers use the Registered Crab Receiver Fee Submission Form to calculate a revised fee liability and submit adequate documentation supporting this revised fee liability. Examples of such documentation include valid fish tickets, sales receipts, or check stubs that clearly identify the CR landing amount, species, date, time, and ex-vessel value or price.

Prior to June 1, 2020, this form could be used to submit a revised fee for the CR Program. Now all cost recovery fee payments must be made electronically through eFISH in U.S. dollars by automated clearing house, credit card, or electronic check drawn on a U.S. bank account.

## **2.2. Alternative 2, Remove Recordkeeping and Reporting Requirements**

### **2.2.1. Element 1, Remove GOA Sablefish Pot Tags**

Remove regulations at § 679.7(f)(18)(ii) that prohibit using pot gear in the GOA IFQ halibut and sablefish fisheries without a pot tag as well as regulations at § 679.42(l) that require and describe the process for obtaining and using pot tags.

This element would remove the pot tag requirement IFQ Program participants operating pot gear in the GOA. Operators would no longer need to use or obtain pot tags for a specified vessel, and specific district or regulatory area. Other gear marking requirements, including those specified at § 679.24(a), would still apply.

NMFS would no longer issue or otherwise administer pot tags for the IFQ program.

### **2.2.2. Element 2, Remove the Notary Certification**

Remove the regulatory requirements for notarized signature on program forms. For forms without a regulatory requirement, recommend that NMFS modify them to remove the need for a notarized signature.

**Under this element, NMFs would evaluate each form or regulatory requirement to obtain a notary certification and determine if this information is still necessary for administration of the fishery management program.**

This element would remove the requirement for notarized original signatures on selected program forms. A signature would still be required to certify the information provided by an applicant. Without the notarized signature requirement, there would be additional flexibility for applicants to sign and then electronically submit their applications.

NMFS would depend on the non-notarized signature, other information provided in the application, supporting documentation, and existing information to verify the identity of applicants.

To implement this change, a regulatory amendment would be required to remove each regulatory requirement for notary certification. Not all forms where notary certification is required have an associated regulatory requirement. In these instances, NMFS had previously determined that it was needed for administration of that program provision. For all forms/applications being modified, including those without a regulatory requirement, approval under the PRA will also be required.

### **2.2.3. Element 3, Remove Social Security Number**

Remove the regulatory requirements to provide a social security number on program forms. For forms without a regulatory requirement, recommend that NMFS modify them to remove the need to provide a social security number.

**Under this element, NMFs would evaluate each form or regulatory requirement to submit a SSN to NMFS and determine if this information is still necessary for administration of the fishery management program.**

This element would remove the requirement to submit a SSN on selected program forms. A signature would still be required to certify the information provided by an applicant. Without the SSN requirement (which constitutes sensitive personal identifiable information (PII)), there may be additional flexibility for applicants to submit their applications electronically.

NMFS would depend on other information provided in the application (date of birth), supporting documentation, and existing information to verify the identity of applicants, and to assist with the collection and reporting on any delinquent amounts arising out of such person's relationship with the government pursuant to the Debt Collection Improvement Act of 1996 (Public Law 104-134).

To implement this change, a regulatory amendment would be required to remove each regulatory requirement to submit an SSN. Not all forms where SSN is required have an associated regulatory requirement. In these instances, NMFS had previously determined that it was needed for administration of that program provision. For all forms/applications being modified, including those without a regulatory requirement, approval under the PRA will also be required.

### **2.3. Rationale for the Preferred Alternative**

*To be completed prior to submission of Secretarial Review Draft Analysis.*

### **2.4. Alternatives Considered but not Analyzed Further**

*If applicable, to be completed prior to submission of Secretarial Review Draft Analysis.*

### 3. Description of Fisheries

This action would remove specific recordkeeping and reporting requirements for participants of the Halibut and sablefish IFQ, CQE, Crab Rationalization, Charter Halibut Permit, and LLP Programs. These programs and the background for implementation are described in this section.

