NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION
NATIONAL MARINE FISHERIES SERVICE
NATIONAL APPEALS OFFICE

In re Fee Determination of [redacted] IFQ Permit Number [redacted] Appellant	)	**Appeal No. 26-0002** **DECISION**

STATEMENT OF THE CASE

The National Appeals Office (NAO) is a division within the National Marine Fisheries Service (NMFS) Office of Management and Budget located at NOAA's headquarters in Silver Spring, Maryland. The Regional Administrator (RA) of NMFS' Alaska Regional Office (AKRO) may affirm, reverse, modify, or remand this decision.[1]

[redacted] (Appellant) filed the appeal under review. Appellant requests review of the AKRO's Initial Administrative Determination (IAD) concerning Non-Payment of 2025 Individual Fishing Quota (IFQ).

Section 304(d)(2)(A) of the Magnuson-Stevens Fishery Conservation and Management Act (MSA) obligates NMFS to collect fees "to recover the actual costs directly related to the management, data collection, and enforcement" of limited access privilege programs (LAPPs), such as the IFQ program for Pacific halibut and sablefish in waters in and off Alaska.[2] On March 20, 2000, NMFS published a final rule establishing regulations to institute an IFQ cost recovery program "for fixed gear halibut and sablefish fisheries in waters in and off of Alaska."[3] In the rule, NMFS explained that:

> An IFQ permit holder incurs a fee liability for every pound of IFQ halibut and sablefish that is landed on his or her permit. The IFQ permit holder must collect from himself or herself the amount due for all IFQ halibut and IFQ sablefish landings on his or her permit(s).[4]

On December 17, 2025, AKRO sent to Appellant a document titled "IFQ Fee Liability Summary 2025 IFQ Season" (Fee Summary) outlining his liability for IFQ landings that occurred on

[1] 15 C.F.R. § 906.17(c)(1) (2026).
[2] 16 U.S.C. § 1854(d)(2)(A).
[3] 65 Fed. Reg. 14919 (Mar. 20, 2000).
[4] Id.

Permit [redacted] during the 2025 IFQ fishing season.[5] The Fee Summary detailed that Appellant had been assessed a total 2025 IFQ fee liability of $[redacted].[6] The Fee Summary further noted:

> Delinquent Debt is subject to referral to credit agencies. This bill is due upon receipt and must be paid on or before January 31, 2026. If not, late charges will be assessed from the date of the bill at 1% per annum of the overdue amount for each 30 day period or portion thereof, and a $25.00 charge will be added to the late charge to cover administrative costs. If this bill is not paid by May 1, 2026, a one time penalty charge of 6% per annum will also be added.[7]

On February 5, 2026, AKRO issued to Appellant an IAD.[8] The IAD stated that NMFS "ha[d] not received the fee obligation incurred as a result of [Appellant's] 2025 [IFQ] fishing activities."[9] In addition, the IAD reminded Appellant that his 2025 IFQ fee totaling $[redacted] was due on January 31, 2026, and detailed that:

> NMFS applied the "standard" ex-vessel value for all halibut and sablefish IFQ landings on permit(s) that [Appellant] held for the 2025 IFQ fishing season. The summary totaled the ex-vessel value of all landings, and multiplied the total by the annual fee percentage (2.4 percent), to determine [Appellant's] 2025 IFQ fee liability …. The instructions that accompanied the [Fee Summary] made it explicit that the fee was due and payable to NMFS no later than January 31, 2026.[10]

The IAD further noted that "consistent with IFQ Cost Recovery regulations," NMFS had made the following determinations:

- [Appellant] is a person who is obligated to pay a fee resulting from 2025 IFQ fishing activities; the amount of the obligation is $[redacted].
- [Appellant] did not pay the entire fee by January 31, 2026, as required by the IFQ Cost Recovery Program regulations, and has not paid that amount as of the date of the [IAD].
- Effective February 1, 2026, the transferability of Quota Share [QS] in the hands of [Appellant] was suspended; likewise, effective on the same date, [Appellant] may not receive any additional QS or IFQ by transfer.

