

HJR

61

STATE OF ALASKA
House of Representatives
District 27

Representative Cliff Davidson
Chairman
House Resources Committee

Box V, Juneau, AK 99811
(907) 465-2487
Box 746, Kodiak, AK 99615
(907) 486-8250

SPONSOR STATEMENT

Representative Cliff Davidson

House Joint Resolution 61 (HJR 61), Opposing individual fishery quota management systems for the Alaskan halibut and sablefish fisheries and other Alaskan fisheries.

.....

House Joint Resolution 61 (HJR 61), opposing individual fishery quota (IFQ) management systems for the Alaskan halibut and sablefish fisheries and other Alaskan fisheries, responds to concerns expressed statewide by individual fishermen, communities and industry alike to the North Pacific Fishery Management Council's (NPFMC) individual fishery quota management plan passed in December.

That plan, adopted by the NPFMC but not yet approved by federal officials, would change the face of Alaskan fishing communities as we know them today.

Alaskan fishermen are particularly concerned by studies showing IFQs will concentrate ownership of the sablefish and halibut resource by permanently allocating shares to a select number of fishermen. With fisheries as Alaska's second largest income source, IFQs will remove fishermen's ability to diversify as markets change, negatively effecting the economic stability of our coastal communities.

Also, there is a great deal of concern over the Council's lack of an extensive socio-economic impact statement to analyze the effects on Alaska's coastal communities and the small fishing fleets.

Comprehensive land enforcement combined with aggressive at-sea monitoring is imperative with a proposal such as the one the Council has recently passed to prevent high-grading, false reporting, black marketing, etc. The funding requirements would be great and are difficult to ensure. In addition, economic and social costs would be exceptionally high and result in even fewer meaningful jobs in rural Alaska. Also, it is very likely this IFQ plan would have a negative impact on our state treasury.

Alaska's senior U.S. Senator, Ted Stevens, informed the Council at the December meeting (via written correspondence) that funding an IFQ program such as the one proposed would be expensive. Dipping into the already tight National Marine Fisheries Service (NMFS) budget would seriously reduce other important fishery programs.

Senator Frank Murkowski also expressed his concern (in a letter dated November 25, 1991) that the budgetary environment would be extremely difficult if a significant increase were needed to cover implementation, administration and enforcement.

The proposal, as it reads today, is fraught with problems. HJR 61 encourages the NPFMC to seek and consider public comments from all segments of the fishing industry to develop a comprehensive management plan using flexible management tools. It also opposes the use of state resources to implement an IFQ management system and it also requests the Secretary of Commerce, Administrator of NOAA and the Director of the Office of Management and Budget to disapprove any IFQ management system that the NPFMC recommends.

CS FOR HOUSE JOINT RESOLUTION NO. 61 (RESOURCES)**IN THE LEGISLATURE OF THE STATE OF ALASKA****SEVENTEENTH LEGISLATURE - SECOND SESSION****BY THE HOUSE RESOURCES COMMITTEE**

Offered:

Referred:

Sponsor(s): REPRESENTATIVES DAVIDSON, Navarre, Jacko, Mackie, Kubina, Brown, Ivan, Zawacki, Hudson

A RESOLUTION

1 Opposing Individual Fishery Quota management systems for the Alaska halibut and
2 sablefish fisheries and other Alaska fisheries.

3 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 WHEREAS the Alaska commercial fishing industry merges an established system of biological
5 management of fishery resources, a social foundation for Alaska coastal communities, and unique and
6 productive livelihoods for many thousands of Alaskans; and

7 WHEREAS International Pacific Halibut Commission and North Pacific Fishery Management
8 Council (NPFMC) studies show that the Alaska halibut and sablefish resources are generally in a
9 biologically healthy condition under the current open access management system; and

10 WHEREAS the NPFMC has identified problems in the halibut and sablefish fisheries without
11 developing a comprehensive option based on the flexible management actions available under the open
12 access management system that may address those problems, such as gear restrictions, tank inspections,
13 flexible time frames for fishery openings to accommodate weather, et cetera; and

14 WHEREAS the NPFMC is seeking to implement an Individual Fishery Quota (IFQ) management
15 system in the Alaska halibut and sablefish fisheries; and

16 WHEREAS an IFQ management system will initially allocate shares consisting of a percentage

1 of the annual total allowable catch of a fishery resource to individual fishermen; and

2 WHEREAS implementation of an IFQ management system will instantly create permanent,
3 exclusive, and salable access rights to the halibut and sablefish fishery resources of the North Pacific
4 Ocean; and

5 WHEREAS the value of quota shares as salable property will make an IFQ management system
6 irreversible; and

7 WHEREAS an IFQ management system will, through attrition, eventually concentrate ownership
8 of the right to harvest the fishery resource into the hands of those with the greatest wealth and financial
9 advantages; and

10 WHEREAS the implementation of IFQ management systems will create a privileged class of
11 fishermen based on their fortuitous involvement in the fishing industry during a particular period of time
12 and will seriously inhibit those fishermen who wish to enter those fisheries in the future; and

13 WHEREAS an IFQ management system will seriously inhibit the ability of fishermen to
14 diversify among fisheries as resource and market conditions fluctuate and will therefore hinder the ability
15 of fishermen to operate stable and successful fishing businesses; and

16 WHEREAS the NPFMC has not given adequate consideration to or realistically estimated the
17 practical enforcement costs, strategies, or funding sources required to ensure effective at-sea and
18 shoreside fishery conservation measures to prevent illegal fishing, highgrading, false reporting, black
19 marketing, et cetera of fish caught under an IFQ management system; and

20 WHEREAS the NPFMC has not given sufficient consideration to the economic and social effects
21 that IFQ management systems will have on Alaskans and Alaska coastal communities; and

22 WHEREAS testimony given to the NPFMC on IFQ management systems by individual
23 fishermen industry, municipalities, and organizations overwhelmingly opposed such management
24 systems; and

25 WHEREAS while problems exist under the open access management system, it has provided for
26 proven, effective, and cost-efficient administration and enforcement of resource conservation efforts,
27 while allowing fishermen and the fishing industry the flexibility to diversify among existing fisheries and
28 to develop new fisheries as conditions and markets change; and

29 WHEREAS implementation of IFQ management systems in any Alaska fishery will result in
30 serious, compound, negative effects for individual fishermen, the Alaska commercial fishing industry,
31 Alaska coastal communities with a fishing-based economy, and the overall economy of the state;

32 BE IT RESOLVED that the Alaska State Legislature respectfully requests the Secretary of

1 Commerce to direct the North Pacific Fishery Management Council to contract for extensive independent
2 socio-economic impact studies of any management system for the Alaska fishing industry and to
3 seriously consider the full scope of such a system before considering any allocative management measure
4 for any fishery; and be it

5 **FURTHER RESOLVED** that the Alaska State Legislature respectfully requests the North Pacific
6 Fishery Management Council to aggressively seek and carefully consider public comment from all
7 segments of the commercial fishing industry in order to develop an equitable, comprehensive
8 management plan for the Alaska halibut and sablefish fisheries utilizing the flexible management tools
9 available under the current open access management system; and be it

10 **FURTHER RESOLVED** that the Alaska State Legislature respectfully requests the Secretary
11 of Commerce, the Administrator of the National Oceanic and Atmospheric Administration, and the
12 Director of the Office of Management and Budget to disapprove any Individual Fishery Quota
13 management system that the North Pacific Fishery Management Council recommends for the Alaska
14 halibut and sablefish fisheries, or any other Alaska fishery.

15 **COPIES** of this resolution shall be sent to the Honorable Barbara Franklin, Secretary of the U.S.
16 Department of Commerce; the Honorable John A. Knauss, Administrator, National Oceanic and
17 Atmospheric Administration; the Honorable Richard G. Darman, Director of the Office of Management
18 and Budget; the Honorable Richard Lauber, Chair of the North Pacific Fishery Management Council;
19 and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the
20 Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. HJR 61

Revision Date: 1/27/92
Title: Oppose IFQ's

Department Affected: Fish and Game
BRU: Commercial Fisheries
Component: Commercial Fisheries

Sponsor: Representative Davidson
Requestor: House Resources Committee

COMPONENT SERIAL NO.

4	5	9
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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0					
TRAVEL	0					
CONTRACTUAL	0					
SUPPLIES	0					
EQUIPMENT	0					
LAND & STRUCTURES	0					
GRANTS, CLAIMS	0					
MISCELLANEOUS	0					
TOTAL OPERATING	0					

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	6	6	6	6	6	6

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Bob Clasby Phone: 465-4210
Division: Division of Commercial Fisheries Date: 1/27/92
Approved by Commissioner: [Signature]
Agency: Alaska Department of Fish and Game Date: 1/26/92

Requested By: Councilperson Madsen

Ayes: 5Nays: 1CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 91-43

A RESOLUTION OF THE CITY OF UNALASKA OPPOSING THE INDIVIDUAL
TRANSFERABLE QUOTA SHARES SYSTEM FOR MANAGING THE SABLEFISH
AND HALIBUT FISHERIES WITHIN THE JURISDICTION OF THE NORTH
PACIFIC FISHERIES MANAGEMENT COUNCIL

WHEREAS: The North Pacific Fisheries Management Council need to propose a "Preferred" plan which can be specifically reviewed and critiqued by all Industry participants; and

WHEREAS: Any drastic Management change demands the preparation of a Socio-Economic Impact Analysis. Detailed to realistically show the effects of such a management system upon the fisherman and the coastal communities which will be impacted; and

WHEREAS: The conservation concerns within these specific longline fisheries will not be addressed nor solved by this system of management; and

WHEREAS: The Funding source, the enforcement costs and plans are as of yet unknown. This critical area must be addressed and specified; and

WHEREAS: The Quota Shares System has demonstrated the adverse impacts upon the small to mid-sized vessels which participate within such systems; and

WHEREAS: The small to mid-size vessels of our coastal communities may well lose their access to their resource, and as our State's economy is not nearly as diverse as that of other State's those, losing their access to the resource, may force them to seek opportunity outside of their Home State; and

WHEREAS: There is no mechanism to realistically prevent Foreign interest domination of the Quota Shares; and

WHEREAS: A comprehensive plan is necessary to avoid the additional pressure which will be put upon those fisheries outside of the Quota system by those fisherman not receiving sufficient shares to compete; thus complicating and compounding the problems within these other fisheries; and

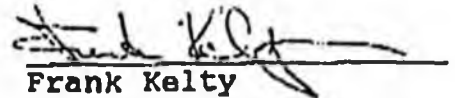
WHEREAS: The additional pressures will adversely affect the safety of the participants within these other fisheries; nor is there any guarantee that Quota Shares will increase the Safety of the participants within the fisheries which assume the Quota System;

and

WHEREAS: The North Pacific Fisheries Management Council has identified over 20 management tools which are within the traditional system which have not been sufficiently analyzed or assessed for effectiveness.

NOW THEREFORE BE IT RESOLVED THAT: The City Council of the City of Unalaska, Alaska, opposes the INDIVIDUAL TRANSFERABLE QUOTA SHARES SYSTEM (ITQ) for the management of the Sablefish and Halibut Fisheries.

PASSED AND APPROVED THIS 20th DAY OF June, 1991 BY THE CITY COUNCIL OF THE CITY OF UNALASKA, ALASKA.


Frank Kelty
Mayor

ATTEST:


Shelley Bickenstaff, City Clerk

\RES9143

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION NO. 91-112

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UNALASKA URGING THE NORTH PACIFIC FISHERIES MANAGEMENT COUNCIL AND ALL OTHER AUTHORITIES TO RESCIND ITS VOTE TO IMPLEMENT THE IFQ PROGRAM TO APPROVE THE INDIVIDUAL TRANSFERABLE QUOTA SHARE PROGRAM FOR THE SABLEFISH AND HALIBUT FISHERIES UNTIL AN ECONOMIC IMPACT ANALYSIS OF THE PROGRAM ON THE CITY OF UNALASKA AND OTHER COMMUNITIES OF ALASKA IS COMPLETED AND SHARED WITH THE AFFECTED COMMUNITIES FOR THEIR CONSIDERATION AND COMMENT.

WHEREAS, a number of traditional management proposals have been submitted to the North Pacific Fisheries Management Council which would potentially eliminate the problems that an Individual Fishery Quota (IFQ) would address; and

WHEREAS, the North Pacific Fisheries Management Council's role and responsibility is to analyze all proposals on a given issue before implementing major changes to a fishery; and

WHEREAS, analysis and implementation of traditional management proposals to address the problems have not even been reviewed prior to the proposed implementation of an IFQ System; and

WHEREAS, an IFQ System is going to take years to implement while the fisheries need extensive traditional management changes not short-term improved management; and

WHEREAS, the ability to participate in multiple fisheries and adapt to changing economic and resource conditions are vital characteristics of the Alaska fishing industry; and

WHEREAS, IFQ Systems under consideration provide much of the resource to be allocated to non-resident users, excluding disproportionate numbers of Alaska fishermen, and preclude participation by the growing Alaska longline fishing fleet; and

WHEREAS, IFQ Systems will deny the opportunity for residents of the City of Unalaska and other Alaskan communities to fully diversify and maximize their fisheries creating financial hardships and creating economic impacts; and

WHEREAS, IFQ Systems could accommodate offshore processors which will minimize the raw fish tax to Alaskan communities and the State of Alaska; and

WHEREAS, The City of Unalaska adopted Resolution No. 91-43 on June 20, 1991 opposing the IFQ system for managing the sablefish and halibut fisheries within the jurisdiction of the North Pacific Fisheries Management Council, a copy of which is attached.

CITY OF UNALASKA
RESOLUTION NO. 91-112
PAGE TWO

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF UNALASKA that the Alaska State Legislature and the Governor intercede on behalf of Alaska fishermen to prevent any negative economic impact or hardship on them and affected Alaska communities as a result of the IFQ system.

BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF UNALASKA that the North Pacific Fishery Management Council rescind its vote TO IMPLEMENT THE IFQ PROGRAM, and carefully scrutinize this proposal including its impact on Alaska fishermen and communities, and implement traditional management methods prior to any further discussion on an IFQ System.

BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF UNALASKA that copies of this resolution be sent to Governor Walter J. Hickel, the North Pacific Fishery Management Council, District 26 Representative George Jacko, District 26 Senator Fred Zharoff, U.S. Senators Stevens and Murkowski, and U.S. Representative Young.

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF UNALASKA THIS 12 DAY OF February, 1991.


MAYOR

ATTEST:


CLERK

CITY OF KODIAK
RESOLUTION NUMBER 01-92

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK SUPPORTING CONTINUED OPEN ACCESS IN THE GROUND FISH FISHERIES IN THE EXCLUSIVE ECONOMIC ZONE OFF ALASKA AND URGING THE ADOPTION OF SJR 38 AND HJR 61

WHEREAS, Senator Zharoff has sponsored Senate Joint Resolution 38 and Representative Davidson has sponsored House Joint Resolution 61 opposing individual fishing quota management systems for the Alaska halibut and sablefish fisheries and other Alaskan fisheries; and

WHEREAS, the North Pacific Fishery Management Council is developing detailed options for limited access in the sablefish longline fishery; and

WHEREAS, groundfish, including sablefish and halibut, is important to the diversified economy of the coastal communities of Alaska and the ability to participate in multiple fisheries and adapt to changing economic and resource conditions is a vital characteristic of the Alaska fishing fleet; and

WHEREAS, individual fishing quotas may deny the opportunity for residents of coastal communities to fully diversify and maximize their fisheries; and

WHEREAS, the individual fishing quota program under consideration provides for much of the resource to be allocated to nonresident users, excluding disproportionate numbers of Alaska fishermen and precluding participation by the growing Alaska longline fishing fleet; and

WHEREAS, limited access will prohibit maximum utilization of a natural resource by depriving crew members, processors, and other support groups of full participation; and

WHEREAS, the trend will be to process groundfish offshore which will minimize the raw fish to coastal communities and the state; and

WHEREAS, limited access programs restrict the free enterprise system by not allowing commercial fishermen to maximize their potential in the fishery; and

WHEREAS, limited access represents a quick-and-easy, but ineffective, solution to more fundamental management problems;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that the Governor is respectfully requested to take whatever action is necessary to protect the rights of Alaska fishermen and to vigorously oppose any effort to implement limited entry in the groundfish fisheries in Alaska.


BE IT FURTHER RESOLVED that the North Pacific Fishery Management Council is respectfully requested to abandon all efforts to study, plan, encourage, or recommend implementation of limited access in the groundfish fisheries in Alaska.

AND, BE IT FURTHER RESOLVED BY THE Council of the City of Kodiak, Alaska, that the Alaska State Legislature complete its deliberations and adopt Senate Joint Resolution 38 and House Joint Resolution 61.

AND, BE IT FURTHER RESOLVED that copies of this resolution shall be sent to the Honorable Barbara Franklin, Secretary of the U.S. Department of Commerce; the Honorable John A. Knauss, Administrator, National Oceanic and Atmospheric Administration; the Honorable Richard G. Darman, Director of the Office of Management and Budget; the Honorable Richard Lauber, Chair of the North Pacific Fishery Management Council; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress; Governor Hickel and all members of the Alaska State Legislature.

PASSED AND APPROVED this 23rd day of January, 1992.

CITY OF KODIAK



MAYOR

ATTEST:



CITY CLERK

ALASKA MUNICIPAL LEAGUE (AML)

ANCHORAGE, CITY OF

BRISTOL BAY BOROUGH

CORDOVA, CITY OF

HAINES CHAMBER OF COMMERCE

HOMER, CITY OF

KENAI, CITY OF

KENAI PENINSULA BOROUGH

KENAITZ INDIAN TRIBE I.R.A.

KODIAK AREA NATIVE ASSOCIATION

KODIAK, CITY OF

KODIAK ISLAND BOROUGH

KODIAK ISLAND MAYORS LEAGUE

OUNALASHKA CORPORATION

OUZINKIE, CITY OF

SELDOVIA VILLAGE TRIBE

SEWARD CHAMBER OF COMMERCE

SEWARD, CITY OF

SITKA, CHAMBER OF COMMERCE

SITKA, CITY OF

SOUTHWEST ALASKA MUNICIPAL CONFERENCE (SWAMC)

UNALASKA, CITY OF

VALDEZ, CITY OF

WHITTIER, CITY OF

WRANGELL COOPERATIVE ASSOCIATION

SPONSOR: Hal Fager

RESOLUTION NO. 91-487

BE IT RESOLVED THAT THE CITY AND BOROUGH OF SITKA REQUESTS THE NORTH PACIFIC FISHERIES MANAGEMENT COUNCIL AND ALL OTHER AUTHORITIES NOT TO APPROVE THE INDIVIDUAL FISHING QUOTA PROGRAM FOR THE SABLEFISH AND HALIBUT FISHERIES UNTIL AN ECONOMIC AND SOCIAL IMPACT ANALYSIS OF THE PROGRAM ON THE COASTAL COMMUNITIES OF ALASKA IS COMPLETED AND SHARED WITH THE AFFECTED COMMUNITIES FOR THEIR CONSIDERATION AND AFTER PUBLIC HEARINGS ON THE SPECIFIC INDIVIDUAL FISHING QUOTAS PROPOSED ARE HELD IN AFFECTED COASTAL COMMUNITIES

PASSED, APPROVED AND ADOPTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF SITKA THIS 29th DAY OF NOVEMBER, 1991.

Dan Keck
Dan Keck, Mayor

ATTEST:

Melinda L. Jenkins
Melinda L. Jenkins
Municipal Clerk

AGENDA ITEM #3:

Requested By: Councilperson Madsen

Ayes: 5Nays: 1CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 91-43

A RESOLUTION OF THE CITY OF UNALASKA OPPOSING THE INDIVIDUAL
TRANSFERABLE QUOTA SHARES SYSTEM FOR MANAGING THE SABLEFISH
AND HALIBUT FISHERIES WITHIN THE JURISDICTION OF THE NORTH
PACIFIC FISHERIES MANAGEMENT COUNCIL

WHEREAS: The North Pacific Fisheries Management Council need to propose a "Preferred" plan which can be specifically reviewed and critiqued by all Industry participants; and

WHEREAS: Any drastic Management change demands the preparation of a Socio-Economic Impact Analysis. Detailed to realistically show the effects of such a management system upon the fisherman and the coastal communities which will be impacted; and

WHEREAS: The conservation concerns within these specific longline fisheries will not be addressed nor solved by this system of management; and

WHEREAS: The Funding source, the enforcement costs and plans are as of yet unknown. This critical area must be addressed and specified; and

WHEREAS: The Quota Shares System has demonstrated the adverse impacts upon the small to mid-sized vessels which participate within such systems; and

WHEREAS: The small to mid-size vessels of our coastal communities may well lose their access to their resource, and as our State's economy is not nearly as diverse as that of other State's those, losing their access to the resource, may force them to seek opportunity outside of their Home State; and

WHEREAS: There is no mechanism to realistically prevent Foreign interest domination of the Quota Shares; and

WHEREAS: A comprehensive plan is necessary to avoid the additional pressure which will be put upon those fisheries outside of the Quota system by those fisherman not receiving sufficient shares to compete; thus complicating and compounding the problems within these other fisheries; and

WHEREAS: The additional pressures will adversely affect the Safety of the participants within these other fisheries; nor is there any guarantee that Quota Shares will increase the Safety of the participants within the fisheries which assume the Quota System;

1
2
3 CLERK'S OFFICE
4 AMENDED AND APPROVED

5 Date: 12-10-91

6 *Vetoed 12/17/91*

7 *Overruled 1-7-92*

8 ANCHORAGE, ALASKA
9 AR NO. 91-267 (AS AMENDED)

Submitted by: Assemblymembers Abney
and Barnett

Prepared by: Assembly Utility Budget
Analyst

For reading: December 10, 1991

10 A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY URGING THE NORTH
11 PACIFIC FISHERIES MANAGEMENT COUNCIL AND ALL OTHER AUTHORITIES TO
12 RESCIND ITS VOTE TO IMPLEMENT THE IFQ PROGRAM TO APPROVE THE
13 INDIVIDUAL TRANSFERABLE QUOTA SHARE PROGRAM FOR THE SABLEFISH AND
14 HALIBUT FISHERIES UNTIL AN ECONOMIC IMPACT ANALYSIS OF THE PROGRAM
15 ON THE MUNICIPALITY OF ANCHORAGE AND OTHER COMMUNITIES OF ALASKA
16 IS COMPLETED AND SHARED WITH THE AFFECTED COMMUNITIES FOR THEIR
17 CONSIDERATION AND COMMENT

18
19
20 WHEREAS, a number of traditional management proposals have been submitted to the
21 North Pacific Fisheries Management Council which would potentially eliminate the problems that
22 an Individual Fishery Quota (IFQ) would address; and

23
24 WHEREAS, the Council's role and responsibility is to analyze all proposals on a given
25 issue before implementing major changes to a fishery; and

26
27 WHEREAS, analysis and implementation of traditional management proposals to address
28 the problems have not even been reviewed prior to the proposed implementation of an IFQ
29 System; and

30 WHEREAS, an IFQ System is going to take years to implement while the fisheries need
31 extensive traditional management changes not short-term improved management; and

32
33 WHEREAS, the ability to participate in multiple fisheries and adapt to changing economic
34 and resource conditions are vital characteristics of the Alaska fishing industry; and

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36 WHEREAS, IFQ Systems under consideration provide much of the resource to be
37 allocated to non-resident users, excluding disproportionate numbers of Alaska fishermen, of
38 which over 500 abide in Anchorage, and preclude participation by the growing Alaska longline
39 fishing fleet; and

40
41 WHEREAS, IFQ Systems will deny the opportunity for residents of the Municipality of
42 Anchorage and other Alaskan communities to fully diversify and maximize their fisheries creating
43 financial hardships and creating economic impacts; and

44
45 WHEREAS, IFQ Systems could accommodate offshore processors which will minimize
46 the raw fish tax to Alaskan communities and the State.

