

Compliance Guide Pacific Coast Groundfish Trawl Rationalization Program

Cost Recovery

Updated 2022
Version 5 of compliance guide



This small entity compliance guide was prepared to section 212 of the Small Business Regulatory Enforcement Act of 1996 (SBREFA), Pub. L. 104-121. The statements in this document are intended solely as guidance. This document is intended to provide plain-language summary of how small businesses can comply with regulations implementing cost recovery for the Pacific Coast groundfish trawl rationalization program (78 FR 75268, December 11, 2013). Any discrepancies between this guide and the *Federal Register* will be resolved in favor of the *Federal Register*.

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Need Help?

NMFS, Pacific Coast Groundfish Management, Trawl Rationalization Program:

<https://www.fisheries.noaa.gov/west-coast/sustainable-fisheries/west-coast-groundfish-trawl-catch-share-program>

Pacific Fishery Management Council, Groundfish Management:

<https://www.p council.org/groundfish-fishery->

Question regarding cost recovery?

Contact the Cost Recovery Coordinator at:

Email: cost.recovery.wcr@noaa.gov

Question regarding the program?

Contact the Groundfish Branch at:

Phone: 206-526-6140 Fax: 206-526-6736

Question regarding permits/licenses?

Contact the NMFS, West Coast Region Permits Office at:

Phone: 206-526-4353

Question regarding the observer program?

Contact the West Coast Groundfish Observer Program at:

Phone: 206-302-1777

Question regarding the catch monitor program?

Contact the catch monitor program coordinator at:

Phone: 503-595-3282

Need to contact NMFS law enforcement?

Find an enforcement office nearest you at:

<https://www.fisheries.noaa.gov/about/office-law-enforcement>

1 Introduction

Cost Recovery affects participants in the Pacific coast groundfish trawl rationalization program (also called the catch share program). This guide will help participants understand the cost of recovery requirements which are based on recommendations by the Pacific Fishery Management Council (Council) and implemented by the National Marine Fisheries Service (NMFS) through the cost recovery final rule (78 FR 75268, December 11, 2013).

1.1. Who should read this guide?

Commercial fisherman, limited entry permit owners, vessel owners, and shorebased and at-sea processors participating in the Pacific coast groundfish trawl rationalization program should read this guide.

This guide will walk you through cost recovery requirements in general and those for each participating sector. If you are a Shorebased Individual Fishing Quota (IFQ) Program participant, or are participating in one of the two at-sea whiting cooperative (Co-op) programs, whether as a mothership (MS), a catcher vessel, or a catcher processor (C/P), this section that applies to your specific sector, and Sections 1 and 5, which provide an overview and explain the cost recovery calculations, respectively.

1.2. What is cost recovery?

Cost recovery is the process by which NMFS recovers the incremental costs associated with the management, data collection and analysis, and enforcement of the Pacific coast groundfish trawl rationalization program. These costs are recovered through a fee paid by the groundfish trawl fleet based on the value of their catch.

Cost recovery is structured to coordinate with the Pacific coast groundfish buyback program. Due to similarities in the need to collect and document payment of a fee for both the buyback program and cost recovery, the cost recovery program utilizes elements of the buyback program as much as possible. These elements include payment of fees at the same time that buyback fees are paid, making the fish buyer responsible for payment of the fees to NMFS, and use of the same online portal for payment (Pay.gov).

1.3. Why are cost recovery fees collected?

The Magnuson-Stevens Fishery Conservation and Management Act (MSA) requires limited access privilege programs (LAPP), such as the Pacific coast groundfish trawl rationalization program. In accordance with the MSA, NMFS will collect fees up to three percent of the ex-vessel value of groundfish by sector under the trawl rationalization program.

1.4. Who is responsible for paying?

Participants fishing in the Pacific coast groundfish trawl rationalization program, including the shorebased IFQ Program, the MS Co-op Program, and the C/P Co-op Program are responsible for paying cost recovery. Harvesters, as the fish seller, are responsible for paying the cost recovery fee and all parties making the first ex-vessel purchase of groundfish (i.e., the fish buyers) are responsible for collecting, accounting for, and forwarding the fee to NMFS (Note: In the C/P Co-op Program, a Co-operative of vessels that both harvest and process whiting at-sea, the fish seller and fish buyer are the same entity). The fish buyer submits the fees collected to NMFS online through Pay.gov.

Cost recovery fees can **only** be paid online through the Federal government's online payment system Pay.gov. Payments can be made directly from your bank account. Credit card transactions are limited to \$24,999.99.

Further sector specific information is in the chapter for your sector. "Fish buyer" and "Fish seller" and defined in the glossary.

1.5. How will I know what fee amount to pay?

The cost recovery fee amount due is calculated by multiplying ex-vessel value by the applicable fee percentage. The fee percentage for each other sector can vary each year, up to three percent of the ex-vessel value of groundfish. NMFS will announce the upcoming year's fee percent in a *Federal Register* notice in the last quarter of each calendar year. It will also be posted in a public notice on the NMFS [trawl catch shares website](#). This notice can be emailed to you by signing up for the notifications at the NMFS West Coast Region's Subscriber page [Subscriber page](#). Further information can be found on the [Federal Register Notices for the Trawl Catch Share Program Cost Recovery Program](#) page. In addition, the fee percent for each sector will appear in the form that is filled out by fish buyers on [Pay.gov](#).

1.6. How do I access Pay.gov?

Fish buyers submit the cost recovery fees collected to NMFS via Pay.gov (or paste <https://www.pay.gov/paygov/> into your browser). Fish buyers registered with Pay.gov can login in the upper left-hand corner of the screen. Information on why and how to register with Pay.gov is in Sections 1.7 and 1.8. Fish buyers not registered with Pay.gov can so to the cost recovery forms directly from the website below. Click on the link to the Pacific Coast Groundfish Cost Recovery for your sector (IFQ, MS, or C/P):

