



Kodiak Island Borough

Office of the Borough Mayor

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April 19, 2010

To: 111th U.S. House Committee on Natural Resources
Subcommittee on Insular Affairs, Oceans and Wildlife
187 Ford House Office Building (Oceans and Wildlife)
Tel: (202) 226-0200 Fax: (202) 225-1542

Attn: Staff Director, Jean Flemma (Oceans and Wildlife)
Via Clerk/Legislative Advisor: Katherine.Romans@mail.house.gov

The Kodiak Island Borough is home for one of the largest fishing fleets in the United States and the port of Kodiak has been one of the top three fishing ports in the United States for the past 30 years. Our economic base is fishing. Because of the damage we have experienced to our economy and people from the two catch share programs that have been implemented in Kodiak, we have serious concerns about the new Catch Shares policy that is being developed.

This new policy should place a strong emphasis on using the lessons learned about negative impact on jobs and communities' economies to minimize these negative impacts in the future. Before any new policy goes forward, we would recommend that hearings be held in the largest fishing ports in New England, the Gulf Coast, the West Coast, and Alaska to allow direct input from the people and communities where lives and economies will be directly impacted.

The Kodiak Island Borough previously adopted the enclosed Resolution No. FY2007-12 which identifies the framework that should be used in future fisheries policy. We are very interested in helping to develop future fisheries policy.

Thank you for the opportunity to comment. We stand ready to help.

Sincerely,
KODIAK ISLAND BOROUGH

A handwritten signature in blue ink, which appears to read "Jerome M. Selby". The signature is stylized and fluid, with a long horizontal line extending from the end.

Jerome M. Selby
Borough Mayor

Introduced by:	Borough Manager
Requested by:	KIB Assembly
Drafted by:	City Manager/Mayor Selby
Introduced:	11/02/2006
Failed:	11/02/2006
Reconsidered:	11/02/2006
Postponed:	11/09/2006
Amended:	11/09/2006
Adopted:	11/09/2006

**KODIAK ISLAND BOROUGH
RESOLUTION NO. FY2007-12**

**A RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY
PROVIDING FUTHER COMMENTS TO THE NORTH PACIFIC FISHERY
MANAGEMENT COUNCIL ON GULF OF ALASKA RATIONALIZATION**

WHEREAS, the harvesting and processing sectors of the Kodiak fishing community are substantially engaged in and substantially dependent upon Gulf of Alaska groundfish fisheries; and

WHEREAS, Kodiak's economic and social health is intimately dependent upon the community's sustained participation in all aspects of the Gulf groundfish fisheries; and

WHEREAS, the Kodiak Island Borough has made substantial investments in support of and in reliance upon the Gulf groundfish fishery, such as water system improvement and expansion and port and harbor improvements and expansion; and

WHEREAS, the North Pacific Fishery Management Council has developed a suite of fishery allocation alternatives for the Gulf of Alaska groundfish fisheries, and is working toward adoption of a preferred alternative for implementation; and

WHEREAS, allocating exclusive harvesting and/or processing privileges promotes consolidation in the fishing fleet and the processor sector, which can improve efficiency, but which can also result in skippers, crew members and processing workers bearing costs of consolidation without fully sharing in the related benefits; and

WHEREAS, while fishery rationalization may create opportunities and incentives to produce more and higher value products, it also changes the distribution of fishery revenues among participants with resulting disruptive effects on the communities in which they live; and

WHEREAS, by awarding harvesting and/or processing privileges, fishery allocations make possible orderly harvesting and processing, but it also facilitates the migration of landings to communities with infrastructure advantages (such as road system access) and creates barriers to entry for later generations of fishery participants; and

WHEREAS, as a result, it is essential that the potential adverse affects of Gulf groundfish rationalization be identified and analyzed and that adjustments be made to mitigate the potential adverse effects of Gulf groundfish rationalization on Kodiak prior to any program implementation;

WHEREAS, it is the Kodiak Island Borough's intent that a full, and frank exchange of information and opinions concerning Gulf groundfish rationalization take place among the constituencies of the Borough that would be most directly affected by such program, if adopted; and to the extent possible, to encourage the development of consensus among these constituencies concerning the preferred elements and options of such program; and

