

Request to Transfer Limited Access  
General Category (LAGC) Individual  
Fishing Quota (IFQ) Scallop  
Allocation



**United States Department of Commerce**  
National Oceanic and Atmospheric Administration  
National Marine Fisheries Service  
Greater Atlantic Regional Fisheries Office  
55 Great Republic Drive  
Gloucester, MA 01930  
(978) 282-8483

**2018 Fishing Year (April 1, 2018 – March 31, 2019)**

This form must be used to request a temporary or permanent transfer of IFQ between two IFQ scallop vessels. We will provide written approval or disapproval of this request will be provided within 30 days of receiving a completed form. IFQ for 2018 Fishing Year may be leased only during the 2018 FY and must be used in accordance with the found at 50 CFR 648.82(h)(5). A summary of conditions and restrictions is attached with this form.

**➡ Before completing this form, you should read the information attached with this form on proposed IFQ changes under Framework 29, which if approved, could affect this lease/transfer.**

**➡ You should read the summary of the Program requirements and Restrictions for additional information on leases/ transfer.**

Section 1 - Check the type of transfer you are requesting:

<input type="checkbox"/> Temporary IFQ Allocation Transfer	<input type="checkbox"/> Permanent IFQ Allocation Transfer
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Section 2

Transferor (Seller)	
Name Phone Number: Mailing address:	IFQ Scallop Vessel Name Permit Number: USCG Doc or State Reg. Number:
Quota in <b>Pounds</b> to be Transferred:	Price Received for the Transfer: \$

Section 3

Transferee (Buyer)	
Name Phone Number: Mailing address:	IFQ Scallop Vessel Name: Permit Number: USCG Doc or State Reg. Number:

Section 4

Signature of Transferor or Authorized Agent:	Signature of Transferee or Authorized Agent:
Date:	Date:

**We will not accept any 2018 FY IFO lease or transfer applications received after March 31, 2019**

Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instruction, searching existing data sources, gathering and maintaining data needed, and completing and reviewing the information. Send comments regarding this burden estimate to: NMFS, 55 Great Republic Drive, Gloucester, MA 01930. Notwithstanding any other provisions of the law, no person is required to respond to, nor shall any person be subjected to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number. OMB Approval No. 0648-0491 Expires: 7/31/2020

## Important Framework 29 Information

In December of 2017, the New England Fishery Management Council adopted Framework Adjustment 29 to the Atlantic Sea Scallop Fishery Management Plan (Framework 29). If NOAA Fisheries approves Framework 29, your allocation may be increased. If Framework 29 is approved, we expect the implementing regulations and final IFQ numbers to be published in the spring of 2018. Framework 29 proposes a increase in the annual catch limit of the scallop IFQ fishery from 1,695,355 lb to 2,806,485 lb.

### Important Fishing and Leasing Information

Due to the potential IFQ increase from Framework 29, you may want to consider using your potential higher IFQ Allocation under Framework 29 to plan your fishing activities and for IFQ leases or permanent transfers. However, you may only harvest, lease or permanently transfer up to your initial default allocation plus any leased-in allocation until FW 29 is approved.

Permanent transfers convert the pounds you wish to transfer to a portion of the seller's allocation percentage. The pounds and the allocation percentage are then permanently transferred to the buyer. To determine the allocation percentage to transfer, we divide the pounds to transfer by the seller's base pounds. Since there will be a mid-year adjustment to the quota in 2018, we will be processing and determining allocation percentages based on the seller's base pounds at the time we received the permanent transfer request form.

Therefore, if you submit a permanent transfer before Framework 29 is approved, the allocation percent to transfer will be based on the seller's initial allocated base pounds. If a lease is received after Framework 29 is approved then the allocation percent to transfer to the buyer will be based on higher base allocated pounds.

For example:

**Boat A** allocation:

Before FW 29: 1,000 lb

After FW 29: 1,660 lb

Example:

If **Boat A** permanently transfers 500 lb to **Boat B** prior to Framework 29 then **50%** of the **Boat A's** allocation percentage will be transferred to **Boat B**.

- Calculated as follows: (500 lb to transfer / 1,000 lb of seller's base allocation) x 100 = 50 percent

If **Boat A** permanently transfers 500 lb to **Boat B** after Framework 29, then about **31%** of the **Boat A's** allocation percentage will be transferred to **Boat B**.

- Calculated as follows: (500 lb to transfer / 1,660 lb seller's base allocation after Framework 29) x 100 = 30.1 percent

➤ **If you have any leasing questions, please contact us at (978) 282-8483 for further information.**

## **LAGC IFQ Transfer Program Requirements and Restrictions**

### IFQ transfer request submission

IFQ transfer applications may be submitted by mail, fax (978-281-9110), or email (ScallopIFQ.Transfer@noaa.gov). Emailed applications must be submitted with signatures and date in PDF format. The regulations regarding the LAGC IFQ Transfer Program are located at 50 CFR 648.53(h)(5).