IFQ: <https://www.pay.gov/public/form/start/58062865>

MS: <https://www.pay.gov/public/form/start/58378422>

C/P: <https://www.pay.gov/public/form/start/58102817>

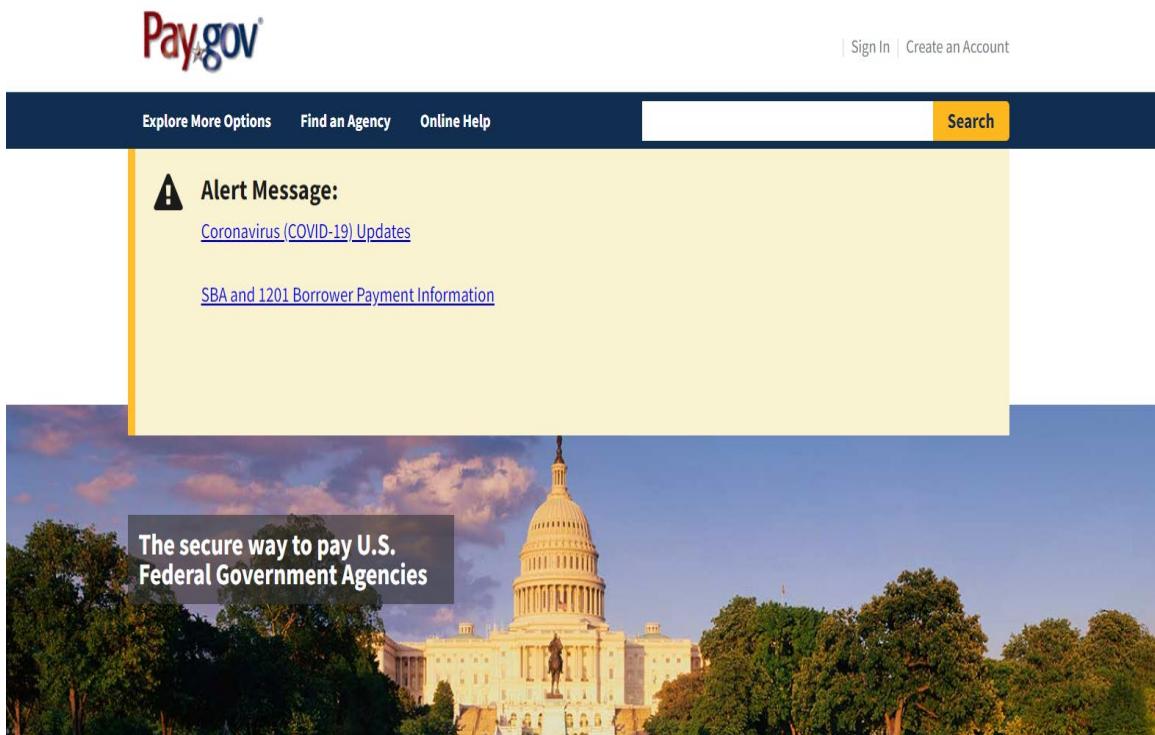
Further sector specific details on payment to NMFS through Pay.gov are provided in the chapter for your sector.

1.7. Do I need to register with Pay.gov to submit cost recovery fees?

No. Registration, or creation of an account, with Pay.gov is not required to submit fees. However, NMFS recommends that anyone who is required to regularly submit fees to NMFS take the time to register with Pay.gov and set up an account. By registering with Pay.gov, you can save profile and payment information that can then be used to auto-fill the cost recovery form at the time of payment. This is useful in saving you time and reducing typographical errors when entering information into Pay.gov.

1.8. How do I register with Pay.gov?

- Once on [Pay.gov](#), click on “create an account” in the upper right corner of the screen.



- First chose which type of account best suits your needs: Personal or Company.

The screenshot shows the "Create an account" page. At the top, there's a navigation bar with "Explore More Options", "Find an Agency", and "Online Help" links, and a search bar with a "Search" button. Below this, the title "Create an account" is centered. A question "Which type of account best fits your needs?" is followed by two options: "Create a personal account" and "Create a company account". Each option has a brief description below it. At the bottom, there's a link for users who already have an account: "Already have a Pay.gov account? [Sign In](#)".

[Create a personal account](#)

I am a person not representing a company, organization or government agency.

[Create a company account](#)

I am acting on behalf of a company or organization.

- 3) Then fill out your last name and enter your email address. Read the “Rules of Behavior” statement, check the box indicating that you have read and understand the statement and click “ activate your account”

Create a personal account

You must fill in the boxes marked *

* First Name

* Last Name

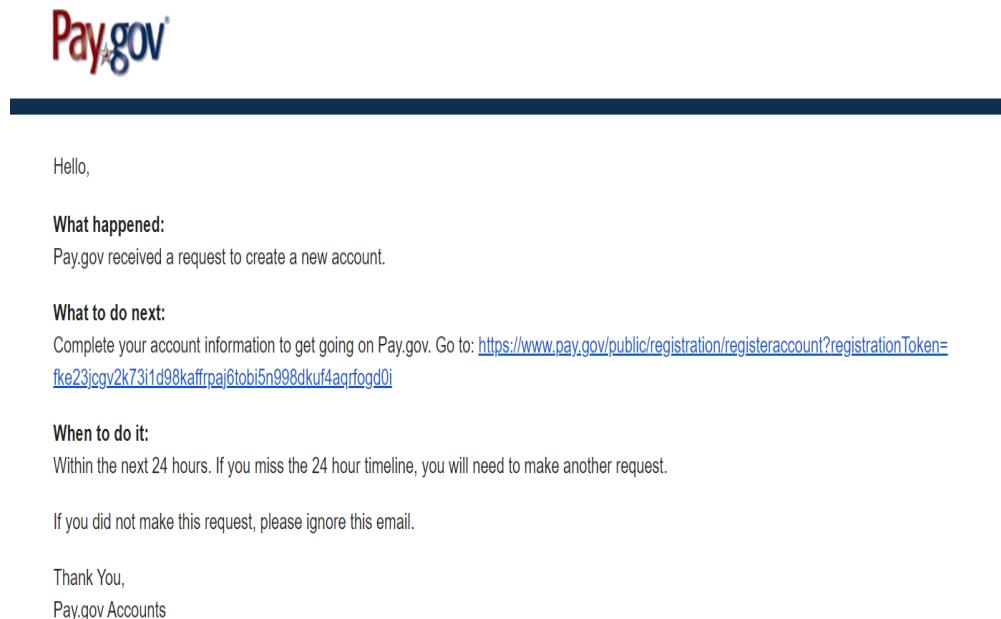
* Email Address

* I have read and I agree to the [Rules of Behavior](#)

An email will be sent with steps to complete your account setup.

Activate Account

- 4) Pay.gov will send you an email which provides the steps to complete your account setup. The email will look like the image below. Click on the link to return to Pay.gov to finish your account setup.



- 5) Once on the self-enrollment home page, you may fill out all the required fields. Please be sure to enter all identifying information (name, address, etc.) EXACTLY as it appears on your first receiver site license or permit.
- 6) When you have completed your online self-enrollment setup, this window should appear:

 **Success! You can now sign in.**

Sign in to view your account profile page or make a payment.

Create a personal account: Step 4



Sign In

You must fill in the boxes marked *

* Username (Minimum of 4 letters or numbers)

* Password (Minimum of 8, maximum of 64 characters containing:
mix of upper and lower case letters, minimum of one number,
minimum of one [special character](#))

Sign In

You should now be able to log in to Pay.gov using the username and password you entered during self-enrollment. Once you have logged in, you can then enter credit card or bank deposit account info through the user center.

2 Shorebased IFQ Program

The following information identifies cost recovery requirements for those participating in the Shorebased IFQ Program. The Shorebased IFQ Program consists of the following:

1. Owners of vessel registered to limited entry trawl permits that harvest IFQ species for delivery to shorebased first receivers;
2. Owners of limited entry permits; and
3. Shorebased IFQ first receivers with a first receiver site license eligible to receive IFQ landings.

If you participate in any of the West Coast groundfish fishery in any of these capacities, please read the following sections for more information.

2.1. What am I responsible for?

Fish Seller

Fish Sellers are the parties who harvest and first sell or otherwise deliver groundfish species to a fish buyer. Fish sellers are responsible for:

1. Paying cost recovery fees to the fish buyer at the time of landing
2. Keeping copies of all fish tickets and relevant records for at least 3 years
3. Notifying NMFS in the case where fish buyers fail to collect

Fish Buyer

Fish buyers are the IFQ first receivers. Fish buyers are responsible for:

1. Collecting the appropriate fees from the fish seller
2. Submitting fees collected online to NMFS monthly through Pay.gov and completing the associated cost recovery form (similar to buyback)
3. Establishing a segregated bank account to hold the cost recovery fees collected
4. Keeping records for at least 3 years of (1) fee collections from fish sellers, (2) deposits made to the segregated bank account, and (3) payments submitted to NMFS

In some cases, the fish seller and the fish buyer may be the same entity. When that is the case, that entity must comply with the requirements for both the fish seller and the fish buyer.