#### 3.1. Halibut and Sablefish IFQ Program

The fixed gear halibut and sablefish fisheries off Alaska are managed under the IFQ program. The Council and NMFS developed the IFQ Program to resolve the conservation and management challenges commonly associated with open access fisheries. The Council recommended a LAPP for the fixed gear halibut and sablefish fisheries off Alaska in 1992. NMFS approved the halibut IFQ and sablefish IFQ Programs in 1993 and implemented them on November 9, 1993 (58 FR 59375). Fishing under the IFQ Program began on March 15, 1995. The Council and NMFS designed the IFQ Program to provide economic stability to the commercial halibut and sablefish fixed gear fisheries and intended the IFQ Program to improve the long-term productivity of the halibut and sablefish fisheries by promoting the conservation and management objectives of the MSA and the Halibut Act; while retaining the character and distribution of the fishing fleets as much as possible. Sablefish and halibut IFQ seasons are typically set simultaneously to reduce waste and discards. The season dates have varied by several weeks since 1995, but the annual pattern for both fisheries has been from March to November.

The IFQ Program is a catch share program where participants are allocated a proportion of the total allowable catch (TAC) based on the amount of QS they hold and the catch limit set by the International Pacific Halibut Commission (IPHC) for halibut or by the Secretary for sablefish.

All halibut and sablefish QS have regulatory area designations that specify the vessel size class and area in which the IFQ derived from those shares may be harvested. QS is the allocation privilege to the individual and the IFQ is the annual poundage derived from the QS, issued by NMFS. There are four vessel classes in the halibut IFQ fishery (A through D) and three in the sablefish IFQ fishery (A through C). After several amendments to the original QS categories, the current vessel lengths and operational modes associated with each QS class categories are depicted in Table 5.

**Table 5. Vessel length associations by QS class category**

IFQ Species	QS Class	Vessel Length Designation
Halibut	A	Any length (also allows for onboard processing)
	B	Catcher vessel any length
	C	Catcher vessel ≤ 60 feet
	D	Catcher vessel ≤ 35 feet (except in halibut Areas 3B, 4B, and 4C where Class D IFQ may be harvested on a vessel ≤ 60 feet)
Sablefish	A	Any length (also allows for onboard processing)
	B	Catcher vessel any length
	C	Catcher vessel ≤ 60 feet

Class A shares in both fisheries are designated for vessels of any size and provide the opportunity to process at sea on catcher-processors (i.e., freezer longline vessels). Class A shares are not subject to the owner-on-board provisions since those shares were traditionally fished by vessels owned by a corporation that utilized hired masters. For both halibut and sablefish, Class B shares are also able to be fished on any

size vessel. Class C QS is designated to be harvested on CVs less than or equal to 60 feet LOA. In the halibut fishery, Class D QS is designated to be harvested on CVs less than or equal to 35 feet LOA (with some exceptions). These vessel class designations were intended to maintain the diversity of the IFQ fleets. The Council intended for the Class D QS to be the most likely entry-level opportunity.

Class B, C, and D QS may be held by individuals or non-individuals including corporations, partnerships, or other non-individual entities. Regulations governing the use of Class B, C, and D QS differ depending upon if the entity holding the QS is an individual or a non-individual. Shown in Table 6, the total value for the IFQ fisheries was approximately \$61.8 million for halibut and \$41.3 million for sablefish in 2020. Total halibut landings and ex-vessel revenues are trending downwards.<sup>5</sup>

**Table 6. Prices, Landings, and Estimated Ex-vessel Revenues for the IFQ Fisheries, 2015-2020**

Year	Halibut			Sablefish		
	Average Price per Pound	Total Landings (in millions of lbs.)	Total Value (in millions of \$)	Average Price per Pound	Total Landings (in millions of lbs.)	Total Value (in millions of \$)
2015	\$6.42	16.7	\$107.3	\$3.78	20.2	\$76.6
2016	\$6.67	16.8	\$111.8	\$4.34	17.9	\$77.7
2017	\$6.32	17.6	\$111.5	\$4.84	19.9	\$96.5
2018	\$5.35	15.9	\$84.9	\$3.68	20.8	\$76.5
2019	\$5.30	16.5	\$87.4	\$2.96	21.2	\$62.7
2020	\$4.12	15	\$61.8	\$1.82	22.7	\$41.3

Source: AKFIN and NMFS AKRO: <https://www.fisheries.noaa.gov/sites/default/files/akro/20ifqland.htm>.

