



NORTH PACIFIC FISHERY MANAGEMENT COUNCIL

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Action Memo

File Number:Crab 14-019

Agenda Date10/6/2014

Agenda Number:C9

John Henderschedt, Acting Chairman
Chris Oliver, Executive Director

SUBJECT:
Crab ROFR Contract Terms - Final Action

ESTIMATED TIME:
2 hours

ACTION REQUIRED:
Final Action on an Addendum to the Regulatory Impact Review/ Initial Regulatory Flexibility Act on Modification to Community Provisions

BACKGROUND

To protect community interests, the Bering Sea/Aleutian Islands Crab Rationalization Program required holders of most processor quota shares (PQS) to enter into agreements granting community- designated entities a right of first refusal (ROFR) on certain transfers of those PQS. The proposed action is intended to improve the ability of community entities to exercise ROFR on sales of crab processor quota share (PQS) in order to maintain historical crab processing activity in their communities.

Current ROFR provisions require a community entity exercising a ROFR to accept all terms and conditions of a proposed sale of crab processor quota shares to a non-ROFR buyer. This proposed revision would loosen this restriction by allowing crab processor quota share holders and ROFR-holding entities the opportunity to privately negotiate a subset of those assets as subject to ROFR. The action from this analysis could be incorporated into the Council's preferred alternative for additional revisions to ROFR provisions, as selected at its February 2013 meeting. The Council will consider the alternatives analyzed in this document, and any measure selected would become part of the proposed rule to be developed from the existing preferred alternative.