2.2. Who collects the fees?

The collection of cost recovery fees has been set-up similar to the groundfish buyback loan payments. For the Shorebased IFQ Program, the IFQ first receiver (first receiver site license holder), as the fish buyer, must collect the fee from each vessel (fish seller) at the time of landing groundfish in the IFQ fishery.

2.3. What fish are subject to the fee charge?

For the Shorebased IFQ Sector, all groundfish species from IFQ landings are subject to the cost recovery fee. This includes groundfish that are not IFQ species, but does not include Pacific halibut. It includes groundfish from IFQ landing regardless of the gear type used. In other words, an IFQ landing from a vessel fishing with non-trawl gear (also called “gear switching” in the Shorebased IFQ Program) is also subject to the cost recovery fee.

2.4. When are fees due from the fish seller to the fish buyer?

The full fee is due and payable at the time of landing. The fish buyer must collect the fee at the time of landing from an IFQ trip by deducting the fee from the ex-vessel value before paying the net ex-vessel value to the fish seller. Each fish seller must receive from the fish buyer the net ex-vessel value (i.e., the ex-vessel value of the delivery minus the cost recovery fee). This is how fish sellers pay the cost recovery fee.

2.5. What gets documented on the fish ticket?

There are no changes to the information documented on the electronic fish ticket as a result of cost recover. The IFQ first receiver, as the fish buyer, will continue to document the ex-vessel value of the landing by species on the fish ticket (i.e., the value of the landing before deducting the cost recovery fee amount). The ex-vessel value minus the cost recovery fee, also called the net ex-vessel value, does not appear in the electronic fish ticket. However, the fish buyer is required to keep records documenting specific information, including the net ex-vessel as described in Section 2.14.

2.6. How are post-delivery payments handled?

For any post-delivery payments by the fish buyer to the fish seller, the fish buyer must withhold the fee from such payments at the time of payment and remit that fee to NMFS in the upcoming month’s payment.

2.7. When does the fish buyer need to submit fees collected to NMFS?

IFQ first receivers, as the fish buyer, must submit fees collected to NMFS. Fees collected for a given calendar month must be submitted to NMFS no later than the 14th of the following month, or more frequently if the amount in the deposit account exceeds the amount limit for insurance purposes (the deposit account is described in 2.9).

2.8. How are late payments or payment adjustments handled?

If a fish buyer needs to submit a late payment or payment adjustment to NMFS, those payments are still submitted through Pay.gov. When filling out the cost recovery form in Pay.gov, the fish buyer would submit the additional information for a given calendar month and check the box next to “Fee Adjustment.” Fee adjustments are to document any changes to prices or fees. For information on submitting payment on Pay.gov and a sample form. See Section 2.12.

2.9. What does the fish buyer do with the fees collected?

The fish buyer is required to maintain a segregated deposit account at a federally insured financial institution for the sole purpose of depositing collected cost recovery fees from fish sellers and disbursing those fees directly to NMFS. The fish buyer must hold the fee amounts collected from fish sellers in the deposit account.

Each fish buyer is required to deposit collected fee revenue into the deposit account no less frequently than at the end of each month. However, any fees the fish buyer collected during the two calendar days before the deposit may be included with the next transaction. The collected funds may not be used for any purpose other than to fulfil cost recovery obligations through payments to NMFS through pay.gov. The fish buyer is entitled, at any time, to withdraw interest, if any, but never principal, from the deposit account for the fish buyer’s own use and purposes. Payment to NMFS must be the full amount of deposit principal from the deposit account. If the fish buyer uses a credit card to pay NMFS, payment to NMFS must still be in the full amount; the fish buyer would use that same amount of the deposit principal from the deposit account to pay the cost recovery amount in the credit card used to pay NMFS.

2.10. What if a fish seller or fish buyer refuses to pay or does not pay the full amount?

It is prohibited to fail to fully pay or collect any fee due under the cost recovery program and/or otherwise avoid, decrease, interfere with, hinder or delay any such payment or collection.

Alleged violations may be investigated by NOAA Office of Law Enforcement. Potential penalties include monetary fines and sanctions. In addition, NMFS will not reissue the first receiver site license until all required cost recovery fees associated with that license have been paid.

If a fish buyer fails to collect the fee, the fish seller should advise the fish buyer of the fish seller’s fee payment obligation and of the fish buyer’s cost recovery fee collection obligation. If the fish buyer still fails to properly collect the fee, the fish seller, within the next 7 calendar days, shall forward the fee to NMFS. The fish seller at the same time shall also advise NMFS in writing at the address below to the full particulars, including:

1. The fish buyer’s and fish seller’s name, address and telephone number;

2. The name if the fishing vessel from which the fish seller made a fish delivery and the date of doing so;
3. The weight and ex-vessel value of each species of fish that the fish seller delivered; and
4. The fish buyer's reason, if known, for failing or refusing to collect the fee.
5. Notifications can be delivered to the address below or can be mailed or faxed to:

National Marine Fisheries Service, West Coast Region,
Office of Management and Information, ATTN: Cost Recovery Notification
7600 Sand Point Way NE.
Seattle, WA, 98115

Fax: 206-526-6426

If NMFS at any time determines that the fish buyer failed to collect the cost recovery fee, failed to fully pay NMFS, or failed to submit a complete cost recovery form, NMFS will notify the fish buyer or other responsible party in writing via letter. The fish buyer or other responsible party will have 30 calendar days to pay the specified amount, complete the form, or appeal, as described in the letter from NMFS. Further information on NMFS's determination letter and information on the administrative appeals process are listed in regulation at §660.115(d)(3)(ii). For information on making a late payment or payment adjustment on Pay.gov, see Section 2.8.

2.11. How do I submit an IFQ payment through Pay.gov?

Whether or not you've registered with Pay.gov, the steps for submitting a payment are the same. If you have registered with Pay.gov, login before accessing the cost recovery form and submitting payment information. The following are the steps for submitting payment through Pay.gov:

- 1) Once you've accessed Pay.gov (see Section 2.11), find and click on the "Pacific Coast Groundfish, Trawl Catch Shares – IFQ Cost Recovery Form."
- 2) Once you've clicked on the correct form, you will then be required to fill out all of the fields. If you have registered with Pay.gov, then some of the fields will be auto-filled for you. Specifically, once the month and year of landing is entered, fee percentage will be populated. Once the pounds harvested and value fields have been entered, the fee amount will be populated.
- 3) After you have filled out all the required fields, then click on "Continue" at the bottom of the page.
- 4) You will be asked to enter your payment information. You can pay either directly from the segregated deposit account via an ACH (Automated Clearing House) debit transaction (using bank and account routing numbers) or with a credit card. Credit card payments are limited to \$24,999.99 per transaction. The "Payment Amount" field is

automatically filled in based on the information entered on the cost recovery form on the previous page.

- 5) Your submission may take a few minutes to process, then a confirmation screen will appear. You should print this page for your records.

Pay.gov® Provided by the US Department of the Treasury
[User Center](#)

System Message

- * The system has populated the Payment Date with the next available payment date.