Notes: Prices are nominal and based on an average of reported statewide prices across all areas reported on fish tickets.

The IFQ Program provides significant flexibility to participants by allowing them to harvest their IFQ allocations at any point during the nine month IFQ season. Table 7 shows the total number of vessels that harvested IFQ species in the BSAI and the GOA in 2020 by vessel category.

**Table 7. Vessels that harvested IFQ species by BSAI and GOA, 2020**

	BSAI	GOA	Total
<30 ft.	10	73	83
30-60 ft.	51	612	631
>60 ft.	25	57	62
<b>Total</b>	<b>86</b>	<b>742</b>	<b>776</b>

Source: AKFIN

Note: BSAI and GOA do not exactly align with IFQ management areas; for instance, 4A is in both the BSAI and GOA.

### 3.2. Community Quota Entity Program

The Council developed the CQE Program to improve the ability for rural coastal communities to maintain long-term opportunities to access the halibut and sablefish resources. The Council recommended the CQE Program in the GOA as an amendment to the IFQ Program in 2002, and NMFS implemented the program in 2004 (69 FR 23681, April 30, 2004).

The CQE Program allows 45 small, remote, coastal communities in the GOA to purchase and hold catcher vessel halibut QS in halibut Areas 2C, 3A, and 3B, and catcher vessel sablefish QS in the GOA.

<sup>5</sup> <http://www.alaskafishradio.com/farmed-halibut-from-norway-appears-in-us-halibut-imports-from-canada-surge-as-ak-sales-prices-plummet/>

Communities eligible to participate in the CQE Program in the GOA include those that meet criteria for geographic location, population size, historic participation in the halibut and sablefish fisheries, and are listed in Table 21 to 50 CFR part 679. Additional detail on these criteria is available in the final rule implementing the CQE Program (69 FR 23681, April 30, 2004).

Participating communities are represented by a CQE, which is a NMFS-approved non-profit organization. The CQE holds QS and leases the IFQ derived from the underlying QS to community residents. With limited exceptions, QS must remain with the CQE in order to create a permanent asset for the community to use. Community residents who lease IFQ from the CQE can use the revenue to purchase their own QS. These program features promote community access to QS to generate participation in, and fishery revenues from, the commercial halibut and sablefish fisheries.

### **3.3. Crab Rationalization (CR) Program**

The CR Program was implemented on April 1, 2005 (70 FR 10174, March 2, 2005). The CR Program established a limited access program (LAP) for nine crab fisheries in the BS/AI and assigned QS to persons based on their historic participation in one or more of those nine BS/AI crab fisheries during a specific period. Each year, a person who holds QS may receive an exclusive harvest privilege for a portion of the annual TAC.

NMFS also issued processor quota share (PQS) under the CR Program. Each year, PQS yields an exclusive privilege to process a portion of the IFQ in each of the nine BS/AI CR crab fisheries. This annual exclusive processing privilege is called individual processor quota (IPQ). Only a portion of the QS issued yields IFQ that is required to be delivered to a processor with IPQ. Each year there is a one-to-one match between the total pounds of IFQ that must be delivered to a processor with IPQ with and the total pounds of IPQ issued in each CR crab fishery.

### **3.4. Charter Halibut Permit Program**

The Council and NMFS developed specific management programs for the charter fishery to achieve allocation and conservation objectives. These management programs maintain stability and economic viability in the charter fishery by 1) limiting the number of charter vessel operators, 2) allocating halibut to the charter fishery that varies with abundance, and 3) establishing a process for determining harvest restrictions for charter vessel anglers to keep the charter halibut fishery harvest within its allocations.

The charter fisheries in Areas 2C and 3A are currently managed under the Charter Halibut Limited Access Program (CHLAP) and the Catch Sharing Plan (CSP). The CHLAP limits the number of operators in the charter fishery, while the CSP establishes annual allocations to the charter and commercial fisheries and describes a process for determining annual management measures to limit charter harvest to the allocations in each management area. The CHLAP and the CSP are summarized below.