KODIAK ISLAND MAYORS LEAGUE

RESOLUTION 91-15

A RESOLUTION URGING THE NORTH PACIFIC FISHERIES MANAGEMENT COUNCIL AND ALL OTHER AUTHORITIES TO RESCIND ITS VOTE TO IMPLEMENT THE IFQ PROGRAM TO APPROVE THE INDIVIDUAL TRANSFERRABLE QUOTA SHARE PROGRAM FOR THE SABLEFISH AND HALIBUT FISHERIES UNTIL AN ECONOMIC IMPACT ANALYSIS OF THE PROGRAM ON THE COMMUNITIES OF ALASKA IS COMPLETED AND SHARED WITH THE AFFECTED COMMUNITIES FOR THEIR CONSIDERATION AND COMMENT.

WHEREAS, a number of traditional management proposals have been submitted to the North Pacific Management Council which would potentially eliminate the problems that an Individual Fishery Quota (IFQ) would address; and

WHEREAS, the Council's role and responsibility is to analyze all proposals on a given issue before implementing major changes to a fishery; and

WHEREAS, analysis and implementation of traditional management proposals to address the problems have not even been reviewed prior to the proposed implementation of an IFQ System; and

WHEREAS, an IFQ System is going to take years to implement while the fisheries need extensive traditional management changes, not short-term improved management; and

WHEREAS, the ability to participate in multiple fisheries and adapt to changing economic and resource conditions are vital characteristics of the Alaska fishing industry; and

WHEREAS, IFQ Systems under consideration provide much of the resource to be allocated to non-resident users, excluding disproportionate numbers of Alaska fishermen, and preclude participation by the growing Alaska longline fleet; and

WHEREAS, IFQ Systems will deny the opportunity for residents of the Alaskan communities to fully diversify and maximize their fisheries creating financial hardships and creating adverse economic impacts; and

WHEREAS, IFQ Systems could accommodate offshore processors which will minimize the raw fish tax to Alaskan communities and the State.

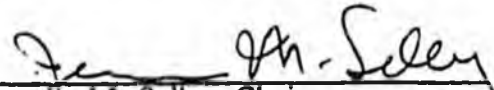
NOW, THEREFORE, BE IT RESOLVED by the Kodiak Island Mayors League, that:

Section 1: The Alaska State Legislature and the Governor intercede on behalf of Alaska fishermen to prevent any negative economic impact or hardship on them and affected Alaska communities as a result of the IFQ System.

Section 2: The North Pacific Fishery Management Council rescind its vote to implement the IFQ Program, carefully scrutinize this proposal including its impact on Alaska fishermen and communities, and implement traditional management methods prior to any further discussion on an IFQ System.

Section 3: Copies of this resolution be sent to Governor Walter J. Hickel, the North Pacific Fishery Management Council, Kodiak area legislators, Senators Stevens and Murkowski, and Representative Young.

PASSED AND APPROVED on this 12th day of December, 1991



Jerome M. Selby, Chairman
Kodiak Island Mayors League 1991

Attest: 

Date: 12-12-91

**Kodiak
Area
Native
Association**



402 Center Avenue
Kodiak, Alaska 99615
Phone (907) 486-5725

June 14, 1991

Mr. Rick Lauber, Chairman
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
P.O. Box 103136
Anchorage, Ak 99510

RE: Sablefish and Halibut IFQs

Chairman Lauber:

The Kodiak Area Native Association serves the Native people in the coastal communities on Kodiak Island.

Since the implementation of the limited entry system of management many Native people of Kodiak have been excluded from the opportunity to earn a respectable living from the water which is at the center of our culture and has been for over four thousand years.

We find that access to fisheries resources is extremely difficult to regain after lost and at the root of many of our social and economic problems. Sablefish and halibut are two of a dwindling number of fisheries available to the small diversified independent fishermen and their crew members.

We feel that the IFQ management plan will again cause further suffering in our communities to satisfy big money interests in commercial fishing. We are opposed to the IFQ system for managing the sablefish and halibut fisheries and urge you to consider other management options before taking another resource from the coastal communities.

Sincerely,

Kelly Simeonoff, President
KODIAK AREA NATIVE ASSOCIATION

cc: Honorable Walter Hickel
Honorable Ted Stevens
Honorable Frank Murkowski
Honorable Don Young
Senator Fred Zharoff
Rep. Cliff Davidson

Serving the communities of: Akhiok • Karluk • Kodiak • Larsen Bay • Old Harbor • Ouzinkie • Port Lions



THE GREATER SITKA
chamber
OF COMMERCE

Box 638 - Sitka, Alaska 99835
(907) 747-8604

January 15, 1992

Secretary of Commerce Robert Mosbacher
15th & Constitution Avenue, NW
Washington, D.C. 20230

Dear Secretary of Commerce Mosbacher;

As a representative of the Greater Sitka Chamber of Commerce I would like to address the topic of the individual fishing quota system as proposed by the North Pacific Fisheries Management Council.

The Individual Fishing Quota System as proposed by the council has the potential to deny Sitka residents the opportunity to be diverse and could possibly cause financial hardship and create an economic impact in Sitka, Southeast Alaska, and other Alaskan communities.

The Greater Sitka Chamber of Commerce asks that an economic impact analysis of the program on the municipality of Sitka and other communities of Alaska be completed and that no action or approval of the plan be taken by the North Pacific Fisheries Management Council until at which time the results of the study are returned and can be analyzed by the affected communities for their consideration and comment.

Thank you for your consideration in this matter. I await your reply.

Sincerely,


Edward Malewski
President

EM/sh

cc: Senator Ted Stevens
Senator Frank Murkowski
Representative Don Young
North Pacific Fisheries Management Council

01. 10. 92

06:04PM

Benjamin's Store

PO1

Wrangell Cooperative Association

BOX 868 • WRANGELL, ALASKA 99929

To Whom it may concern:

Our Tribal I.R. A. council, The Wrangell Cooperative Association is against I. F. Q. , system as it now stands. It would price our fisherman out of the fisheries. Only good for established fisherman Making it possible for them to be millionaires overnight...

This was decided at a legally held meeting on Jan. 5, 1992 with 6 ayes and 0 nays.

Sincerely,

Wrangell Subsistence Advisory

Board Chairman,

John P. Feller Jr.

If there is need for further questions please call me at 907-874-3829

P.S. our enrollment is approximately
450 members.

Seldovia Village Tribe

P.O. Drawer L
Seldovia, Alaska 99663
(907) 234-7625 Fax: 234-7637

December 2, 1991

To the North Pacific Fishery Management Council,

The Seldovia Village Tribe is opposed to the IFQ plan as presented.

This plan if adopted will devastate Villages like Seldovia. The Natives of Seldovia are at an economic disadvantage for being able to participate in the Halibut and Sable Fisheries.

The Fishery is so costly to enter, The Native people have not been able to get into it on a par with 'Outside' boats.

Seldovia Village Tribe needs to be designated and participate in the Community Development quota.

There is no valid reason to limit C.D.Q's to only Western Alaska and prohibit Natives along the Central Gulf of Alaska from participating and growing in this vital fishery.

Fred H. Elveas President
Seldovia Village Tribe

From : N Pac Fish Protect Assoc

PHONE No. : 206 781 0336

Jan. 12

ED PEPPERMAN
BOROUGH MANAGER



TELEPHONE
(907) 248-4284
FAX
(907) 248-8823

Bristol Bay Borough

BOX 188 • NAKNEK, ALASKA 99833

NOV 25 1991

November 25, 1991

Mr. Rick Lauber, Chairman
North Pacific Fishery Management Council
P.O. Box 103136
Anchorage, Alaska 99510

Dear Chairman Lauber,

The villages of the Bristol Bay Borough; King Salmon, Naknek and South Naknek, oppose the Individual Fisherman's Quota system for halibut management currently being considered by the Council.

The Bristol Bay experimental halibut fishery is only two seasons old. Local area fishermen have not yet had time to establish themselves in this new fishery.

With falling sockeye salmon prices, area fishermen must diversity to fill the economic gaps created.

Sincerely,

Fred W. Pike
Mayor

CITY OF HOMER
HOMER, ALASKA

RESOLUTION 91-82

A RESOLUTION OF THE HOMER CITY COUNCIL REQUESTING THE NORTH PACIFIC FISHERIES MANAGEMENT COUNCIL AND ALL OTHER AUTHORITIES NOT TO APPROVE THE INDIVIDUAL TRANSFERABLE QUOTA SHARE QUOTA PROGRAM FOR THE SABLEFISH AND HALIBUT FISHERIES UNTIL AN ECONOMIC IMPACT ANALYSIS OF THE PROGRAM ON THE COASTAL COMMUNITIES OF ALASKA IS COMPLETED AND SHARED WITH THE AFFECTED COMMUNITIES FOR THEIR CONSIDERATION AND COMMENT.

WHEREAS, the proposed Individual Transferable Quota program for the halibut and sablefish fisheries anticipates a one half (1/2) to two thirds (2/3) reduction in the participating fishing vessel fleets; and

WHEREAS, in addition to the loss of jobs directly associated with the reduced number of vessels, the structure of the allocation of shares will result in the utilization of many fewer deckhands from the community on boats that continue in the fishery; and

WHEREAS, the halibut fishery represents a significant portion of many deckhand's disposable income; and

WHEREAS, the structure of the ITQ program may lead to a continuous shift in the ownership of the fishery resource to individuals outside the Homer community; and

WHEREAS, the City Homer heavily relies on the flow of commercial fishing dollars for its economic vitality and health; and

WHEREAS, loss of vessels from the Homer Harbor could negatively impact the City's revenues; and

WHEREAS, continuous near shore halibut fishing close to Homer may result in diminished local stocks and gear conflicts with negative impact on the local sport charter fleet; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Homer, Alaska requests that North Pacific Fisheries Management Council and all other authorities not to approve the Individual Transferable Quota Share Quota Program for the sablefish and halibut fisheries until an economic impact analysis of the program on the coastal communities of Alaska is completed and shared with the affected Communities for their consideration and comment; and

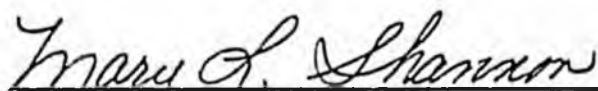
BE IT FURTHER RESOLVED that the City Clerk send copies of this resolution to the North Pacific Fisheries Management Council, Governor Hickle, Senator Murkowski, Senator Stevens, Representative Young, Federal Department of Commerce and the State Department of Community and Regional Affairs.

ADOPTED AND PASSED this 25th day of November, 1991 by the Homer City Council.

CITY OF HOMER


HARRY E. GREGOIRE, MAYOR

ATTEST:


MARY L. SHANNON, CITY CLERK

CITY OF WHITTIER, ALASKA
RESOLUTION 264-92

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHITTIER, ALASKA SUPPORTING TRADITIONAL MANAGEMENT METHODS IN SABLE FISH, HALIBUT AND OTHER FISHERIES, AND URGING THE NORTH PACIFIC FISHERY MANAGEMENT COUNCIL TO REVIEW, ANALYZE AND IMPLEMENT TRADITIONAL MANAGEMENT METHODS.

WHEREAS, The North Pacific Fishery Management Council is developing detailed options for implementing a sable fish and halibut individual fishing quota (IFQ) system and is preparing plan amendments which would impose a moratorium on entry into the ground fish, crab and halibut fisheries; and

WHEREAS, There have been a number of traditional management proposals submitted to the north pacific fishery management council which would potentially eliminate those problems addressed by an IFQ system.

WHEREAS, the NPFM Council under the proposed IFQ system is moving to reduce delivery ports of sable fish and halibut, and eventually all ground fish and crab fisheries, to ten primary designated ports, thereby severely impacting small rural Alaskan coastal communities; and

WHEREAS, the ability to participate in multiple fisheries, to fully diversify and adapt to changing economic and resource conditions are vital characteristics of the Alaskan fishing industry.

WHEREAS, IFQ programs under consideration provide for much of the resource to be allocated to non-resident users, excluding disproportionate numbers of Alaskan fisherman and preclude participation by the growing Alaska longline fishing fleet.

NOW, THEREFORE, THE WHITTIER CITY COUNCIL RESOLVES; THAT it urges the NPFMC to implement traditional methods of management in the sable fish, halibut and other fisheries; and

BE IT FURTHER RESOLVED; that in the event the proposed management plan is passed we respectfully request the U.S. Secretary of Commerce, Robert Masbacher to oppose the IFQ system.

PASSED AND APPROVED by the Whittier City Council this 13th day of November, 1991.

ATTEST:

Tina Lorrekovich
Tina Lorrekovich, City Clerk

Robert Masbacher
Robert Masbacher, Mayor
VICE MAYOR, WAIVER

To: Man Shannon	From: Barb
City Clerk	CA: OML
Dept: Homer	Phone: 596-1325
Fax: 235-3140	Fax:

EC & RM-1

Introduced by: Kodiak Island Borough
Date: October 1, 1991

Resolution of the Alaska Municipal League

Resolution No. 92-XX

A RESOLUTION URGING THE NORTH PACIFIC FISHERY MANAGEMENT COUNCIL TO ANALYZE AND IMPLEMENT TRADITIONAL MANAGEMENT METHODS PRIOR TO ANY FURTHER DISCUSSION OF AN INDIVIDUAL FISHERY QUOTA SYSTEM

WHEREAS, a number of traditional management proposals have been submitted to the North Pacific Management Council which would potentially eliminate the problems which an Individual Fishery Quota (IFQ) would address, and

WHEREAS, neither the staff of the North Pacific Fishery Management Council nor the Council have reviewed these management proposals, and

WHEREAS, there is no urgency for Individual Fishery Quotas to be implemented without adequately using the administrative process to review all proposals prior to selection and implementation of one management proposal, and

WHEREAS, the Council's role and responsibility are to analyze all proposals on a given issue before implementing major changes to a fishery, and

WHEREAS, analysis and implementation of traditional management proposals to address the problem have not even been reviewed prior to the proposed implementation of an IFQ system, and

WHEREAS, an IFQ system is going to take years to implement and, meanwhile, the fisheries need extensive traditional management changes to short-term improved management;

NOW, THEREFORE, BE IT RESOLVED that the Alaska Municipal League urges the North Pacific Fishery Management Council to analyze and implement traditional management methods prior to any further discussion of an Individual Fishery Quota System.

This resolution was approved for submission to the Alaska Municipal League membership by the governing body of the Kodiak Island Borough on September 19, 1991.



Southwest Alaska Municipal Conference

Putting Resources to Work For People

3300 Arctic Blvd., Suite 203 • Anchorage, Alaska 99503 • (907) 562-7380 • FAX (907) 562-0438

RESOLUTION 91-14

SOUTHWEST ALASKA MUNICIPAL CONFERENCE

INDIVIDUAL FISHERY QUOTA RESOLUTION

WHEREAS, a number of traditional management proposals have been submitted to the North Pacific Fishery Management Council which would potentially eliminate the problems which an Individual Fishery Quota (IFQ) would address; and

WHEREAS, the staff of the North Pacific Fishery Management Council nor the Council have reviewed these management proposals; and

WHEREAS, there is no urgency for Individual Fishery Quotas to be implemented without adequately using the administrative process to review all proposals prior to selection and implementation of one management proposal; and

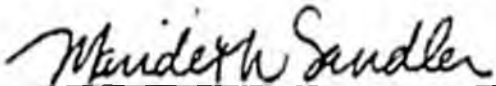
WHEREAS, the Council's role and responsibility is to analyze all proposals on a given issue before implementing major changes to a fishery; and

WHEREAS, analysis and implementation of traditional management proposals to address the problem have not even been reviewed prior to the proposed implementation of an IFQ system; and

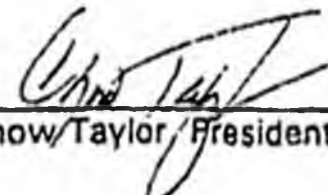
WHEREAS, an IFQ system is going to take years to implement and, meanwhile, the fisheries need extensive traditional management changes for short-term improved management;

NOW, THEREFORE, BE IT RESOLVED, that the membership of the Southwest Alaska Municipal Conference urges the North Pacific Fishery Management Council to analyze and implement traditional management methods prior to any further discussion of an Individual Fishery Quota system.

PASSED AND APPROVED THIS NINTH DAY OF SEPTEMBER, 1991



Marideth Sandler, Executive Director



Chow Taylor, President



Seward Chamber of Commerce

P.O. BOX 749 • SEWARD, ALASKA 99664

PHONE: (907) 224-8051

December 5, 1991

Mr. Richard B. Lauber, Chairman
North Pacific Fishery Management Council
P.O. Box 103136
Anchorage, AK 99510

Dear Mr. Lauber:

May this letter serve as our formal request to delay final implementation of the IFQ until more information has been gathered as to its economic impact on the communities of our state.

I speak on behalf of all of the Chambers of Commerce whose communities may be impacted in an adverse way through this decision and implementation. As you are no doubt aware, from all of the resolutions which have been passed and forwarded on to you, there is grave concern as to the potential negative impact on our fishery and its coastal communities. These concerns are being voiced by our federal congressional delegation, our state legislative representatives and our communities at large.

It would seem that an issue of such potential economic impact on an entire state would be meticulously studied before implementation.

On a more political note, we believe that this issue is so controversial that it could become a liability to President Bush and other politicians during an election year. As emotionally charged and "populist" oriented an issue as this could be manipulated to the disadvantage of the administration, which must pass on the recommendations of the NPFMC.

Because of the importance of this issue and the substantial amount of time spent by Council to develop it, we urge you and other Council members to proceed cautiously, and take serious note of the potential negative impact on our state and its fishery resource before recommending this action to the Administration.

Sincerely,

Wayne D. Carpenter
Executive Director
Seward Chamber of Commerce

WDC:fh

CC: Hon. Ted Stevens
Hon. Frank Murkowski
Hon. Don Young

Sponsored by: Trade Board

CITY OF SEWARD, ALASKA
RESOLUTION NO. 91-144

A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF SEWARD, ALASKA, URGING THE NORTH PACIFIC FISHERY
MANAGEMENT COUNCIL TO STUDY THE POTENTIAL IMPACTS
ON LOCAL COMMUNITIES PRIOR TO ESTABLISHING AN
INDIVIDUAL FISHERY QUOTA (IFQ) SYSTEM

WHEREAS, the North Pacific Fishery Management Council (NPFMC) is considering the implementation of an Individual Fishery Quota (IFQ) system in Alaska; and

WHEREAS, the NPFMC has not assessed the potential economic impacts such a system would have on the state of Alaska or on local communities which rely on the fishing industry as a major local employer; and

WHEREAS, it is in the public interest to require such a study prior to the implementation of the IFQ system;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, that:

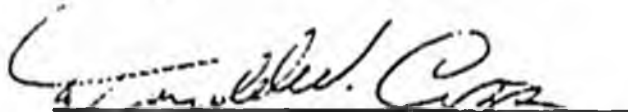
Section 1. The North Pacific Fishery Management Council is hereby urged to conduct a study of the economic impacts of the proposed IFQ system on Alaska and local communities prior to its implementation.

Section 2. A copy of this resolution shall be forwarded to Governor Hickel, Senators Stevens and Murkowski, Representative Young and the North Pacific Fishery Management Council.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED by the City Council of the city of Seward, Alaska, this 25th day of November, 1991.

THE CITY OF SEWARD, ALASKA


Donald W. Cripps, Mayor

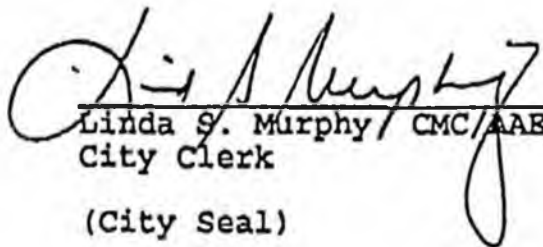
CITY OF SEWARD, ALASKA
RESOLUTION NO. 91-144

AYES: Burgess, Crane, Cripps, Dunham, Krasnansky, Swartz, White
NOES: None
ABSENT: None
ABSTAIN: None

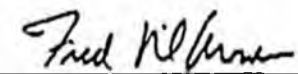
ATTEST:

APPROVED AS TO FORM:

Perkins Coie, Attorneys for the
city of Seward, Alaska



Linda S. Murphy CMC/AAB
City Clerk
(City Seal)



Fred B. Arvidson
City Attorney

CITY OF VALDEZ, ALASKA**RESOLUTION NO. 91-80****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, SUPPORTING OPEN ACCESS IN THE SABLEFISH AND OTHER FISHERIES IN THE EXCLUSIVE ECONOMIC ZONE OFF ALASKA**

WHEREAS, the North Pacific Fishery Management Council is developing detailed options for implementing a sablefish Individual fishing quota (IFQ) system, and is also considering a moratorium on entry for all fisheries under Council jurisdiction; and

WHEREAS, the ability to participate in multiple fisheries and adapt to changing economic and resource conditions are vital characteristics of the Alaska fishing industry; and

WHEREAS, individual fishing quotas may deny the opportunity for residents of coastal communities to fully diversify and maximize their fisheries; and

WHEREAS, individual fishing quota programs under consideration provide for much of the resource to be allocated to non-resident users, excluding disproportionate numbers of Alaska fishermen and preclude participation by the growing Alaska longline fishing fleet; and

WHEREAS, the trend will be to process groundfish offshore which will minimize the raw fish tax to coastal communities and the state; and

WHEREAS, limited access programs restrict the free enterprise system by not allowing commercial fishermen to maximize their potential in the fishery; and

WHEREAS, limited access does not address several more fundamental management problems.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Valdez, Alaska, respectfully requests the Governor to take whatever action is necessary to protect the rights of Alaska fishermen and to vigorously oppose any effort to implement limited entry in the sablefish and other fisheries in Alaska.

BE IT FURTHER RESOLVED that the North Pacific Fishery Management Council is respectfully requested to abandon their initiative to impose a moratorium on all fisheries under Council jurisdiction.

BE IT FURTHER RESOLVED that the North Pacific Fishery Council is respectfully requested to not impose a sablefish IFQ system.

CITY OF VALDEZ, ALASKA
RESOLUTION NO. 9160

BE IT FURTHER RESOLVED that the North Pacific Fishery Council is requested to continue the open access (status quo) management of the sablefish and other fisheries under Council jurisdiction.


AND, BE IT FURTHER RESOLVED that if the Council recommends the adoption of limited access in the groundfisheries, the Secretary of Commerce is respectfully requested to reject their recommendation.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, this 1st day of July, 1991.