Online Payment

Step 1: Enter Payment Information

This item is payable by the following payment methods:

- * [Bank Account \(ACH\)](#)
- * [Plastic Card](#)    

Option 1: Pay Via Bank Account (ACH) [About ACH Debit](#)

Required fields are indicated with a red asterisk *

Account Holder Name:
Payment Amount: \$24.00 ←
Account Type:
Routing Number:
Account Number:
Confirm Account Number:
Check Number:
Routing Number Account Number Check Number
40 26 946 78 3: 9 24 3 76 73 90 1 234

Payment Date: 12/26/2013

Select the "Continue with ACH Payment" button to continue to the next step in the ACH Debit Payment Process.
[Continue with ACH Payment](#) [Cancel](#) [Return To Your Form](#)

Option 2: Pay Via Plastic Card (PC) (ex: American Express, Discover, Mastercard, VISA)

Required fields are indicated with a red asterisk *

Account Holder Name:
Payment Amount: \$24.00 ←
Billing Address:
Billing Address 2:
City:
State / Province:
Zip / Postal Code:
Country: United States
Card Type: *    
Card Number: * (Card number value should not contain spaces or dashes)
Security Code: * [Help finding your security code](#)
Expiration Date: / *

Select the "Continue with Plastic Card Payment" button to continue to the next step in the Plastic Card Payment Process.
[Continue with Plastic Card Payment](#) [Cancel](#) [Return To Your Form](#)

2.12. Can a fish buyer pay NMFS with a check?

No, NMFS will not accept checks. NMFS will only accept online payments through Pay.gov. In Pay.gov, the fish buyer can pay directly from their segregated deposit accounts via a debit transaction (using a bank and account routing numbers) or with a credit card. Credit card payments are limited to \$24,999.99 per transaction.

2.13. What records do I need to keep?

Fish Seller

The fish seller is required to keep copies for at least 3 years of all fish tickets from landings and relevant supporting documents.

Fish Buyer

The fish buyer must keep the following records for at least 3 years:

For all deliveries of groundfish that the fish buyer buys from each fish seller:

- 1) The date of delivery,
- 2) The fish seller's name (this should match the name on the fish ticket),
- 3) The weight of each species of groundfish delivered,
- 4) Information sufficient to identify the fishing vessel which delivered the groundfish,
- 5) The ex-vessel value of each species of groundfish,
- 6) The net ex-vessel value of each species of groundfish (i.e., the ex-vessel value of the delivery minus the cost recovery fee),
- 7) The identity of the payee to whom the net ex-vessel value is paid, if different than the fish seller,
- 8) The date the net ex-vessel value is paid, and
- 9) The total fee amount collected as a result of all groundfish.

For all fee collection deposits to and disbursements from the deposit account:

- 1) The date of each deposit into the deposit account,
- 2) The total amount deposited into the deposit account,
- 3) The date of each disbursement,
- 4) The total amount disbursed, and
- 5) The dates and amounts of disbursements to the fish buyer, or other parties, of interest earned on deposits.

NMFS also recommends that the fish buyer maintain a record of receipts from Pay.gov for payments to NMFS.

2.14. Do I have to submit an annual report?

No, Fish buyers and fish sellers in the Shorebased IFQ Program do not need to submit an annual report to NMFS. Information needed for NMFS to verify that accurate payments were made (weight and ex-vessel value) are available through the electronic fish ticket.

2.15. Can I be audited?

Yes, fish buyers and fish sellers may be audited, which is why it is important to keep complete and accurate records consistent with the recordkeeping requirements stated above. NMFS or its agents may audit the financial records of fish buyers and fish sellers in order to ensure proper fee payment, collection, deposit, disbursement, accounting, recordkeeping, and reporting. Fish buyers and fish sellers must respond to any inquiry by NMFS or a NMFS agent within 20 calendar days of the date of a NMFS inquiry, unless NMFS grants an extension. Fish buyers and fish sellers must make all relevant records available to NMFS or NMFS' agents at a reasonable times and places and promptly provide all requested information reasonably related to these records. NMFS may employ a third-party agent to conduct the audits. The NMFS auditor may review and request copies of additional data provided by the submitter, including but not limited to, previously audited or reviewed financial statements, worksheets, tax returns, invoices, receipts, and other original documents substantiating the data submitted.

3 MS Co-op Program

The following information identifies cost recovery requirements for those participating in the MS Co-op Program. The MS Co-op Program consists of one or more co-ops and the non-co-op fishery.

The MS co-op fishery consists of the following:

1. Owners of MS/CV- endorsed limited entry trawl permits that are members of a co-op, and harvesting vessels registered to those permits;
2. Owners of MS permits and processing vessels registered to those permits; and
3. Vessels authorized to fish for the co-op that are not members and are registered to a limited entry trawl permits (but not necessarily one with an MS/CV endorsement).

The non-co-op fishery consists of the following:

1. Owners of MS/CV-endorsed limited entry trawl permits that are not members of a co-op, and harvesting vessels registered to those permits; and
2. Owners of MS permits and vessels registered to those permits.

If you participate in the West Coast groundfish fishery in any of these capacities, please read the following sections for more information. The structure of fee payment and collection is the same for the Shorebased IFQ Program, except that the fish buyer and fish seller are defined differently and, because the fleet operates at sea, there is no “landing.”

3.1. What am I responsible for?

Fish Seller

Fish sellers are the parties who harvest and first sell or otherwise deliver groundfish species to a fish buyer. Fish sellers are responsible for:

- paying cost recovery fees to the fish buyer at the time of delivery
- keeping copies of all relevant records for at least 3 years
- notifying NMFS in the case where fish buyers fail to collect

Fish Buyer

Fish buyers are the owner of a vessel registered to an MS permit, the operator of a vessel registered to an MS permit, and the owner of the MS permit registered to that vessel. All three parties shall be jointly and severally responsible for fulfilling the obligation of a fish buyer. Fish buyers are responsible for:

- collecting the appropriate fees from the fish seller
- submitting fees collected online to NMFS monthly through Pay.gov and completing the associated cost recovery form (similar to buyback)
- establishing a segregated bank account to hold the cost recovery fees collected

- keeping records for at least 3 years of (1) fee collections from fish sellers, (2) deposits made to the segregated bank account, and (3) payments submitted to NMFS
- submitting an [annual report](#) to NMFS by March 31 each year. This report can be submitted to: cost.recovery.wcr@noaa.gov

In some cases, the fish seller and the fish buyer may be the same entity. When that is the case, that entity must comply with the requirements for both the fish seller and the fish buyer.

3.2. Who collects the fees?

The collection of cost recovery fees has been set-up similar to the groundfish buy-back loan payments. For the mothership fishery, the mothership (the owner of a vessel registered to an MS permit, the operator of a vessel registered to an MS permit, and the owner of the MS permit registered to that vessel), as the fish buyer, must collect the fee from each catcher vessel (fish seller, including vessels registered to an MS/CV-endorsed limited entry trawl permit and any limited entry trawl permits without an MS/CV endorsement while they are participating in the mothership fishery) at the time of delivery to the mothership.

3.3. What fish are subject to the fee charge?

All Pacific whiting delivered by a catcher vessel to an MS-permitted vessel are subject to the cost recovery fee. The fee amount due equals the fee percent multiplied by the ex-vessel value of the delivery. This results in only Pacific whiting with a value being charged the cost recovery fee.

3.4. When are fees due from the fish seller to the fish buyer?

The full fee is due and payable at the time of fish delivery. The fish buyer must collect the fee at the time of fish delivery by deducting the fee from the ex-vessel value before paying the net ex-vessel value (i.e., the ex-vessel value of the delivery minus the cost recovery fee). This is how fish sellers pay the cost recovery fee.

3.5. How are post-delivery payments handled?

For any post-delivery payments by the mothership to the catcher vessel, the mothership must withhold the fee from such payments at the time of payment and remit that fee to NMFS in the upcoming month's payment.