[5] IAD Tab, IFQ Fee Liability Summary (Dec. 17, 2025).
[6] Id.
[7] Id. (emphasis removed).
[8] IAD Tab, IAD, at 1 (Feb. 5, 2026); IAD Tab, IAD Delivery Tracking (stamped Feb. 5, 2026, Feb. 14, 2026).
[9] IAD Tab, IAD, at 1.
[10] Id. at 1-2.

- Further, also effective on February 1, 2026, interest, administration fees, and penalties began to accrue.

- Upon the effective date of Final Agency Action on this matter, any IFQ permit in the hands of [Appellant] shall be **invalid** and may not be used; following that, restoration of the harvest privilege will only occur if all fees have been received.[11]

The IAD informed Appellant that it would become the "Final Agency Action on [his] IFQ fee liability on March 6, 2026," unless Appellant either paid his account in full or filed an appeal prior to that date.[12] The IAD further advised Appellant of the following penalties that would be applied should the IAD become the Final Agency Action:

- Any IFQ permit issued for 2026 will be invalid. This means that if [Appellant] harvest IFQ species on an IFQ permit which has been invalidated for nonpayment of required IFQ fee, it can result in a penalty of $1,000 or more, as well as forfeiture of all IFQ fish harvested on the invalidated permit;

- Formal collection procedures within the Department of Commerce will be set in motion. [Appellant] will receive regular notice of [Appellant's] obligation (including accrued penalty and interest). Additionally, 120 days after the date of Final Agency Action, the matter will be referred to the collections officials within the Department of Commerce; those procedures could lead to additional permit sanctions, fines, and revocation of [Appellant's] harvest privileges.[13]

On March 5, 2026, Appellant filed an appeal of the IAD.[14] On March 6, 2026, NAO sent to Appellant a letter acknowledging receipt of his appeal and requesting that Appellant submit any additional material concerning his appeal by March 20, 2026.[15] On March 19, 2026, Appellant submitted a statement in support of his appeal.[16] In his statement, Appellant argues that:

> [He] was not the beneficial owner of the IFQ and did not receive the proceeds from the fishery. During the 2025 season [Appellant] was acting as the hired skipper of the F/V [redacted] under a medical transfer of IFQ from the original quota holder, [redacted] who was unable to fish due to medical conditions. Although the IFQ was placed in [Appellant's] eFISH account for purposes of the medical transfer, [he] did not receive the settlement from the fish tickets. All fish were delivered to ,

[11] Id. at 2.
[12] Id. at 3.
[13] Id.
[14] Appeal Tab, Request for Appeal (Mar. 5, 2026).
[15] Appeal Communications Tab, Acknowledgement Letter (Mar. 6, 2026).
[16] Appeal Tab, Appeal Letter (Mar. 19, 2026).

> and the proceeds were paid to [redacted] [Appellant] received only lespite catching over [redacted] pounds of halibut, and [he] was not paid the agreed 30 percent skipper share. Requiring [Appellant] to pay the IFQ fee under these circumstances creates a financial hardship and holds [him] responsible for fees associated with income that [he] never received.
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> …
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> It was never brought to [Appellant's] attention that [he] would be personally responsible for IFQ cost recovery fees as a result of this temporary medical transfer. Because the fee obligation arises from fishing activity that financially benefited another party, [Appellant] believe[s] the determination does not accurately reflect the facts and is inconsistent with the intent of the IFQ cost recovery regulations.