CITY OF VALDEZ, ALASKA


Lynn Chrystal, Mayor

ATTEST:


Jeanne Donald, CMC, City Clerk

By: Jack McFarland
Introduced: 02/15/90
Adopted: 02/15/90

KODIAK ISLAND BOROUGH
RESOLUTION NO. 90-20

A RESOLUTION SUPPORTING CONTINUED OPEN ACCESS IN
THE SABLEFISH AND OTHER FISHERIES IN THE EXCLUSIVE
ECONOMIC ZONE OFF ALASKA

WHEREAS, the North Pacific Fishery Management Council is developing detailed options for implementing a sablefish individual fishing quota (IFQ) system, and is also considering a moratorium on entry for all fisheries under Council jurisdiction; and

WHEREAS, the ability to utilize sablefish, halibut, and other fisheries species is important to the diversified economy of the coastal communities of Alaska; and

WHEREAS, the ability to participate in multiple fisheries and adapt to changing economic and resource conditions are vital characteristics of the Alaska fishing industry; and

WHEREAS, individual fishing quotas may deny the opportunity for residents of coastal communities to fully diversify and maximize their fisheries; and

WHEREAS, individual fishing quota programs under consideration provide for much of the resource to be allocated to non-resident users, excluding disproportionate numbers of Alaska fishermen and preclude participation by the growing Alaska longline fishing fleet; and

WHEREAS, limited access will prohibit maximum utilization of a natural resource by depriving crew members, processors and other support groups of full participation; and

WHEREAS, the trend will be to process groundfish offshore which will minimize the raw fish tax to coastal communities and the state; and

WHEREAS, limited access programs restrict the free enterprise system by not allowing commercial fishermen to maximize their potential in the fishery; and

WHEREAS, limited access does not address several more fundamental management problems;

NOW, THEREFORE, BE IT RESOLVED by the Kodiak Island Borough Assembly that the Governor is respectfully requested to take whatever action is necessary to protect the rights of Alaska fishermen and to vigorously oppose any effort to implement limited entry in the sablefish and other fisheries in Alaska; and

BE IT FURTHER RESOLVED that the North Pacific Fishery Management Council is respectfully requested to abandon their initiative to impose a moratorium on all fisheries under Council jurisdiction; and

BE IT FURTHER RESOLVED the North Pacific Fishery Management Council is respectfully requested to not impose a sablefish IFQ system; and

BE IT FURTHER RESOLVED the North Pacific Fishery Council is requested to continue the open access (status quo) management of the sablefish and other fisheries under Council jurisdiction; and

BE IT FURTHER RESOLVED the North Pacific Fishery Council is requested to abandon all efforts to study, plan, encourage or implement limited access in the fisheries under Council jurisdiction.

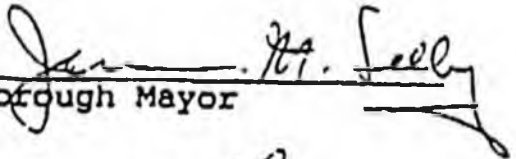
BE IT FURTHER RESOLVED that if the council recommends the adoption of limited access in the groundfish fisheries, then the Secretary of Commerce is respectfully requested to reject this recommendation.

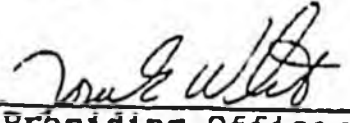
BE IT FURTHER RESOLVED that copies of this resolution shall be sent to the Honorable Robert A. Mosbacher, United States Secretary of Commerce; Dr. John A. Knauss, Under Secretary for Oceans and Atmosphere, National Oceanic and Atmospheric Administration, U.S. Department of Commerce; Mr. Steve Penoyer, Regional Director, Alaska Region, National Marine Fisheries Service, Juneau, AK; Dr. William W. Fox, Jr. Assistant Administrator for Fisheries, National Marine Fisheries Service, NOAA; Mr. Don Collinsworth, Chairman, and Mr. Clarence Pautzke, Executive Director of the North Pacific Fishery Management Council; Honorable Steve Cowper, Governor of Alaska; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and

the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress; and all members of the Alaska State Legislature.

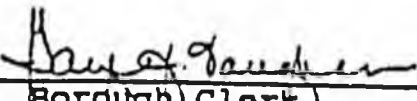
PASSED AND APPROVED THIS 15th DAY OF FEBRUARY, 1990.

KODIAK ISLAND BOROUGH


Borough Mayor


Presiding Officer

ATTEST:


Borough Clerk



RECEIVED DEC 23 1991

December 13, 1991


Senator Fred Zharoff
PO Box 405
Kodiak, AK 99615

Re: North Pacific Fisheries Management Council's and other
authorities vote to implement the IFQ Program.

Dear Senator:

Enclosed is the Resolution 91-12-03 of the Ounalashka Corporation
which was faxed to your office December 13, 1991, per the
Ounalashka Corporation Board of Directors and Management.

Thank you,


Wendy A. Svarny
Secretary

enclosure

cc: file

RESOLUTION 91-12-03

OF THE BOARD OF DIRECTORS
OF
OUNALASHKA CORPORATION

A Resolution of the Ounalashka Corporation, a village Corporation located at Unalaska, urges the North Pacific Fisheries Management Council and all other authorities to rescind its vote to implement the IFQ Program approving the Individual Transferable Quota Share Program for the Sable fish and Halibut Fisheries until an economic impact analysis of the program on the City of Unalaska and other communities of Alaska is completed and shared with the affected communities for their consideration and comment.

Whereas, a number of traditional management proposals have been submitted to the North Pacific Fisheries Management Council which would potentially eliminate the problems that an Individual Fishery Quota (IFQ) would address; and

Whereas, the Council's role and responsibility is to analyze all proposals on a given issue before implementing major changes to a fishery; and

Whereas, analysis and implementation of traditional management proposals to address the problems have not even been reviewed prior to the proposed implementation of an IFQ System; and

Whereas, an IFQ System is going to take years to implement while the fisheries need extensive traditional management changes, not short-term improved management; and

Whereas, the ability to participate in multiple fisheries and adapt to changing economic and resource conditions are vital characteristics of the Alaska fishing industry; and

Whereas, IFQ Systems under consideration provide much of the resource to be allocated to non-resident users, excluding disproportionate numbers of Alaska fishermen, of which over 100 abide in Unalaska, and preclude participation by the growing Alaska longline fishing fleet; and

Whereas, IFQ Systems will deny the opportunity for residents of the Municipality of Unalaska and other Alaskan communities to fully diversify and maximize their fisheries creating financial hardships and creating economic impacts; and

Whereas, IFQ Systems could accommodate offshore processors which will minimize the raw fish tax to Alaskan communities and the State.

NOW, THEREFORE, the Ounalashka Corporation resolves:

Section 1: That the Alaska State Legislature and the Governor intercede on behalf of Alaska fishermen to prevent any negative economic impact or hardship on them and affected Alaska communities as a result of the IFQ System.

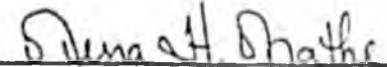
Section 2: That the North Pacific Fishery Management Council rescind its vote to implement the IFQ Program, carefully scrutinize this proposal including its impact on Alaska fishermen and communities, and implement traditional management methods prior to any further discussion on an IFQ System.

Section 3: That copies of this resolution be sent to Governor Walter J. Hickel, the North Pacific Fishery Management Council, State Senator Zharoff and Representative Jacko, U.S. Senators Stevens and Murkowski, and Representative Young.

PASSED AND APPROVED by the Ounalashka Corporation this 12th day of December, 1991.


Katherine M. Grimnes, President

ATTEST:


Nena H. Mathe, Corporate Secretary

CITY OF KODIAK
RESOLUTION NUMBER 07-90

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK SUPPORTING CONTINUED OPEN ACCESS IN THE GROUND FISH FISHERIES IN THE EXCLUSIVE ECONOMIC ZONE OFF ALASKA

WHEREAS, the North Pacific Fishery Management Council is developing detailed options for limited access in the sablefish longline fishery; and

WHEREAS, groundfish including sablefish and halibut is important to the diversified economy of the coastal communities of Alaska and the ability to participate in multiple fisheries and adapt to changing economic and resource conditions is a vital characteristic of the Alaska fishing fleet; and

WHEREAS, individual fishing quotas may deny the opportunity for residents of coastal communities to fully diversify and maximize their fisheries; and

WHEREAS, individual fishing quota programs under consideration provide for much of the resource to be allocated to non-resident users, excluding disproportionate numbers of Alaska fishermen and precluding participation by the growing Alaska longline fishing fleet; and

WHEREAS, limited access will prohibit maximum utilization of a natural resource by depriving crew members, processors and other support groups of full participation; and

WHEREAS, the trend will be to process groundfish offshore which will minimize the raw fish tax to coastal communities and the state; and

WHEREAS, limited access programs restrict the free enterprise system by not allowing commercial fishermen to maximize their potential in the fishery; and

WHEREAS, limited access represents a quick-and-easy, but ineffective, solution to more fundamental management problems;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that the Governor is respectfully requested to take whatever action is necessary to protect the rights of Alaska fishermen and to vigorously oppose any effort to implement limited entry in the groundfish fisheries in Alaska.

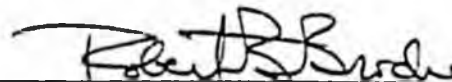
BE IT FURTHER RESOLVED that the North Pacific Fishery Management Council is respectfully requested to abandon all efforts to study, plan, encourage, or recommend implementation of limited access in the groundfish fisheries in Alaska.

AND, BE IT FURTHER RESOLVED that if the council recommends the adoption of limited access in the groundfish fisheries, then the Secretary of Commerce is respectfully requested to reject this recommendation.

AND, BE IT FURTHER RESOLVED that copies of this resolution shall be sent to the Honorable Robert A. Mosbacher, United States Secretary of Commerce; Dr. John A. Knauss, Under Secretary for Oceans and Atmosphere, National Oceanic and Atmospheric Administration, U.S. Department of Commerce; Mr. Steve Pennoyer, Regional Director, Alaska Region, National Marine Fisheries Service, Juneau, AK; Dr. William W. Fox, Jr. Assistant Administrator for Fisheries, National Marine Fisheries Service, NOAA; Mr. Don Collinsworth, Chairman, and Mr. Clark Pautzke, Executive Director of the North Pacific Fishery Management Council; Honorable Steve Cowper, Governor of Alaska; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress; and all members of the Alaska State Legislature.

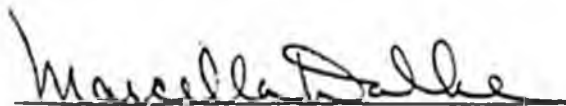
PASSED AND APPROVED this 22nd day of February, 1990.

CITY OF KODIAK



MAYOR

ATTEST:



CITY CLERK



CITY OF OUZINKIE

P. O. BOX 109 .

OUZINKIE, ALASKA 99644

(907) 680-2209 :

March 27, 1990

Mr. Clarence Pautzke
Executive Director, NPFMC
P.O. Box 103136
Anchorage, Alaska 99510

Dear Mr. Pautzke,

The majority of the people in the Kodiak Island Area are dependent on our fisheries as they are. It doesn't seem proper that we should have to put up with changing the laws just to please some people from the lower 48 so they can fish on our coast, and take all their profits away from Alaska.

In my opinion Alaska is being used as a scape goat and a guineas pig, just because other States have been used to their extremes they are now trying to do the same thing to Alaskans resources.

The problem with this is that it will have an adverse affect on the fishing industry of Alaska. What I mean is it will keep our fisherman from diversifying to other fisheries if they do not have a limited entry permit.

As with the limited entry on salmon all our younger generation were not able to participate in that fishery unless they could come up with the money to buy out a permit holder if the permit was for sale. The limited entry had taken the freedom of participating in the fisheries, which was our livelihood and if you ask me I think that is unconstitutional.

Therefore I oppose any Moratorium for limited entry of any kind.

Sincerely,

Zack Chichenoff

Zack Chichenoff
Mayor
City of Ouzinkie

cc: Don Collinsworth, NPFMC Chairman
Steve Pennoyer, ARNMFS Director
Dr. John A. Knauss, NOAA
Dr. William W. Fox, Jr., NMFS, NOAA
Robert A. Mosbacher, U.S. DOC
Governor Steve Cowper
Senator Fred Zharoff
Representative Cliff Davidson
Senator Ted Stevens, U.S. Senate
Senator Frank Murkowski, U.S. Senate
Congressman Don Young, U.S. House of Representatives
Lieutenant Governor Stephen McAlpine
Senator Arliss Sturgulewski
Jim Campbell
John Lindauer
Donald Wright
Tony Knowles
Senator Rick Halford
Daniel DeNardo
Ryal White

CITY OF OUZINKIE
RESOLUTION 90-02

A RESOLUTION OF THE OUZINKIE CITY COUNCIL OPPOSING A
MORATORIUM AND A SABLE FISH IFQ SYSTEM.

WHEREAS, the City of Kodiak and the Kodiak Island Villages
are dependent directly and indirectly on the fishing
industry and;

WHEREAS, the North Pacific Management Council wants to
impose a Moratorium on Participation for all fisheries that
are Federally managed in the Gulf of Alaska and;

WHEREAS, the NPFM Council is deciding whether or not to
impose a limited entry system for sablefish in the GOA and
DS/A or a individual fishery quota limited entry system
(IFQ) and;

WHEREAS, these NPFM council initiatives are contrary to the
best interest of Kodiak fisherman, processors, processing
plant employees support industries, and villages and;

WHEREAS, these council initiatives will not only negatively
effect fisherman, but also have a detrimental impact on the
future economics of the shore-based processing industry,
Kodiak fishermen and Kodiak Island villages and;

NOW THEREFORE BE IT RESOLVED, that the Ouzinkie City Council
opposes a Moratorium and a limited entry system for sable
fish or any other type of limited entry.

PASSED AND APPROVED this 16th, day of March, 1990 at
Ouzinkie, Alaska.


Zack Chichenoff, Mayor
City of Ouzinkie


Attested: Debra Garner, Clerk

Haines Chamber of Commerce

2nd & Willard Streets
P.O. Box 518 • Haines, Alaska 99827



December 18, 1991

DEC 23 1991

North Pacific Fishery Management Council
4111 W. 4th, Suite 2D
P. O. Box 03136
Anchorage, Alaska 99510

RE: Proposed Halibut IFQ System

Dear Members of the Management Council:

The Haines Chamber of Commerce has been following the progress of your Council in the development of an individual fisherman's quota (IFQ) system for halibut. Of extreme concern to the Haines Chamber is the proposal that only 10 official ports be allowed for the legal landing of halibut. Because Haines would certainly not be included, this would highly disadvantage the community for the following reasons.

1. Haines, a coastal fishing community, depends upon direct access to the halibut harvested by the Haines commercial longline fleet. On some years over a million dollars worth of halibut have been harvested by the Haines fleet alone. There are around 90 local catcher/processor vessels, and 7 custom processing plants in Haines working hard to add value to the halibut by creating products and marketing those products.
2. The economic development plans for Haines call for an increased effort to add value to halibut and further stimulate economic development within the community. Haines has few other options for an economic base and sudden removal of direct access to the halibut caught by the local commercial fleet would be an economic disaster to a small community of 1500 people such as ours.
3. Tens of thousands of pounds of halibut harvested annually by the local fleet are sold fresh for food to residents of Haines and Skagway.

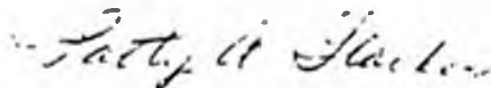
North Pacific Fishery Management Council
December 18, 1991, Page 2

This provides direct access to this excellent food fish for the local population when the fish is still fresh and most desirable for consumption. The price is also very reasonable for the resident population, rather than paying the highly inflated retail prices for halibut landed at a distant port and handled by large processors and the whole marketing infrastructure.

Under any IFQ system, it must remain legal for the commercial fleet of Haines to land halibut in this community to continue the socioeconomic progress which has been made to date and maintain the life-style of the community. Losing legal landing port status would be an economic disaster for the community of Haines. Many people could not afford to eat halibut if available only frozen at inflated prices, and the commercial fleet would be at the mercy of the large processors and could not add value to their catch by creative product development and marketing of the fish.

The Haines Chamber of Commerce appreciates your attention to this letter and our expressions of concern on halibut IFQ issues which will affect our entire community. It is hard to find the wisdom of excluding Haines from legal commercial halibut landings, as the loss in income and quality of life within the community would be very devastating.

Sincerely,



Patty A. Glackin, President

cc: Senators Stevens & Murkowski, Representative Don Young,
Alaska Senator Eliason, Alaska Representative Jerry Mackie,
Governor Walter Hickel, Carl Rozier, Commissioner ADF&G.

CITY OF CORDOVA



December 2, 1991

Mr. Rick Laubar, Chairman
North Pacific Fisheries Management Council
P.O. Box 103136
Anchorage, Alaska 99510

Dear Chairman Laubar:

I am submitting comments regarding Individual Fisherman's Quotas (IFQ's) on behalf of the Cordova City Council. The Cordova City Council remains very concerned about the impacts an IFQ management scheme would have upon local fishermen, the economy of Cordova and the lifestyle of residents of Cordova. We are aware that you have received a great deal of testimony regarding the expected impacts upon individual fishermen; especially the small boat owners and those just getting into the longline fishery. Our comments will focus on the impacts upon small coastal communities like Cordova; communities whose economy is dependent upon the fishing industry. Following is a list of specific comments:

1. Cordova's economy has historically been based upon the seafood industry. The Exxon Valdez oil spill, world market conditions, and other factors have combined to produce hard economic times for many local fishermen. Local fishermen have always depended on flexibility and the ability to participate in a number of fisheries to make ends meet. Many have gotten involved in the longline fishery over the past decade. Most of these fishermen are small boat owners, but they have made substantial investments in longline gear and equipment and have been working hard to increase their catch each year. An IFQ system would hurt these fishermen because it would "lock" them into a quota. In most cases, this quota would be so small that they couldn't afford to fish it. The only rational economic decision for people in this position is to sell their quotas. Other fishermen who planned to get into the fishery or who have only fished it the last few years could be locked out completely. This means a loss of jobs and income and reduced revenue from raw fish and sales taxes.

2. Local processors have been gearing up to handle increased deliveries of halibut and black cod. If IFQ's go into effect, the likely outcome is that it will become uneconomic for the processors to handle these fish because deliveries from local boats will decline. Again, this translates into a loss of local jobs and a loss of tax revenue for the community.

North Pacific Fisheries Management Council
December 2, 1991
Page 2

3. The Council has set aside Community Development Quota's (CDQ's) for disadvantaged communities in the Bering Sea. CDQ's are designed to prevent communities who have not yet participated in those fisheries from being locked out if an IFQ scheme limits access in 1993. Those longliners displaced by Bering Sea CDQ allocations will be given shares of the Gulf of Alaska quota. We have two comments about this. First, we believe that compensating longliners who are displaced in the Bering Sea with Gulf of Alaska shares is unfair to Prince William Sound Fishermen who are just getting into the fishery. This also has the effect of driving local fishermen out of the business because there will be less poundage available for harvest in the Gulf. Second, we would argue that Cordova should be eligible for a CDQ also since it has great potential to participate in the longline fishery but is likely to be locked out under the IFQ scheme. Cordova is just beginning to emerge as an important bottomfish port.

In summary, the Cordova City Council believes that an IFQ system will have very definite winners and losers. The losers will be small boat owners, people just getting into the fishery, and fishing communities like Cordova. We would urge the North Pacific Fisheries Management Council to look very closely at more traditional management schemes. We understand that management is necessary to protect the resource, to reduce waste, and to increase safety. However, we see no need to rush into an IFQ system; a system which has not yet proven itself in other areas of the world. For example, evidence from the east coast of Canada and New Zealand suggests increasing conservation problems, enforcement problems, and economic disaster for many inshore fishermen and the communities they live in.

Thank you for the opportunity to comment. Please contact us if you have any questions or need more information.

Sincerely,



Mayor Charles K. Weaverling
City of Cordova, Alaska

COPY

C-5

Suggested By: Mayor Williams on behalf of the Fishing Community .

CITY OF KENAI

RESOLUTION 92-2

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, REQUESTING THE NORTH PACIFIC FISHERIES MANAGEMENT COUNCIL AND ALL OTHER AUTHORITIES NOT TO APPROVE THE INDIVIDUAL TRANSFERABLE QUOTA SHARE QUOTA PROGRAM FOR THE SABLEFISH AND HALIBUT FISHERIES UNTIL AN ECONOMIC IMPACT ANALYSIS OF THE PROGRAM ON THE COASTAL COMMUNITIES OF ALASKA IS COMPLETED AND SHARED WITH THE AFFECTED COMMUNITIES FOR THEIR CONSIDERATION AND COMMENT.

WHEREAS, the proposed Individual Transferable Quota program for the halibut and sablefish fisheries anticipates a one-half (1/2) to two-thirds (2/3) reduction in the participating fishing vessel fleets; and,

WHEREAS, in addition to the loss of jobs directly associated with the reduced number of vessels, the structure of the allocation of shares will result in the utilization of many fewer deckhands from the community on boats that continue in the fishery; and,

WHEREAS, the halibut fishery represents a significant portion of many deckhands' disposable income; and,

WHEREAS, the structure of the ITQ Program may lead to a continuous shift in the ownership of the fishery resource to individuals outside the City of Kenai and Cook Inlet; and,

WHEREAS, the City of Kenai relies on the flow of commercial fishing dollars for its economic vitality and health; and,

WHEREAS, loss of vessels from Kenai could negatively impact the City's revenues; and,

WHEREAS, continuous near-shore halibut fishing in the Cook Inlet may result in diminished local stocks and gear conflicts with negative impact on the Kenai Cook Inlet sport charter fleet.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, that the North Pacific Fisheries Management Council and all other authorities be requested not to approve the Individual Transferable Quota Share Quota Program for the sablefish and halibut fisheries until an economic impact analysis of the program on the coastal communities of Alaska is completed and shared with the affected communities for their consideration

Y900

BE IT FURTHER RESOLVED, that the City Clerk send copies of this resolution to the North Pacific Fisheries Management Council, Governor Hickel, Senators Stevens and Murkowski, Representative Young, Federal Department of Commerce and the State Department of Community and Regional Affairs.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, the 15th day of January, 1992.

John J. Williams, Mayor

ATTEST:

Carol L. Freas, City Clerk

Introduced by: Wall and Skogstad
Date: 11/19/91
Action: Adopted
Vote: Unanimous

**KENAI PENINSULA BOROUGH
RESOLUTION 91-138**

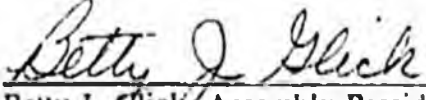
**A RESOLUTION URGING THE NORTH PACIFIC FISHERY MANAGEMENT
COUNCIL TO ANALYZE AND IMPLEMENT TRADITIONAL MANAGEMENT
METHODS PRIOR TO ANY FURTHER DISCUSSION OF
AN INDIVIDUAL FISHERY QUOTA SYSTEM**

- WHEREAS,** a number of traditional management proposals have been submitted to the North Pacific Management Council which would potentially eliminate the problems which an Individual Fishery Quota (IFQ) would address; and
- WHEREAS,** there is no urgency for Individual Fishery Quotas to be implemented without adequately using the administrative process to review all proposals prior to selection and implementation of one management proposal; and
- WHEREAS,** the Council's role and responsibility is to analyze all proposals on a given issue before implementing major changes to a fishery; and
- WHEREAS,** analysis and implementation of traditional management proposals to address the problems have not even been reviewed prior to the proposed implementation of an IFQ system; and
- WHEREAS,** an IFQ system is going to take years to implement while the fisheries need extensive traditional management changes not short-term improved management; and
- WHEREAS,** the ability to participate in multiple fisheries and adapt to changing economic and resource conditions are vital characteristics of the Alaska fishing industry; and
- WHEREAS,** IFQ programs under consideration provide much of the resource to be allocated to non-resident users, excluding disproportionate numbers of Alaska fishermen and preclude participation by the growing Alaska longline fishing fleet; and
- WHEREAS,** IFQ programs will deny the opportunity for residents of Alaskan coastal communities to fully diversify and maximize their fisheries creating financial hardships and creating economic impacts; and
- WHEREAS,** IFQs could accommodate offshore processors which will minimize the raw fish tax to Alaskan coastal communities and the State;

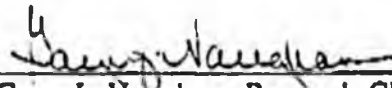
NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

- Section 1.** That the Kenai Peninsula Borough Assembly respectfully requests the Alaska State Legislature and the Governor analyze the economic impact and hardship of the Alaskan fishermen and Alaskan coastal communities created by the proposed IFQ system.
- Section 2.** That the North Pacific Fishery Management Council analyze and implement traditional management methods prior to any further discussion on an IFQ system.
- Section 3.** That copies of this resolution be sent to Governor Walter J. Hickel, the North Pacific Fishery Management Council, Alaska Senators Paul Fischer, Jay Kerttula and Curt Menard, and Alaska Representatives Gail Phillips, Mike Navarre and Gene Kubina.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 19th DAY OF NOVEMBER, 1991.