The CHLAP established Federal charter halibut permits (CHPs) for operators in the charter halibut fisheries in Areas 2C and 3A (75 FR 554, January 5, 2010). Since 2011, all vessel operators in Areas 2C and 3A with charter anglers on board must have an original, valid permit on board during every charter vessel fishing trip on which Pacific halibut are caught and retained. CHPs are endorsed for the appropriate regulatory area and the number of charter anglers that may catch and retain halibut on a trip.

NMFS implemented this program, based on recommendations by the Council, to meet allocation objectives in the charter halibut fishery. The program provides stability in the fishery by limiting the number of charter vessels that may participate in Areas 2C and 3A. Several basic standards were required to initially receive a CHP. They included 1) a timely application for a permit; 2) documentation of participation in the charter vessel fishery during the qualifying and recent participation periods by Alaska

Department of Fish and Game (ADF&G) logbooks; and 3) ownership of a business that was licensed by ADF&G to conduct the guided sport fishing that was reported in the logbooks. Licensed business owners that qualified for CHPs included individuals, corporations, firms, or associations (50 CFR 300.61). NMFS issued both transferable and nontransferable CHPs depending on specific qualifying criteria detailed in the final rule implementing the CHLAP (75 FR 554, January 5, 2010).

To receive an initial issuance of a CHP, vessel operators had to meet minimum participation requirements. The basic unit of participation for receiving a CHP was a logbook fishing trip. A logbook fishing trip is an event that was reported in the ADF&G logbooks within a requisite period of time. The minimum participation qualifications included documentation of at least five logbook fishing trips during one of the qualifying years of 2004 or 2005, and at least five logbook fishing trips during 2008. Meeting the minimum participation qualifications could qualify an applicant for a nontransferable CHP. To qualify for a transferable CHP, the minimum participation qualifications included documentation of at least 15 logbook fishing trips during one of the qualifying years—2004 or 2005—and at least 15 logbook fishing trips during 2008.

At initial issuance, each CHP was endorsed with a maximum number of anglers authorized to catch and retain halibut onboard the charter vessel. The assigned number of anglers on a CHP was based on the highest number of anglers that the applicant reported on any logbook fishing trip in 2004 or 2005, subject to a minimum endorsement of four. Vessel operators are allowed to stack CHPs to increase the number of charter vessel anglers on board.

### 3.5. LLP Program

As of January 1, 2000, a Federal License Limitation Program (LLP) license is required for vessels participating in directed fishing for LLP groundfish species in the GOA or BSAI, commercial scallop in the GOA or BSAI, or fishing in any BSAI LLP crab fisheries. A vessel must be named on an LLP license that is onboard the vessel. Exceptions are explained below. The LLP is authorized in Federal regulations at 50 CFR 679.4(k), definitions relevant to the program are at 679.2, and prohibitions are at 679.7.

The LLP license requirement is in addition to all other permits or licenses required by federal regulations. The LLP is a Federal program and LLP licenses are not required for participation in fisheries that occur in the waters of the State of Alaska.

There are four exceptions to the LLP license requirement:

- Vessels that do not exceed 26 feet in Length Overall (LOA) in the GOA;
- Vessels that do not exceed 32 feet LOA in the BSAI;
- Vessels that do not exceed 60 feet LOA and that are using jig gear (but no more than 5 jig machines, one line per machine, and 15 hooks per line) are exempt from the LLP requirements in the BSAI; and
- Certain vessels constructed for, and used exclusively in, Community Development Quota fisheries.

Pursuant to implementation of the [BSAI CR Program](#), in September 2005 all crab LLP licenses were revised to reflect fisheries remaining under governance of the LLP program. The LLP program was modified on [April 26, 2016](#) to reflect changes to the species list under federal management. The crab endorsement fisheries are: Aleutian Islands *opilio*, Norton Sound red and blue king crab, and “minor species” including Bering Sea golden king crab.

