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D3 BSAI Crab C Shares Discussion Paper

December 2024 Council Meeting

Action Memo

Council Staff:	Taylor Holman
Action Required:	 Review Crab C Shares discussion paper Recommend next steps, if desired

BACKGROUND

At the June 2024 meeting, the Council requested a discussion paper to consider modifications to eligibility requirements and use caps for crew quota shares (C shares) in the BSAI Crab Rationalization (CR) Program. Specifically, the Council's <u>June 2024 motion</u> requested an analysis of the following distinct modifications to the C share program:

- 1) Revise eligibility requirements for receiving c-shares through transfer either as a new entrant or a current c-shares holder buying more to mirror the requirements recently implemented for holding or maintaining active participation requirements for c-shares
- 2) Increase c-share use caps.

The two modifications selected for analysis would increase flexibility in the program in distinct ways, and staff discussed the rationale, viability, and potential impacts of these modifications separately within the discussion paper.

Both modifications under consideration were selected as potential mechanisms to increase flexibility in the C share program. The Council has made ongoing efforts to address participation challenges within the C share program in response to changing fishery and quota market conditions. The Council has expressed concern about diminishing future opportunities in CR Program fisheries if challenges persist and crab stocks remain low.

Once the Council has reviewed the discussion paper, the next steps could be no further action; request further information from staff in the form of another discussion paper; or initiate an analysis, which requires identifying a purpose and need statement and alternatives.