NAO requested the case file for the instant appeal from AKRO on March 6, 2026.[17] On the same day, AKRO provided NAO with the requested documentation.[18] Included in the case file was the aforementioned Fee Summary;[19] the IAD with delivery tracking documentation;[20, 21] and a screenshot from AKRO's internal system showing the Appellant's 2025 IFQ fee as unpaid.[22]

On March 25, 2026, NAO requested IFQ transfer records involving [redacted] from AKRO Restricted Access Management (RAM) Permits Branch.[23] On the following day, RAM provided NAO with Application for Medical Transfer of IFQ;[24] approval notices for the transfers issued to Mr. [redacted] and Appellant;[25] Appellant's 2025 IFQ Annual Fishing Permit;[26] a Pacific Halibut and Sablefish IFQ Program QS Holder Summary Report for Mr. [redacted][27] and a screenshot from RAM's internal system showing the balance of IFQ associated with permit prior to transfer.[28] These transfer related documents indicate that on June 2, 2025, due to a medical condition that prevented his ability to fish, Mr. [redacted] applied to transfer his 2025 IFQ, consisting of [redacted] pounds of halibut in regulatory area 3A and [redacted] pounds of halibut in regulatory area 3B (herein collectively referred to as the "IFQ transfer amount") to Appellant; and on June 4, 2025, RAM approved the requested medical transfer of IFQ.[29] The transfer record further indicates that effective June 4, 2025, Mr. [redacted] IFQ Permit had been decreased

[17] Appeal Communications Tab, Appeal Number 26-0002 (Mar. 6, 2026).
[18] Id.
[19] IAD Tab, IFQ Fee Liability Summary (Dec. 17, 2025).
[20] IAD Tab, IAD (Feb. 5, 2026).
[21] IAD Tab, IAD Delivery Tracking (stamped Feb. 5, 2026, Feb. 14, 2026).
[22] IAD Tab, Unpaid Fee Status (Mar. 6, 2026).
[23] Appeal Communications Tab, RAM Request for Information, at 1 (Mar. 25, 2026)
[24] IAD Tab, Application for Medical Transfer of IFQ (Jun. 2, 2025).
[25] IAD Tab, IFQ Transfer Approval Notices (June 4, 2025).
[26] IAD Tab, 2025 IFQ Annual Fishing Permit No. [redacted] (June 4, 2025).
[27] IAD Tab, [redacted] QS Summary Report (June 4, 2025).
[28] IAD Tab, Permit No. 50256 IFQ Balance.
[29] IAD Tab, Application for Medical Transfer of IFQ (Jun. 2, 2025); IAD Tab, IFQ Transfer Approval Notices (June 4, 2025); IAD Tab, 2025 IFQ Annual Fishing Permit No. [redacted] (June 4, 2025).

by the IFQ transfer amount and Appellant was issued IFQ Permit Number [redacted] with the same IFQ transfer amount.[30]

On March 24, 2026, I issued to Appellant a Request for Evidence (RFE), requesting that Appellant provide a copy of his 2025 IFQ permit(s); documentation showing the IFQ shares assigned to his account; IFQ account transaction history; all fishing tickets for the 2025 landings at issue; and landing reports containing the IFQ permit number used for each landing.[31] The RFE indicated that Appellant must provide the requested evidence by April 6, 2026.[32] On March 29, 2026, Appellant provided F/V [redacted] Vendor Fish Ticket and Payment Summary for dates between December 31, 2024, and September 22, 2025, to show "all the landings and how much was paid out."[33] Appellant also provided a copy of his Internal Revenue Service Form 1099-MISC for 2025, to demonstrate that "[he] was never paid for the fish [he] caught."[34]

Thereafter, on April 10, 2026, I issued to Appellant a notice scheduling a videoconference hearing for April 22, 2026, at 1:00 p.m. (ET), and advising Appellant that he may provide additional documentation in support of his appeal no later than April 17, 2026.[35] Appellant provided no additional documentation.