Permanent LLP licenses are transferable from the holder to another person, and/or for use on a different vessel. [Transfer applications](#) are available online and from the RAM Program. To be effective, an application for the transfer of a license must be submitted to and approved by NOAA Fisheries. A summary of transfer rules follows:

- Licenses may only be transferred to U.S. citizens or businesses;
- Unless they are initially issued, no person may hold more than ten (10) groundfish licenses or five (5) crab licenses at any one time;
- An LLP license may be voluntarily transferred only once per calendar year;
- An LLP license may be transferred for use on a vessel of length overall no greater than the maximum length overall of the license;
- Licenses may transfer by "operation of law" (foreclosure, inheritance, court order, etc.); such transfers (which may or may not include a vessel) will not be considered a "voluntary transfer" for purposes of allowable transfers in a calendar year;
- Endorsements on licenses are not severable from the license; and
- A person who receives both a groundfish license and a crab license derived from the qualifying history of one vessel may not transfer one without transferring both to the same recipient.

More information about the License Limitation Program in Alaska is available on the NOAA Fisheries website at: <https://www.fisheries.noaa.gov/alaska/sustainable-fisheries/license-limitation-program-alaska>.



## 4. Analysis of Impacts

*To be completed prior to submission of Secretarial Review Draft Analysis.*

### 4.1. Analysis of Impacts: Alternative 1, No Action

### 4.2. Analysis of Impacts: Alternative 2

### 4.3. Management and Enforcement Considerations

NMFS will fully analyze the impacts of these alternatives on the affected stakeholders and program administration. This section provides a preliminary discussion of the management and enforcement considerations.

#### 4.3.1. Enforcement

##### GOA Sablefish Pot Tags

Pot tags were implemented as one tool in a suite of monitoring tools intended to enforce limitations on pot gear limits and gear tending requirements implemented under Amendment 101 to the GOA FMP that authorized the use of longline pot gear in the sablefish IFQ fisheries in the GOA. In recommending Amendment 101, the Council was concerned with the potential for gear conflicts between vessels using hook-and-line gear and vessels using longline pot gear and recommended a number of provisions intended to minimize the potential for gear conflicts. These provisions included pot limits, requirements for vessel operators to use pot tags issued by NMFS, requirements that pot longline gear be redeployed within a certain amount of time after being deployed, a requirement in the SE area that pot longline gear be removed from the fishing grounds when making a sablefish landing, and requirements to mark pot longline gear deployed on the fishing grounds.

During the development of Amendment 101, the Enforcement Committee reviewed the pot gear elements. The April 7, 2015, meeting minutes include comments on the pot limits, gear retrieval, and gear specifications.<sup>6</sup> Those minutes note that pot tags were not the preferred method for enforcing pot limits. The committee meeting minutes note that a logbook requirement for all vessels using longline pots in the GOA IFQ fisheries as well as adding a data field to the prior notice of landing (PNOL) to report lost pots would be more useful tools that requiring the use of pot tags.

Vessel using longline pot gear to harvest sablefish or halibut IFQ in the GOA are required to maintain a daily fishing logbook (DFL),<sup>7</sup> report information in a PNOL,<sup>8</sup> and maintain a working VMS unit onboard.<sup>9</sup>

Information required to be entered in the logbook if using longline pot gear in the GOA includes:

- Length of longline pot set to the nearest foot;
- The size of pot in inches (width by length by height or diameter);
- The spacing of pots to the nearest foot;

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<sup>6</sup> April 2015 Enforcement Committee minutes are available at: <https://meetings.npfmc.org/CommentReview/DownloadFile?p=217d70a2-8703-428e-9884-fb659b523f28.pdf&fileName=Enforcement%20Minutes%20April%202015.pdf>.

<sup>7</sup> See regulations at [50 CFR 679.42\(l\)\(7\)](#) and [50 CFR 679.5\(c\)\(3\)\(v\)\(G\)](#).

<sup>8</sup> See regulations at [50 CFR 679.5\(l\)\(1\)\(iii\)](#).

<sup>9</sup> See regulations at [50 CFR 679.42\(l\)\(7\)](#).

