

HB 188: **Regional** **Fisheries** **Trusts**

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**Fishermen don't just drive boats.
They drive Alaska's economy.**



**Fisheries trusts maximize Alaskans'
access to the economic opportunity commercial
fishing provides.**

Why should we care about fisheries trusts?

- Fisheries are the economic engine of coastal Alaska.
- Entering Alaska fisheries has become highly capital intensive.
 - Usually involves taking out large, often six-figure loans for permits and/or boats.
- It is well documented that access to commercial fisheries has decreased in much of Alaska (especially rural Alaska) since 1975.
- Alaskans (especially rural Alaskans) with limited access to capital are increasingly left on shore because of capital-related barriers to entry.
- Barriers to entry have had severe repercussions on rural coastal communities where there is little other economic opportunity outside commercial fishing.

Several tools have already improved access for Alaskans to Alaska's fisheries...

- 225 people applied for loans from the Commercial Fishing Revolving Loan Fund (CF RLF) last year alone.
- As of 2016, the Commercial Fishing Revolving Loan Fund had \$95.2 million lent out on over 1,700 loans.
- CF RLF has given approximately 8,473 people loans to invest in fishing businesses since the fund was created in 1972.
- Commercial Fisheries and Agriculture Bank also offers uniquely fishermen-oriented financing.

...and additional tools can help.



Regional fisheries trusts would empower communities to:

- prevent economic distress among fishermen,
- promote fisheries conservation,
- improve Alaskans' access to fisheries,
- realize greater economic self-sufficiency by making entry into Alaska's commercial fisheries more accessible.



What does a fisheries trust look like?

- Opt-in and self-determined: 2/3 of municipalities must petition to create a fisheries trust
- Community and regionally governed
- Lease permits on a short-term basis to qualified fishermen as “stepping stones”: no more than 6 years before they have to buy their own permit
- The number of permits a trust can acquire has a hard cap to prevent distortion to market

What's good about it?

Fisheries trusts improve access for Alaskans to Alaska's commercial fisheries.

Fisheries trusts empower communities and regions to become more economically self-sufficient.

What about constitutionality?

HB 188 has gone through two and a half years of extensive legal vetting, including opinions from...

- Alaska's Department of Law
- Private fisheries attorney Jim Brennan, of Brennan & Heideman (pro bono)
- Alaska Legislature's Legislative Legal

The bill has been crafted and re-crafted in response to their recommendations and concerns.



Limited Authorization in the new CS

- A new version of the bill will provide for limited authorization: no more than three regions can opt in to establish fisheries trusts, in order to vet the idea.
- After January 1, 2018, $\frac{2}{3}$ of the municipalities in any fisheries trust region can apply to DCCED to establish a trust.
- If more than three regions apply, the Commissioner of DCCED will work with ADF&G to pick the three best candidates, based on their business plans and ability to fulfill the legislative intent of fisheries trusts.

It's been some time in the making.

After two and a half years, HB 188 is the product of:

- 1500+ hours of work,
 - 2500+ individual emails,
 - 150 - 200+ stakeholders,
 - one statewide summit,
 - 90+ pages of legal memos,
 - 16 bill drafts.
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HB 188 was developed in consultation with....

ANCSA CEOs · Bristol Bay Economic Development Corporation · United Fishermen of Alaska · Alaska Federation of Natives · ADF&G · Norton Sound Economic Development Corporation · Alaska Marine Conservation Council · Central Bering Sea Fishermen's Association · Aleutian Pribilof Island Community Development Association · Central Bering Sea Fishermen's Association · Coastal Villages Region Fund · Yukon Delta Fisheries Development Association · Commercial Fisheries Entry Commission · Nature Conservancy · Seafood Producers Co-operative · Alaska SeaGrant · SalmonState · Alaska Center · Sealaska · Central Council Tlingit and Haida · Bristol Bay Native Corporation · Aleut Corp · Koniag, Inc · Alaska Young Fishermen's Network · Chugach Alaska Corporation · Alaska Trollers Association · Bristol Bay Fishermen's Association · Southeast Alaska Seiners Association · DCCED · Alaska Longline Fishermen's Association · Kodiak Rural Leadership Forum · & more.