On April 22, 2026, Appellant appeared for his scheduled hearing.[36] At his hearing, Appellant confirmed that he is the owner of IFQ Permit Number [redacted] and that he harvested and landed halibut during the 2025 fishing year.[37] He also confirmed that there were no errors in the data associated with the 2025 halibut landings.[38] Appellant explained that Mr. [redacted] hired him to serve as captain of F/V [redacted] during the summer of 2025, after the previous skipper was unable to complete the fishing season.[39] Appellant further testified that Mr. [redacted] had hired him to fish the remaining quota but subsequently terminated Appellant's employment after disagreements arose between he and Mr. [redacted].[40] Appellant indicated that he was never paid for his services as captain of the F/V [redacted] for the summer of 2025.[41]

With respect to the medical transfer, Appellant acknowledged that he and Mr. [redacted] submitted the medical transfer application together at a NOAA office in Kodiak, Alaska, and that he received the transfer paperwork after the application was approved.[42] However, Appellant indicated that he did not fully understand the significance of using his own IFQ permit number in connection with the transfer.[43] He further testified that he was under the impression that Mr.

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[30] IAD Tab, 2025 IFQ Annual Fishing Permit No. [redacted] (June 4, 2025); IAD Tab, IFQ Transfer Approval Notices (dated June 4, 2025).
[31] Appeal Communication Tab, RFE (Mar. 23, 2026, emailed Mar. 24, 2026).
[32] Id.
[33] Appeal Communications Tab, Appellant RFE Submission, at 1-3 (March 29, 2026).
[34] Id. at 1, 4.
[35] Decisions, Orders, Notices Tab, Notice Scheduling Hearing (Apr. 10, 2026).
[36] Hearing Tab, Audio Recording of Scheduled Hearing (Apr. 22, 2026).
[37] Id.
[38] Id.
[39] Id.
[40] Id.
[41] Id.
[42] Id.
[43] Id.

[redacted] would be responsible for any fees or administrative obligations associated with the transfer or the fishing activity.[44] Appellant also testified that he was not previously aware that IFQ landings were subject to cost recovery fees because he had not previously participated in the halibut IFQ fishery. Appellant explained that he first became aware of the IFQ cost recovery fee obligation after receiving the IFQ Fee Liability Summary in December 2025.[45]

Appellant maintained that he should not be held responsible for the assessed IFQ cost recovery fees because the IFQ legally belonged to Mr. [redacted] and because he did not receive any financial benefit from the landings.[46] Appellant confirmed that he has not paid any 2025 IFQ fees and stated that he does not currently have the financial means to pay the fee.[47]

At the conclusion of the hearing, Appellant indicated that he did not have any additional information to submit for the record.[48] Accordingly, I then closed the administrative record.[49]

Having carefully reviewed Appellant's written materials and testimony, as well as the information contained in the record, I have determined there is sufficient evidence to adjudicate this appeal. I therefore render this decision.[50]

ISSUE

At issue in this appeal is whether AKRO properly assessed 2025 IFQ cost recovery fee liability to the Appellant for landings made during a period in which IFQ was transferred to Appellant pursuant to a medical transfer authorization.

FINDINGS OF FACT

1. RAM IFQ transfer records indicate that on June 4, 2025, pursuant to a granted Application for Medical Transfer, Appellant received a [redacted] fishable IFQ pounds in regulatory 3A and [redacted] fishable IFQ pounds in regulatory 3B under Permit Number [redacted].[51]

2. On December 17, 2026, AKRO sent Appellant the Fee Summary indicating that his 2025 IFQ fee liability under Permit Number [redacted] was $889.86, which was payable to NMFS by January 31, 2026.[52]

3. On February 5, 2026, AKRO issued to Appellant an IAD indicating that NMFS had not received his 2025 IFQ fee.[53]

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[44] Id.
[45] Id.
[46] Id.
[47] Id.
[48] Id.
[49] Id.
[50] 15 C.F.R. § 906.12(a) (2026).
[51] IAD Tab, Application for Medical Transfer of IFQ (signed Jun. 2, 2025); IAD Tab, IFQ Transfer Approval Notices (dated June 4, 2025); IAD Tab, 2025 IFQ Annual Fishing Permit No. [redacted] (dated June 4, 2025).
[52] IAD Tab, IFQ Fee Liability Summary (dated Dec. 17, 2025).
[53] IAD Tab, IAD, at 1 (Feb. 5, 2026); IAD Tab, IAD Delivery Tracking (stamped Feb. 5, 2026, Feb. 14, 2026).