3.6. When does the fish buyer need to submit fees collected to NMFS?

Motherships, as the fish buyer, must submit fees collected to NMFS. Fees collected for a given calendar month must be submitted to NMFS no later than the 14th of the following month, or

more frequently if the amount in the deposit account exceeds the account limit for insurance purposes (the deposit account is described in Section 3.8).

3.7. How are late payments or payment adjustments handled?

If a fish buyer needs to submit a late payment or payment adjustment to NMFS those payments are still submitted through Pay.gov. When filling out the cost recovery form in Pay.gov, the fish buyer would submit the additional information for a given calendar month and check the box next to “Fee Adjustment.” Fee adjustments are to document any changes to prices or fees. For information on submitting payment on Pay.gov and a sample form, see Section 3.11.

3.8. What does the fish buyer do with the fees collected?

The fish buyer is required to maintain a segregated deposit account at a federally insured financial institution for the sole purpose of depositing collected cost recovery fees from fish sellers and disbursing those fees directly to NMFS. The fish buyer must hold the fee amounts collected from fish sellers in the deposit account.

Each fish buyer is required to deposit collected fee revenue into the deposit account no less frequently than at the end of each month. However, any fees the fish buyer collected during the two calendar days before the date of deposit may be included with the next transaction. The collected funds may not be used for any purpose other than to fulfil cost recovery obligations through payments to NMFS through Pay.gov. The fish buyer is entitled, at any time, to withdraw interest, if any, but never principal, from the deposit account for the fish buyer’s own use and purposes. Payment to NMFS must be the full amount of deposit principal from the deposit account. If the fish buyer uses a credit card to pay NMFS, payment to NMFS must still be in the full amount; the fish buyer would use that same amount of the deposit principal from the deposit account to pay the cost recovery amount on the credit card used to pay NMFS.

3.9. What if a fish seller or fish buyer refuses to pay or does not pay the full amount?

It is prohibited to fail to fully pay or collect any fee due under the cost recovery program and/or otherwise avoid, decrease, interfere with, hinder or delay any such payment or collection.

Alleged violations may be investigated by NOAA Office of Law Enforcement. Potential penalties include monetary fines and sanctions. In addition, NMFS will not renew an MS permit until all required cost recovery fees associated with that permit have been paid.

If a fish buyer fails to collect the fee, the fish seller should advise the fish buyer of the fish seller’s fee payment obligation and of the fish buyer’s cost recovery fee collection obligation. If the fish buyer still fails to properly collect the fee, the fish seller, within the next 7 calendar days, shall forward the fee to NMFS. The fish seller at the same time shall also advise NMFS in writing at the address below of the full particulars, including:

- 1) The fish buyer's and fish seller's name, address, and telephone number;
- 2) The name of the fishing vessel from which the fish seller made fish delivery and the date of doing so;
- 3) The weight and ex-vessel value of each species of fish that the fish seller delivered; and
- 4) The fish buyer's reason, if known, for failing or refusing to collect the fee.

Notification can be delivered to the address below or can be mailed or faxed to or faxed to:

National Marine Fisheries Service, West Coast Region,
Office of Management and Information ATTN: Cost Recovery Notification
7600 Sand Point Way NE.
Seattle, WA, 98115

Fax: 206-526-6426

If NMFS at any time determines that a fish buyer failed to collect the cost recovery fee, failed to fully pay NMFS, or failed to submit a complete cost recovery form, NMFS will notify the fish buyer or other responsible party in writing via a letter. The fish buyer or other responsible party will have 30 calendar days to pay the specified amount, complete the form, or appeal, as described in the letter from NMFS. Further information on NMFS's determination letter and information on the administrative appeals process are listed in regulation at §660.115(d)(3)(ii). For information on making a late payment or payment adjustment on Pay.gov, see Section 3.7.

3.10. How do I submit a payment through Pay.gov?

Whether or not you've registered with Pay.gov, the steps for submitting a payment are the same. If you have registered with Pay.gov, login before accessing the cost recovery form and submitting payment information. The following are the steps for submitting payment through Pay.gov:

- 1) Once you've accessed Pay.gov (see Section 3.10), find and click on the "Pacific Coast Groundfish, Trawl Catch Shares – MS Cost Recovery Form."
- 2) Once you've clicked on the correct form, you will then be required to fill out all of the fields. If you have registered with Pay.gov, then some of the fields will be auto-filled for you. Specifically, once the month and year of landing is entered, fee percentage will be populated. Once the pounds harvested and value fields have been entered, the fee amount will be populated.
- 3) After you have filled out all the required fields, then click on "Continue" at the bottom of the page.
- 4) You will be asked to enter your payment information. You can pay either directly from the segregated deposit account via an ACH (Automated Clearing House) debit transaction (using bank and account routing numbers) or with a credit card. Credit card

payments are limited to \$24,999.99 per transaction. The “Payment Amount” field is automatically filled in based on the information entered on the cost recovery form on the previous page.

- 5) Your submission may take a few minutes to process, then a confirmation screen will appear. You should print this page for your records.

The screenshot shows the Pay.gov website interface for online payments. At the top, it says "Provided by the US Department of the Treasury" and "User Center". Below that is a "System Message" box containing the note: "The system has populated the Payment Date with the next available payment date." The main section is titled "Online Payment" and "Step 1: Enter Payment Information". It asks, "This item is payable by the following payment methods:" followed by a list: "Bank Account (ACH)" and "Plastic Card". Below this are logos for VISA, MasterCard, AMEX, and DISCOVER. The "Bank Account (ACH)" section is expanded, showing fields for "Account Holder Name", "Payment Amount (\$24.00)", "Account Type", "Routing Number", "Account Number", "Confirm Account Number", and "Check Number". An arrow points from the "Payment Amount" field to the "Bank Account (ACH)" section. The "Check Number" field contains the value "40 26 946 783 9 243 76 7390 1 234". The "Plastic Card" section is partially visible below, showing fields for "Account Holder Name", "Payment Amount (\$24.00)", "Billing Address", "Billing Address 2", "City", "State / Province", "Zip / Postal Code", "Country" (United States), "Card Type", "Card Number", "Security Code", and "Expiration Date". Arrows point from the "Payment Amount" field to both the "Bank Account (ACH)" and "Plastic Card" sections. At the bottom of each section is a "Select the 'Continue with [payment method] Payment' button to continue to the next step in the [payment method] Payment Process." link, along with "Continue with [payment method] Payment", "Cancel", and "Return To Your Form" buttons.

3.11. Can a fish buyer pay NMFS with a check?

No, NMFS will not accept checks. NMFS will only accept online payments through [Pay.gov](#). In Pay.gov, the fish buyer can pay directly from their segregated deposit accounts via a debit

transaction (using a bank and account routing numbers) or with a credit card. Credit card payments are limited to \$24,999.99 per transaction.

3.12. What records do I need to keep?

Fish Seller

The fish seller should keep copies of all documentation of deliveries to the mothership for at least 3 years.

Fish Buyer

The fish buyer must keep the following records for at least 3 years:

For all deliveries of groundfish that the fish buyer buys from each fish seller:

- 1) The date of delivery,
- 2) The fish seller's name,
- 3) The weight of each species of groundfish delivered,
- 4) Information sufficient to identify the fishing vessel which delivered the groundfish,
- 5) The ex-vessel value of each species of groundfish,
- 6) The net ex-vessel value of each species of groundfish (i.e., the ex-vessel value of the delivery minus the cost recovery fee),
- 7) The identity of the payee to whom the net ex-vessel value is paid, if different than the fish seller,
- 8) The date the net ex-vessel value is paid, and
- 9) The total fee amount collected as a result of all groundfish.

