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**DEPARTMENT OF COMMERCE**

**National Oceanic and Atmospheric Administration**

**RIN 0648-XG613**

**Fisheries of the Exclusive Economic Zone Off Alaska; North Pacific Halibut and Sablefish Individual Fishing Quota Cost Recovery Programs**

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Notice of standard prices and fee percentage.

**SUMMARY:** NMFS publishes the individual fishing quota (IFQ) standard prices and fee percentage for cost recovery for the IFQ Program for the halibut and sablefish fisheries of the North Pacific (IFQ Program). The fee percentage for 2018 is 2.8 percent. This action is intended to provide holders of halibut and sablefish IFQ permits with the 2018 standard prices and fee percentage to calculate the required payment for IFQ cost recovery fees due by January 31, 2019.

**DATES:** The standard prices and fee percentages are valid on **December 12, 2018**.

**FOR FURTHER INFORMATION CONTACT:** Carl Greene, Fee Coordinator, 907-586-7105.

**SUPPLEMENTARY INFORMATION:**

**Background**

NMFS Alaska Region administers the IFQ Program in the North Pacific. The IFQ Program is a limited access system authorized by the Magnuson-Stevens Fishery

Conservation and Management Act (Magnuson-Stevens Act) and the Northern Pacific Halibut Act of 1982. Fishing under the IFQ Program began in March 1995. Regulations implementing the IFQ Program are set forth at 50 CFR part 679.

In 1996, the Magnuson-Stevens Act was amended to, among other purposes, require the Secretary of Commerce to “collect a fee to recover the actual costs directly related to the management and enforcement of any ... individual quota program.” This requirement was further amended in 2006 to include collection of the actual costs of data collection, and to replace the reference to “individual quota program” with a more general reference to “limited access privilege program” at section 304(d)(2)(A). Section 304(d)(2) of the Magnuson-Stevens Act also specifies an upper limit on these fees, when the fees must be collected, and where the fees must be deposited.

On March 20, 2000, NMFS published regulations in § 679.45 implementing cost recovery for the IFQ Program (65 FR 14919). Under the regulations, an IFQ permit holder must pay a cost recovery fee for every pound of IFQ halibut and IFQ sablefish that is landed on his or her IFQ permit(s). The IFQ permit holder is responsible for self-collecting the fee for all IFQ halibut and IFQ sablefish landings on his or her 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 the 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 permit(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.

## **Standard Prices**

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, post-season 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 his or her 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.

Section 679.45(b)(3)(iii) requires the Regional Administrator to publish IFQ standard prices during the last quarter of each calendar year. These standard prices are used, along with estimates of IFQ halibut and IFQ sablefish landings, to calculate standard ex-vessel values. The standard prices are described in U.S. dollars per IFQ equivalent pound for IFQ halibut and IFQ sablefish landings made during the year. According to § 679.2, IFQ equivalent pound(s) means the weight amount, recorded in pounds, and calculated as round weight for sablefish and headed and gutted weight for halibut, for an IFQ landing. The weight of halibut in pounds landed as guided angler fish is converted to IFQ equivalent pound(s) as specified in § 300.65(c) of this title. NMFS calculates the standard prices to closely reflect the variations in the actual ex-vessel values of IFQ halibut and IFQ sablefish landings by month and port or port-group. The standard prices for IFQ halibut and IFQ sablefish are listed in Table 1 that follows the

next section. Data from ports are combined as necessary to protect confidentiality.

### **Fee Percentage**

NMFS calculates the fee percentage each year according to the factors and methods described at § 679.45(d)(2). NMFS determines the fee percentage that applies to landings made in the previous year by dividing the total costs directly related to the management, data collection, and enforcement of the IFQ Program (management costs) during the previous year by the total standard ex-vessel value of IFQ halibut and IFQ sablefish landings made during the previous year (fishery value). NMFS captures the actual management costs associated with certain management, data collection, and enforcement functions through an established accounting system that allows staff to track labor, travel, contracts, rent, and procurement. NMFS calculates the fishery value as described under the section, Standard Prices.