4. Appellant testified that harvested and landed halibut during the 2025 fishing year and that there were no errors in the data associated with the 2025 halibut landings.[54]

5. Appellant testified that he is the owner of IFQ Permit Number [redacted] and that he has not paid the associated 2025 IFQ cost recovery fees.[55]

PRINCIPLES OF LAW

The rules implementing the MSA's IFQ cost recovery program (Regulation) state that an IFQ permit holder's annual IFQ fee liability is based on the whether the permit holder landed IFQ halibut or sablefish using his or her IFQ permit.[56] Under the Regulation, "[a]n IFQ permit holder is responsible for cost recovery fees for landings of his or her IFQ halibut and sablefish . . . derived from his or her IFQ accounts."[57] The Regulation specifies that an IFQ permit holder's annual IFQ fee liability is to be "based on . . . the value of all landed IFQ . . . derived from the permit holder's IFQ permit(s)" and shall not exceed three percent of the standard ex-vessel value.[58] IFQ standard ex-vessel value is defined by the Regulation as:

> [T]he total U.S. dollar amount of IFQ halibut or IFQ sablefish landings as calculated by multiplying the number of landed IFQ equivalent pounds plus landed [guided angler fish (GAF)] in IFQ equivalent pounds by the appropriate IFQ standard price determined by the [RA].[59]

The Regulation further explains that IFQ landings are "the unloading or transferring" of IFQ sablefish or halibut, "or products thereof from the vessel that harvested such fish or the removal from the water of a vessel containing IFQ halibut . . . IFQ sablefish, or products thereof."[60] IFQ equivalent pounds under the Regulation are defined as "the weight amount, recorded in pounds and calculated as round weight for sablefish and headed and gutted weight for halibut for an IFQ landing."[61]

Per the Regulation, each year the AKRO RA issues every IFQ permit holder a summary of their IFQ fee liability that includes "information on IFQ . . . landings and an estimated IFQ fee liability using the IFQ standard ex-vessel value for IFQ . . . landings."[62] Upon receipt of their annual IFQ fee liability statement, IFQ permit holders "must either accept NMFS' estimate of the IFQ fee liability or revise NMFS' estimate of the IFQ fee liability using the IFQ Permit Holder Fee Submission Form."[63] IFQ permit holders with IFQ landings are responsible for collecting

[54] Hearing Tab, Audio Recording of Scheduled Hearing (Apr. 22, 2026).
[55] Id.
[56] 50 C.F.R. § 679.45(a)(1) (2025). See also 65 Fed. Reg. 14919 (Mar. 20, 2000).
[57] 50 C.F.R. § 679.45(a)(1) (2025).
[58] Id. §§ 679.45(a)(2)(i), (d)(1).
[59] Id. § 679.2.
[60] 50 C.F.R. § 679.2 (2026).
[61] Id.
[62] Id. § 679.45(a)(2)(i)(A)-(B).
[63] Id. § 679.45(a)(2)(i)(C).

their own fee during the calendar year and must submit payment of their IFQ fee liability payment to NMFS no later than January 31 of the year following the calendar year in which the IFQ landings were made.[64]

In the event an IFQ permit holder fails to pay their IFQ fees by the January 31 deadline, the Regulation specifies that the AKRO RA shall: (1) send the delinquent permit holder an IAD restating his or her IFQ fee liability; (2) "[d]isapprove any transfer of GAF, IFQ, or QS to or from the IFQ permit holder" until the IFQ fee is paid; (3) invalidate any IFQ fishing permit held by the permit holder after a final agency action "until all IFQ fee liabilities are paid;" and (4) "refer[] [the matter] to the appropriate authorities for purposes of collection" if the IFQ fee is not paid before the 30th day after the final agency action.[65]