WHEREAS, the City of Kodiak and the Kodiak Island Borough joined together to appoint a Gulf of Alaska Groundfish Rationalization Task Force to provide a forum for the full, and frank exchange of information and opinions concerning Gulf groundfish rationalization and an opportunity for the development of consensus on preferred elements and options of a Gulf groundfish rationalization program, should it move forward; and

WHEREAS, while the Task Force is continuing to work, they have recently provided the Borough Assembly with a number of recommendations that the Borough Assembly is actively endorsing;

NOW, THEREFORE, BE IT RESOLVED, BY THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH THAT the North Pacific Fishery Management Council (NPFMC) suspend action on Gulf of Alaska groundfish rationalization until, at least, such time as the NPFMC has conducted its 18 month review of the Bering Sea crab rationalization program and the public has had an opportunity to evaluate and comment on the impacts of crab rationalization and to evaluate the NPFMC's adjustments (if any) to the crab rationalization program;

BE IT FURTHER RESOLVED THAT THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH requests that the NPFMC take the following Gulf groundfish management actions as soon as possible, notwithstanding the NPFMC's suspension of any further action on Gulf groundfish rationalization:

1. Initiate a discussion paper on an allocation of Gulf Pacific cod to ensure that it is fair and equitable participation among gear groups and all fisherman.
2. Initiate a discussion paper on phase-out of the offshore sector in the Gulf of Alaska.
3. Initiate a discussion paper on identifying and removing latent licenses from the Gulf groundfish sectors that are subject to the License Limitation Program.

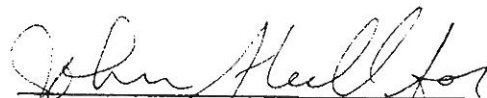
BE IT FURTHER RESOLVED THAT THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH requests that the NPFMC is hereby requested to take the following actions in connection with its development of a Gulf of Alaska groundfish rationalization program:

1. Complete the Council's review of the Bering Sea crab rationalization program to enable the public to evaluate and comment on the impacts of crab rationalization and to enable the Council to make appropriate adjustments to the Gulf rationalization program in response.
2. Thoroughly analyze each alternative being considered by the Council before eliminating any of the alternatives, to provide the public with the opportunity to compare the effects of the various alternatives on harvesters (including skippers and crew members), processors (including workers), fishing support services, and Gulf fishing communities.
3. Include limits on harvesting consolidation through vessel use caps that apply without exemption, and that are calculated to sustain skipper and crew employment opportunities and compensation.
4. Develop and bring forward for consideration an additional alternative which includes no processor shares, linkages or privileges of any kind. For alternatives already being considered, include measures to maintain a diverse, competitive processing market, by providing a substantial pool of groundfish privileges for each sector that can be harvested without penalty and are not subject to processor linkage or processor closed class delivery requirements. This should include phasing out of the off shore processing sector.

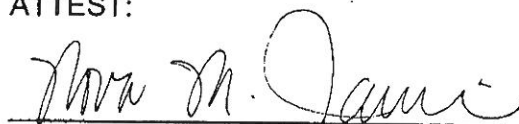
5. If processing privileges are included, limit consolidation of such privileges through processor and facility use caps.
6. Designate Federal harvesting privileges by region to reflect landing patterns similar to those occurring prior to program adoption, and require that fish harvested under such privileges be landed in their designated region.
7. Include a reasonable groundfish allocation which may be harvested and processed without holding any Federal or State dedicated access privilege, subject to restrictions that the State of Alaska may deem necessary to maintain the entry level character of such allocation.
8. Include a community fisheries quota program that provides an opportunity for small Gulf coastal communities to enhance their residents' participation in the Gulf groundfish fishery, under the conditions that the allocation to such program does not disrupt other Gulf of Alaska fishery dependent communities by displacing their fishermen, is required to be harvested by residents of the eligible communities, and requires that harvests made under such program be delivered on shore within the region of their allocation.
9. Include a community purchase program that provides Gulf coastal communities with the opportunity to maintain participation by their residents in the Gulf groundfish fishery by acquiring harvesting privileges for use by their residents, under the conditions that the Kodiak Island communities are eligible communities, and such program includes reasonable limits on the amount of harvesting privileges that any single eligible community may hold.

**ADOPTED BY THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH
THIS NINTH DAY OF NOVEMBER 2006**

KODIAK ISLAND BOROUGH


Jerome M. Selby, Borough Mayor

ATTEST:


Nova M. Javier, CMC, Borough Clerk