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### **Loan Application Packets are Now Available for the Community Quota Entity Program**

(Juneau) - Information packets are now available for all 42 Alaska gulf communities that are eligible to hold Quota Shares (QS) through newly formed non-profit organizations known as Community Quota Entities (CQEs).

The CQE program allows non-profits entities to purchase halibut and sablefish QS through the National Marine Fisheries Service (NMFS) program, and then lease the quota back to local resident fisherman.

"This is an important step that creates opportunity for local residents to fish quota in their own waters," said Commissioner Edgar Blatchford. "The development of Alaska's rural economy is of great importance to the Murkowski Administration."

Gulf communities that are eligible to participate in this program must meet the following criteria:

- Have a population of less than 1,500 persons based on the 2000 United States Census
- Have direct saltwater access
- Lack direct road access to communities with a population greater than 1,500 residents
- Have historic participation in halibut and sablefish fisheries
- Be specifically designated on a list adopted by the North Pacific Fishery Management Council

To participate in the new program, a group must first form a domestic non-profit Alaskan corporation, and then complete and file an application to form a non-profit with the State of Alaska. A step by step guide is available on line at [http://www.dced.state.ak.us/bsc/CDQ/cqe/apply\\_cqe.htm](http://www.dced.state.ak.us/bsc/CDQ/cqe/apply_cqe.htm)

## Loan Packets and Applications Available for CQE

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Once a non-profit corporation is formed, it then applies to the federal NMFS in Juneau to be recognized as a CQE. A CQE application can be obtained from NMFS at <http://www.fakr.noaa.gov/ram/cqp/CQEStatus.pdf>. Once the non-profit corporation receives federal approval, it will be authorized to purchase IFQ shares of halibut and sablefish on the open market and lease them back to harvesters. Only permanent residents are eligible for leases. Restrictions apply to quota shares transferred by each CQE outside the program to ensure program goals are met. Communities participating in the program must adhere to performance standards established by the NMFS program.

To obtain financing for QS purchases, a qualified CQE non-profit corporation can contact a local financial lending institution. If denied a loan from a commercial bank, the CQE can contact the Division of Investments to see if they qualify for terms offered through the Commercial Fishing Revolving Loan Fund. Please contact the Division of Investments at 465-2510 or obtain a loan application at <http://www.dced.state.ak.us/investments/pdf/cqe.pdf>.

“This fund allows the Department of Community and Economic Development to make loans to a new group of purchasers, and in turn create a new local revenue stream for communities that have suffered due to the outward migration of Individual Fishing Quotas (IFQs),” said Commissioner Blatchford. “I urge any eligible community to strongly consider this new opportunity.”

Currently, 42 communities have been determined eligible for the program:

**Southeast Alaska** includes: Angoon, Coffman Cove, Craig, Edna Bay, Elfin Cove, Gustavus, Hollis, Hoonah, Hydaburg, Kake, Kassan, Klawock, Metlakatla, Meyers Chuck, Pelican, Point Baker, Port Alexander, Port Protection, Tenakee Springs, Thorne Bay

**The Central Gulf** includes: Akhiok, Chenega Bay, Halibut Cove, Karluk, Larsen Bay, Nanwalek, Old Harbor, Ouzinkie, Port Graham, Port Lions, Seldovia, Tatitlek, Tyonek, and Yakutat

**The Western Gulf** includes: Chignik, Chignik Lagoon, Chignik Lake, Ivanof Bay, King Cove, Perryville, and Sand Point

For more information please review the CQE program website at [www.dced.state.ak.us/bsc/CDQ/cqe/cqe.htm](http://www.dced.state.ak.us/bsc/CDQ/cqe/cqe.htm). To obtain a Community Association Handbook, contact the Bill Rolfzen at the Department of Community and Economic Development at 907-465-4733.

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The halibut/sablefish Individual Fishing Quota (IFQ) program is a federal program and is managed by the Alaska Region of NMFS. The Amendment that authorizes communities to form non-profits, known as Amendment 66, was recommended by the North Pacific Fishery Management Council and approved by the Secretary of Commerce. This program is designed to be implemented in consultation with the State. For more information go to the NMFS/Alaska Region web site at <http://www.fakr.noaa.gov/ram>.

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