After receiving an IAD, IFQ permit holders may elect to appeal the IAD to NAO or request reconsideration from the AKRO RA.[66] Alternatively, the AKRO RA may proactively choose to undertake a reconsideration of an IAD.[67] If a reconsideration is requested or the RA sua sponte decides to initiate a reconsideration, the appeal window begins anew upon the RA's issuance of a reconsidered IAD.[68] If an IAD recipient fails to appeal the IAD, the IAD will become the final agency action.[69]

To be eligible for a medical transfer, an applicant must possess one or more catcher vessel IFQ permits, must not qualify for the hired master exception, and must show that a medical condition prevents them from participating in the fishery.[70] Additionally, a medical transfer application is required to be submitted to NMFS AKRO and must include including specific details such as contact information for both the transferor and transferee, IFQ details (species, regulatory area, permit number, and number of pounds being transferred), and a healthcare provider declaration.[71] Once the RA approves the transfer application, the QS or IFQ accounts for both the transferor and transferee change automatically on the date of approval and any necessary IFQ permits reflecting the transferred pounds are sent to the transferee along with the official notification of the decision.[72]

NAO is charged with adjudicating appeals of IADs in LAPPs developed under the MSA.[73] In addition, the Secretary of Commerce may authorize NAO to "adjudicate appeals in any matter in controversy that requires findings of fact and conclusions of law, and other quasi-judicial matters that the Secretary deems appropriate."[74] Pursuant to NAO's procedural rule, appellants bear the burden of proving by a preponderance of the evidence that they should prevail.[75] Preponderance of the evidence is defined as "the relevant evidence in the NAO case record, considered as a

[64] Id. §§ 679.45(a)(3)(i), (a)(4)(i).
[65] Id. § 679.45(e)(1)-(3).
[66] Id. § 679.45(h).
[67] Id. The RA may not undertake more than one reconsideration of the IAD. Id.
[68] Id.
[69] Id.
[70] Id. § 679.42(d)(2)(i)-(ii).
[71] Id. § 679.42(d)(2)(iii).
[72] Id. § 679.41(b)(2)
[73] 15 C.F.R. § 906.1(b) (2026).
[74] Id. § 906.1(d).
[75] Id. § 906.14.

whole, that shows that a contested fact is more likely to be true than not true."[76] NAO will issue a written determination on whether the appellant has shown by a preponderance of the evidence that the IAD is inconsistent with applicable laws and regulations.[77] In so doing, "NAO shall give deference to the reasonable interpretation(s) of applicable ambiguous laws and regulations made by the office issuing the initial administrative determination."[78]

ANALYSIS

The MSA directs NMFS to collect fees to recover costs directly related to the management of LAPPs such as the IFQ program for Pacific halibut and sablefish in waters in and off Alaska. In compliance with this requirement, the Regulation places a fee liability on every pound of IFQ halibut and sablefish landed on an IFQ permit holder's permit. In both his written appeal and at his hearing, Appellant did not challenge the 2025 IFQ cost recovery fee amount assessed by AKRO, or the landings upon which the fee was based.[79] Instead, Appellant asserts he should not be held responsible for IFQ cost recovery fees associated with the landings at issue because IFQ was transferred to him pursuant to a medical transfer authorization and he did not receive settlement proceeds from the fishing activity.[80]

Appellant bears the burden of demonstrating, by a preponderance of the evidence, that the IAD was in error. Accordingly, Appellant must establish that AKRO improperly assigned 2025 IFQ cost recovery fee liability to him under the Regulation. Appellant has not met this burden.

Appellant testified that he is the owner of IFQ Permit Number [redacted] and acknowledged that quota share from Mr. [redacted] was transferred into his IFQ account pursuant to a medical transfer authorization. He further testified that he landed halibut using the transferred IFQ and confirmed that the landings at issue were deducted from his IFQ account.

