

To improve monitoring of commercial landings by collecting more timely and accurate data, enhance enforceability of the existing regulations, promote compliance with existing regulations, and ensure consistency in reporting requirements among fisheries, the National Marine Fisheries Service (NOAA Fisheries) proposes modifying several of the reporting requirements for dealers handling regulated species in the southeast. The purpose of this action is to propose and implement changes to the SE fisheries regulations, at 50 CFR part 622, to require that all federally permitted seafood dealers in the SE Region report each receipt of fish from commercial fishing vessels by one of several electronic reporting mechanisms. This action would also change the regulations to require these seafood dealers to report electronically on a weekly basis, to include a trip identifier for each transaction, and to indicate the disposition of all fish purchased.

Currently, dealers issued a Federal permit for handling regulated species are required to submit bi-monthly reports through a quota monitoring system (QMS) or send reports by fax to the local port agent.

To address the problems and concerns regarding the timeliness, accuracy, completeness, and consistency of data collected under the current reporting requirements and systems, NOAA Fisheries proposes the following changes to dealer reporting requirements:

- All federally permitted dealers identified above would be required to submit an electronic report for each receipt of fish from fishing vessels, purchased by the dealer or not;
- To ensure data are received within a time frame that allows for effective quota monitoring, federally permitted dealers would be required to submit reports weekly (**by midnight on Tuesday for the previous week's fish purchases**) of purchases of fish from a fishing vessel;
- Because trip-level electronic reports would be submitted within a time frame that allows quotas to be monitored satisfactorily, dealers would no longer be required to submit weekly landing summary reports or weekly negative reports through the dealer QMS for quota-monitored species or to the local port agent;
- In order for each fishing trip to be uniquely identifiable and to aid in matching dealer purchase report data with the corresponding vessel log report data, this action would explicitly define and implement reporting of a trip identifier for each trip from which fish are purchased;
- To ensure the disposition is accurately reflected in the database, all federally permitted dealers would be required to report the disposition of any fish that they purchase;

The majority of reports submitted by seafood dealers to the Southeast Fisheries Science Center of NOAA Fisheries are via paper-based forms, with a small percentage submitted using electronic methods. Paper-based reports were the preferred method for submitting seafood transaction information in the past. However, with the advent of the Internet and high-speed data transfer alternatives available, paper forms are no longer the most efficient method for dealers to submit the required information, nor for NOAA Fisheries to receive and process it. As more

dealers utilize computers, various business software applications, and the Internet in their normal business operations, NOAA Fisheries intends to provide an opportunity for dealers to take advantage of these technical capabilities to reduce the paper burden and improve data quality, accessibility, and timeliness.

The electronic submission of dealer landings reports would reduce the paper burden for dealers and result in higher quality and more timely information being available for fishery managers, scientists, and the industry. In addition, electronic submission would reduce the need for manually processing the reports, thus reducing or eliminating one potential source of errors in these critical reports. Improved timeliness of landings data makes electronic reporting an especially effective tool for monitoring quota-managed species. The availability of detailed landings information on a timelier basis would allow NOAA Fisheries to keep more accurate accountings of landings for quota-managed species and avoid costly overruns of the quota, as well as early closures of these fisheries. In addition, improvements in the quality, timeliness, and detail of the information provided through electronic reporting would lead to improvements in the precision of landings projections and reduce the uncertainty associated with the current projections. Thus, implementation of electronic reporting would eliminate the need for other quota-monitoring systems, such as the dealer QMS, as landings information at a greater level of detail for all species would be available to NOAA Fisheries managers on a weekly basis. Further, electronic reporting would eliminate duplication of effort for dealers who currently enter purchase information into a computer database for their own business records and also write the same information on a Government-issued paper form for submission to NOAA Fisheries.

At the time most FMPs were developed, electronic reporting was not considered a viable option, nor a priority for industry or the Agency. However, as technology evolves and the technological capabilities of individuals and small businesses increase, NOAA Fisheries intends to utilize and accommodate these technological advances.

In addition to the proposed action, NOAA Fisheries considered several other alternatives, including:

- No action--making no changes to the current dealer reporting requirements or systems;
- Voluntary electronic daily reporting for federally permitted dealers; and
- Mandatory electronic weekly reporting for some federally permitted dealers.

Because the proposed action deals entirely with the administrative mechanisms by which seafood dealers report purchases of fish from commercial fishing vessels, and would not affect fishing vessel effort, operations, species targeted, or areas fished, there would be no direct impacts of the proposed action on any fishery resources or habitat managed under a SE Region FMP, or on any associated protected resources. Also, because the alternatives to the proposed action, including the No Action alternative, present variations on the scope of dealers required (or not) to report seafood purchases by electronic means, there are no differences between the alternatives as far as direct impacts on fishery resources, habitat, or protected resources. There are differences in the indirect impacts that may be expected under the various alternatives considered, but these differences are not significant.