For all fee collection deposits to and disbursements from the deposit account:

- 1) The date of each deposit into the deposit account,
- 2) The total amount deposited into the deposit account,
- 3) The date of each disbursement,
- 4) The total amount disbursed, and
- 5) The dates and amounts of disbursements to the fish buyer, or other parties, of interest earned on deposits.

NMFS also recommends that the fish buyer maintain a record of receipts from Pay.gov for payments to NMFS.

3.13. Do I have to submit an annual report?

Yes, if you are a fish buyer. By March 31 each year, each fish buyer (mothership) must submit an annual report to NMFS. The Mothership Coast Recovery Annual Report form is available on NMFS trawl catch share website (or at <https://omb.report/icr/202001-0648-009/ic/205150>) and includes information from the preceding calendar year for all groundfish each fish buyer purchases from fish sellers.

The annual report is used by NMFS to verify the weights and ex-vessel value reported for cost recovery and that the appropriate fees were paid. These reports are also used to calculate C/P co-op pricing. The annual report is due at the same time as the co-op report to NMFS, streamlining when NMFS receives sector information. However, the cost recovery annual report is submitted to NMFS by fish buyers rather than the co-op manager(s).

The annual report can be emailed to cost.recovery.wcr@noaa.gov, or mailed, faxed, or delivered to the address below:

National Marine Fisheries Service,
West Coast Region, office of Management and Information
ATTN: Cost Recovery Annual Report
7600 Sand Point Way NE
Seattle, WA, 98115

Fax: 206-526-6426

3.14. Can I be audited?

Yes, fish buyers and fish sellers may be audited, which is why it is important to keep complete and accurate records consistent with the recordkeeping requirements stated above. NMFS or its agents may audit the financial records of fish buyers and fish sellers in order to ensure proper fee payment, collection, deposit, disbursement, accounting, recordkeeping, and reporting. Fish buyers and fish sellers must respond to any inquiry by NMFS or a NMFS agent within 20 calendar days of the date of a NMFS inquiry, unless NMFS grants an extension. Fish buyers and fish sellers must make all relevant records available to NMFS or NMFS' agents at a reasonable times and places and promptly provide all requested information reasonably related to these records. NMFS may employ a third-party agent to conduct the audits. The NMFS auditor may review and request copies of additional data provided by the submitter, including but not limited to, previously audited or reviewed financial statements, worksheets, tax returns, invoices, receipts, and other original documents substantiating the data submitted.

4 ▪ C/P Co-op Program

The following information identifies cost recovery requirements for those participating in the C/P Co-op Program. The C/P Co-op Program consists of members of the co-op (C/P-endorsed limited entry trawl permit owners) and the vessel registered to member permits. Catcher processors are vessel that both harvest and process whiting during a calendar year. Under the C/P Co-op Program, the catcher processor sector continues to operate under a single voluntary cooperative.

4.1. What am I responsible for?

In the C/P Co-op Program, the fish seller and the fish buyer are the same entity and must comply with the requirements for both the fish seller and the fish buyer. These terms were adapted from terms used in the buyback program, which affects the Shorebased IFQ and MS Co-op Program participants. The terms are extended here for the C/P Co-op Program.

Fish Seller

Fish sellers are the parties who harvest and first sell or otherwise deliver groundfish species to a fish buyer. Fish sellers are responsible for:

- Paying the cost recovery fees

Fish Buyer

Fish buyers are the owners(s) of a vessel registered to a C/P-endorsed limited entry trawl permit, the operator(s) of a vessel registered to a C/P-endorsed limited entry trawl permit, and the owner(s) of the C/P-endorsed limited entry trawl permit registered to that vessel. All Three parties shall be jointly and severally responsible for fulfilling the obligations of a fish buyer. Fish buyers are responsible for:

- submitting fees online to NMFS annually through Pay.gov and completing the associated cost recovery form
- keeping records for at least 3 years of fee amounts and payments submitted to NMFS

4.2. Who collects the fees?

For the C/P Co-op Program, the structure of fee payment and collection is different than the Shorebased IFQ and MS Co-op Programs which are also subject to buyback fees. In the C/P Co-op Program, the C/P (the owner of a vessel registered to a C/P-endorsed limited entry trawl permit, the operator of a vessel registered to a C/P-endorsed limited entry trawl permit, and the owner of the C/P-endorsed limited entry trawl permit registered to the vessel), as the fish buyer, is responsible for paying the full fee to NMFS in the last quarter of the calendar year and by December 31 each year. The fee is for Pacific whiting retained for the calendar year by each vessel registered to a C/P-endorsed limited entry trawl permit. For the purposes of cost recovery, the C/P is described as both the fish buyer and the fish seller.

4.3. What fish are subject to the fee charge?

All Pacific whiting retained by the vessel registered to a C/P-endorsed limited entry trawl permit are subject to the cost recovery fee. The fee amount due equals the fee percent multiplied by the ex-vessel value of the delivery. This results in only Pacific whiting with a value being charged the cost recovery fee. Discarded groundfish are not subject to the fee.

4.4. How do I know what fee amount is due?

The fee amount is calculated by the weight of Pacific whiting retained by the vessel registered to a C/P-endorsed limited entry trawl permit, multiplied by the MS Co-op Program average price per pound for whiting (i.e. MS pricing) multiplied by the fee percent.

4.5. When are fees due?

The full fee for the calendar year is due and payable to NMFS in the last quarter of the year and by December 31.

4.6. 4.6 Are there requirements on how I store the money?

Fish Buyers in the C/P Co-op Program are not required to maintain segregated deposit accounts because the fish seller and the fish buyer are always the same entity and they only make one payment to NMFS per year.

4.7. What if I refuse to pay or do not pay the full amount?

It is prohibited to fail to fully pay or collect any fee due under the cost recovery program and/or otherwise avoid, decrease, interfere with, hinder, or delay any such payment or collection.

Alleged violations may be investigated by NOAA Office of Law Enforcement. Potential penalties include monetary fines and sanctions. In addition, NMFS will not renew a limited entry permit with a C/P endorsement until all required cost recovery fees associated with that permit have been paid.

If NMFS at any time determines that a fish buyer failed to collect the cost recovery fee, failed to fully pay NMFS, or failed to submit a complete cost recovery form, NMFS will notify the fish buyer in writing via a letter. The fish buyer will have 30 calendar days to pay the specified amount, complete the form, or appeal as described in the letter from NMFS. Further information on NMFS's determination letter and information in the administrative appeals process are listed in regulation at §660.115(d)(3)(ii). For information on making a late payment or payment adjustment on Pay.gov, see Section 4.8.

4.8. How are late payments or payment adjustments handled?

If a fish buyer needs to submit a late payment or payment adjustment to NMFS, those payments are still submitted through Pay.gov. When filling out the cost recovery form in Pay.gov, the fish buyer would submit the additional information and check the box next to "Fee Adjustment." Fee adjustments are to document any changes to prices or fees. For information on submitting payment on Pay.gov and a sample form, see Section 4.10.