- The number of pots deployed in each set ;
- The number of pots lost when the set is retrieved (optional, but may be required by IPHC regulations, see §§ 300.60 through 300.65);
- Enter the number of pots deployed in each set; and
- The number of pots lost when the set is retrieved (optional, but may be required by IPHC regulations, see §§ 300.60 through 300.65).

Information required to be submitted on a PNOL if using longline pot gear in the GOA or pot gear in the BSAI includes:

- The number of pots set;
- The number of pots lost; and
- The number of pots left deployed on the fishing grounds.

While the enforcement of a pot tag requirement is relatively easy, the tags are easily visible on each pot and it is a simple step for a NOAA enforcement officer or USCG boarding officer to check for the presence or absence of the tags during an at-sea boarding or dockside check. However, the tags are less useful in verifying the total number of pots being fished at any given time because it would only be possible for an enforcement officer to verify a vessel is not exceeding the pot limit if they could verify the presence of a tag on the vessels entire set of gear during a single boarding that could be proven to have been fished. Because at-sea boarding's typically occur while a vessel is actively fishing, the vessels gear is typically distributed among various locations including on the deck of the vessel, fishing at the bottom of the ocean, or stored on land.

Without the use of pot tags, the pot limitations are enforceable through the verification of logbook information during dockside or at-sea boarding's and may also be verified through data collected by observers or electronic monitoring deployed on vessels using longline pot gear.

The requirement for pot tags is a provision of the IFQ Program that is administratively burdensome and costly to implement. NMFS Office of Law Enforcement (OLE) and the USCG District 17 have assessed that this gear marking requirement is not useful for the at-sea enforcement of pot limits (A. Duncan and J. Brennell, pers. comm., March 4, 2021).

#### **4.3.2. Safety Considerations**

This action is administrative in nature and would not impact safety of vessels at sea. The action alternatives considered in this Analysis would modify recordkeeping and reporting requirements including pot tags in the sablefish IFQ fishery in the GOA as well as various permit application forms submitted to NMFS.

#### **4.3.3. Cost Recovery**

On March 20, 2000, NMFS published regulations at section 679.45 implementing cost recovery for the IFQ program (65 FR 14919, March 20, 2000). An IFQ permit holder must pay a cost recovery fee for every pound of IFQ halibut and sablefish that is landed on their IFQ permit(s). The IFQ permit holder is responsible for self collecting the fee for all IFQ halibut and sablefish landings on their permit(s) The IFQ permit holder is also responsible for submitting IFQ fee payment(s) to NMFS on or before the due date of January 31 of the year following the year in which IFQ landings were made. The total dollar amount of the fee due is determined by multiplying the NMFS published fee percentage by the ex-vessel value of all IFQ landings made on the permits(s) during the IFQ fishing year. As required by § 679.45(d)(1) and (d)(3)(i), NMFS publishes this notice of the fee percentage for the halibut and sablefish IFQ fisheries in the Federal Register during or before the last quarter of each year. The fee is based on the sum of all

payments made to fishermen for the sale of the fish during the year. This includes any retro-payments (e.g., bonuses, delayed partial payments, postseason payments) made to the IFQ permit holder for previously landed IFQ halibut or sablefish.

For purposes of calculating IFQ cost recovery fees, NMFS distinguishes between two types of ex-vessel value: actual and standard. Actual ex-vessel value is the amount of all compensation; monetary or non-monetary that an IFQ permit holder received as payment for their IFQ fish sold. Standard ex-vessel value is the default value used to calculate the fee. IFQ permit holders have the option of using actual ex-vessel value if they can satisfactorily document it; otherwise, the standard ex-vessel value is used.