Betty J. Glick, Assembly President

ATTEST:


Gaye J. Vaughan, Borough Clerk

JAN 17 '92 15:58 FROM NARF ANCHORAGE

PAGE. 001

Kenaitze Indian Tribe I.R.A.

P.O. BOX 988
KENAI, ALASKA 99811
(907) 283-3633
Fax (907) 283-3052

RESOLUTION 92-01

WHEREAS, the economic well being of coastal Alaska communities is vital to the continued health and existence of those communities; and,

WHEREAS, the coastal communities of Alaska are the homelands of many Alaska Native Aleuts, Indians, and Eskimos and the seats of their respective cultures; and

WHEREAS, economic as well as subsistence economics are vital components necessary for our respective Native cultures to remain viable and to flourish; and,

WHEREAS, the endorsement of Individual Fishing Quotas (IFQ) and Community Development Quotas (CDQ) by the National Marine Fisheries Service (NMFS) has the realistic potential to force Native and other Alaska based fisherman out of the fishing business and to prevent future generations of Alaska Natives and other Alaskans from participating in the bottom fisheries; and

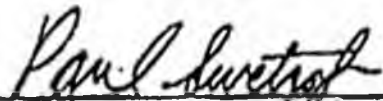
WHEREAS, IFQ's and CDQ's may cause severe negative impacts upon our coastal communities resulting in unemployment, outmigration, and, in some instances, the abandonment of Native villages which could signal cultural destruction and increase the incidence of Native suicides and destructive behavior due to a loss of identity; and,

WHEREAS, the concept of IFQ's and CDQ's may result in the continued depletion of marine resources which would affect Native subsistence opportunities; now,

THEREFORE BE IT RESOLVED that the Kenaitze Indian Tribes tribal council, by unanimous consent, is opposed to the concept of IFQ's and CDQ's as currently envisioned; and

BE IT FURTHER RESOLVED that the tribe endorses House Joint Resolution 61 which would put the Alaska legislature on record in opposition to IFQ's and CDQ's.

DATED: January 17, 1992


Paul Swetof, Council Member
Kenaitze Indian Tribe

Halibut quotas would bring order, but could freeze Alaskans out

*Analysis by Tim Bradner
Alaska Journal of Commerce*

The North Pacific Fishery Management Council took a big step in bringing order into the chaos that has become Alaska's halibut fishery by recommending a system of allocated quotas — called individual transferable quotas, or ITQs (also known as individual fishing quotas, or IFQs) — to established fishermen.

But the move has set off a storm of protest from Alaska fishermen, who argue most of

the benefits will go to Seattle fishermen. By "freezing" the status quo, the ability of Alaskans to enter the fishery will be sharply curtailed, they argue.

The ITQ plan will also apply to one other species, black cod, and critics say it is only a matter of time before the controversial concept is applied to other North Pacific fish species regulated by the council, such as the huge pollock fishery.

An Alaska member on the fisheries council — state

fisheries advisor Clem Tillion — was one of the key architects of the plan, along with staff to the fishery management council. It was supported by Seattle fishermen and some Alaskans — mainly Petersburg and some Homer fishermen who are well established in halibut — but strongly opposed by other Alaskans.

Meanwhile, opponents are organizing a vigorous lobbying effort, hoping to defeat the plan when it comes up again before the council this

month. Tillion's boss, Gov. Walter Hickel, is one target for lobbying.

Critics argue the individual quota allocations, which can be sold, amount to a windfall for established halibut fishermen, most of whom are from out of state. In effect, they establish a private property right to a public good, at no charge, they say. Fishermen who want to enter the fishery will have to buy the quotas, much like people buy state limited entry permits for

Continued on Page 2

Quotas controversial

Continued from Page 1
salmon.

This comes at a bad time for Alaskan fishermen. With salmon markets in worsening shape, fishermen are trying to diversify the species they fish, including halibut and cod. If licenses for halibut and cod are already assigned, that will limit diversification.

The aim of the proposal is to limit the number of fishermen who can fish for halibut and cod. Now these fisheries, in federal waters beyond the state three-mile limit, are open to all comers. Thousands of boats — the management council estimates as many as 11,000 to 12,000 — have entered the \$100 million halibut fishery in recent years, so many that to protect the resource, federal fisheries regulators have limited seasons to as little as one day. That creates a hectic free-for-all that is not only inefficient, but dangerous in bad weather.

But while no one wanted the current open-to-all halibut fishery to continue, critics of the ITQ proposal argue that the council never seriously considered other ways of solving the problem, through traditional methods of management such as seasonal openings combined with gear or vessel size limitations, or even a limited entry system like Alaska has in salmon, which limits fishermen, but does not assign a guaranteed quota of fish.

Clem Tillion, at the center of the storm, argues the guaranteed quota is needed, and dismisses the charge that a public good is being given away. Tillion has long argued that the root of problems in Alaska's fisheries is the fact that fishermen, competing with each other, exploit a common resource, but with no vested interest in the longevity of the resource.

Only through assigning a property right will fishermen see their own interest tied to the long-term resource, he feels.

A more fundamental objection may be that the quotas will be hard for federal agencies to police, and there

may be more long-term pressure on the resource than is now expected.

Similar plans have been used in New Zealand and Canada, with mixed results, critics argue. Canada had a bad experience with an ITQ system in its abalone fishery, and has moved cautiously in applying it to its west coast halibut fishery, which with 450 boats is much smaller than Alaska's.

To prevent overexploitation and problems it experienced with abalone fishermen, Canada invests heavily in halibut management. But to duplicate that in federally managed waters off Alaska, federal fisheries agencies would have to spend about \$18 million. They are actually planning to spend about \$4 million in management, which critics of the plan feel is inadequate.

At the same time, U.S. Sen. Ted Stevens warned the council that it is unlikely more federal funds will be forthcoming. The alternative will be some form of tax on fishermen to pay management costs, which will require amendment to the federal Magnuson Act, which controls fisheries.

If the plan is adopted by U.S. Commerce Secretary Barbara Franklin (the management council's actions are actually recommendations to Franklin) it will bring about some significant changes in the way halibut and black cod are fished.

Gone will be the hectic, dangerous one-day seasons. Halibut will instead be taken all year long, except for a three-month hiatus during the winter months, and will most likely be combined with fishing for other species.

But one effect of this, critics charge, is that halibut fishermen are more likely to take their catches directly to Seattle rather than use Alaska ports, which will take business away from Alaska shore plants.

One effect of ending the short halibut seasons is on many Alaskans who worked as crew during the short, but lucrative, fishery. It will be harder to find crew jobs as the fishery changes to one operating for nine months of the year, and likely with fewer boats.

Halibut industry fights quotas

By WESLEY LOY

Daily News business reporter

Intense pressure is building against a quota system that would limit the number of fishermen casting lines in Alaska's notoriously brief and dangerous commercial halibut openings.

Alaska Sen. Ted Stevens added his name to the growing list of people leery of the plan under consideration by the North Pacific Fishery Management Council. Stevens, in a letter sent Wednesday, urged the council to put off action on the quota system to allow more time to

assess the cost of enforcing it and its economic impact on small Alaskan fishing towns.

The proposal would give selected fishermen an individual fishing quota, or IFQ, that would allow them to catch a set amount of halibut whenever they want in the year. Supporters of the plan, virtually unique in the U.S. fishing industry, say it would end the dangerous 24-hour fishing derbies now held twice a year and would pare down a bloated fleet that threatens the halibut population.

The plan also would affect the

smaller sablefish, or black cod, industry. Sablefish is a bottom dweller in demand mostly in Japan.

Critics of the complex IFQ plan predict all manner of bad things if it is approved. They say it will push small Alaska fishermen out of the industry and ruin the economies of Alaska fishing towns. They say the transferrable IFQs quickly will be bought at huge prices and ultimately controlled by only a few people, and that waste and black market fish trading will run rampant.

The letter from Stevens seemed to make an impact on the 15-member federal advisory council, meeting this week at the Anchorage Hilton Hotel. A vote on the IFQ proposal could come as soon as today, but some council members said it might not come before Saturday and many modifications might be attempted.

Council member Larry Cotter said it will be hard to ignore the objections raised by politicians, more than a dozen Alaskan fish-

Please see Page G-6, QUOTAS

QUOTAS: Halibut industry lobbies hard against IFQ plans

Continued from Page G-1

ing towns and a wide range of fishing industry officials.

"I don't know what's going to happen," he said. "I think it's too close to call."

The council, with members from Alaska, Washington and Oregon, makes recommendations for regulating the offshore fishing industry off the Alaska coast. Its recommendations are subject to approval by the U.S. secretary of commerce.

Lobbying on both sides of the IFQ issue has been intense in the plush lobby of the Hilton. Boat skippers and crewmen dressed more for a deck than a fancy hotel have been milling around all week, carrying briefcases and pitching one viewpoint or another.

Paul Seron, a bearded boat captain from Anchor Point, said

he figured it was worth \$500 to travel to Anchorage for a few days to fight the IFQ plan. Seaton stands to be awarded an IFQ, which would be doled out to fishermen with the biggest catches based on their averages over a five-year period. But he said the average won't allow him to catch as many fish as he can now, and he believes his port city of Homer will be devastated.

"There will be two rushes," predicted Seldovia fisherman Jere Murray. "There will be a rush to figure out how to cheat, and a rush to sell quotas."

That cheating, he said, will happen when fishermen, weighed down by huge debt incurred in accumulating IFQs, will pitch overboard smaller halibut that don't fetch as much per pound as the bigger fish, a tactic called "high-grading."

Processing plants, a powerful arm of the fishing industry, have come down against IFQs. John Iani, president of the Pacific Seafood Processors Association, criticized the plan Wednesday for not providing the millions of dollars necessary to ensure unreported halibut and black cod does not go through black-market processors.

But supporters of IFQs say the plan is well-reasoned and vitally needed to save the \$100 million halibut industry. They point to provisions that limit the number of IFQs any one person can hold to 1 percent of the total black cod catch, and a half-percent of the halibut. IFQs will allow boats to fish all year, instead of during the 24-hour openings that have on occasion resulted in dangerously overloaded vessels, and deaths when those openings occur during

storms, they said.

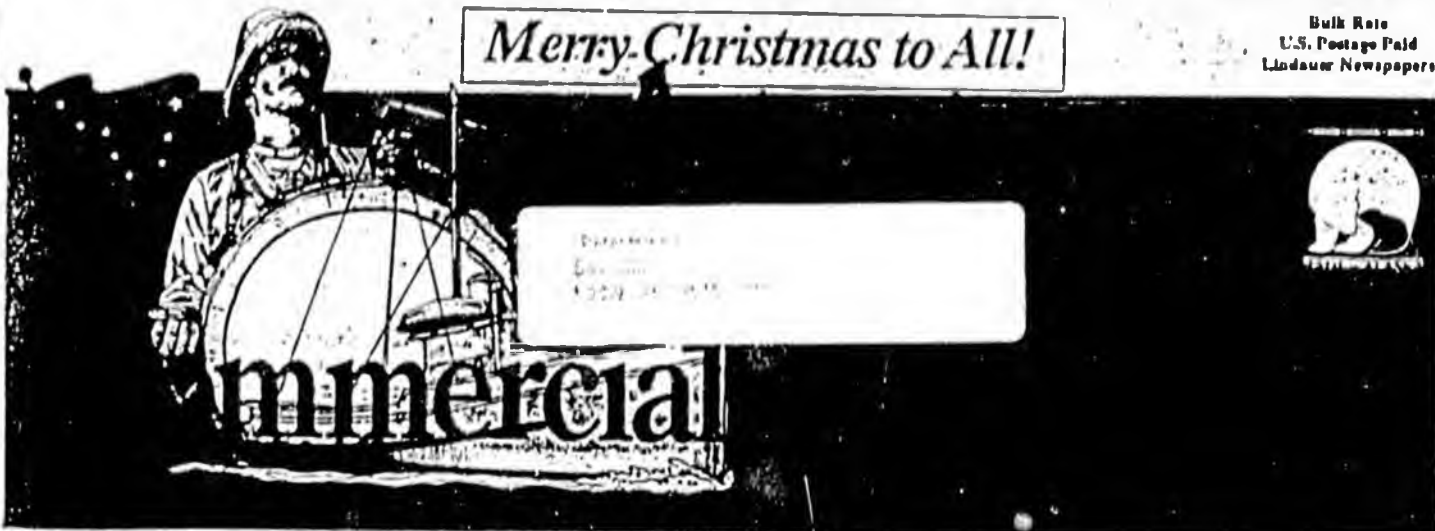
They also say quotas would provide more fresh fish year round.

Robert Trumble, senior biologist with the International Pacific Halibut Commission, noted that plenty of fish are wasted under the current system. Because the openings are so short, longliners — boats that lay miles of hook lines — put out extra gear to ensure they catch a maximum number of fish, and don't lose out if a line breaks. When time is up, the extra line, and the hooked fish, are left to rot, Trumble said.

Right now, all that is needed to fish for halibut is a boat, a cheap state permit and the desire to go fishing. That's created a fleet of some 7,000 registered halibut vessels — too many boats for too few fish, said Trumble.

Merry-Christmas to All!

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Vol. III Ed. 24

Alaska's Own Fish Newspaper

\$1.50

December 13, 1991

Opponents and proponents of IFQs testify at hearing



AMONG THE ALMOST 90 WHO TESTIFIED AT A PUBLIC HEARING before the North Pacific Fishery Management Council last week, Mako O'Haggerty of Homer told the Council if they'd "gone ahead with black cod only and not tried to mix it with halibut, you probably would have gotten away with it..." The Homer fisherman has fished since 1934 for halibut, but said that according to a chart in documents explaining the proposed Individual Fishing Quotas for halibut and sablefish, he wouldn't qualify as a "bonafide crew member" under the plan.

by JACQUELINE LINDAUER

"Throw it out!"
"Don't cut out crew members and hire skippers!"
"Table the proposal and do more research on it!"

"Make the shares nontransferable!"
Those were just some of the comments of fishermen, processors, and representatives of fishing groups who took advantage of what was to be the last opportunity for public input regarding the North Pacific Fishery Management

Council's decision to impose an Individual Fishery Quota system on halibut and sablefish longline fisheries in the Gulf of Alaska and Bering Sea.

Almost 90 speakers signed up to address the Council December 2, the day before the

NPFMC began its regular December meeting. Others sent in their comments in writing. An informal tally counted 60 speakers opposed to the program, 17 in favor.

(See: IFQ hearing, page 16)

Task Force wants \$2 million for ASMI for spring sales campaign

Faced with the need to get rid of at least two years' supply of canned and frozen salmon currently unsold and a forecast of another year of abundant runs, members of the Salmon Task Force sat down at their last meeting on September 23 to reach consensus on a strategy that would not only eliminate the surplus but guide state policy in the years ahead to

prevent another year like 1991 for salmon fishermen.

Chair Glenn Olds, also commissioner of the Department of Commerce and Economic Development, told the members of the group that his goal is to present to the governor the Task Force's recommendations before the December 15 deadline for the governor's budget to go to the legislature.

During the last meeting, Task Force members reviewed the action options they had individually determined were of high, medium or low priority. Paul Peyton of the Commerce and Economic Development Department, who has been serving as staff for the Task Force, had compiled the high priority actions, depending on their specificity. Following a discussion of the neces-

sity of coming up with both immediate and longer term strategies in order to handle the present crisis and at the same time avoid management by crisis in the future, Task Force members then determined which items should be ranked for immediate, intermediate, and long-term action.

Members of the group agreed that the

(See: ASMI gets challenge, page 13)

IFQ hearing, contd.

(from page 1)

The testimony ran the gamut from wholehearted approval to total rejection of the plans for Individual Fishery Quotas for fixed gear sablefish and halibut fisheries in the Exclusive Economic Zone off Alaska. The Council preliminarily approved in September and was scheduled to reconsider during the December meeting.

As one observer remarked, there were the out and out opponents on the one hand, the out and out proponents on the other hand, and those who would buy into it if the Council would only make a few changes advantageous to them.

Many people listening to others felt that Laura Cooper, director of the North Pacific Fisheries Protection Association, was speaking for them when she told Council members to throw out the plan they have crafted. "It doesn't need fine tuning; it needs re-doing," Cooper said as she listed the defects of the plan. The director of the

Seattle-based group suggested that the Council replace the plan with an immediate moratorium and stringent traditional controls to buy time while they redo their IFQ plan to give shares to crew-members and hired skippers and to make the shares nontransferable.

Jim Eastwood of Petersburg noted that he was "an exception in this crowd," as a proponent of the IFQ program. He noted that the final version of the plan had addressed many of the concerns that had been expressed earlier.

Sand Point mayor Stanley Mack conveyed a resolution from his community asking the Council not to impose the IFQ program.

Mack described his own fishing career, inherited from his father, who had started fishing in a dory and worked his way into more profitable fisheries. "There are a lot of us in our community who'd like to see those with small boats have the same

chance," Mack said.

The mayor also noted that the limited halibut openings "always seem to come when we're having a hurricane, so the small boat fishermen haven't been able to build any record."

Some spokespeople offered alternatives. Fisher Ann Borland, who told the Council that their plan would cost her her job as a crewmember, suggested gear restrictions and trip limits as other ways the fishery could be controlled. Vic Horgan, chief operating officer of Ocean Beauty Seafoods, told Council members they didn't have to choose "between the derby of today and IFQs."

Asking that the IFQ system be rejected as a "catch 22" program, Horgan suggested instead that the Council examine "traditional tools like area registration, openings by drawings each month, trip limits, a legal-size bycatch retention program, or a licence limitation program, combined with

Small boat fishermen can't establish record because everytime there's a halibut opening, there's also a hurricane.

—Stanley Mack

'use it or lose it' provisions."

Horgan and others suggested freezing catcher/processors at their present level with a moratorium on new entrants.

Paul Seaton of Anchor Point suggested that the IFQ program of the Council does not address the problems of the halibut and sablefish fisheries but that requiring fishermen to use pots instead would.

Steve Hoag of the International Pacific Halibut Commission said the IPHC supports the Council IFQ program. "I'm optimistic we can overcome the problems once we have some experience under our belts," he said.

John Finley of Kodiak told the Council their proposed plans will hurt everyone from crewmembers to hired skippers to home owners with long mortgages or local business persons, people with equity in vessels. Finley said it may be possible to devise "a decent Federal Limited Entry plan. This one, however, is shot through with the devious schemes of the individual North Pacific Council members."

Donut conference, contd.

(from page 11)

substantially reduce its fishing effort voluntarily in order to set an example, and lead the way in conservation.

The situation in the Bogoslof is of great concern, but the Soviets are calling for more study of pollock stocks in the Aleutian Basin, as well as one other region in the Central Bering Sea, and the third in the Eastern Bering Sea.

Scientists say there is a lag of four to

seven years from the time a strong year class is produced and when it becomes available for harvest in the Central Bering Sea. No such dominant year class has been witnessed in recent stock surveys, scientists at the

Conference say, and pollock stocks are expected to continue a downward spiral.

Even so, some fishery scientists speculate that a strong year class might have migrated before the surveys kicked off. Therefore, they say, it might be possible,

however unlikely, that stocks will start to appear in stronger numbers in the very near future.

The unilateral effort of the United States to curtail fishing in the Bogoslof has in the past earned the ire of American fishermen who point to the unfairness of foreign fishermen being able to harvest American origin pollock from the Bogoslof in the donut hole while they are prohibited from fishing the same fish in American waters.

FREE AIR

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BUSINESS

The Anchorage Times

FRIDAY
December 6, 1991

Tillion's quotas aren't popular

By IMRE NEMETH

TIMES BUSINESS WRITER

Despite a wave of opposition, Clement V. Tillion figures the North Pacific Fishery Management Council can salvage a controversial proposal to rewrite the way fishermen harvest halibut and black cod.

Tillion, a council member and Gov. Walter J. Hickel's fish czar, has positioned himself as a chief proponent of a plan to change the derby-like, two-day halibut fishing season into a new limited-entry fishery.

"I have to make sure the holes are sealed," he said during a break in council meetings Thursday in Anchorage.

Groups opposed to the plan say it will take the industry away from Alaska. Other council members have said support for the proposal is waning. Supporters of the proposal remain adamant that quotas are the only solution to an embattled fishery.

The proposal was approved for public review at September council meetings by a vote of 9-2. The regulatory body of industry and government officials began an attempt to fine-tune the proposal this week at The Anchorage Hilton Hotel.

Meetings are expected to take the council into overtime, extending debate over the proposed quota system into Tuesday. More than 60 people already have testified and the majority overwhelmingly was opposed.

Meanwhile, U.S. Secretary of Commerce Robert A. Mosbacher is expected to release a second proposal altering allocation of bottom fish for a 90-day review period or return it to the council today. The second proposal would split the \$1 billion bottom-fish industry between factory trawlers and onshore processors.

John Iani, president of the Pacific Seafood Processors Association, said lobbying for both proposals is intense and will probably increase. His group supports an onshore allocation of

See Halibut, page C1

Halibut

Continued from page C1

pollock and other species of bottom fish while opposing halibut quotas.

Other issues scheduled for review include discussion of Steller sea lion protection measures for 1992 and setting harvest levels for bottom fish in 1992.

Quotas are a means of limiting entry to a fishery where about 4,300 vessels chase 4 million pounds of white-fleshed halibut largely in two 24-hour open-

ings. Under the plan, each fisherman would receive a percentage of the total yearly quota based on an average of his catches over five years.

The quota system also applies to the sable fish, or black cod, fishery.

Mark Lundsten, spokesman for the Seattle-based Fishing Vessel Owners Association, said the current proposal must be fished out but is workable.

Iani said the proposed system is costly, difficult to enforce and would push fishermen to throw small fish overboard to keep from going over their harvest limit.

Tillion said processors' concerns that fishermen may take their catches to Seattle and bypass Alaska plants can be solved.

Paul Clappitt, skipper of the 65-foot *Majestic*, said if fishermen were going to take their fish to Seattle processors, they would have hauled them south during past seasons.

Tillion said management under the proposed quota plan would cost upwards of 10 cents per pound for halibut harvested.

Sen. Ted Stevens, R-Alaska, voiced his skepticism of the plan in a letter to the council Wednesday. He said the proposal could

cost the National Marine Fisheries Service \$4 million a year to regulate. He also asked the council to delay its decision so the impact on Alaska's communities could be assessed.

Matthew Donoho, a Sitka halibut fisherman, said fishermen in many coastal communities have organized and favor tabling the plan until it receives more study.

Council member Henry Mitchell said support for the proposal is "50-50 and fading." However, he also said amendments are possible.

A final vote on the plan's fate is expected early next week, following a weekend of debate.

Kenai fishermen oppose halibut, black cod quotas

Group forms to fight proposed allotment plan

Associated Press

KENAI — A plan by the North Pacific Fisheries Management Council to divvy up the halibut and black cod commercial fisheries has prompted a last-minute effort by some Kenai Peninsula residents to block it.

The council endorsed the idea of individual, transferable fishing quotas for black cod and halibut in September, and is scheduled to vote on a final plan early next month. The new system would replace the derby-style fishery that now is open to anyone.

But Peninsula fishermen, many of whom target both halibut and salmon, don't like the idea.