4.9. How do I submit a payment through Pay.gov?

Whether or not you've registered with Pay.gov, the steps for submitting are the same. If you have registered with Pay.gov, login before accessing the coast recovery form and submitting payment information. The following are steps for submitting payment through Pay.gov:

- 1) Once you've accessed Pay.gov (see Section 4.9), find and click on "Pacific Coast Groundfish, Trawl Catch Shares – C/P Cost Recovery From."
- 2) Once you've clicked on the correct form, you will then be required to fill out all of the fields. If you have registered with Pay.gov, then some of the fields will be auto-filled for you. Specifically, once the year of landing is entered, the price per pound and fee percentages will be populated. Once the pounds harvested have been entered, the value field and fee amount will be populated.
- 3) After you have filled out all of the required fields, then click on "Continue" at the bottom of the page.
- 4) You will be asked to enter your payment information. You can pay either directly from a bank account via an ACH (Automated Clearing House) debit transaction (using bank and account routing numbers) or with a credit card. Credit card payments are limited to \$24,999.99 per transaction. The "Payment Amount" field is automatically filled in based on the information entered on the cost recovery form on the previous page.
- 5) Your submission may take a few minutes to process, then a confirmation screen will appear. You should print this page for your records.

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[User Center](#)

System Message

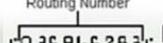
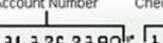
- The system has populated the Payment Date with the next available payment date.

Online Payment
Step 1: Enter Payment Information

This item is payable by the following payment methods:

- [Bank Account \(ACH\)](#)
- [Plastic Card](#)    

Option 1: Pay Via Bank Account (ACH) [About ACH Debit](#)
Required fields are indicated with a red asterisk *

Account Holder Name: * ←
Payment Amount: \$24.00
Account Type: *
Routing Number: *
Account Number: *
Confirm Account Number: *
Check Number:
Routing Number Account Number Check Number
  

Payment Date: 12/26/2013

Select the "Continue with ACH Payment" button to continue to the next step in the ACH Debit Payment Process.
[Continue with ACH Payment](#) [Cancel](#) [Return To Your Form](#)

Option 2: Pay Via Plastic Card (PC) (ex: American Express, Discover, Mastercard, VISA)
Required fields are indicated with a red asterisk *

Account Holder Name: * ←
Payment Amount: \$24.00
Billing Address: *
Billing Address 2:
City:
State / Province: *
Zip / Postal Code:
Country: United States
Card Type: *    
Card Number: * (Card number value should not contain spaces or dashes)
Security Code: * [Help finding your security code](#)
Expiration Date: / *
Select the "Continue with Plastic Card Payment" button to continue to the next step in the Plastic Card Payment Process.
[Continue with Plastic Card Payment](#) [Cancel](#) [Return To Your Form](#)

4.10. Can I pay NMFS with a check?

No, NMFS will not accept checks. NMFS will only accept online payment through Pay.gov. In Pay.gov, the fish buyer can pay directly from their bank account via a debit transaction (using bank and account routing numbers) or with a credit card. Credit card payments are limited to \$24,999.99 per transaction.

4.11. What records do I need to keep?

The fish buyer must maintain the following records for at least 3 years:
For all groundfish:

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1. The date of harvest,
2. The weight of each species of groundfish retained,
3. Information sufficient to specifically identify the fishing vessel which harvested the groundfish,
4. The ex-vessel value of each species of groundfish,
5. The net ex-vessel value of each species of groundfish, and
6. The total fee amount collected as a result of all groundfish.

For all disbursements to NMFS:

1. The date of each disbursement, and
2. The total amount disbursed.

NMFS also recommends that the fish buyer maintain a record of receipts from Pay.gov for payments to NMFS.

4.12. Do I have to submit an annual report?

No. There are some distinctions between the at-sea sectors (MS and C/P). Because in the C/P Co-op Program the fish buyer and the fish seller are the same entity, because they only pay at end of year, because they are not required to have a deposit account, and because they are paying the fee amount based on using the MS pricing to determine ex-vessel value, NMFS decided fish buyers in the C/P Co-op Program do not need to submit an annual report.

4.13. Can I be audited?

Yes, fish buyers and fish sellers may be audited, which is why it is important to keep complete and accurate records consistent with the recordkeeping requirements stated above. NMFS or its agents may audit the financial records of fish buyers and fish sellers in order to ensure proper fee payment, collection, deposit, disbursement, accounting, recordkeeping, and reporting. Fish buyers and fish sellers must respond to any inquiry by NMFS or a NMFS agent within 20 calendar days of the date of a NMFS inquiry, unless NMFS grants an extension. Fish buyers and fish sellers must make all relevant records available to NMFS or NMFS' agents at a reasonable times and places and promptly provide all requested information reasonably related to these records. NMFS may employ a third-party agent to conduct the audits. The NMFS auditor may review and request copies of additional data provided by the submitter, including but not limited to, previously audited or reviewed financial statements, worksheets, tax returns, invoices, receipts, and other original documents substantiating the data submitted.

5 ▪ NMFS Cost Recovery Calculations

This section describes the NMFS's calculations for cost recovery and directs the reader to additional reports that NMFS will publish each year. NMFS's cost recovery calculations include the fee percentage for each sector for each calendar year, as well as the "MS pricing" to be used by the C/P Co-op Program.

5.1. How is the cost recovery fee percent calculated?

To calculate the fee percentage by sector, NMFS used the formula specified in the regulations, where the fee percentage by sector equals the agency's direct program costs (DPC) for that sector divided by total ex-vessel value (V) for that sector multiplied by 100.

$$\text{Fee percentage} = \text{the lower of } 3\% \text{ or } (\text{DPC}/\text{V}) \times 100$$

“DPC,” or direct program costs, are the actual incremental costs for the previous fiscal year directly related to the management, data collection, and enforcement of each sector (Shorebased IFQ Program, MS Co-op Program, and the C/P C-op Program). Actual incremental costs mean those net costs that would not have been incurred but for the implementation of the trawl rationalization program, including additional costs for new requirements of the program and reduced trawl sector related costs resulting from efficiencies as a result of the program. If the amount of fees collected by NMFS is greater or less than the actual net incremental costs incurred, the DPC will be adjusted accordingly for calculation of the fee percentage in the following year.

“V” or ex-vessel value is the total ex-vessel value for each sector from the previous calendar year. The ex-vessel value is defined differently for each sector as described below.

- Shorebased IFQ Program: The value of all groundfish species from IFQ landings.
- MS Co-op Program: The value of Pacific whiting delivered by a catcher vessel to an MS-permitted vessel.
- C/P Co-op Program: The value of the aggregate pounds of Pacific whiting retained by the vessel registered to a C/P-endorsed limited entry trawl permit, multiplied by the MS Co-op Program average price per pound (i.e., MS pricing) as announced by NMFS at the beginning of the fishing year.

5.2. What is MS pricing and how is it calculated?

“MS pricing” is the MS Co-op Program’s average price per pound for Pacific whiting, also called hake, from the previous fiscal year. The MS pricing is used by the C/P Co-op Program to determine their ex-vessel value (MS pricing multiplied by the aggregate pounds of Pacific whiting retained by the vessel registered to a C/P-endorsed limited entry trawl permit) which is then multiplied by the C/P fee percentage to determine the fee amount due.

5.3. How will NMFS provide details on the yearly calculations?

NMFS will publish a NMFS Annual Report on cost recovery in the spring of each year. The report will be posted on [NMFS trawl catch share website](#). The report will include information on NMFS’ calculation of the fee percent and MS pricing for the current year, as well as information on the total cost recovery fees collected by NMFS from the previous calendar year.

5.4. How will NMFS report on the amount of fees collected?

Information on the total amount of fee collected under cost recovery by sector for the previous year will be published in the [Cost Recovery Annual Report](#) during the spring of each year. The report will be posted on [NMFS trawl catch share website](#) and will also include information on the cost recovery calculations.