NMFS determines the fee percentage that applies to landings made in the previous year by dividing direct program costs by the total standard ex-vessel value of IFQ halibut and sablefish landings made during the previous year (fishery value). Direct program costs are expenses necessary to manage, collect data from, and enforce the IFQ program. The costs are considered incremental: they would not have been incurred but for the IFQ Program. Cost recovery fees do not increase agency budgets or expenditures. The fee percentage for 2020 was 3%.<sup>10</sup>

There are significant personnel costs associated with issuing the large number of IFQ permits and processing transfers of quota shares, including time spent processing applications and issuing pot tags. **Removal of the notary requirement and pot tags would reduce the logistical and administrative burden on IFQ participants and NMFS staff.**

In, 2020, NMFS RAM issued 50,753 pot tags in response to 281 applications received from vessel operators. Table 9 summarizes pot tags issues by area in 2020. This represents a substantive increase in the use of pots to target sablefish relative to 2019 when RAM issued only 15,532 pot tags to 33 vessels. Pot tags cost approximately \$0.70 per tag, including purchase and shipping, making this an expensive provision of the IFQ Program. RAM staff time (approximately 30 minutes to package up a box of 300 tags) and shipping costs (approximately \$24 to mail a box) are billable to Halibut and Sablefish cost recovery. Tags that are used for multiple years reduce overall management costs by distributing the costs of tags over the time they are used. RAM must maintain a stock of pot tags in the office for issuance and these costs are incurred at the time of acquisition to ensure that tags are available so that requests for pot tags can be processed in a timely manner. This front loads the costs of this program in years when RAM must order additional tags.

**Table 8. GOA Sablefish Pot tag limits and number of pot tags issued in 2020 for each regulatory area.**

Area	Pot Limit	Pot tags issued
WG	300	13,332
CG	300	20,823
WY	120	8,728
SE	120	7,870
2020 Total		50,753

#### 4.4. Affected Small Entities (Regulatory Flexibility Act Considerations)

*To be completed prior to submission of Secretarial Review Draft Analysis.*

<sup>10</sup> The 2020 Halibut and Sablefish IFQ Cost recovery report is available at: <https://media.fisheries.noaa.gov/2021-01/ifq-cost-recovery-report-2020-akro.pdf?null>.

#### **4.5. Summation of the Alternatives with Respect to Net Benefit to the Nation**

*To be completed prior to submission of Secretarial Review Draft Analysis.*

## 5. Magnuson-Stevens Act and Halibut Act Considerations

### 5.1. Magnuson-Stevens Act National Standards

Below are the 10 National Standards as contained in the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), and a brief discussion of the National Standards, where applicable.

*To be completed prior to submission of Secretarial Review Draft Analysis.*

**National Standard 1** — Conservation and management measures shall prevent overfishing while achieving, on a continuing basis, the optimum yield from each fishery for the United States fishing industry.

**National Standard 2** — Conservation and management measures shall be based upon the best scientific information available.

**National Standard 3** — To the extent practicable, an individual stock of fish shall be managed as a unit throughout its range, and interrelated stocks of fish shall be managed as a unit or in close coordination.

**National Standard 4** — Conservation and management measures shall not discriminate between residents of different states. If it becomes necessary to allocate or assign fishing privileges among various United States fishermen, such allocation shall be; (A) fair and equitable to all such fishermen, (B) reasonably calculated to promote conservation, and (C) carried out in such a manner that no particular individual, corporation, or other entity acquires an excessive share of such privileges.

**National Standard 5** — Conservation and management measures shall, where practicable, consider efficiency in the utilization of fishery resources, except that no such measure shall have economic allocation as its sole purpose.

**National Standard 6** — Conservation and management measures shall take into account and allow for variations among, and contingencies in, fisheries, fishery resources, and catches.

**National Standard 7** — Conservation and management measures shall, where practicable, minimize costs and avoid unnecessary duplication.

**National Standard 8** — Conservation and management measures shall, consistent with the conservation requirements of this Act (including the prevention of overfishing and rebuilding of overfished stocks), take into account the importance of fishery resources to fishing communities by utilizing economic and social data that meet the requirements of National Standard 2, in order to (A) provide for the sustained participation of such communities, and (B) to the extent practicable, minimize adverse economic impacts on such communities.

**National Standard 9** — Conservation and management measures shall, to the extent practicable, (A) minimize bycatch, and (B) to the extent bycatch cannot be avoided, minimize the mortality of such bycatch.

**National Standard 10** — Conservation and management measures shall, to the extent practicable, promote the safety of human life at sea.

## **5.2. Halibut Act Considerations**

*To be completed prior to submission of Secretarial Review Draft Analysis.*

## 6. Preparers and Persons Consulted

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