

notice also contains the groundfish program's pro forma invitation to bid and bidding document.

DATES: NMFS must receive comments by June 27, 2003.

ADDRESSES: Mail or fax written comments about the proposed groundfish program to Michael L. Grable. In addition to public comments about the program's substance, NMFS also seeks public comment about any ambiguity or unnecessary complexity in this notice. Copies of a draft environmental assessment and regulatory impact review are available from NMFS upon request. The mailing address is: Michael L. Grable, Chief, Financial Services Division, National Marine Fisheries Service, 1315 East-West Highway, Silver Spring, MD 20910-3282. The primary fax number is (301) 713-1306. The secondary fax number is (301) 713-1939. NMFS will not accept e-mail or Internet comments. If a comment involves any aspect of this notice's collection of information requirements, send the comment both to Michael L. Grable and to the National Oceanic and Atmospheric Administration Desk Officer, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: Michael L. Grable, (301) 713-2390.

SUPPLEMENTARY INFORMATION:

I. General

Enacted on February 20, 2003, Section 212 of Division B, Title II, of Public Law 108-7 (section 212) authorizes a fishing capacity reduction program (program) for that portion of the limited entry trawl fishery under the Pacific Coast Groundfish Fishery Management Plan whose permits, excluding those registered to whiting catcher-processors, are endorsed for trawl gear operation (reduction fishery). The program's objective is to reduce the number of vessels and permits endorsed for the operation of groundfish trawl gear. Vessels that catch and process whiting at sea are ineligible to participate. The program also involves corollary fishing capacity reduction in the California, Oregon, and Washington fisheries for Dungeness crab and pink shrimp (fee-share fisheries). Sections 1111 and 1112 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1279f and 1279g) (Title XI) authorize loans for financing the cost of fishing capacity reduction programs (reduction loans). The program has two appropriations. A \$10 million appropriation, found at section 501(b) of Division N, Title V, of Public Law 108-7, directly funds part of the program's

cost. The second, a \$0.5 million appropriation, included in Public Law 107-206, funds the Federal Credit Reform Act cost of authorizing a \$36 million reduction loan.

Although largely consistent with the framework regulations for fishing capacity reduction (promulgated pursuant to section 312 of the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), 16 U.S.C. 1861a(b)-(e) (found at 50 CFR 600.1000 *et seq.*), section 212 supersedes some of the provisions of both the framework regulations and the Magnuson-Stevens Act.

When fishing capacity reduction is undertaken pursuant to the Magnuson-Stevens Act provisions, NMFS implements each reduction program by adding an implementing section to the framework regulations. However section 212 renders some of the Magnuson-Stevens Act provisions and much of the framework regulations inapplicable. Among other things, the groundfish program applies to more than one fishery. Section 212 also requires NMFS to implement the groundfish program by publishing a notification and an invitation to bid in the **Federal Register** rather than by promulgating additional regulations. In addition, section 212 supersedes one provision of Title XI, by extending the reduction loan's term to 30 years.

II. Reduction Cost

The amount paid to harvesters in exchange for surrender of their fishery privileges (reduction cost) may equal, but may not exceed, \$46 million. A \$10 million appropriation will fund part of the reduction, and future harvesters will finance any remainder.

III. Program Summary

NMFS will mail to each "permit owner" (as 50 CFR 660.302 defines the term "permit owner") of a groundfish permit endorsed for trawl gear operation (other than those issued to whiting catcher-processors) an advance notice that NMFS will formally invite bids for capacity reduction by mailing them a bidding package. Such notice and the bidding package will be mailed to the permit owner at the owner's address of record.

The bidding package will contain, among other things, an invitation to bid and a bidding document. The invitation to bid will specify the terms and conditions under which bids are made and accepted. If the Secretary formally accepts a bid, the bidding document, in conjunction with the invitation to bid, will constitute a reduction contract

between the bidder and the United States.

No bidder may bid before receiving the bidding package. Bidders must submit bids on provided forms and in strict conformance with the requirements of the invitation to bid. NMFS will reject any nonconforming bids.

The invitation to bid and bidding document will be similar to the pro forma invitation to bid and bidding document (see addenda to this notification). What follows is a general summary of the relevant provisions.

To submit a bid, bidders must mail or otherwise deliver their bids to NMFS at the address specified in the invitation to bid. Each bidder is responsible for ensuring that NMFS receives his or her bid before the specified bid receipt deadline. NMFS will reject any bid that arrives after the bid receipt deadline; such a bid will be deemed unresponsive to the invitation to bid. All terms and conditions of the invitation to bid or the bidding document are final at the time NMFS mails the bidding package. Thereafter, NMFS will not alter or negotiate any term or condition.

Each bid must specify:

- (a) The exact bid amount,
- (b) The reduction vessel the bidder proposes to remove from fishing (reduction vessel),
- (c) The groundfish reduction permit,
- (d) Any other Federal permits registered to or used on the reduction vessel,
- (e) All California, Oregon, or Washington issued permits for Dungeness crab or pink shrimp registered to or used on the reduction vessel (fee-share reduction permits), and
- (f) Any catch history used as the basis of permit issuance that was accrued on the reduction vessel.

The bidder must both own the reduction vessel and be the permit owner, as well as be the registered holder of all other reduction permits. The groundfish reduction permit must be registered for use on the reduction vessel. However, the bidder need not include any non-Federal permit that neither is registered to nor used on the reduction vessel.

By completing and submitting a bidding document to NMFS, each bidder makes an irrevocable offer to the United States. No bidder, once having submitted a bid to NMFS, is entitled to withdraw or in any way amend the bid.

Each bidder must offer to relinquish all of his or her Federal permits and any state permits for pink shrimp or Dungeness crab. Additionally, each person submitting a bid must offer to relinquish the reduction vessel's legal