

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	Virginia Marine Resources Commission
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	4 VAC 20-270
<b>VAC Chapter title(s)</b>	Pertaining to Blue Crab Fishery
<b>Action title</b>	Closing the 2024-25 Winter Dredge Fishery for Blue Crabs
<b>Date this document prepared</b>	October 1, 2024
<b>Regulatory Stage (including Issuance of Guidance Documents)</b>	Final

**Cost Benefit Analysis**

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

**Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>The primary option is to close the blue crab winter dredge fishery for the 2024-2025 season.</p> <p>Direct cost of closing the dredge fishery is roughly estimated at \$820,000, up to 5% of expected annual value. In 2007, the crab dredge fishery was valued at \$1.2 million, but 30% of eligible crab dredge harvesters have passed away or are no longer fishing. Due to condition of crabs harvested by dredge, dredged crabs have lower market value than other gears, and Virginia no longer has the picking house infrastructure to support a robust dredged crab market. The proposed amendments would close the winter dredge fishery for the 16<sup>th</sup> year in a row, so participation in and economic value of this fishery are highly uncertain.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) -\$820,000	(b)
(3) Net Monetized Benefit	-\$820,000	
(4) Other Costs & Benefits (Non-Monetized)	<p>Benefit: Closing the winter dredge fishery protects overwintering female crabs who will spawn in spring and summer. The effect on the population, either in pounds of crabs or potential monetary value, is not estimable due to natural variability in the population.</p>	
(5) Information Sources	Mandatory harvest reporting and voluntary dealer price reporting	

**Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>If status quo is maintained, the blue crab winter dredge fishery would open for the first time in 16 years.</p> <p>Direct benefit is roughly estimated at \$820,000, up to 5% of expected annual value. In 2007, the crab dredge fishery was valued at \$1.2 million, but 30% of eligible crab dredge harvesters have passed away or are no longer fishing. Due to condition of crabs harvested by dredge, dredged crabs have lower market value than other gears, and Virginia no longer has the picking house infrastructure to support a robust dredged crab market. The proposed amendments would close the winter dredge fishery for the 16<sup>th</sup> year in a row, so participation in and economic value of this fishery are highly uncertain.</p>	
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	An additional cost not quantifiable at this time as lost revenue from new regulations needed to implement further restrictions on other crab gears to avoid overfishing by offsetting the increase in harvest from opening the dredge fishery.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b) \$820,000
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)	Costs: Allowing harvest on overwintering female crabs who would spawn in spring and summer could harm the blue crab population.	
(5) Information Sources		

**Table 1c: Costs and Benefits under Alternative Approach(es)**

(1) Direct & Indirect Costs & Benefits (Monetized)		
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)		
(5) Information Sources		

**Impact on Local Partners**

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 2: Impact on Local Partners**

(1) Direct & Indirect Costs & Benefits (Monetized)	N/A	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Other Costs & Benefits (Non-Monetized)		
(4) Assistance		
(5) Information Sources		

**Impacts on Families**

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 3: Impact on Families**

(1) Direct & Indirect Costs & Benefits (Monetized)	N/A	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Other Costs & Benefits (Non-Monetized)		
(4) Information Sources		

**Impacts on Small Businesses**

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 4: Impact on Small Businesses**

(1) Direct & Indirect Costs & Benefits (Monetized)	Participants in the blue crab commercial fisheries can be considered small or independent businesses, as are many of the crab buyers, processors, and retail operations. This means 100% of impact would be felt by small businesses. A monetized cost is not quantifiable at this time as lost revenue from new regulations needed to implement further restrictions on other crab gears to avoid overfishing by offsetting the increase in harvest from opening the dredge fishery.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) -\$820,000	(b)
(3) Other Costs & Benefits (Non-Monetized)		
(4) Alternatives		
(5) Information Sources		

**Changes to Number of Regulatory Requirements**

**Table 5: Regulatory Reduction**

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

*Change in Regulatory Requirements*

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
4VAC20-270-57	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	0	1	0	1
				<b>Grand Total of Changes in Requirements:</b>	(M/A):0 (D/A): 0 (M/R):0 (D/R): 1

*Cost Reductions or Increases (if applicable)*

<b>VAC Section(s) Involved</b>	<b>Description of Regulatory Requirement</b>	<b>Initial Cost</b>	<b>New Cost</b>	<b>Overall Cost Savings/Increases</b>

*Other Decreases or Increases in Regulatory Stringency (if applicable)*

<b>VAC Section(s) Involved</b>	<b>Description of Regulatory Change</b>	<b>Overview of How It Reduces or Increases Regulatory Burden</b>

*Length of Guidance Documents (only applicable if guidance document is being revised)*

<b>Title of Guidance Document</b>	<b>Original Length</b>	<b>New Length</b>	<b>Net Change in Length</b>