Using the fee percentage formula described above, the estimated percentage of management costs to fishery value for the 2018 calendar year is 2.8 percent of the standard ex-vessel value, which is below the 3.0 maximum fee percentage allowed under section 304(d)(2)(B) of the Magnuson-Stevens Act. An IFQ permit holder is to use the fee percentage of 2.8 percent to calculate his or her fee for IFQ equivalent pound(s) landed during the 2018 halibut and sablefish IFQ fishing season. An IFQ permit holder is responsible for submitting the 2018 IFQ fee payment to NMFS on or before January 31, 2019. Payment must be made in accordance with the payment methods set forth in § 679.45(a)(4). NMFS no longer accepts credit card information by phone or in-person for fee payments. NMFS has determined that the practice of accepting credit card information by phone or in-person no longer meets agency standards for protection of

personal financial information (81 FR 23645, April 22, 2016).

The 2018 fee percentage of 2.8 percent is higher than the 2017 fee percentage of 2.2 percent (82 FR 60379, December 20, 2017). Although management costs for the IFQ Program fisheries dropped 1.9 percent from 2017 to 2018, the rise in fee percentage can be attributed to an estimated 22.4 percent decrease in the value of the fisheries over the same period.

**Table 1. Registered Buyer Standard Ex-Vessel Prices by Landing Location for the 2018 IFQ Season.**

REGISTERED BUYER STANDARD EX-VESSEL PRICES BY LANDING LOCATION FOR 2018 IFQ SEASON <sup>1</sup>			
LANDING LOCATION	PERIOD ENDING	HALIBUT STANDARD EX-VESSEL PRICE	SABLEFISH STANDARD EX-VESSEL PRICE
CORDOVA	March 31	-	-
	April 30	-	-
	May 31	-	-
	June 30	-	-
	July 31	6.37	-
	August 31	6.02	4.17
	September 30	5.74	-
	October 31	5.74	-
	November 30	5.74	-
HOMER	March 31	4.72	-
	April 30	4.89	2.41
	May 31	4.87	3.04
	June 30	5.68	-
	July 31	6.18	-
	August 31	6.44	3.59
	September 30	5.65	3.81
	October 31	5.65	3.81
	November 30	5.65	3.81
KETCHIKAN	March 31	-	-
	April 30	5.24	-
	May 31	5.18	-
	June 30	5.23	-
	July 31	5.70	-
	August 31	5.90	-
	September 30	5.86	-
	October 31	5.86	-
	November 30	5.86	-
KODIAK	March 31	-	-
	April 30	4.73	2.54
	May 31	4.65	3.21
	June 30	5.02	3.56
	July 31	5.59	3.28
	August 31	5.76	3.86
	September 30	5.58	3.81
	October 31	5.58	3.81
	November 30	5.58	3.81
PETERSBURG	March 31	-	-
	April 30	-	-

REGISTERED BUYER STANDARD EX-VESSEL PRICES BY LANDING LOCATION FOR 2018 IFQ SEASON <sup>1</sup>			
LANDING LOCATION	PERIOD ENDING	HALIBUT STANDARD EX-VESSEL PRICE	SABLEFISH STANDARD EX-VESSEL PRICE
	May 31	-	-
	June 30	-	-
	July 31	5.89	-
	August 31	5.99	-
	September 30	-	-
	October 31	-	-
	November 30	-	-
SEWARD	March 31	-	-
	April 30	-	-
	May 31	5.27	3.75
	June 30	5.17	3.35
	July 31	-	-
	August 31	-	-
	September 30	-	-
	October 31	-	-
	November 30	-	-
SITKA	March 31	5.18	-
	April 30	5.15	3.38
	May 31	-	3.92
	June 30	4.94	4.09
	July 31	-	-
	August 31	-	-
	September 30	-	-
	October 31	-	-
	November 30	-	-
PORT GROUP BERING SEA <sup>2</sup>	March 31	-	-
	April 30	4.75	2.45
	May 31	4.53	2.04
	June 30	4.60	2.88
	July 31	4.53	2.99
	August 31	4.75	3.57
	September 30	4.95	3.39
	October 31	4.95	3.39
	November 30	4.95	3.39
	PORT GROUP CENTRAL GULF <sup>3</sup>	March 31	5.19
April 30		5.08	3.17
May 31		4.89	3.36
June 30		5.40	3.55
July 31		6.12	3.20
August 31		6.47	3.74
September 30		5.58	3.79
October 31		5.58	3.79

