

Department of Transportation's Maritime Administration (MARAD) is responsible under section 9 of the Shipping Act of 1916, 46 App. U.S.C. 808, for approving transfers of vessels from the U.S. flag to a foreign flag. MARAD has the authority and already had a mechanism in the regulations to deny the approval to flag foreign fishing industry vessels over 1,000 gross tons. However, MARAD's regulations at 46 C.F.R. part 221.15 also included a general approval for transfers of fishing industry vessels under 1,000 gross tons. Upon learning of the crab program provision, MARAD amended the regulations to also address vessels under 1,000 gross tons that are subject to the crab program and to make it clear that any vessel that participates in the crab program will be ineligible for a section 9 approval to transfer the vessel to a foreign flag. Further, MARAD is planning to again amend its section 9 regulations to address the broader issue of fishing vessels that are subject to a capacity reduction program.

#### Key Steps

NMFS will, in the following chronological order, now implement the crab program by:

- (1) Publishing the final regulations;

- (2) Publishing in the **Federal Register** a notification listing all qualified bidders and all qualified voters;

- (3) Publishing in the **Federal Register** an invitation to bid, along with a bidding form and terms of capacity reduction agreement;

- (4) Issuing detailed bidding guidance to each qualifying bidder;

- (5) Sending a crab program invitation to bid and a bidding form and terms of capacity reduction agreement to each qualifying bidder;

- (6) Receiving bids during the period in which bidding remains open;

- (7) Tallying the resulting bids;

- (8) Accepting or rejective the bids (without notice to the bidders);

- (9) Issuing detailed voting guidance to each qualifying voter;

- (10) Sending a referendum ballot to each qualifying voter;

- (11) Receiving referendum votes during the period in which voting remains open;

- (12) Tallying the resulting votes;

- (13) Notifying referendum voters of the referendum's results; and

- (14) In the instance of a successful referendum:

- (a) Notifying accepted bidders that their bids were accepted and that the resulting reduction contracts are unconditional,

- (b) Publishing in the **Federal Register** a reduction payment tender notification,

- (c) Tendering reduction payments,

- (d) Disbursing reduction payment in accordance with accepted bidders written payment instructions,

- (e) Accomplishing the necessary crab program revocations and restrictions, and

- (f) Administering the payment and collecting reduction loan repayment fees.

#### Reading the Rule in Conjunction with the Framework Rule

This final rule establishes which framework rule provisions (this subpart's § 600.1000 through § 600.6017) do not apply to the crab program. Consequently, a comprehensive understanding of the crab program requires reading this final rule in conjunction with the remaining framework rule provisions that continue to apply to the crab program. NMFS recommends that all interested persons carefully read the former in close conjunction with the latter.

#### Summary of Crab Program Notices and Mailings

This table summarizes, in chronological order, key crab program actions that will involve providing notice to affected persons:

Notice Actions	Method		
	FEDERAL REGISTER	Mailing	Website
Final rule	X		X
Bidder and voter list	X	X	X
Invitation to bid, along with bidding form and terms of capacity reduction agreement	X	X	X
Referendum ballots		X	X
Referendum results		X	X
Bidder acceptance/reduction contracts unconditional		X	
Reduction payment tender notice	X		
Reduction payment tender		X	
Fee payment and collection		X	X