Theo Matthews of the United Cook Inlet Drift Association said he has received numerous calls on the issue. Although the organization tra-

board of directors is letting opponents of the quota system distribute information in the UCIDA newsletter.

Matthews estimated 30 percent of the nearly 600-boat drift fleet fishes for halibut too.

Among that segment of the fleet is Nancy Lande of Seward. A drifter and halibut fisher, she is organizing an attempt to stop the IFQ system.

"This is not the wonderful picture that it's painted to be," Lande said.

She is helping form SCALE — Southcentral Alaska Longline Enterprise — to educate fishermen about what the group sees as the plan's shortcomings.

"They simply don't know what's going on," she said. "Ninety-nine percent of the input that I have gotten so far is shock."

Please see Page B-2 ALLOTMENT

ALLOTMENT: Kenai fishermen up in arms

Continued from Page B-1

Paul Lints of Kasilof said he assumed his quota would equal his average catch and everything would turn out all right. But the more Lints learned, he said, the more worried he became. Now, he plans to join SCALE and actively oppose the quota system.

"I see not receiving enough shares to make it economically viable and not being able to purchase enough shares to make it economically viable," said Lints, who fishes for both halibut and salmon.

But the quota system has its supporters, too.

The Homer-based North Pacific Fisheries Association recently endorsed the plan by a slim margin.

"Until the final plan came out, I've had my reservations too," President Drew Scalzi said, citing fears of corporate ownership and individuals amassing large portions of the overall quota. The final version put those fears to rest, he said.

"I can honestly say I embrace the program," Scalzi said. "We just can't have the amount of pressure that's put on these fisheries anymore."

While Scalzi believes cor-



vade the fishery, Lints and Lande fear 200 people could control both halibut and black cod fishing.

Under the proposed system, individuals would be limited to half of 1 percent of the total halibut quota and 1 percent of the black cod quota.

"It doesn't take a rocket scientist to figure out it takes 200 boats" to control all the halibut quota shares, Lints said.

Under the proposed quota system, participants would be given their share of the halibut and black cod quotas based on a five-year average of their catches.

But they won't necessarily get their average number of pounds, Lande said. Because the average is based on their best five years in the past seven, they would get a lesser amount, she said.

Participants in other quota systems have gotten 40 percent of the poundage they

expect because of the number of participants, Lande said.

Scalzi disagreed.

"From what I've read, you will get close to what you've produced," he said.

Many fishermen who delivered halibut in the early 1980s have quit, meaning the portion of the quota they caught will be available for others because they haven't fished during one of the past three years as required, Scalzi said.

Lande feels quotas will hurt the small-boat fleet.

She and her husband, Clarence, fished boats 48 feet and smaller until switching to a 55-footer recently. She said that means their quota will be based on a small vessel's catch, putting them at a disadvantage.

Scalzi said he empathizes with people who just started fishing halibut and black cod and salmon fishermen, but said the resource comes first.

"We're not doing the resource any favors the way we're prosecuting the fishery," he said.

The North Pacific Fishery Management Council is scheduled to make a final decision on the quota system in early December.

Tillion is behind fish giveaway

Richard Lauber, Chairman
NPFMC
P O Box 103136
Anchorage, Ak 99510
September 26, 1991

Dear Mr. Lauber,

It is with deep regret that I have decided not to seek another year as your Advisory Panel Member. I have been serving on this panel since 1985 and have felt over the years that the Council truly listened and appreciated the time and effort AP members put to the task. I now feel that the Council is prejudged in many of its decisions. They are no longer listening to the AP or the members of the public who have overwhelmingly sent them strong signals that they do not wish to proceed with the IFQ program. I believe that the Alaska delegation is prejudged for many reasons, some for personal greed, some for fear of their council seat, and others, from the Lower 48, feel they have finally found a way to regain control of Alaska fisheries, which they lost in 1959.



Kodiak Daily Mirror
Letter

fourth quarter GOA pollock fishery, then 100 percent observer coverage for vessels 60-124 ft

Clem Tillion, Governor Hickel's so-called "Fish Czar," is the man behind this fish giveaway.

I would like this letter of Resignation read into the record as my minority report of one. I also want it noted that at 11:45 a.m., on September 23, 1991 in a vote of 8 to 8, the AP recommended to the Council to "kill the rat" or not send out the IFQ plan for halibut and black cod. The next motion was taken at 1:15 pm, September 23, 1991 with a vote of 15 to 2 to suspend the IFQ Black Cod system until proper funding was in place and an enforcement system that would work was also in place. Also, a second vote of 9 to 9, was taken to go back to the traditional management schemes rather than the IFQ program. I also believe from the testimony you have received from the June and September meetings that you are "spitting in the face" of the fishing and business industries that have

asked you not to throw the fisheries into total chaos and into the hands of outside interests.

In closing, I would like to thank you for the opportunity of serving the fishing industry, but I will not seek reappointment for either an AP or council seat until Alaskan families are protected from the way out ideas and dire consequences of Clem Tillion's arrogance.

Sincerely,
Dave Woodruff

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NEA sues Hickel over retirement benefits

ANCHORAGE (AP) — A union representing Alaska's education workers has filed a lawsuit against the Hickel administration, charging that age discrimination is keeping some retirees from getting their fair share of benefits.

The National Education Association-Alaska said it filed the lawsuit on Wednesday on behalf of all public employees covered under the Teachers Retirement System and the Public Employees Retirement System.

NEA-Alaska represents more than 7,000 teachers and support staff across the state.

The lawsuit names as defendants the state and Administration Commissioner Millett Keller,

pension funds. It charges that medical and retirement benefits have been denied solely on the basis of age, in violation of state law.

The lawsuit charges that younger retirees are being denied cost-of-living increases in their pensions that older retirees are receiving; that retirees over age 65 pay higher premiums for fewer medical benefits; and that the Hickel administration has arbitrarily denied cost-of-living increases to some retirees despite the financial health of the retirement plans.

Don Oberg, president of NEA-Alaska, said the lawsuit is intended to ensure receipt of all of the ben-

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MIK BORC

IFQ an unfair allocative scheme

To the editor:

I would like to submit some points about the North Pacific Fisheries, specifically about the sweeping changes that are being railroaded through our regional fisheries council in the form of individual fishing quotas.

• These council members have voted to implement IFQ in halibut and blackcod in the face of overwhelming opposition from fishermen, industry, local advisory boards, and coastal communities.

• A consistent effort has been made to minimize public input by scheduling meetings inconveniently for the diversified fleet that will be irrevocably impacted by these decisions. Slanted articles appear in industry publications which gloss over disadvantages and exaggerate benefits of the system.

• It is clear that once they are able to implement this highly allocative system in these first two fisheries, the remainder will soon follow. This is the scariest part of the whole politicized process,

since many of the council members represent, or have direct control over businesses which will benefit hugely from elimination of competition for the much higher volume groundfisheries and crabfisheries that will be considered next.

• Most importantly, the resources will suffer from these de facto allocations unless there is a massive increase in enforcement efforts. Even expensive observer programs could be ineffective due to the high value of cheating, coupled with human nature and self interest, and a multi-tiered system for watching the watchers may become necessary.

• Expensive enforcement will have to be paid for by the fisheries and that will only be acceptable to those who expect windfall profits to a relatively small group of large corporate entities down the road.

I am an independent fisherman operating out of the coastal community of Kodiak, Alaska. I have successfully made a living

using the same 96 foot vessel for the past 17 years by diversifying my efforts into a total of eleven different fisheries. I have seen many operators overcapitalized, buying whole fleets in the good years and usually they have suffered setbacks. In my opinion that is the way of a free market place and a free country.

Lately some of these would-be tycoons have cleverly resorted to politics to gain an economic advantage and have co-opted certain bureaucratic following to help them gain their grandiose goals. I wish such efforts could be channeled into devising a workable health care plan for the country as a whole, since I believe there is more chance of accomplishing that worthy end than to arrive at a fair and effective IFQ system that will also protect

the fisheries resources of the North Pacific.

I urge all responsible members of the Federal Government to stop this unfair allocative scheme and insist that traditional methods of resource management and real market forces be used to first protect the fisheries from destruction as the various species go through natural cycles of abundance, and second to preserve the opportunities for small operators to be involved as independent businessmen. This will insure the health of our coastal communities and give my young children a chance to live a life as full, exciting, and satisfying as mine has been so far.

Letters to the editor

Thank you for your attention.

Sincerely,
Blake W. Kinnear
Skipper Lin-J

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IFQ bad precedent

To the editor:

As the IFQ or ITQ debate moves from the back rooms to the courtrooms, discussion continues, additional discrepancies are illuminated, communities express their displeasure and yet a handful of men with special interests continue to advocate constitutional change without ratification by the people of the State. Attempting a constitutional end run in the name of industry salvation, so to speak. (The express intent of the Statehood Act

been rejected by every coastal community in the state simply because of the reasons above and yet it persists. If you are a thinking person you will ask how is that possible?

If this plan which crosses so many constitutional barriers is allegedly so good for us, let us see if it is able to stand the scrutiny of the voting booth before proceeding further.

Jerry B. Scholes
Homer

Relationships

By Dr. William Earl

Mental health defined

Established a commonwealth of independent nations Sunday and declared that the Soviet Union no longer existed.

The three Slavic republics, which account for more than 70 percent of the population of what used to be the Soviet Union, made their

repeatedly he would resign if the republics did not agree to join a new form of the Soviet Union by the end of the year. He made no immediate comment to the Slavic states' announcement, although he warned in a pre-recorded broadcast inter-

view. Now that the Soviet Union as we have known it no longer exists," Baker said, the alternative could be "Yugoslavia with nuclear weapons."

The Slavic states, always considered the backbone of the Soviet Union, minced no

tion that Soci-ject a ge its e join P

Fishery quotas passed

Council doles out halibut, black cod

By WESLEY LOY
Daily News reporter

A new era in the way commercial fishing is regulated in Alaska was launched late Sunday by the North Pacific Fishery Management Council, which voted to assign catch quotas to halibut and black cod fishermen.

It means shares of the fish — now accessible to anyone with a boat and an inexpensive permit — will belong to individual fishermen. They will no longer have to compete in dangerous, 24-hour derbies for the fish, but rather catch them at their leisure over an eight- or nine-month season.

Halibut and black cod would be the first fisheries in Alaska, and among only a handful worldwide, in which the fish are doled out free like private property to individual fishermen.

The 7-4 vote by council members, some of whom stand to gain or lose personally by the decision, drew snarls from some and smiles from others Sunday night in a packed room at the downtown Anchorage Hilton. Years of debate

Please see Back Page. **QUOTAS**

Tracking Stevens on abortion

Abortion-rights stand softening, some say

By DAVID WHITNEY
Daily News reporter



Nations m

By JOEL HAVEMANN
Los Angeles Times

BRUSSELS — Western Europe's political leaders will meet today and Tuesday to try to forge their diverse nations into a unified Continent that could ultimately rival the United States in diplomatic as well as eco-

DOWNTOWN HILL C



Michael Johnson goes airborne downtown Sunday evening, and Cody Machuga found fresh snow near

abortion — a rare position for a Republican.

But, over the last several years, often in subtle ways such as his resistance to the abortion-related rider on the defense bill, Stevens' once-solid stance has cracked, according to abortion-rights activists.

Though the National Abortion Rights Action League gave him a relatively high 70 percent rating last year, along with a \$1,000 contribution to his re-election effort, abortion rights advocates are increasingly disappointed they can no longer count on his support

and often fierce politicking led up to the vote, one of the most important in council history.

And hang on. At least one council member who voted yes, Henry Mitchell, said he doesn't really like the plan and will try to alter it today. Other members who gave thumbs up to the individual fishing quota (IFQ) plan said they also have problems with it.

If it survives, the plan will still need approval from the U.S. secretary of commerce, whose staff has gone on record as generally supporting such management plans. Its supporters say it will cut a bloated fleet down to size, end the derbies and make fresh halibut available for much of the year.

But opponents vowed Sunday they will mount telephone and letter campaigns to kill the plan.

"Privatization of a public resource is a very bad way to go," said Jeffrey Stephan, a former council member and manager of United Fishermen's Marketing Association, which represents about 70 longline fishermen.

One enraged Sitka fisherman, Matt Donohoe, went so far as to call the IFQ plan "fascism" because it will essentially involve government deciding who can fish and who can't.

Supporters of the plan, including Clem Tillion, a council member and Alaska Gov. Wally Hickel's

legislative director Doug Johnson. Still, "he is not a creature of the pro-abortion lobby," Johnson said. "When they say jump, he doesn't always jump."

But Thomas Moffatt, executive director of Alaska Right to Life, said that he, too, had been tracking Stevens' recent voting history and he couldn't be more delighted.

"I don't know what his motivations were," Moffatt said. "The bills are complicated and there may be oth-

er motivations." Self said. "I think he has really let us down."

Planned Parenthood Federation of America, Inc., has tracked 88 abortion-related votes since the U.S. Supreme Court, in its 1973 Roe vs. Wade opinion, legalized abortion.

Stevens voted solidly with the federation's position through 1986, straying only twice against it on 51 separate votes. In the last five years, however, the federation has lost Stevens'

pro-choice and he's been leaning more to the right over the years.

Parental notification is one of the chief areas where Stevens parts company with abortion-rights advocates, who believe most young women do tell their parents and that those who don't try to keep their pregnancy secret to escape being beaten up by an angry father or mother.

Three times — in 1988, 1990 and again this year — Stevens has voted for requiring notification of at least one parent.

"You can be pro-choice

and still support parental notification.

When these issues arise in the context of a spending bill, Stevens is most often found voting against the abortion-rights position.

These votes also leave in doubt where Stevens draws the line on abortion issues. Is it the substance he opposes? Or is he voting against abortion-related riders on spending bills because he thinks they should be considered as separate pieces of legislation?

Stevens has voted, for example, to strip from spend-

ing bills the portion that would require notification of a parent. (Stevens) may depart from their position," Johnson said.

Abortion rights advocates say they are disappointed that Stevens seems to be caving in to the White House for reasons of political expediency.

"To us, access issues are as serious as the right to an abortion," said Sally Patterson, vice president for public affairs at Planned Parenthood. "If abortion isn't accessible, it doesn't matter if it is legal."

QUOTAS APPROVED: Fisheries panel adopts new allocation plan for halibut, black cod

Continued from Page A-1

designated "fish czar," halled the IFQ vote as a look at the future. He said the plan will, indeed, kick some people out of the halibut and black cod fishing business, but it's necessary to keep too many boats from chasing too few fish.

"We have begun to change the way the United States looks at fisheries," Tillion said, when asked of the significance of Sunday's vote. "We have operated for centuries under the tragedy of the commons."

"You've given away my fish, my children's fish, my children's children's fish," Donohoe shot back, in a heated confrontation with Tillion.

Halibut fishing in Alaska has become a mad but lucrative scramble. An increasing number of boats — as many as 7,000 — have signed up for a piece of the \$100 million industry, and seasons have dwindled from weeks to days to hours. Faced with big losses if they miss an opening, some fishermen have gone out in rough weather and died chasing the halibut.

Increasing numbers of fishermen are also jumping into the \$50 million black cod, or sablefish, market. Black cod are bottom dwellers in demand mostly in Japan.

The IFQ will make instant millionaires out of some fishermen. In the black cod fishery, the 10 top-grossing skippers are expected to receive quotas worth an average of

\$2 million each if sold on the open market, according to one council study.

Just about everybody agrees the 24-hour openings are no good, but opponents of the IFQ plan say it will drive out small fishermen, mostly based in Alaskan coastal communities, and enrich big operators from Seattle.

The plan assigns a certain poundage to fishermen based on an average of their catches over a five-year period. It's different from the limited entry scheme used in Alaska's salmon industry. Limited entry uses a point system to decide who gets to fish; it does not award a percentage of the catch.

IFQ opponents say many fishermen, especially small operators who might have missed a season or suffered bad harvests, will get a low average and therefore a low quota. Those fishermen will either sell their quotas to the highest bidder or will team with other small IFQ holders.

The critics say big operators will quickly accumulate dominant shares of the industry, and will find ways to get around provisions that limit the number of IFQs any one person can hold to 1 percent of the total black cod catch, and a half-percent of the halibut.

In recent days, a wide range of people have asked the council to hold off on the plan, including

more than a dozen Alaskan fishing towns and Alaska Sen. Ted Stevens. Stevens, in a letter to the council, encouraged further study of the economic impact on the coastal towns, and of the \$4 million cost of policing the plan to prevent cheating by fishermen who might avoid overstepping their quota by selling the fish on the black market.

Council member Oscar Dyson, a 47-year veteran Kodiak trawler operator and probable IFQ recipient, said he voted against the plan because more study of the economic impact is needed. "There's so many unknowns about it," he said. "I think we should have sent it back to our staff for more analysis."

Mitchell, the council member who plans to doctor the plan today, predicted it will ultimately fail. "This is an incredible precedent," said Mitchell, who runs a Native-dominated fishermen's association for western Alaska. "But I would estimate a good 80 percent of the participants in these fisheries don't support the action we took."

Don't count Steve Fish among the dissenters. The Sitka fisherman, who came to Anchorage to lobby for IFQs, said the plan is needed to save the halibut industry, which he said can't survive continued open access. "The industry needs medicine," he said

"Sometimes it tastes bad, but it's needed."

Programs that award fishermen a percentage of the catch are rare, said Chris Oliver, a biologist for the council's support staff. New Zealand regulates all its fisheries with such a program, and recently Canada installed a quota system for halibut. Some smaller programs also exist on the U.S. East Coast and on the Great Lakes, but Alaska's halibut and black cod fishery could be the biggest to use quotas, Oliver said.

Vested interests run rampant on the council, a mix of fishing industry and government officials from Alaska, Washington and Oregon. Council chairman Richard Lauber, who voted against IFQs, is the Alaska lobbyist for a group of fish processors, who were against the proposal because they felt a lot of halibut would find its way to black market processors or plants in Canada or Seattle. Ron Hegge and Bob Alverson, who both voted for IFQs, are affiliated with large fishing vessels that would receive large quotas.

Industry council members are exempt from federal conflict-of-interest regulations, so they may vote their pocketbook.

☐ Daily News reporter Hal Bernion contributed to this story.

FORUM

New quotas will ruin Alaska's fishing industry

By RONALD J. KUCZEK

Dec. 8, 1991, will be remembered as another day of infamy, at least in Alaska. This is the day the iron hand of federalism choked the life from most Alaska fishermen.

The perpetrator was the North Pacific Fisheries Management Council, which struck Alaska at 8:04 p.m. on this Sunday evening. The full damage done is not clear yet, but by all indications, it will be considerable.

Why? Because Alaska fishermen believe the council's action will radically change the management method for fishing halibut and black cod (sablefish) in adjacent Alaska waters.

This council was authorized by the Magnuson Fishery Conservation and Management Acts. It's one of eight councils established in sections across the country to manage fishing in exclusive economic zone waters. These councils are unique in that they are exempt from any conflict of interest laws. So the members may vote what is good for them rather than what is best for the public interest.

centered in the Ballard section.

On Dec. 8 the council passed a plan that effectively makes the halibut and sablefish fisheries private by putting them into a program called the Individual Fisherman's Quota (IFQ) plan.

The council says this plan has virtue because it will bring order to these fisheries. The National Marine Fisheries Service likes it because it will be easier to enforce.

The question that must be asked, however, is if the plan is so good then why is there total outrage expressed over it from Alaska fishermen ranging from Sitka to Unalaska? Why have 19 coastal communities and organizations, including the Alaska Municipal League and the State Chamber of Commerce passed resolutions asking this council to comprehensively study the social-economic impact and know what the impact will be on these communities before implementing such a plan? Why have all Alaska fish processors condemned this plan?



This plan is designed to bring order to these fisheries by decreasing the number of participants through the issue of IFQ shares. The environmental impact statement that accompanies the plan shows that eventually the fishing fleet for halibut will be reduced from 4,000 plus vessels to as few as 288 to 376 vessels. This is a 93 percent decrease.

What the plan does not say, however, is that many Alaska fishermen will be eliminated by the IFQ plan by design, and this action will have a tremendous impact on these fishermen who own the vast majority of the small vessels in this fleet.

At the other end of the scale, the plan shows that the top 4.7 percent of vessel owners qualified will receive the greater amount of the IFQ quota shares. And although the EIS does not state it directly, but strongly indicates it, the vast majority of these vessel owners are

of Seattle.

Finally, the plan, in its infinite wisdom, makes these people instant millionaires or multimillionaires by virtue of making these quota shares have value that can be sold. Any entity can own these shares including corporations or partnerships, as long as these groups meet the qualifications.

To bring order to these fisheries the plan generates the intentional breakup of the family-based, small-boat, Alaska fishing industry at a significant loss of Alaska jobs, and intentionally creates dynasties centered outside Alaska, who will become power brokers and control halibut and sablefish fisheries forever more.

No wonder Alaskans are angry. Alaska fishermen are being ejected from our fisheries. The only people who apparently do not understand, or who are unwilling to understand the impact of this plan, are the council members.

The EIS, a product of the council staff, is supposed to address the social-economic impact. In Section 5.2.3, however, the survey infor-

mation used in this study was insufficient to assess the economic importance of the halibut fishery to Alaska communities.

This documentation does indicate that coastal communities in Alaska will be impacted. But, any specifics are unknown at this time, while Seattle may well benefit from this allocation scheme.

One would think that before introducing such a radical change in the management method for these fisheries, the social-economic impact would have been studied comprehensively. This is not the case. It is for this reason the many communities went to their legislative bodies to pass resolutions insisting on determining the impact before such a program is put into place.

Finally, Alaska fish processors are opposed to the IFQ plan because they know that once this plan has been fully implemented, most halibut and sablefish caught in Alaska waters will go directly to Seattle and points south or west for processing.

Incredibly, in the face of almost total opposition in Alaska, the council passed this plan and is intending to move forward to its implementation as soon as possible. At this point, the fate of the halibut and sablefish fisheries for Alaskans rests with the governor.

The council will meet on Jan. 15 in Portland Alaska's best chance to reverse this vote is for the governor to step forward and accept his responsibility for Alaska and its second strongest contributor to the Alaska economy. He must direct the Alaska delegation to rescind its vote and to initiate a comprehensive study to determine the impact this plan will have on Alaska and its citizens.

The key is the governor. If he fails to act now, history will show that it was he, and he alone, who was responsible for re-installing fish traps back in Alaska. They are called IFQs.

□ Ronald J. Kuczek has been a commercial halibut and salmon fisherman since 1978.



By NATALIE PHILLIPS
Daily News reporter

Vincent Vitale went shopping for a paper shredder Saturday.

"I've practiced law 18 years in this town," the Anchorage attorney said Saturday. "Never in my wildest dreams did I think anyone would be going through my trash. Even when I was involved in very hot litigation with the Teamsters, they never stooped to digging through the trash. This is mind-boggling."

On Friday Vitale learned some of his trash may have been taken as part of Alyeska Pipeline Service Co.'s controversial undercover investigation of Charles Hamel, an Alexandria, Va.-based critic of the Alaska oil industry's environmental, health and safety record.

Vitale immediately dashed off a letter to Alyeska demanding to know if any of the 18 items the company took from the trash outside his office at 725 Christensen Drive came from his files.

Please see Page B-3, ATTORNEY



Yupik newscasters John Activo, left, and Adolph Lewis prepare to go on the air at KYUK radio and TV in Bethel.

By JOHN ENDEMS
The Associated Press

BETHEL — Yupik Eskimo newscaster John Activo munches into the microphone and makes juicy, chewing sounds. He's describing a berry picking trip to his listeners and wants to make it real. Deliciously so.