REGISTERED BUYER STANDARD EX-VESSEL PRICES BY LANDING LOCATION FOR 2018 IFQ SEASON <sup>1</sup>			
LANDING LOCATION	PERIOD ENDING	HALIBUT STANDARD EX-VESSEL PRICE	SABLEFISH STANDARD EX-VESSEL PRICE
	November 30	5.58	3.79
PORT GROUP SOUTHEAST <sup>4</sup>	March 31	5.19	3.73
	April 30	5.18	3.46
	May 31	5.10	3.80
	June 30	5.21	3.99
	July 31	5.84	4.27
	August 31	6.00	4.38
	September 30	5.88	4.53
	October 31	5.88	4.53
	November 30	5.88	4.53
ALL-ALASKA <sup>5</sup>	March 31	5.18	3.67
	April 30	5.12	3.26
	May 31	4.94	3.37
	June 30	5.26	3.71
	July 31	5.76	3.53
	August 31	5.82	3.86
	September 30	5.51	4.00
	October 31	5.51	4.00
	November 30	5.51	4.00
ALL <sup>5</sup>	March 31	5.18	3.67
	April 30	5.12	3.26
	May 31	4.94	3.37
	June 30	5.26	3.71
	July 31	5.76	3.53
	August 31	5.82	3.86
	September 30	5.51	4.00
	October 31	5.51	4.00
	November 30	5.51	4.00

- Note: In many instances, prices are not shown in order to comply with confidentiality guidelines when there are fewer than three processors operating in a location during a month.
- Landing Locations Within Port Group - Bering Sea:* Adak, Akutan, Akutan Bay, Atka, Bristol Bay, Cheforak, Dillingham, Captains Bay, Dutch Harbor, Egegik, Ikatan Bay, Hooper Bay, King Cove, King Salmon, Kipnuk, Mekoryuk, Naknek, Nome, Quinhagak, Savoonga, St. George, St. Lawrence, St. Paul, Togiak, Toksook Bay, Tununak, Beaver Inlet, Ugadaga Bay, Unalaska.
- Landing Locations Within Port Group - Central Gulf of Alaska:* Anchor Point, Anchorage, Alitak, Chignik, Cordova, Eagle River, False Pass, West Anchor Cove, Girdwood, Chinitna Bay, Halibut Cove, Homer, Kasilof, Kenai, Kenai River, Alitak, Kodiak, Port Bailey, Nikiski, Ninilchik, Old Harbor, Palmer, Sand Point, Seldovia, Resurrection Bay, Seward, Valdez, Whittier.



4. *Landing Locations Within Port Group - Southeast Alaska:* Angoon, Baranof Warm Springs, Craig, Edna Bay, Elfin Cove, Excursion Inlet, Gustavus, Haines, Hollis, Hoonah, Hyder, Auke Bay, Douglas, Tee Harbor, Juneau, Kake, Ketchikan, Klawock, Metlakatla, Pelican, Petersburg, Portage Bay, Port Alexander, Port Graham, Port Protection, Point Baker, Sitka, Skagway, Tenakee Springs, Thorne Bay, Wrangell, Yakutat.
  
5. *Landing Locations Within Port Group - All:* For Alaska: All landing locations included in 2, 3, and 4. For California: Eureka, Fort Bragg, other California. For Oregon: Astoria, Aurora, Lincoln City, Newport, Warrenton, other Oregon. For Washington: Anacortes, Bellevue, Bellingham, Nagai Island, Edmonds, Everett, Granite Falls, Ilwaco, La Conner, Port Angeles, Port Orchard, Port Townsend, Rainier, Fox Island, Mercer Island, Seattle, Standwood, other Washington. For Canada: Port Hardy, Port Edward, Prince Rupert, Vancouver, Haines Junction, other Canada.

**Authority:** 16 U.S.C. 1801 *et seq.*

Dated: December 7, 2018.

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National Marine Fisheries Service.

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