### IFQ transfer restrictions.

- IFQ must be transferred to another vessel also issued an IFQ permit and may not be transferred from or to a vessel issued both a limited access full-time, part-time, or occasional scallop permit and an IFQ scallop permit.
- A transfer of IFQ may not result in the sum of the IFQs on the receiving vessel exceeding 2.5 percent of the annual catch limit allocated to IFQ scallop vessels.
- A transfer of IFQ may not result in the recipient having ownership of IFQ scallop allocations that exceeds 5 percent of the annual catch limit allocated to IFQ scallop vessels.
- The Regional Administrator has final approval authority for all IFQ transfer requests.

### Temporary IFQ transfers (i.e., Leases).

- Temporary IFQ transfers shall be effective only for the fishing year in which the temporary transfer is requested, approved, and issued.
- The owner of a vessel issued an IFQ scallop permit may temporarily transfer some or all of the vessel's IFQ allocation.
- Temporary transfers may not be in amounts of less than 100 lb unless that value reflects the total IFQ allocation remaining on the transferor's vessel, or the vessel's entire IFQ allocation.

### Permanent IFQ transfers.

- With the implementation of Amendment 15, a vessel permanently transferring its IFQ to another vessel is no longer required to also transfer its Federal limited access scallop IFQ permit. The transferring vessel will only be permanently transferring its IFQ contribution percent allocation; the IFQ permit will remain with the transferring vessel. If you wish to transfer a scallop IFQ permit, along with the IFQ contribution factor, a vessel replacement application must also accompany the LAGC IFQ Scallop Allocation Transfer from.
- Any such transfer cannot be limited in duration and is permanent unless the IFQ is later transferred to another IFQ scallop vessel, other than the originating IFQ scallop vessel, in a subsequent fishing year. The transferring vessel can permanently transfer some or all of its IFQ/contribution percentage. If a vessel permanently transfers its entire IFQ to another vessel, its IFQ permit will remain valid (with a contribution percent of zero and no associated IFQ allocation), unless the owner cancels or fails to renew the permit, at which point the permit will be considered permanently relinquished.

### Application requirements.

- The application must be signed by both parties (transferor and recipient) involved in the transfer of the IFQ or an authorized agent.
- Applications may be submitted at any time during the scallop fishing year, provided the vessel transferring the IFQ has not utilized any of its IFQ in that fishing year.
- Applications must be submitted at least 30 days before the date on which the applicants desire to have the IFQ transfer effective on the receiving vessel.
- Applications for temporary transfers should be submitted 45 or more days prior to the end of the fishing year to ensure time for a vessel to utilize the transferred IFQ prior to the expiration of the fishing year.

Application information. Information obtained from the transfer application is subject to the confidentiality requirements of the Magnuson-Stevens Act.

### Approval of IFQ transfer applications.

- Unless an application to transfer IFQ is denied for reasons below, the Regional Administrator shall issue confirmation of application approval to both parties involved in the transfer within 30 days of receipt of an application.

Denial of transfer application. An application to transfer IFQ may be rejected for, but not limited to, the following reasons:

- The application is incomplete.
- The transferor/seller or transferee/recipient's vessel is not issued a valid IFQ scallop permit.
- The transferor's or recipient's vessel or IFQ scallop permit has been sanctioned, pursuant to an enforcement proceeding.
- The transfer will result in the recipient's vessel having an allocation that exceeds 2.5 percent of the total allowable catch allocated to IFQ scallop vessels.
- The transfer will result in the recipient having ownership of general category scallop allocation that exceeds 5 percent of the total allowable catch allocated to IFQ scallop vessels.
- The transfer has an insufficient amount of IFQ allocation to enact the transfer.
- The transferor or transferee has failed to submit past due vessel Trip Reports or comply with vessel trip reporting requirements.

Upon denial of an application to transfer IFQ, the Regional Administrator will send a letter to the applicants describing the reason(s) for the rejection. The decision by the Regional Administrator is the final agency decision and there is no opportunity to appeal the Regional Administrator's decision. Deficiencies in applications must be corrected with a new application for an IFQ transfer.

#### Cost Recovery

The Magnuson-Stevens Fishery Conservation and Management Act requires IFQ programs to include a cost recovery program, whereby NMFS will collect up to 3 percent of ex-vessel value of landed product to cover NMFS's actual costs directly related to the management, data collection, and enforcement of an IFQ program. The owner of a vessel issued an IFQ scallop permit will be responsible for paying this fee and IFQ scallop vessels incur a cost recovery fee liability for every landing of IFQ scallops, including scallops landed as a result of an IFQ transfer. Each IFQ scallop permit holder is responsible for his/her own fee for all of his/her IFQ scallop landings, and shall be responsible for submitting this payment to NMFS by January 1<sup>st</sup> each fishing year. If this fee is not paid NMFS will deny the LAGC IFQ permit application for the following fishing year.

### **Important Reminder**

- **Vessel owners cannot land more IFQ scallops than they have been allocated.**
- **Vessel owners cannot fish for, possess or land IFQ if they do not have quota available.**
- **Vessel Owners cannot start a trip if they have a negative balance.**