Humming, giggling, then breaking into song with "If I were a rich man" — in Yupik — from "Fiddler on the Roof," Activo moseys into a six-minute radio piece on the cultural importance of berry picking to Yupiks. He calls it "Berry Berry Good."

Welcome to KYUK radio and television's Yupik News Service — the voice of the Yupik people. With two full-time Native-language

newscasters, the station is the only one to broadcast radio and TV in the ancient language — and the only Eskimo TV news service in America.

The station — affiliated with the Alaska Public Radio Network — reaches as many as 14,000 viewers scattered across miles of rolling tundra and a vast delta formed by the Yukon and Kuskokwim rivers that is larger than Oregon and Washington together. According to a recent study, it is the only area of the state where the Yupik language is not just surviving, but widely used in the home.

Most Native people in the

Please see Page B-3, YUPIK

Fishing's a high-dollar game, but only a few get to pull up a chair

With its mirrored walls and glass chandeliers, jungle-print carpet and celery-colored chairs in elegant teardrop shapes, the Aleutian Room of the Hilton Hotel looks like tux and tiara territory. But for the past week, it's been full of men and women arguing about who should get to pull ugly fish from the bottom of the ocean.

It's a \$135 million-a-year problem. And some of the proposed solutions have people



MIKE DOOGAN

"Despite the most blatant efforts by high officials in government, industry and academia to pervert and distort our free democratic system, the independent and diversified fisherman still exists," Kodiak fisherman Skip Bolton said Tuesday.

Welcome to the 98th plenary session of the North Pacific Fisheries Management Council, 11 voting members who have a big say in who gets to catch how much of what

in northern waters claimed by the U.S. The highlight of this session is an attempt to decide how to manage the halibut and sablefish, or black cod, fisheries.

The problem is simple: More and more fishermen are trying to catch halibut and sablefish. Advances in fishing technology have made them more and more successful. To balance that, they are being allowed less and less time to fish. Fishing days are full of close-packed boats run by sleep-short crews, often in bad weather. Most of their catch has to be frozen for later sale, so fishermen don't get as much money as they could.

Everybody agrees that biology, economics and safety require a change. Agreement ends there.

Fish politics are as complicated as a soap opera plot. In the halibut issue you have foreign-owned vs. domestic, Washington state vs. Alaska, factory-owned catcher boats vs. skipper-owned boats, Southeast fishermen vs. Kodiak fishermen vs. Aleutian fishermen. And more. You would need a lifetime's study to understand all the nuances.

"They'll never finish this," a guy in a suit tells me in the men's room during a break Friday. "They've been dealing with halibut since 1979. It's Jarndyce v. Jarndyce."

Everybody knows the council won't finish at this meeting. Besides, the whole thing's just a recommendation to the U.S. secretary of commerce; he can do what he wants. And then there's the reality of modern America: Whatever gets done will be challenged in court.

Still, the meeting is being played for keeps. Big money is on the table, and some big characters are sitting in on the game. Rick Lauber, who has been a fisheries lobbyist since God invented fish, is the council chairman this year. Clem Tillion, the Duke of Halibut Cove, is the state's representative. Oscar Dyson, an old-time highliner out of Kodiak, is a member, too.

There is no citizen's representative on the council. It is, instead, the embodiment of the current idea that if all the special-interest groups are represented, good public policy will result. So the council is vulnerable to charges of conflict of interest, which have been flying thick and fast at this meeting.

The discussion is equal parts salty fish man talk and bureaucratese. The result is language the people who actually own the resource — the public — would find hard to understand. But not the people with special interests. When council member Larry Carter says, "Section two three C triple everybody in the room except me seems know what he's talking about."

The result of all this is old-time Alaskan politics: big stakes, big egos and big talk.

Is the public interest being served here? It's hard to see how it could be. Consuming would get fresher fish under the council plan, but little else. There's no serious talk about getting more money for the people who own the fish.

In the North Pacific, at least, fish seems to be a private game for private gain. The public gets to watch it played at council meetings, but we can't get into the game.

Mike Doogan's opinion column appears in Daily News each Tuesday, Friday and Sunday.

Council is 'hell-bent' to destroy Alaska fisheries

Woodruff quits AP

By SUZANNE HANCOCK
Staff Writer

Dave Woodruff is not a quitter. The outspoken part owner and operator of Alaska Fresh Seafoods Inc. has served on the Advisory Panel to the North Pacific Fishery Management Council for six years.

On Thursday, he sent his letter of resignation to NPFMC chairman Rick Lauber.

"This council is no longer listening," said Woodruff. "They are hell-bent on destroying Alaska's fisheries."

"(The council is) circumventing the process they took an oath to uphold and are not listening to the will of the people. Alaskans in general will suffer from the mistakes of today."

Woodruff had returned home while the meetings continued. He said it was the first time since 1985 that he has not stayed for the whole meeting.

"By 5 p.m. yesterday (Wednesday), the council was so preset in determining to follow through on HQs in all of our fisheries, that no matter what the AP's recommendations were, we were wasting time and effort," he said.

He said the council in the past was always responsive, more than not, to the requests of the

Advisory Panel. The A.P. membership consists of 17 members from industry.

The A.P. considers all of the agenda items that the council will consider and makes recommendations, usually prior to a council vote.

"It truly made you feel you were contributing to the process," he said. "Since Tillion arrived on the scene, the governor's self-professed fish czar, the process has broken down and the council has acted on its own agenda and only took from the A.P. portions that agreed with their agenda."

"For that reason I decided I was wasting my time, my company's time, and I didn't want my name linked with what Tillion is doing to Alaska's fisheries."

Woodruff said it is the first time in 30 years that interests from the Lower 48 have found a way to recapture Alaskan fisheries at the expense of Alaskan fishing families.

"It's regression to what we had under the federal/feudal system prior to statehood," he said.

A federally-controlled system that takes fish management away from the state of Alaska will in five years or less be extracting economic rent from the few participants still fishing, he said.

He said the Alaskans on the council are either fearful of losing their seats or are moved by personal greed for themselves or corporations they represent.

Woodruff said he would support the councilmembers if he thought they were following the Magnuson Act, not their own agendas.

"This is not the will of the people, the democratic process," he said. "We've gone full circle from democracy to what they are fighting against in Russia: the rule of the few forced on all of us."

"The only hope is that the people opposed to the HQ concept will go to D.C. and stop it at the Congressional level."

If the sablefish management plan passes a vote of the council, it will be sent forward to the Secretary of Commerce to be signed. At that phase lobbying will occur to change or block the amendment.

"Until the council changes, Alaska will not come out as Senators Stevens and Magnuson envisioned it would," Woodruff said. "The council process has and will work again."

"It is absolutely necessary that we don't eliminate it. Until the administration and the faces change and there are Alaskans on the council who will uphold and honor Alaska and the Magnuson Act, we have totally lost control."

Kodiak Daily Mirror



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KODIAK, ALASKA

44 PAGES

50 CENTS

Old Harbor goes wet

By NEIL WAAGE
Staff Writer

Alcohol is legal again in Old Harbor.

The village learned in July that an October 1988 election to switch back from dry to wet was not recognized as legal by the

before making a sale, which resulted in youths having easier access to alcohol.

So a second election was held six months later and the ban repealed.

Haskanson said that at the time an ABC Board employee indicated the election was legal and



"We operate solely on membership and fund-raising efforts." Stevens said of the Chamber's \$400,000 budget, of which about 10 percent is generated by raffles. "We get no subsidy or direct support from government."

A Hickel spokesman said Thursday the governor supports the idea of non-profits looking for money outside state government.

"He definitely supports that," said John Manly, Hickel's deputy press secretary. "He really supports the United Way and helped them kick off their campaign here in Juneau. The United Way

like the Kodiak Council on Alcoholism, Inc., expect their fund-raising endeavors to double in the next year.

The state contributed about 50 percent of the KCA's current \$1.3 million operating budget, the federal government added another 25 percent and the Kodiak Island Borough kicked in 10 percent, said Thomas Goldston, KCA's executive director.

But while KCA fund raising accounted for about 4 percent of their budget last year, Goldston said he expects expansion of their Ultimate Christmas Gift Raffle to "bring it closer to about 7 per-

cent. This west side of Wrangell Island after they abandoned their sinking 42-foot fishing boat in heavy surf.

According to information provided by the Coast Guard the two people climbed into the life raft and turned on their EPIRB after the FV Sea Hawk hit a rock and began taking on water. The raft drifted to the beach and the pair made it to the beach.

The helicopter was dispatched from Cordova after Coast Guard Communications Station Kodiak heard a weak mayday signal.

reportedly broke surf. Seas were 5 to 8 feet with 10 to 15 miles per hour.



Council—

Continued from Page 1 was shot down at the suggestion of city attorney Mel Stephens.

In a memo to the council dated September 12, Stephens suggested the council consider revisions to the sections of the city charter and city code which deal with the personnel board.

This is a good time to examine personnel board functions, according to Stephens, because the city is now presented with an opportunity "...to consider certain changes in the structure and authority of the personnel board without stepping on the toes of existing officeholders..."

In other business, the council:

☐ Passed on first reading Ordinance 923, establishing supplemental appropriation Number 1 to the FY 92 budget. This ordinance will come up for second reading and public comment at the council's next regular meeting.

☐ Passed on first reading Ordinance 924, reducing the number of city taxicab permits from 27 to 26.

☐ Passed on first reading Ordinance 925, a housekeeping measure correcting references in city code relating to appeal and hearing procedures.

☐ Passed a lease agreement leasing an antenna site on Pillar Mountain to the FAA.

☐ Passed an expenditure authorization for Kodiak Reduc-

tion, Inc. to spend an amount not to exceed \$29,000 for reconstruction of an outfall line from the existing fishmeal plant.

☐ Passed an authorization to allow the sale of Taxicab permit 26. Jane LaPorte wishes to sell the permit to Cipriana Abad and Elsa Saravia. The pair will then voluntarily suspend the permit through December 31.

☐ Passed on first reading Ordinance 926, a housekeeping measure amending city code relating to boat harbor regulations.

☐ Passed on first reading Ordinance 927, deeding outright a Gibson Cove tidelands tract to the Kodiak Fishmeal Co. (KFC) for the purpose of constructing a new fish waste reduction plant. Such a deed will enable KFC to get bank financing for its project.

☐ Approved Resolution 30-91, naming judges and clerks for the regular municipal election.

☐ Scheduled a special council meeting for October 8 to canvass the October 3 election.

☐ Accepted the annual report of the FY 91 Price, Waterhouse Audit.

☐ Awarded a bid of \$969,048 to Anderson Construction for the construction of a Trident Basin access road.

☐ Considered a bid award to McPherson Supply Co. of \$74,438 for the purchase of a new ambulance. The borough

will actually purchase the ambulance and the city fire department will operate the vehicle. The agreement is that the ambulance will serve residents of the road system.

☐ Considered the agreement with the state to continue the contract to operate the jail. The council voted to extend the existing contract until November 30, with the understanding that at some time between now and then it would make a special effort to re-examine its relationship with the state vis à vis the jail and the city's long-term commitment to operating one.

☐ Heard a report from City Manager Gary Bloomquist that local resident Alan Austerman has withdrawn from consideration for the post as the city's Juneau lobbyist.

☐ Heard a report from Councilman Dave Woodruff that, according to the National Marine Fisheries Service, Steller sea lion stocks continue to decline throughout their range except for the populations inhabiting rookeries on Long Island and Cape Chiniak. The dumping of fish waste into waters adjacent to town, according to Woodruff, was at least in part responsible for the apparent health of the local sea lion population.

☐ Heard a farewell message from outgoing mayor Bob Brodie. Last night's meeting was the last regular meeting at which he will preside.



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OPINION

Anchorage Daily News

Gerald E. Oilly
Publisher



Howard Weaver
Editor

Michael Carey, Editorial Page Editor
Patrick Dougherty, Managing Editor

Katherine Fenning, Editor and Publisher 1971 to 1983
Lawrence Fenning, Editor and Publisher 1967 to 1971

Founded in 1946 by Norman C. Brown



Fish politics

Conflict of interest the rule of the game

The North Pacific Fishery Management Council's latest meeting was a good example of how the council is riddled with conflicts of interest.

The council endorsed a controversial limited-entry plan for two fisheries — a move that directly affected several members' pocketbooks. Three members represent interests that stood to get a share of the pie under the limited-entry plans. The board chairman is the lobbyist for a group that opposed the move — and he voted his client's position.

On issue after issue, conflicts of interest turn up at the council. The following examples were reported earlier this year by the Seattle Times:

- Tight pollock catch limits set by the council cost the firm of one Seattle-based member, Walter Pereyra, a shot at millions of dollars in revenue. Pereyra is trying to get the limits raised.

- Member Larry Cotter was working for interests in the crab industry around the time he reversed his stand on an issue to support crab fishermen's position.

- Member Oscar Dyson, part-owner of an on-shore plant in Alaska, voted his own self-interest on one of council's most controversial moves. He supported the decision to allocate a fixed share of the catch to on-shore plants. Chairman Rick Lauber, a paid representative of shore-based plants, has a similar conflict on the same issue.

Federal conflict-of-interest rules do not apply to the council. Supposedly this is because the council only "advises" the U.S. Secretary of Commerce, who makes the final decision. In practice, the secretary almost always rubber-stamps the council "recommendation."

Only four of the council's 11 members represent public agencies. The other seven are free to mix their personal business with council business.

As Mr. Pereyra, the Seattle fishing boat owner, told the Seattle Times:

"I shouldn't even BE on the council making these kinds of decisions that I have a conflict on — absolutely. I think that's true of every member of the council. It should be in the hands of the professional managers."

As with all other council issues, the conflict-of-interest question has a political undertow. Mr. Pereyra and other Lower 48 interests haven't done very well under the current council setup. Eliminating conflicts of interest at the Alaska-dominated council might boost the odds they'll win more often.

But regardless of who wins and loses under the current setup, the council structure is ethically sound. We don't let Exxon, Arco and BP run the state Department of Environmental Conservation. We don't let power companies and electric companies in charge of the state public utilities commission. We shouldn't turn federal fisheries over to fishermen whose decisions directly affect their personal fortunes.

These days

MOSCOW — Traveling by train from the Lithuanian city of Kaunas to Moscow recently, my companions — all Lithuanians — insisted on giving me their phone numbers: "Call us, we'll bring you some food next time we go to Moscow. Poor Moscovites."

It wasn't always the way. Two years ago we Moscovites were proud residents of the motherland's capital. Indignant over the crowds of shoppers from the provinces. Today, those "provinces" have just chosen the Byelorussian city of Minsk as the administrative center of their new commonwealth. Moscow has a bad name.

As an editor of a prestigious weekly I earn 1,000 rubles a month — considerably higher than the minimum wage of 342 rubles but far less than the 3,000 rubles a family of three like mine needs to lead a civilized life. My wife — a researcher in an academic institute — earns 300 rubles, close to 3 a month by the official exchange rate. With no money left in the state budget we're not counting on her salary next year.

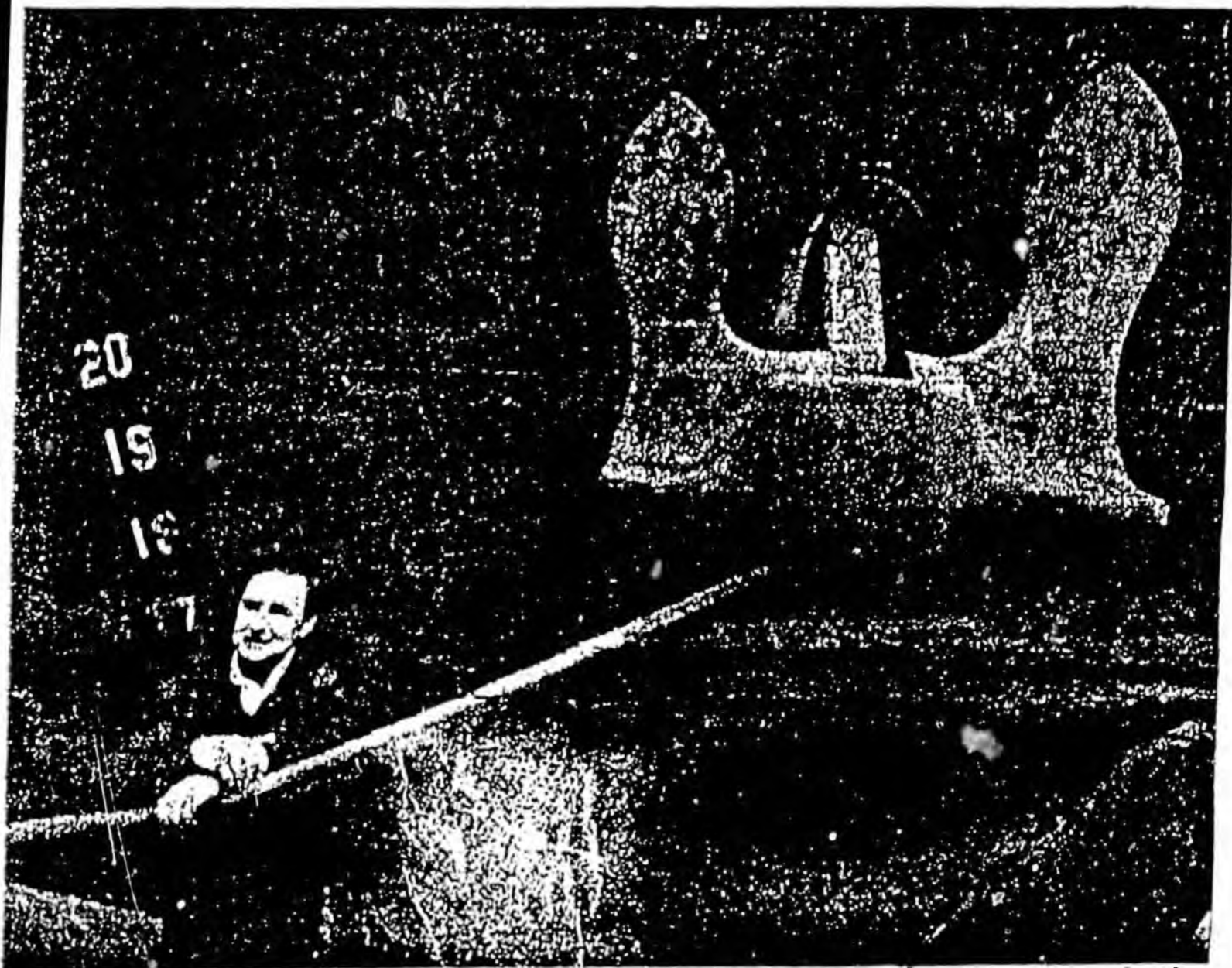
'We feel like

I usually don't pay much attention to anonymous letters, but I got one the other day that was a cry from the heart. It came with a Des Moines, Iowa postmark, unsigned and written on lined yellow paper in crude hand, with spelling to match. I cleaned up the spelling and punctuation to give for clarity's sake. The text is as it read here:

Dear Mr. Kau...
What are the people here doing paying me when the economy will take care of itself. We'll pay the taxes but we can't pay the interest. How many TVs are made in the USA? How about VCRs? Is there one U.S. car made

A FISHY SITUATION

Critics say members of panel set up to manage rich fisheries zone off Alaska are watching over their own self-interests at the same time



Jim Lott / Seattle Times

Walter Pereyre, a member of the North Pacific Fishery Management Council, stands next to one of his three factory trawlers, the *Alant*, in for minor work at the Lake Union Dry Dock.

by Duff Wilson
Times staff reporter

The United States' richest fishery is controlled by a federal council so riddled with conflicts of interest that its actions result in millions of dollars in benefits to some council members or their companies.

Critics say self-serving votes by council members are also leading to lost jobs here and artificial higher consumer prices for fish.

The group, called the North Pacific Fishery Management Council, was set up 15 years ago to manage the \$1 billion-a-year Alaska fishery in the federal zone between three and 200 miles offshore.

But it wasn't until recent years, when American fishermen began fighting American fishermen, rather than the Japanese, for shares of the resource, that the council emerged in public view as a sort of

INSIDE

A case history of one fisherman and how council actions affect him.
Business, E 1

Tammany Hall of the Pacific.

"The politics are so blatant it forces you as a protective measure to become part of the problem," says Walter Pereyra, a Seattle businessman and member of the council. "It's a corrupting process."

Four of the 11 council members own fishing businesses. Two are industry-group employees. One is a consultant who makes no secret of the fact he hopes to make money off his inside expertise.

Pereyra, perhaps more candid than most, admitted that he performs government business with an eye on his own trawler companies' bottom lines.

"I shouldn't even be on the council making these kinds of decisions that I have a conflict on — absolutely," he said. "I think that's true of every member of the council. It should be in the hands of professional managers."

Pereyra, for instance, loses millions of dollars in potential revenue because of council-imposed limits on fishing for a type of bottom fish called pollock. Pereyra, citing scientific studies on optimum yield, is trying to get the council to loosen the limits.

Under current practice, most of the council members are appointed precisely because of their industry experience. They are required to file financial-disclosure statements and take an oath to vote in the national interest.

But some council members say the national interest is often equivalent to their

own business interest.

Consider:

■ After he took a \$1,250-a-week job from crab fishermen, council member Larry Cotter changed his vote and tabled a far-reaching rule he'd previously favored and the crabbers opposed.

■ Council member Oscar Dyson voted to allow Japanese fishing companies to take 10 million pounds of cod from the U.S. fishing zone after he struck a private deal for his company to sell them a million pounds of cod filets.

■ Council member Ron Hegge's three freezer boats kept their current fishing rights while competing trawlers were slashed in a plan approved by Hegge and a council majority in June. Some council observers said Hegge also stands to gain from a fishing-quota plan now under study. Hegge says he could be hurt, not helped, by the plan.

These council members all deny they were considering their private business while they performed their public service. But business people and other observers point to the web of self-interests on the council every time it decides who gets how much of the fish.

"It's a very serious problem, and we're getting situations here that are very, very close to the edge," said Rudy Petersen, a council member from 1982 to 1988 and owner of a Seattle-based factory trawler.

Steve Davis, longtime deputy director of the council staff until he quit in July, said council members take pains to mask their self-interest in scientific rationales.

"When you sit through a council meeting, you'll know there's an underlying motive that's probably the main reason they're doing what they're doing, or a particular council member is pushing a regulation down a particular path," Davis said.

Conflict-of-interest charges were raised last summer in a plan to shift at least \$250 million of annual fish product from a Seattle-based floating factory fleet to a largely Japanese-owned processing industry on the Alaska shore.

Washington, as a result of the plan, could lose more than 1,000 jobs. Critics say the decision will also mean higher prices for fish by curbing the free market economy.

Seven of the 11 council members live in Alaska, and four of them stood to gain or lose personally from the decision. But they all voted.

The fishery council is exempt from federal conflict-of-interest laws because it is supposed to be an advisory body, with the secretary of commerce making the final decision. The secretary, however, almost never overrules a council decision and is not expected to do so in this case.

That leaves a handful of special interests in charge of a federal resource affecting thousands of jobs and millions of consumers.

The council has no rules on abstaining from votes because of personal interests, no rules against seeking outside work from special interest groups, and no requirements for lobbyists to report their activities or spending.

The council was set up under fishing-industry control because of a distrust of scientists who might set fishing limits too low, according to Bud Walsh, former chief counsel to the Senate Commerce Committee. Walsh worked with Sen. Warren Magnuson of Washington to draft the Fishery Conservation and Management Act in 1976.

Council members are nominated by the governors of Alaska and Washington and appointed to three-year terms by the secretary of commerce. They meet six times a year, usually in Anchorage. Four council members represent government agencies; seven represent fishing interests.

Donald Bevan, former director of the University of Washington School of Fisheries, said the law he helped to draft is not working because of the personal conflicts of fishing-industry members.