6 Glossary

At sea-processing- processing that takes place on a vessel or other platform that floats and is capable of being moved from one location to another, whether shorebased or on the water.

Buyback program or groundfish buyback loan – Refers to repayment of a loan taken out, in part, by the groundfish industry to reduce capacity in the fishery (also called the federal fishing capacity reduction program). In 2003, NMFS “bought back,” for approximately \$46 million, 91 vessels and 239 fishing permits from the groundfish trawl fishery and associated corollary fisheries of Dungeness crab and pink shrimp off the California, Oregon, and Washington coast. This \$46 million buyback program included a \$36 million loan to the industry that was being paid by assessing buyback fees on landings (70 FRN 40225, July 13, 2005). For the groundfish fishery, fees for repayment of the loan are to be paid on groundfish harvested using Federal trawl permits. Fish sellers are required to pay the fee and all parties making the first ex-vessel purchase of groundfish (“fish buyers”) are required to collect the fee, account for, and forward the fee revenue for the purpose of repaying the loan. Participants in the Shorebased IFQ Program and the MS Co-op Program are subject to the repayment of the buyback loan, while the C/P Co-op Program is not. Due to similarities in the need to collect and document payment of a fee for both the buyback program and the cost recovery program, the cost recovery program was structured to utilize elements of the buyback program as much as possible.

Catcher Processor C-op or C/P Co-op – A harvester group that includes all eligible C/P endorsed limited entry trawl permit owners as members that voluntarily form a co-op and manage the catcher processor-specified allocations through private agreements and contracts.

Electronic fish ticket – A software program or data files meeting data export specifications approved by NMFS that is used to send landing data to the Pacific States Marine Fisheries Commission. Electronic fish tickets are used to collect information similar to the information required in state fish receiving tickets or landing receipts, but do not replace or change any state requirements.

Ex-vessel value – For the purpose of the cost recovery program, ex-vessel value means all compensation (based on an arm’s length transaction between a buyer and seller) that a fish buyer pays to a fish seller in exchange for groundfish species, and includes the value of all in-kind compensation and all other goods or services exchanged in lieu of cash. Ex-vessel value shall be determined before any deductions are made for transferred or leased allocation, or for any goods or services.

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1. For the Shorebased IFQ Program, the value of all groundfish species from IFQ landings.
2. For the MS Co-op Program, the value of all Pacific whiting delivered by a catcher vessel to an MS-permitted vessel.
3. For the C/P Co-op Program, the value as determined by the aggregate pounds of all Pacific whiting retained by the vessel registered to a C/P- endorsed limited entry trawl permit, multiplied by the MS Co-op Program average price per pound as announced by NMFS.

First receiver site license – Authorizes the holder to receive, purchase, or take custody, control, or possession of an IFQ landing at a specific physical site onshore directly from a vessel. Each buyer of groundfish from a vessel making an IFQ landing must have a first receiver site license for each physical location where IFQ landing is offered.

Fish buyer – For the purposes of the cost recovery program,

1. For the Shorebased IFQ Program, the IFQ first receiver.
2. For the MS Co-op Program, the owner of a vessel registered to an MS permit, the operator of a vessel registered to an MS permit, and the owner of the MS permit registered to that vessel. All three parties shall be jointly and severally responsible for fulfilling the obligations of a fish buyer.
3. For the C/P Co-op Program, the owner of a vessel registered to a C/P- endorsed limited entry trawl permit, the operator of a vessel registered to a C/P-endorsed limited entry trawl permit, and the owner of the C/P- endorsed limited entry trawl permit registered to that vessel. All three parties shall be jointly and severally responsible for fulfilling the obligations of a fish buyer.

Fish seller means the party who harvests and first sells or otherwise delivers groundfish species to a fish buyer.

Fiscal year means the year beginning at 0001 local time October 1 and ending at 2400 local time on September 30 of the following year.

Groundfish species means fish defined under “groundfish” at § 660.11 and managed under the Pacific coast groundfish FMP and regulations at 50 CFR part 660, subparts C through G.

Individual bycatch quota (IBQ) – The amount of bycatch quota for an individual species/species group and area expressed as a percentage of the annual allocation of allowable bycatch mortality to the Shorebased IFQ Program. IBQ is used as the basis for the annual calculation and allocation of a QS permit owner’s IBQ pounds in the Shorebased IFQ Program. Both IBQ and QS may be listed on a QS permit and in the associated QS account. Pacific halibut N 40°10' is currently the only species for which IBQ will be issued.

Individual fishing quota (IFQ) – A federal permit to harvest a quantity of fish, expressed as a percentage of the total allowable catch of a fishery that may be received or held for exclusive use

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by a person. An IFQ is a harvest privilege that may be revoked at any time with in accordance with the Magnuson-Stevens Act.

IFQ first receiver – A person who receives, purchases, or takes custody, control, or possession of catch onshore directly from a vessel that harvested the catch while fishing under the Shorebased IFQ Program.

IFQ landing – An offload of fish harvested under the Shorebased IFQ Program.

Land or landing means to begin transfer of fish, offloading fish, or to offload fish from any vessel. Once transfer of fish begins, all fish aboard the vessel are counted as part of the landing.

Mothership Co-op Program or MS Co-op Program means the MS Co-op Program described at §660.150, subpart D, and includes both the co-op and non-co-op fisheries.

MS/CV endorsement – An endorsement on a limited entry trawl permit that conveys a conditional privilege that allows a vessel registered to the permit to fish either in a co-op or in the non-co-op fishery in the MS Cop-op Program.

Processing (or to Process) – The preparation of packaging of groundfish to render it suitable for human consumption, retail sale, industrial uses or long-term storage, including, but not limited to, cooking, canning, smoking, salting, drying, filleting, freezing, or rendering into meal or oil, but does not mean heading and gutting unless additional preparation is done.

Processor – A person, vessel, or facility that engages in commercial processing; or receives live groundfish directly from a fishing vessel for retail sale without further processing.

Quota pounds (QP) – The quotas, expressed in round weight of fish, that are issued annually to QS permit owners in the Shorebased IFQ Program based on the amount of QS they own and the amount of fish allocated to the Shorebased IFQ Program. QP have the same species/species group and area as the QS from which they were issued.

Quota shares (QS) – The amount of fishing quota for an individual species/species group and area, expressed as a percentage of annual allocation of fish to Shorebased IFQ Program. The QS is used as the basis for the annual calculation and allocation of the QS permit owner's QP in the Shorebased IFQ Program. Both QS and IBQ may be listed on a QS permit and in the associated QS account.

QS account – An account established by NMFS for each QS permit owner to track the balances of QS or IBQ and QP or IBQ pounds for all IFQ species owned by that owner. NMFS will issue QP or IBQ pounds to QS permit owners, expressed in pounds, on an annual basis, to be deposited in the corresponding QS account.

QS permit – Conveys a conditional privilege to a person to own QS or IBQ in the Shorebased IFQ Program.

West Coast Groundfish Catch Share Program: Cost

V or total ex-vessel value for each applicable sector – As part of the cost recovery fee percentage calculation, V is the total ex-vessel value from the previous calendar year attributable to that sector of the trawl rationalization program (Shorebased IFQ Program, MS Co-op Program, and C/P Co-op Program).

See also definition for ex-vessel value.

Vessel owner or owner of a vessel means a person identified as the current owner in the Certificate of Documentation (CG-1270) issued by the USCG for a documented vessel, or in a registration certificate issued by a state or the USCG for an undocumented vessel.