Under the Regulation, responsibility for payment of IFQ cost recovery fees is assigned to the IFQ permit holder whose IFQ was used for the landings.[81] The regulations governing transfers of IFQ, including medical transfers, authorizes the temporary transfer of IFQ to another person under specified conditions.[82] A medical transfer allows another person to harvest IFQ during the period of authorization; however, the transfer does not alter the regulatory framework assigning responsibility for the cost recovery fees to the permit holder whose IFQ account supplied the quota pounds used for the landings. Accordingly, when IFQ is transferred to a permit holder's account and landings are made using that transferred IFQ, the transferee permit holder is responsible for the associated cost recovery fees.

In his appeal, Appellant argues that he should not be responsible for the assessed IFQ cost recovery fees because he did not receive payment or financial benefit from the fishing activity.

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[76] Id. "Appellant has the obligation to obtain and present evidence to support the claims in his or her petition." Id.
[77] Id. § 906.15(a).
[78] Id.
[79] The appellant expressly stated that there were no errors in the landing data.
[80] Any dispute regarding the distribution of proceeds or reimbursement of fees between Appellant and Mr. [redacted] is a private contractual matter outside the scope of NAO proceedings.
[81] See 50 CFR 679.45(a) (2026).
[82] Id. §§ 679.42(d)(2), 679.41(b).

Appellant's argument, however, incorrectly presumes that an IFQ permit holder's cost recovery fee liability hinges on whether the permit holder received payment for the IFQ species landed under their permit. Appellant has provided no legal authority to support this proposition.

Appellant also testified that he believed Mr. [redacted] would be responsible for any fee or administrative obligations associated with the transfer and that he was unaware of the IFQ cost recovery fee requirement until he received the fee liability summary. However, the obligation to pay the fees arises from the use of IFQ associated with a permit holder's account,[83] rather than from private financial arrangements between individuals or the distribution of proceeds from the fishing activity. Moreover, a permit holder's lack of prior experience in the fishery or lack of awareness of the cost recovery requirement does not relieve the permit holder of responsibility for fees under the regulations.

Lastly, Appellant contends that requiring him to pay the assessed IFQ cost recovery fee would create a financial hardship because he does not have the financial means to satisfy the debt. I am sympathetic to Appellant's circumstances and recognize the potential financial burden associated with the assessed fee. However, neither the Regulation nor NAO's procedural rules authorize consideration of hardship factors in adjudicating this appeal. Accordingly, Appellant's financial situation does not provide a basis to modify or overturn the determination.

The evidence establishes that Appellant was the IFQ permit holder whose account supplied the quota used for the landings that generated the cost recovery fee liability assessed in the IAD. Appellant did not dispute the accuracy of the landing data used to calculate the assessed fee or that the landings were attributed to an incorrect IFQ account. Accordingly, the appellant has not demonstrated by a preponderance of the evidence that AKRO improperly assigned IFQ cost recovery liability to him.

CONCLUSIONS OF LAW

The IAD assigning responsibility for payment of the IFQ cost recover fees to the appellant is consistent with the Regulation.

ORDER

The IAD dated February 5, 2026, is **UPHELD**. Appellant may submit a Motion for Reconsideration.[84] Any Motion for Reconsideration must be filed with NAO no later than May 11, 2026.[85] A Motion for Reconsideration must be in writing and contain a detailed statement of one or more specific material matters of fact or law that the administrative judge overlooked or misunderstood.[86]

[83] NMFS' final rule implementing the MSA's cost recovery program and the Regulation explain that an IFQ permit holder's annual IFQ fee liability is based on the whether the permit holder landed IFQ halibut or sablefish using his or her IFQ permit. 65 Fed. Reg. 14919 (Mar. 20, 2000); 50 C.F.R. § 679.45(a)(1) (2026).
[84] 15 C.F.R. § 906.16 (2026).
[85] Id. § 906.16(a).
[86] Id. § 906.16(b).

Sofia Rizvi
Administrative Judge

Date issued: April 29, 2026