"We might do better with 11 real-estate salesmen who had no conflicts of interest," Bevan said. "It just isn't good public policy having people with a direct financial interest making decisions on those financial interests. We wouldn't stand still for a minute with a city council run by contractors making decisions on city contracts."

The American Factory Trawler Association recently approached the Department of Justice and the Department of Commerce inspector general to try to have conflict-of-interest charges investigated.

They weren't the first. Lee Alverson, a Seattle consultant and former top federal fishery official, tried without success years ago to interest federal agencies in investigating the council's activities.

Alverson and the trawler association, a Seattle-based group, said in their complaint to the Commerce Department that council members should not "be the recipient of considerable amounts of money from clients who have a great deal at stake in council decisions."

A department attorney responded that the Magnuson Act provided an implied exception to conflict-of-interest laws for council members.

"We're talking about billions of dollars that people can shift around between industry groups," Alverson said, "and they're going to vote for themselves."

Alverson and the Seattle fishing group were especially critical of Cotter, a consultant from Juneau.

Cotter was appointed to the council in 1986, thanks partly to a last-minute lobbying blitz by the Pacific Seafood Processors Association, a group representing shore-side processing plants. He was upfront about his plans to honor the debt.

"I don't think you will need to spend a lot of time trying to determine how I'm going to vote," Cotter wrote the head of the group.

President of a longshoreman's union at the time he was appointed to the council, Cotter soon quit that position and went into business as a freelance consultant.

Cotter's role in a committee studying ways to address the issue of "by-catch," a perennial problem where boats fishing for one species inadvertently scoop up others, is another illustration of how conflicts develop on the council. The committee's job was to decide whether fishermen should be required to toss the fish back or not. The decision was worth big money to the industry.

After months of work, the committee agreed on a consensus plan. Then one member, representing the Alaska Crab Coalition, had second thoughts.

Cotter, the committee chairman, had led the 1988 council discussion on the by-catch plan. But instead of urging a vote to approve, Cotter said he, too, had an 11th-hour change-of-mind.

Cotter's vote to delay the plan made the difference in the 6-5 vote. It was later killed.

A few months before that meeting, Cotter had been paid to take a week-long trip to the Soviet Union to represent the Alaska Crab Coalition in negotiations with Soviet business. Cotter said he planned to manage a joint venture for the crab boaters if it succeeded.

Shortly after the vote, Cotter disclosed he was being paid \$1,250 a week by a group of crab operators for consulting services. Cotter quit that job about two months later, saying he was nervous about what his employers really expected of him.

"I wasn't, in my opinion, doing enough work for the amount of money I was receiving," Cotter said in a sworn deposition in a recent lawsuit that touched on council conflicts.

In an interview, Cotter insisted his private business had nothing to do with his change of vote. He noted that he disclosed the consulting agreement even though he was not required to do so at the time. Cotter said he voted against the by-catch plan to try to save it, not to kill it, because the National Marine Fisheries Service was going to refuse to enforce the plan.

The timing of his private deal indicated he was either negotiating or had already signed on with the crab-boat group at the time of the council meeting.

Cotter hears the talk. He grew angry at the allegations his vote was bought.

"If I'm going to be bought off — and I'm sure as hell not — it's not going to be for a couple thousand bucks," he said. "I mean, give me a break."

Cotter said he solicits consulting work from people who attend council meetings and plans to do even more work after he leaves the council next year. Cotter said he turns down some potential work because of council conflicts, adding that he would welcome a federal investigation.

"What I say is, come on and have a major investigation of me. Start with my bank account. Look at my check register."

In Cotter's view, his opponents in the Seattle-based trawler group, the big losers in the vote on fish allocation, are trying to destroy the council process with allegations of conflicts.

"There is smoke, no fire," he said.

Council member Dyson, a career fisherman from Kodiak, has also found himself accused of putting business interests first.

Shortly after Dyson was appointed to the council in 1986, a company representing 18 Japanese fishing companies signed a contract with Dyson's company to purchase one million pounds of cod products in return for the council and the state of Alaska allowing the Japanese to take about 10 million pounds of cod from the Bering Sea.

It was apparently the first and last such purchase agreement.

Jay Hastings, Seattle attorney for the Japan Fisheries Association, said the purchase agreement was offered to several other companies in addition to Dyson's. Hastings said U.S. authorities required the Japanese to buy some product if they wanted to fish off Alaska.

"I know the problem at that council now, but at that time I don't think it was even viewed as a problem in conflict of interest," Hastings said.

More recently, Dyson has been a solid vote in favor of giving onshore processing plants a guaranteed amount of fish to buy and sell. And he is one of nine stockholders in a big Kodiak processing plant.

In essence, Dyson is allocating large amounts of money to himself, says Gary Brown, an economist who worked on the onshore preference issue for the factory trawler group. The decision could be worth millions of dollars to Dyson's company, Brown said.

Dyson said he did not vote just for Dyson, but for all fishermen who may be helped by the onshore preference. He said his main interest is in seeing the fish resource managed well.

The council does get high marks for conservation. The panel routinely votes for a lower cap on fishing than scientists say they need to preserve the stock in the Gulf of Alaska and Bering Sea. Other councils, notably in New

England, have allowed overfishing to the point of depletion.

Yet council members who are proud of their conservation work, when it comes time to divide up the available fish, are being accused of at least the appearance of voting their financial self-interest.

Hegge, a council member from Anchorage, owns three freezer boats that fish with lines and hooks. Those boats might have lost income if their fishing rights had been cut back as the council is proposing to do with similar offshore freezer boats that fish with nets.

Hegge's boats were exempted. Hook-and-line freezer vessels of less than 125 feet in length were classified as part of the in-shore fleet, which suffered no cutbacks. Hegge and his family own a 78-footer, a 56-footer and half of another 78-footer.

Economist Brown said Hegge did not take a final position on the onshore preference issue until after the amendment passed. "In fact, that definition was tailored for Hegge," Brown said.

Hegge denied that, saying he did not benefit from the amendment and would not have been hurt by being classified with the offshore fleet. He said he was voting to prevent the huge and mobile offshore trawl fleet from scooping up too many fish at the expense of the shore-based industry.

Some council insiders also said Hegge stands to gain from a plan for fishing quotas that the council is crafting. The quotas on black cod would replace a limited season on the cod, and they would give some fishermen a guaranteed future harvest right, a right that could be sold to other operators.

"Someone like Ron Hegge stands to do real well," said former council deputy director Davis.

But Hegge said this, too, is an incorrect assumption. He said he has cut back his black-cod fishing in recent years so he would receive a smaller quota than most other black cod-fishermen.

"I would be better off personally if we never went to it," Hegge said.

Hegge said he makes his council decisions based on testimony and the national-interest standards of federal law.

"I'm going to vote for the best interests of the resource, not the best interests of Ron Hegge," he said. "I think of my own situation in this sense: I think if it is good for me as a fisherman, I guess it would be good for the fisheries."

Three other council members are accused of conflicts of interest because they are paid to represent a certain viewpoint.

Richard Lauber, council chairman, is a full-time lobbyist for the Pacific Seafood Processors Association, which represents shore plants, the big winners in the billion-dollar onshore-offshore battle.

Henry Mitchell works for western Alaska interests as director of the Bering Sea Fisherman's Association. Bob Alverson manages the Fishing Vessel Owners' Association in Seattle.

They say they vote independently of their associations.

"As soon as council week comes along, I don't feel that I represent anybody but the resource," Alverson said.

Some former council staff members are also being accused of conflicts.

Richard Tremaine, an economist, and Davis, a biologist, were hired this year by LGL Associates, a consulting firm. LGL was paid

'I'm going to vote for the best interests of the resource, not the best interests of Ron Hegge.'

Ron Hegge
council member

about \$15,000 by the shore processors' group to analyze the council proposals on onshore processing preference.

Tremaine worked on the analysis but said he did not use any inside information. Tremaine denied a charge by Brown that he was asked by council staff members to comment on council submissions before they were made public.

Davis, who was in charge of council staff on the onshore preference issue, said he had no conflict because he did not join LGL until after the council made its decision. Davis did not work on the LGL report financed by the shore processors.

FISHY BUSINESS



Barry Wor

is trying to fend off a federal decision that threatens to push him and other Washington fishermen from North Pacific fishing grounds

user

Seattle fishermen urge using market to allocate resource

by Ross Anderson
Times staff reporter

Never mind that it's November, and it's blowing a gale on the Bering Sea. Dave Fraser would rather be fishing.

He could be dragging an enormous trawl net into the wind, scooping up pollock, delivering them to the highest bidder, paying off his crew and taking his share home to Port Townsend.

Instead, Fraser's 86-foot boat is tied up at the docks in Alaska, while the fisherman works on the telephone and on airliners, trying to fend off a federal decision that threatens to push him and other Washington fishermen from the lucrative fishing grounds they helped pioneer a decade ago.

For this, Fraser blames the North Pacific Fishery Management Council, the Alaska-based council that allocates well over \$1 billion worth of fish among competing interests every year. He and other fishermen are increasingly disturbed that the council is riddled with self-serving decisions, many of them tilted against Washingtonians.

"People talk about the fox guarding the hen house," he says. "But what we've got here is a few roosters divvying up the hens."

All this appears to be essentially legal, and largely invisible to taxpayers and consumers whose interests the council is supposed to protect. Fraser, who is vice chairman of a subcommittee that advises the council, says the decision-makers themselves can't even be blamed; the problem is a system that forces them to make decisions that

'People talk about the fox
guarding the hen house. But
what we've got here is a few
roosters divvying up the hens.'

Dave Fraser, fisherman

affect their personal pocketbooks.

Fraser is just one of hundreds of Seattle-area fishermen whose livelihoods are jeopardized by a council decision last June to split up the pollock fishery worth hundreds of millions of dollars and give nearly half of it to Alaska-based processors.

The decision was made by a council that is sworn to operate in the national interest but that is dominated by Alaskans and by members who work for fish-processing companies.

The problem in the North Pacific is an old one: Although there are millions of tons of fish to be had, there are too many fishermen and too many boats. The result is an economic and political struggle for rights to harvest a publicly owned resource.

The solution, Fraser says, is to allocate those fish the old-fashioned way: Sell them to the highest bidder.

But that isn't the way the fishing industry works. Never has, and Fraser wonders if it ever will.

Instead, all that fish is given away. Until recently,

it was allocated on a first-come, first-served basis. But now that there are too many takers, the allocation is done by the council, which has proven itself incapable of disregarding its myriad political and economic conflicts.

"The process has turned into a horror show," Fraser says. "It comes down to power, because there are no principles guiding their allocation decisions."

Like most Alaska fishermen, Fraser started out fishing salmon from a small gillnet boat out of Port Townsend. In the mid-1970s, fish runs were in decline and court rulings turned over half the runs to Native American tribes, so Fraser headed north to Bristol Bay.

But salmon runs were depressed there as well. Fishermen blamed offshore fleets of Japanese and Soviet factory ships, which fished for low-value groundfish but scooped up tons of salmon as well.

In 1976, Congress addressed that problem with the Magnuson Act, which sought to evict the foreign fleets by extending U.S. fisheries jurisdiction to 200 miles and which set up the regional fisheries councils to manage the fishing grounds.

Most Alaska fishermen considered pollock and other whitefish to be virtually worthless; they stuck with salmon.

But Fraser and a few friends saw the possibilities. They raised some money and built a modern trawler - the "Muir-Milach," Celtic for "shining sea full of fish." They pioneered the business,

Please see **FISH** on E 3

Seattle fishermen urge using market to allocate resource

FISH

continued from E 1

scooping up groundfish and selling it — initially to foreign factory ships and later to their U.S.-owned successors.

In recent years, Fraser's boat has grossed about \$1 million per year, he says, providing a comfortable income for the owners and their crew.

During the '80s, however, the U.S. fleet grew faster than expected. At the same time, competitors built processing plants in Alaskan coastal towns such as Dutch Harbor and Kodiak. Now the combined fishing and processing capacity is greater than the supply of fish.

The Fishery Management Council, based in Anchorage, "worked well when it was Americanizing the fishery, taking fish away from foreigners," Fraser says. "But deciding between one American fisherman and another has turned into a horror show."

Instead of neutral biologists or resource managers, the council is run by officials from major processing companies. And in June, those conflicts of interest blurted into the open when the council voted to award rights to 45 percent of the fishery, worth an estimated \$250 million, to the Alaska plants — a huge blow to the Seattle-based factory trawlers.

Fraser is one of hundreds of Washingtonians caught in the middle of a turf war. His boat is neither a factory-trawler nor a shore-based plant. He's just a fisherman, caught up in the politics of allocation.

So it was that Fraser and several of his fellow fishermen tied up their boat recently and flew to Washington, D.C.

The controversial inshore-offshore decision now sits with Commerce Secretary Robert Mosbacher, who must either approve the plan or send it back.

Fraser and friends sought meetings with members of Congress and other federal officials, trying to explain the flaws in the council system and its recent decision.

He came away with a strong sense of foreboding.

"The council process is kind of scary, but the congressional process is even scarier," he says. "That's the ultimate land of smoke and mirrors. You get 10 or 15 minutes with your congressman, or more likely with one of their staff. They try to be polite and empathetic, but some of them don't seem to understand the issue and you wonder: What are they going to do with this information?"

Congress is reluctant to mess with the status quo, he says. The council serves as a buffer, which prevents the politicians from having to deal with the volatile issues of allocating a public resource.

According to the Magnuson Act, the council is supposed to be advisory, he says — feeding information to federal fisheries officials, who make the final call. But it doesn't work that way.

"The biologists just set the overall quotas, and they're good at that. But they're not good at managing the human element. They set the quota at 2 million tons, and then they say: 'Have at it, boys.'"

When asked for a solution,

Fraser has a bold idea. Instead of spending their time deciding who is entitled to the resource, simply let the marketplace rule.

"I tell them: This is a public resource, like trees or minerals. Why don't you sell it?"

"And they look at me like: 'Are you serious?'"

The history of fisheries is defined by the "tragedy of the commons." Competing for a free resource, fishermen increase their catch until the fish are exhausted. Because of that tendency, fishery councils in other regions, especially New England, have presided over the demise of the industry they are supposed to protect.

Fraser and others fear the North Pacific Council will do the same. The council needs to get out of the business of allocation, so they can focus on the science of preserving the fish stocks, he says.

"And the only rational way to do that is to privatize the resource, to recognize their role as owners and sell it."

That would leave Fraser competing head-on with corporate factory trawlers and shoreside plants. But he's willing to take that risk.

"The guy who comes out best is the guy who can catch fish most efficiently and get it to market," Fraser says. "I may be naive, but I think I could come out fairly well under those ground rules."

What are the chances of the system being changed?

Virtually nil, he says.

The industry is accustomed to getting its fish for free, and most fishermen can be expected to resist any attempt to change that.

Taxpayers and consumers may see it differently. But, then again, they don't get to vote.

Davis accepted the LGL job in April but stayed at the council three more months to finish work on the onshore preference plan. Davis passed out his new business cards at the June council meeting where the onshore decision was being made. He left federal employment July 10 and has recently been seeking industry clients.

Davis has now started speaking out about how the council decision on onshore preference was made by politics, not merit. He had to junk a \$25,000 computer model because of lack of time to do a proper analysis. Davis said that is one big reason why, after 11 years, he quit.

"As analysts, we were kind of being squeezed down a certain path," Davis said. "We felt if we'd had more time we would have come out stronger against" the onshore preference plan.

Economist Brown said he has worked with some of the seven similar councils in other parts of the country, but nowhere are the dollars so big or the conflicts so blatant.

More than half of all edible fish in the U.S. is caught off Alaska. The annual value to fishermen is nearly \$1 billion per year, but because the council is allocating the fish in future years, too, the amount that is really at stake is \$5 billion to \$10 billion, Brown said.

"The stakes have gotten so high that I don't see how any process here can continue to work," Brown said. "There's never been a situation where you put billions of dollars in front of the industry and ask them to police themselves."

Times staff reporter Ross Anderson contributed to this report.

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United States Senate
COMMITTEE ON APPROPRIATIONS
WASHINGTON, DC 20510-6025

December 4, 1991

Richard B. Lauber
Chairman
North Pacific Fishery Management Council
P.O. Box 103136
Anchorage, AK 99510

RECEIVED JAN 13 1992

Dear Rick:


I'm informed that the Council plans to take final action at its current meeting on a proposal to implement Individual Fishing Quotas (IFQs) for sablefish and halibut. I continue to hear from Alaska fishermen who are concerned about the impact of the proposal on them and the communities who depend on income from these fisheries. Some have gone so far as to ask me to oppose IFQs altogether. I understand that Congressman Young has also written you regarding the IFQ proposal.

Last June I wrote to you to express a number of concerns about the IFQ concept. It is still not clear from the Council's November 22 decision document what this proposal will cost and how it will be funded. It appears that the proposal could cost at least \$4 million annually. If those funds are to come from the already tight National Marine Fisheries Service budget, other important fishery programs, such as stock assessment and high seas fishery enforcement, may suffer.

The Council's decision document has only been available to the public for 12 days, so many fishermen have not yet had time to assess the impact the IFQ proposal will have on them or their communities. Given the time and effort that the Council has spent developing the IFQ concept and the importance of this decision, I urge you and other members of the Council to allow more time for public comment on, and further review of, the IFQ proposal's impact before taking final action. Thanks for your consideration of my views.

With best wishes,

Cordially,


TED STEVENS

FRANK H. MURKOWSKI
ALASKA

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(907) 288-9814

November 25, 1991

Rick Lauber
Chairman
North Pacific Fishery Management Council
411 Fourth St., Suite 210
P.O. Box 103136
Anchorage, AK 99510

Dear Rick:

The North Pacific Fishery Management Council is one of the success stories in the business of fisheries management. Its decisions have, almost without exception, been equitable, well-planned and significantly beneficial to the industry as a whole. The broad expertise in the industry represented on the Council is one of the most valuable of all our fishery resources.

I have always felt that it is best for those on the political side of fisheries issues to leave decisions in the Council's hands, and have strongly defended the Council's actions in many past cases.

I have no intention of altering that course now. At the same time, I feel that it is important to bring a recent phenomenon to your attention.

I have for some time been receiving an extraordinary volume of correspondence from Alaskans and others concerned about the Council's plans to impose an Individual Fishery Quota plan. Many of these writers have indicated they do not believe their views have been given adequate consideration.

The letters I've received express a wide variety of concerns. I have been particularly struck by three that seem to be shared by most writers:

First, that the Council's current implementation plan would cause significant social and economic disruption in coastal communities through the loss of perhaps thousands of crew berths, with the possibility that there would be subsequent disruptions including a loss of tax revenues, increased unemployment, etc., perhaps culminating in a significant population loss.

Rick Lauber
November 25, 1991

Page 2

Second, that there is a distinct possibility that it will lead many participants to land fish in fresh markets outside Alaska, rather than to land their catches in Alaska ports. This, too, would create a disruption of the economic fabric, if it proved true.

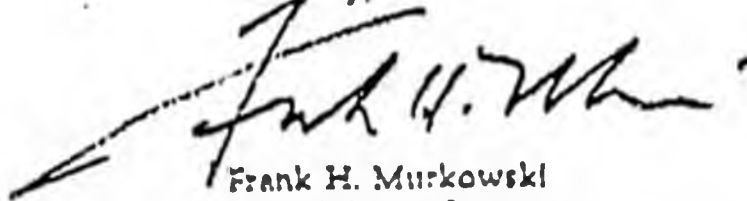
Third, that the costs of implementing the IFQ program would prove prohibitively high, and that it will be very difficult to ensure comprehensive enforcement.

A variety of other issues have also been raised, ranging from concern that it will be very difficult for any non-shareholder to move into shareholder status, to worry about the economic impact on service businesses. I'm sure you have heard all these expressed many times before.

I cannot evaluate all these charges; that is the Council's job alone. I can speak with some knowledge only on the issue of funding. Candidly, this issue concerns me, because the budgetary environment would be extremely difficult if a significant increase were needed to cover implementation, administration and enforcement. Unless a system which could pay for itself were devised -- and that might require legislative changes -- the additional cost would in all likelihood have to be taken from existing programs.

Again, I want to emphasize that the purpose of this letter is solely to apprise you of some of the correspondence I have recently been receiving on this subject, and not in any way to urge the Council toward a specific action. Indeed, I trust that the Council -- in its normal exemplary fashion -- already will have examined all these factors in great detail, and is completely confident that its record will provide all the support necessary for whatever action the Council chooses to take.

Sincerely,



Frank H. Murkowski
United States Senator

DON YOUNG
CONGRESSMAN FOR ALL ALASKA

WASHINGTON OFFICE
2331 RAYBURN BUILDING
TELEPHONE 202/225-5765

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Congress of the United States
House of Representatives

Washington, D.C. 20515

April 1, 1991

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KENAI ALASKA 99611

BOX 177
KODIAK ALASKA 99615

PO BOX 1860
NOME ALASKA 99762

The Honorable Fred Zharoff
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Dear Fred:

Thank you for the copy of your letter to the North Pacific Fishery Management Council regarding individual fishery quotas. I appreciated hearing from you.

As you are aware, I personally do not believe in supporting fishery management schemes that do nothing to conserve fish but instead help line the pockets of attorneys. At the same time, I believe that those affected by fisheries management should have a voice in how management is to be carried out. If the Council decides on the basis of support from affected fishermen that a quota system is necessary, I will abide by the Council's decision. However, like you, I believe that the Council has to look at a lot more information before making a decision.

Please continue to keep me informed of your views on this and other matters.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Young", written over the typed name.

DON YOUNG
Congressman for all Alaska

DY:rmm

STATE OF ALASKA
House of Representatives
District 27

Representative Cliff Davidson
Chairman
House Resources Committee



Box V, Juneau, AK 99811
(907) 465-2487
Box 746, Kodiak, AK 99615
(907) 486-8250

November 1, 1991

The Honorable Ted Stevens
United States Senate
522 Hart Building
Washington, D.C. 20510-0201

Dear Senator ^{Ted} Stevens,

As you are well aware, the North Pacific Fishery Management Council will be meeting the first week in December for final action on proposed individual fishing quota systems for sablefish and halibut. As the representative for Kodiak I have great interest in the outcome. Kodiak, as a community, is adamantly opposed to the IFQ scheme.

I am particularly concerned with the cost of implementing such an elaborate management system. Knowing of your long interest in and involvement with fisheries issues I would like to request your help on this issue.

First, do you have available to you any estimate of the cost of implementing the NPFMC IFQ system? Second, what is the likelihood that Congress will adequately fund IFQ management at start-up and in succeeding years?

Thank you for your consideration of these questions. With best regards,

Sincerely,

A handwritten signature in cursive script that reads "Cliff".

Cliff Davidson
State Representative

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United States Senate

COMMITTEE ON APPROPRIATIONS

WASHINGTON, DC 20510-6025

JAMES H ENGLISH STAFF DIRECTOR
J BEITH BENEDEY MINGRITY STAFF DIRECTOR

November 12, 1991

The Honorable Cliff Davidson
Alaska House of Representatives
Box 746
Kodiak, Alaska 99615

Dear Cliff:

I recently received your letter regarding the cost of implementing the North Pacific Fishery Management Council's (Council) proposed Individual Fishing Quota (IFQ) plan for the sablefish and halibut fisheries. I share your concerns, and have raised this issue with the Council.

Cost estimate figures for an IFQ plan have not yet been provided to me by the Council or the Department of Commerce. Given the budget constraints that we must now operate under, Congress is being faced with difficult financial decisions. Historically, the National Marine Fisheries Service has funded a tremendous number of programs which benefit Alaska. Finding significant amounts of new money without cutting other programs could prove to be extremely difficult.

