



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
NORTHEAST REGION
55 Great Republic Drive
Gloucester, MA 01930-2276

January 11, 2010

Small Entity Compliance Guide
Status of the Scallop Individual Fishing Quota (IFQ) Program

Dear Sea Scallop Permit Holder:

This letter provides an update on the status of the implementation of the IFQ program approved as part of Amendment 11 to the Atlantic Sea Scallop Fishery Management Plan (FMP). The final appeals for IFQ permits will be completed very soon. Once all appeals are completed, we will be able to calculate IFQ percentage share for each vessel and release IFQ allocations and IFQ transfer forms.

When the IFQ program is implemented on March 1, 2010, the total allocation to vessels issued an IFQ eligibility will equal 5 percent of the scallop total allowable catch (TAC) for the scallop fishery, minus access area set-asides for observers and research. The total allocation to vessels issued both an IFQ eligibility and a limited access days-at-sea (DAS) scallop permit will equal 0.5 percent of the scallop TAC, minus access area set-asides for observers and research. The following table provides the 2010 TAC allocations that will be in place beginning March 1, 2010.

TAC Allocations Effective March 1, 2010

2010 Total Scallop Fishery TAC:	45,900,243 lb
IFQ Fleet TAC	2,257,534 lb *
IFQ/DAS Fleet TAC	225,753 lb *

* The IFQ fleet and IFQ/DAS fleet TACs are approximately 4.9% and 0.49% of the 45,900,243-lb overall fishery TAC because access area research and observer set-asides are deducted from the total TAC prior to allocating the fleet TACs.

Please be aware that the New England Fishery Management Council has proposed lower allocations for 2010 under Framework 21 to the FMP. Under the proposed measures, IFQs issued for March 1, 2010, will be reduced later in the fishing year under Framework 21, if approved. If approved by NMFS, Framework 21 would be implemented on or about June 15, 2010. The 2010 IFQ fleet TAC is expected to be approximately 2 million lb, and the IFQ/DAS fleet TAC is expected to be approximately 200,000 lb. The actual TACs and resulting IFQs under Framework 21, if approved, will be provided to you at a future date.

The Council's adopted Framework 21 measures specify that if an IFQ vessel catches more scallops between March 1, 2010, and the implementation of Framework 21, than it is ultimately allocated under Framework 21, then the excess pounds of scallops harvested by that vessel will be deducted from that vessel's 2011 IFQ allocation.



Temporary (i.e., leased) and Permanent IFQ Transfers

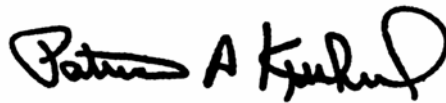
If you intend on transferring IFQ from other vessels with IFQ permits, please take note of the following IFQ transfer issues:

- IFQ transfer applications can be requested as soon as forms are made available and throughout the 2010 fishing year (but prior to January 15, 2011, for temporary transfers). Other restrictions described below apply, and additional details will be provided with transfer forms.
- Since IFQs would be reduced under the proposed Framework 21 TACs, any IFQ received through an IFQ transfer would be reduced on the IFQ vessel that receives the IFQ.
- If a vessel has temporarily transferred in IFQ, the transferred IFQ is used first, in the order that it is received (if more than one allocation is transferred in), and the vessel's originally allocated IFQ is used last.
- Only full IFQ allocations can be transferred to another IFQ vessel. Although Framework 21 would allow transfers of partial IFQ allocations, the restriction on transfers of entire IFQs will be in effect on March 1, 2010. Partial IFQ transfers would be allowed after the implementation of Framework 21, if approved.
- Once an IFQ vessel has fished for scallops in the 2010 fishing year, it cannot transfer IFQ to another vessel in the 2010 fishing year.
- If an IFQ vessel has fished for scallops in the 2010 fishing year, it can receive IFQ from another vessel.
- An IFQ vessel that has exceeded its IFQ cannot receive IFQ from another vessel.

We expect to release detailed IFQ information in mid to late-January 2010, including, details on the IFQ transfer process, the voluntary sector program, and the cost recovery program. NMFS is also preparing information sheets that will provide easy to read summary information on the IFQ and related programs. A dedicated website for the IFQ will be posted as part of the implementation of the IFQ program.

The full text of the regulations is available on our website: www.noaa.nero.gov, or you may request a copy by calling (978) 281-9315.

Sincerely,



Patricia A. Kurkul
Regional Administrator