The proposed action would impact seafood dealers who make purchases from vessels landing specific species in the SE Region. Dealers are firms who buy product from vessels and then sell directly to restaurants, markets, other dealers, processors, and consumers without substantially altering the product.

There would be additional costs to the Government, in the form of staff and equipment, as a result of the proposed action. Labor accounts for the majority of the increased expense to the Government. Additional administrative support has been required to design and develop software, build Internet-based forms, and implement and support the proposed system. The personnel who currently collect and process the data, and manage the existing data-collection program, would still be utilized in the process, although their job functions may change.

Industry start-up costs were calculated by estimating the costs for each firm and then multiplying them by the expected number of firms that would need to comply with the proposed action. Industry costs were based on a survey of dealers with NE permits requiring electronic reporting conducted in 2008. Costs were separated into initial start-up costs for purchasing the necessary computer hardware and software, and monthly internet expenses and labor costs. Cost estimates for the hardware, software, and Internet service were between \$129 and \$3,029 per dealer with an average of \$1,288 per dealer. Based on a response from the electronic trip ticket program developer (Bluefin Data Inc.), in December 2010, NOAA Fisheries estimates that at least 87 firms have the necessary computer hardware, software, and Internet connections to comply with the proposed action with no additional cost. It is therefore assumed that as many as 229 firms would need to purchase the hardware and software and obtain an Internet connection at an average cost of \$1,288.

There would be a variety of benefits expected for both the Government and seafood dealers under the proposed action, including:

- Overall enhancement of the quality and completeness of fishery-dependent data;
 - Accurate and timely completion and submission of dealer reports;
 - Eliminating confusion regarding the link between vessel logbook reports and dealer reports;
- More effective, streamlined database management;
- Greater cooperation between state fishery management agencies with each other and with NOAA Fisheries;
- Improving efficiency of the submission of purchase reports by seafood dealers;
- Improving efficiency of data processing by NOAA Fisheries;
- Avoiding duplication of effort between existing QMS reports and monthly trip ticket reports;
- Simplifying enforcement issues through greater compliance with recordkeeping and reporting regulations by the industry;
- Reducing a source of errors in dealer reports, since manual processing would be eliminated (improvements in quality);
- Reducing dealer administrative tasks, particularly for the larger dealers, who may be able to save on personnel costs;
- Reducing the paper burden and overall data handling costs for dealers and the Government; and

- Eliminating duplication of effort for dealers who currently enter purchase information into a computer database for their own business records and also write the same information on a Government-issued paper form for submission to NOAA Fisheries.

This proposed action, is intended to be consistent with all of the requirements of the Magnuson-Stevens Fishery Conservation and Management Act, the National Environmental Policy Act, the Regulatory Flexibility Act, the Endangered Species Act, the Marine Mammal Protection Act, the Paperwork Reduction Act, the Coastal Zone Management Act, the Data Quality Act, and Executive Orders 12866, 12898, 13132, and 13158.

Preliminary Southeast Fisheries Science Center Specifications for Electronically Reported Dealer Data

Frequency: Dealer reports for each trip for the week will be received by the SEFSC on the following Tuesday of each week (week runs Sunday-Saturday). Transmission of data from FIN to SEFSC will include nightly updates of new or updated data.

Data Required to be Transmitted to SEFSC:

- Trip Ticket number
- Dealer name and Federal permit number and state dealer license number
- Vessel name and USCG documentation number and state registration
- If selected by the SRD, report preprinted VTR# from the vessel logbook form (We intend to change logbook regs to require logbook to be completed before landings. If/when the logbooks regs change, VTR # will be available for dealer to include on the trip ticket).
- Date of landing (date vessel returned to dock)
- Species
- Amount landed (Lbs, Bushels, etc) in landed weight **and** whole weight
- Price per unit (\$) landed weight
- Port (or county) and state landed
- Gear used
- Area Fished
- Size (Small, Large)
- Condition (Gutted, Headed, Core...)
- Grade (Sushi grade, A, B, C....)
- Disposition (food, bait, pet food or reduction)

Species required: All species are required to be reported by dealers handling SE managed species.

When No Purchases are Made During a Week, the Report will Consist of:

- Dealer name and Federal permit number and state dealer license number
- Date Range of reporting period
- Identifier indicating no landings were handled for the period

Dealer Selection: All dealers handling species managed by the SERO.

Data Format: Standard FIN format

Versioning: Electronic reports submitted to ACCSP/GulfFIN will be expired when edited (updated) data has been received by the FIN from dealer reports submitted by dealers or edited dealer reports received from the state. All versions of records submitted will be retained to assist in tracking of compliance and litigation.

Data will be retrieved by SEFSC from tables that reside on the FIN, unless transmissions are frequently interrupted, in that case, the FIN will push the data to tables at the SEFSC.

SEFSC request that generic SE region permit be instituted for dealers handling any SE species regulated by NMFS.

SEFC requests that dealers be required to submit each state dealer license number and state of issuance on their application for a SE federal dealer permit.

SEFSC request that an email address be required on each SE federal dealer permit application.