Again, it was good to hear from you.

With best wishes,

Cordially,



TED STEVENS

Sablefish and Halibut Fixed Gear IFQ Management Plan

This is the Council's halibut and sablefish fixed gear management plan as approved at their December 1991 meeting. The amendment package and implementation plan will be completed and forwarded for Secretarial review early next year. There will be further opportunity for public comment then. The plan will be implemented no sooner than 1994.

Sec.1. DEFINITIONS. Definitions for terms used herein shall be the same as those contained in the Magnuson Fishery Conservation and Management Act, except as follows:

- (A) "Person" means any individual who is a citizen of the United States or any corporation, partnership, association, or other entity (whether or not organized or existing under the laws of any state) which meets the requirements set forth in 46 CFR Part 67.03, as applicable. This definition is subject to other restrictions and conditions as set forth in Sec.(2)(C) and (D).
- (B) An "individual" means a natural person who is not a corporation, partnership, association, or other entity.
- (C) "Quota shares" (QS) are equal to a person's fixed gear landings (qualifying pounds) for each area fished.
- (D) The "Quota Share Pool" is the total amount of QS in each area. The QS pool may change over time due to appeals, enforcement, or other management actions.
- (E) "Individual Fishing Quota" (IFQ) means the annual poundage of fish derived by dividing a person's QS into the QS pool and multiplying that ratio by the annual fixed gear TAC for each management area.
- (F) "Fixed gear" is defined to include all hook and line fishing gears (longlines, jigs, handlines, troll gear, etc.) and pot gear for sablefish in the BS/AI.
- (G) "Catcher boat" or "catcher vessel" means any vessel which delivers catch or landing in an unfrozen state.
- (H) "Freezer longliner" means any vessel engaged in fishing in the fixed gear fishery which, during a given trip, utilizes freezer capacity and delivers some or all of its groundfish catch in a frozen state.
- (I) "Bona fide fixed gear crew member," is defined as any person that has acquired commercial fish harvesting time at sea (i.e. fish harvesting crew), that is equal to 5 months of any commercial fish harvesting activity *(in a fishery in state or federally managed waters of the U.S.)*¹ Additionally any individual who receives an initial allocation of QS will be considered a bona fide crew member.

Sec.2. FIXED GEAR QUOTA SHARE AND INDIVIDUAL FISHERY QUOTA SYSTEM

- (A) AREA. Quota shares and Individual Fishery Quotas (IFQs) shall be made available for each of the management areas identified for the Bering Sea and Aleutian Islands and the Gulf of Alaska.
- (B) INITIAL QUOTA SHARE ASSIGNMENT.
 - (1) Initial assignments of Quota Shares shall be made to:
 - (i) a qualified person who is a vessel owner who meets the requirements in this section; or

1. Text shown in *italics* provides clarification by the staff to indicate Council intent.

- (ii) a qualified person who meets the requirements of this section engaged in a lease of a fishing vessel (written or verbal) or other "bare-boat charter" arrangement in order to participate in the fishery. (For instances identified under this section, the qualified person shall receive full credit for deliveries made while conducting the fishery under such a lease or arrangement.) *(Documentation proving such a lease existed will include the lease document itself if it exists, or other proof that the lessee did in fact control the disposition of the vessel, its gear, crew, and catch.)*
 - (2) Initial quota shares for sablefish or halibut will be assigned only to persons who meet all other requirements of this section and who have landed those species in any one of the following years: 1988, 1989 or 1990. These three years shall be known as the quota share qualifying years.
 - (3) Quota shares shall be assigned initially for each management area to qualified persons based on recorded landings, as documented through fish tickets or other documentation for fixed gear landings. Historical catch of sablefish will be counted from 1985 through 1990. Historical catch of halibut will be counted from 1984 through 1990. These historical periods shall be known as the quota share base period. For each species and management area, NMFS will select a person's best five (5) years (subject to approval of the person involved) from the quota share base period to calculate their quota shares.
 - (4) The sum of the catch in each person's five (5) selected years for each area shall equal that person's quota shares for that area. All QS in any area shall be added together to form the "Quota Share Pool" for that area.
- (C) VESSEL CATEGORIES. Quota shares and IFQs shall be assigned by vessel category as follows:
- (1) Freezer Longliner Shares:
 - (i) A vessel is determined to be a freezer longliner in a given year, if during that year it processed (froze) fixed gear (as defined above) caught groundfish. If a vessel is determined to be a freezer longliner and that vessel was used in the most recent year of participation by the owner, through 9/25/91, then all qualifying pounds landed by that vessel owner during the qualifying years shall be assigned as freezer longliner shares, unless the owner also participated in the most recent year through 9/25/91, using a catcher only vessel, then shares will be assigned to separate categories, in proportion to the catch made aboard each of the vessels. *(The Council's intent is that if a vessel is determined to be a freezer longliner that all QS accruing to that vessel will be issued as freezer vessel shares.)*
 - (ii) Any person owning freezer longliner quota shares may sell or lease those quota shares to any other qualified person for use in the freezer longliner category.
 - (iii) Fish caught with freezer longliner IFQs may be delivered frozen or unfrozen.
 - (2) Catcher Boat Shares:
 - (i) All landings made during the QS base period by a vessel owner, whose last vessel that participated in a fixed gear fishery through 9/25/91 is determined to be a catcher vessel, shall be allocated catcher boat quota shares.
 - (ii) There shall be two categories of catcher boat shares for the sablefish QS/IFQ fishery:
 - (a) vessels less than or equal to 60 feet in length overall, and
 - (b) vessels greater than 60 feet in length overall.

- (iii) There shall be three categories of catcher boat shares for the halibut QS/IFQ fishery:
 - (a) vessels less than or equal to 35 feet in length overall,
 - (b) vessels greater than 35 feet but less than or equal to 60 feet in length overall, and
 - (c) vessels greater than 60 feet in length overall.
- (iv) For initial allocation of catcher boat Quota Shares:
 - (a) if, during the last year of participation in a fixed gear fishery through 9/25/91, a QS recipient simultaneously owned or leased two or more vessels on which halibut or sablefish were landed, and those vessels were in different size (or type) categories, then the QS allocation shall be for each vessel category and may not be combined into a single category.
 - (b) if a QS recipient bought or sold vessels in succession during the qualifying period, and to the extent the QS recipient operations were in one vessel category during one year and the next vessel owned was in another vessel category, the QS will be combined and applied to the last vessel category of ownership as of 9/25/91.
- (v) Any person owning catcher boat quota shares may sell those quota shares to any person meeting the provisions outlined under Sec. 2(C)(3). Ten percent of an individual's catcher boat quota shares may be leased during the first three years following implementation. *(The Council's intent is that 10% of a QS owner's shares may be leased in any given year.)*
- (vi) Fish caught with catcher boat quota shares may not be frozen aboard the vessel utilizing those quota shares.
- (vii) Sablefish catcher boat shares may be utilized on a vessel with freezer capacity as long as no frozen product of any species is on board the vessel while those catcher boat shares are being utilized. Further, sablefish freezer shares may not be utilized at the same time as sablefish catcher vessel shares.

(3) General Provisions For Catcher Boats Following Initial Allocation:

- (i) In order to purchase or lease QS, the purchaser must be an individual who is a U.S. citizen and a bona fide fixed gear crew member. Additionally, corporations or partnerships which received an initial allocation of catcher boat QS may purchase catcher boat QS and/or IFQs.
- (ii) In order to use catcher boat IFQs the user must: 1) own or lease the QS, 2) be a U.S. citizen, 3) be a bona fide crew member, 4) be aboard the vessel during fishing operations, and 5) sign the fish ticket upon landing except as noted in (iii), below.
- (iii) Persons, as defined below, who receive initial QS may utilize a hired skipper to fish their quota providing the person owns the vessel upon which the QS will be used. These recipients may purchase up to the total share allowed for the area. There shall be no leasing of such QS other than provided for in Sec.2(C)(2)(v). For the sablefish fishery east of 140°W longitude and for the halibut fishery in Area 2C, the above allowance for hired skippers applies only to corporations and partnerships. *(Additional shares purchased by these corporations or partnerships for the area east of 140°W will not be exempted*

from the provisions of this section, nor does this exception apply to individuals using IFQs east of 140°W.)

This provision will cease upon the sale or transfer of QS or upon any change in the identity of the corporation or partnership as defined below:

- a) **Corporation:** Any corporation that has no change in membership, except a change caused by the death of a corporate member providing the death did not result in any new corporate members. Additionally, corporate membership is not deemed to change if a corporate member becomes legally incapacitated and a trustee is appointed to act on his behalf, nor is corporate membership deemed to have changed if the ownership shares among existing members changes, nor is corporate membership deemed to have changed if a member leaves the corporation. *(In the case where ownership of shares is initially allocated to a publicly held corporation, the Council did not make a recommendation regarding what constitutes a change in membership of the corporation.)*
- b) **Partnership:** Any partnership that has no change in membership, except a change caused by the death of a partner providing the death did not result in any new partners. Additionally, a partnership is not deemed to have changed if a partner becomes legally incapacitated and a trustee is appointed to act on his behalf, nor is a partnership deemed to have changed if the ownership shares among existing partners changes, nor is a partnership deemed to have changed if a partner leaves the partnership.
- c) **Individual:** any individual as defined in Sec.1(B).
- (iv) Quota shares, or IFQs arising from those quota shares, for any vessel category or any management area may not be transferred to any other vessel category or any other management area or between the catcher boat and the freezer boat categories.
- (v) The Secretary may, by regulation, designate exceptions to Sec.2(C)(3)(ii) to be employed in case of personal injury or extreme personal emergency which allows the transfer of catcher boat QS/IFQs for limited periods of time.

(D) **LIMITATIONS ON OWNERSHIP AND USE OF QUOTA SHAPES**

(1) **Quota Shares Ownership Caps**

- (i) For sablefish each qualified person or individual may own, hold, or otherwise control, individually or collectively, but may not exceed, 1% of the combined total for the Gulf of Alaska and Bering Sea/Aleutian Islands; additionally QS holdings in the area east of 140°W. (East Yakutat and Southeast Outside) shall not exceed 1% of the QS or IFQs for that management area.
- (ii) For halibut each qualified person or individual may own, hold, or otherwise control, individually or collectively, but may not exceed any of the following ownership caps.
 - (a) 0.5% of the total QS or IFQs from the combined IPHC areas 2C, 3A, and 3B.
 - (b) 0.5% of the total QS or IFQs from the combined IPHC areas 4A, 4B, 4C, 4D, and 4E.
 - (c) 0.5% of the total QS or IFQs from all IPHC areas combined.

(d) 1.0% of the total QS or IFQs from IPHC Area 2C.

(2) Any person who receives an initial assignment of quota shares in excess of the limits set forth in paragraph (D)(1) of this section shall:

- (i) be prohibited from purchasing, leasing, holding or otherwise controlling additional quota shares until that person's quota share falls below the limits set forth in (D)(1) above, at which time each such person shall be subject to the limitations of paragraph (D)(1) above; and
- (ii) be prohibited from selling, trading, leasing or otherwise transferring any interest, in whole or in part, of an initial assignment of quota share to any other person in excess of the limitations set forth in (D)(1) above.

(3) For IFQ accounting purposes:

- (i) The sale of catcher vessel caught sablefish or halibut to other than a legally registered buyer is illegal, except that direct sale to dockside customers is allowed provided the fisher is a registered buyer and proper documentation of such sales is provided to NMFS.
- (ii) Frozen product may only be off-loaded at sites designated by NMFS for monitoring purposes;
- (iii) QS owners wishing to transport their catch outside of the jurisdiction of the Council must first check in their catch at a NMFS specified site and have the load sealed.
- (iv) Persons holding IFQs and wishing to fish must check-in with NMFS or their agents prior to entering any relevant management area, additionally any person transporting IFQ caught fish between relevant management areas must first contact NMFS or their agents.

(E) **INDIVIDUAL FISHERIES QUOTAS.** Individual fishing quotas are determined for each calendar year for each person by applying the ratio of a person's QS to the QS pool for an area to the annual fixed gear Total Allowable Catch for each management area. In mathematical terms, $IFQs = (QS / QS \text{ pool}) \times \text{fixed gear TAC}$. Persons must control IFQs for the amount to be caught before a trip begins, with the exception that limited overages will be allowed as specified in an overage program approved by NMFS and the IPHC.

(F) **VESSEL AND GEAR RESTRICTIONS.**

(1) **Vessel Quota Share Caps**

- (i) For sablefish, no more than 1% of the combined Gulf of Alaska and Bering Sea/Aleutian Island quota may be taken on any one vessel, and no more than 1% of the TAC east of 140°W. (EY/SO), may be landed on the same vessel, except that persons who received an initial allocation of more than the 1% overall ownership level (or 1% in the area east of 140°W.) may continue to fish their QS on a single vessel.
- (ii) For halibut, no more than 0.5% of the combined IPHC area quota may be taken on any one vessel except that persons who received an initial allocation of more than 0.5% overall ownership level (1% in area 2C) may continue to fish their QS on a single vessel. *(This differs from the ownership cap in that the limit applies to the whole North Pacific combined area TAC rather than the TAC combined for areas 2C, 3A, 3B, or for areas 4A, 4B, 4C, 4D, and 4E combined.)*

- (2) Quota shares and IFQs arising from those quota shares may not be applied to: 1) trawl-caught sablefish or halibut, or 2) sablefish or halibut harvested utilizing pots in the Gulf of Alaska, or 3) halibut harvested utilizing pots in the Bering Sea/Aleutian Islands.

(G) ADMINISTRATION AND ENFORCEMENT.

- (1) All sales, transfers, or leases of quota shares (or IFQ arising from those quota shares) must occur in a manner approved by the Secretary. All quota share and IFQ assignments and transfers will be administered by NMFS based on regulations established by the Secretary. The Secretary, in promulgating such regulations, shall hold at least one public hearing in each state represented on the Council and in at least one community in each of the management areas governed by the Council.

- (2) The Secretary will promulgate regulations to establish a monitoring and enforcement regime to assure compliance with this program. Persons holding QS, who are found to be in violation of these sections or in violation of under-reporting catch, will be subject to appropriate penalties as designated by the Secretary, including forfeiture of their Quota Shares. *(The Council also directs the implementation teams to develop and recommend appropriate penalties and strictures to the Secretary of Commerce.)*

- (H) DURATION. QS are a harvest privilege, and good indefinitely. However, they constitute a use privilege which may be modified or revoked by the Council and the Secretary at any time without compensation.

- (I) DISCARDS *(The intent of the following sections is to eliminate high-grading by persons fishing under the IFQ program.)*

- (1) DISCARDS OF SABLEFISH. Discard of sablefish is prohibited by persons holding sablefish IFQs and those fishing under the community development programs (CDQs).
- (2) DISCARDS OF HALIBUT. Discard of legal sized halibut is prohibited by persons holding halibut IFQs and by those fishing under the CDQ program. Persons holding freezer longliner shares are exempt from this discard prohibition.

- (J) Any person retaining sablefish or halibut with commercial fixed gear must own or otherwise control IFQs. *(The intent of the Council is to prohibit open access fixed gear fisheries for sablefish and halibut, and to require that persons in fixed gear fisheries who retain sablefish and/or halibut as bycatch must own or control IFQs for those species.)*

- (K) In order for the continued prosecution of non-IFQs fixed gear fisheries, the Council recommends the suspension of the halibut fixed gear Prohibited Species Catch limit for the first two years of the IFQ program.

- (L) Fish harvested incidentally during the operation of a QS/IFQ fishery shall be termed bycatch species for the purpose of this program. Bycatch species shall be Pacific cod and rockfish, but other species may be included by NMFS by regulatory amendment if it can be shown that the species is unlikely to survive if discarded. Any species identified as a bycatch species that is taken during the operation of a QS/IFQ fishery shall be retained and landed unless designated a prohibited species.

- (M) Persons holding IFQs may utilize those privileges at any time during designated seasons. Retention of fixed-gear caught sablefish or any halibut is prohibited during closed seasons. Seasons will be identified by the Council and the IPHC on an annual basis. *(The IPHC and IFQ implementation teams have recommended initially that the season for IFQ sablefish and halibut should open on March 1 and close on November 30.)*

Sec.3. WESTERN ALASKA COMMUNITY DEVELOPMENT QUOTA PROGRAM.

- (A) **PURPOSE AND SCOPE.** The Western Alaska Community Development Quota Program is established to provide fishermen who reside in western Alaska communities a fair and reasonable opportunity to participate in the Bering Sea/Aleutian Islands sablefish and halibut fisheries, to expand their participation in salmon, herring, and other nearshore fisheries, and to help alleviate the growing social economic crisis within these communities. Residents of western Alaska communities are predominantly Alaska Natives who have traditionally depended upon the marine resources of the Bering Sea for their economic and cultural well-being. The Western Alaska Community Development Quota Program is a joint program of the Secretary and the Governor of the State of Alaska. Through the creation and implementation of community development plans, western Alaska communities will be able to diversify their local economies, provide community residents with new opportunities to obtain stable, long-term employment, and participate in the Bering Sea/Aleutian Islands sablefish and halibut fisheries which have been foreclosed to them because of the high capital investment needed to enter the fishery.

The NMFS Regional Director shall hold the designated percent of the annual total allowable catch (TAC) of sablefish and halibut for each management area in the Bering Sea and Aleutian Islands for the western Alaska halibut community quota as noted below. These amounts shall be released to eligible Alaska communities who submit a plan, approved by the Governor of Alaska, for its wise and appropriate use. The portions of sablefish and halibut TACs for each management area not designated to CDQ fisheries will be allocated as QS and IFQs and shall be used pursuant to the program outlined in the Sections (1) and (2) above.

(B) WESTERN ALASKA SABLEFISH COMMUNITY QUOTA

- (1) The NMFS Regional Director shall hold 20 percent of the annual fixed-gear Total Allowable Catch of sablefish for each management area in the Bering Sea/Aleutian Islands Area for the western Alaska sablefish community quota.
- (2) Not more than 12 percent of the total western Alaska sablefish community quota may be designated for a single community, except that if portions of the total quota are not designated by the end of the second quarter, communities may apply for any portion of the remaining quota for the remainder of that year only.
- (3) Those persons that would otherwise have received a full complement of sablefish QS in the Bering Sea and Aleutian Islands area, but would receive less due to the provisions of CDQs, will be partially compensated and the cost of the compensation will be borne equally by all initial sablefish QS/IFQ recipients. In general this compensation plan will issue incremental amounts of QS in each non-CDQ area to each disadvantaged person.

(C) WESTERN ALASKA HALIBUT COMMUNITY QUOTA.

- (1) For IPHC management area 4E, 100% of the halibut quota shall be made available only to residents of coastal communities physically located in or proximate² to each management subarea. Trip limits of less than 6,000 pounds will be enforced.
- (2) For IPHC management area 4C, 50% of the halibut quota, exclusive of issued QS, shall be made available for a community fisheries development program for residents of communities physically located in the management area.

2. In determining whether a community qualifies, the Governor of Alaska will determine the interpretation of the word "proximate".

- (3) For IPHC management area 4B, 20% of the halibut quota, exclusive of issued QS, shall be made available for a community development program for residents of disadvantaged western Alaska coastal communities physically located in or proximate² to the management area.
- (4) For IPHC management area 4D, 30% of the halibut quota shall be made available for a community development program for residents of disadvantaged western Alaska coastal communities located in IPHC areas 4D and 4E for a community fisheries development (CDQ) program.
- (5) Those persons that would otherwise have received a full complement of QS in areas 4B, C, D, & E, but would receive less due to the provisions of CDQs, will be partially compensated, and the cost of compensation will be borne equally by all initial halibut QS/IFQ recipients. In general this compensation plan will issue incremental amounts of QS in each non-CDQ area to each disadvantaged person.

(D) **ELIGIBLE WESTERN ALASKA COMMUNITIES.** The Governor of Alaska is authorized to recommend to the Secretary that a community within western Alaska which meets all of the following criteria be eligible for the western Alaska community quota program (hereinafter "the Program"):

- (1) be located on or proximate to the Bering Sea coast from the Bering Strait to the western most of the Aleutian Islands or a community located on an island within the Bering Sea, that the Secretary of the Interior has certified pursuant to section 11(b)(2) or (3) of Pub. L. No. 92-203 as Native villages are defined in section 3(c) of Pub. L. No. 92-203;
- (2) be unlikely to be able to attract and develop economic activity other than commercial fishing that would provide a substantial source of employment;
- (3) its residents have traditionally engaged in and depended upon fishing in the waters of the Bering Sea coast;
- (4) has not previously developed harvesting or processing capability sufficient to support substantial participation in the commercial groundfish fisheries of the Bering Sea/Aleutian Islands because of a lack of sufficient funds for investing in harvesting or processing equipment; and
- (5) has developed a community development plan approved by the Governor, after consultation with the North Pacific Fishery Management Council.

(E) **COMMUNITY DEVELOPMENT PLANS.** Within 60 days of the effective date of these regulations, the Governor shall submit to the Secretary, after review by the North Pacific Fishery Management Council, initial criteria which the community must, at a minimum, include in a community development plan to be eligible to participate in the program. The criteria shall include provisions concerning the following:

- (1) amount of quota requested;
- (2) length of time community is requesting to receive a share of the quota;
- (3) benefits that will accrue to the community from approval of their plan and release of quota, including how the plan will assist in diversifying the community's economy and provide opportunities for training and employment;
- (4) how individual resident harvesters will be provided an opportunity to participate in the fishery;
- (5) how the benefits will be shared within the community;

- (6) business plan which will provide adequate information to complete a financial feasibility assessment;
- (7) business arrangements which are entered into between a community and residents who reside outside of the community, provided that residents of a community shall receive a preference for a portion of the harvesting quota over any arrangements for harvesting with persons who reside outside of the community; and
- (8) within 30 days of receipt of the criteria from the Governor, the Secretary will approve, disapprove, or return the criteria to the Governor with recommendations for changes necessary to comply with the provisions of this Act, or other applicable law.

(F) APPROVAL OF PLANS

- (1) Within 45 days of receipt of an application for a community, the Governor shall review the community's eligibility for the program and the community development plan, and at least 14 days prior to the next NPFMC meeting, forward the application to the North Pacific Fishery Management Council for its review and recommendations. The Governor of Alaska may hold a public hearing and submit a synopsis of that hearing to the Council in lieu of a hearing by the Council itself. The application shall be subject to a public hearing before the Council, or a committee of the Council. If the Council does not review the plan at its next regularly scheduled meeting, the Governor shall then submit the application to the Secretary for designation of a portion of the quota. The Governor shall submit the application to the Secretary within 14 days of Council action or within 14 days of the date of the adjournment of the Council meeting without any action taken on the application, unless the application is withdrawn by the applying community.
- (2) Within 30 days of the receipt of an application approved by the Governor, the Secretary will designate a portion of the quota to the community, if the community development plan satisfies the criteria developed by the Governor and approved by the Secretary, or return the application to the Governor with reasons for denial.

Sec.4. AD HOC WORKING GROUPS.

- (A) Two ad hoc working groups have been established: One group was established by the Council composed of but not limited to representatives from fixed gear vessel owners, crew members and processors, who would likely be affected by the Council's action on IFQs. The second group was established by the Alaska Regional Director, NMFS, composed of administration, data management, enforcement, and legal professionals. The groups developed a detailed implementation plan covering all aspects of the carrying out the Council's preferred alternative for a fixed gear IFQ management program (for sablefish and halibut). All states represented on the Council were given an opportunity to provide technical input to the groups. A Draft Implementation Plan, dated November 1991, contained details of the implementation plan, and except where modified by the Council, was accepted as part of the IFQ preferred alternative. The implementation groups are also authorized to continue their work to implement the Council's QS/IFQ program.