

Update on 2022 Community Development Quota Program (CDQ) Decennial Review  
Provided by the Alaska Department of Fish and Game  
February 8, 2023

As of February 8, 2023, the 2022 CDQ Program decennial review is ongoing and expected to be complete prior to the April 2023 Council meeting. ADF&G will provide the Council with information on the finalized process when it is available.

The Magnuson-Stevens Act specifies that the State of Alaska will undertake the decennial review process and determine whether each CDQ group has maintained or improved its overall performance with respect to the criteria specified in the Magnuson-Stevens Act. State regulations establish the process for the state's review.

For the 2022 decennial review, each CDQ group submitted a decennial review report to the State of Alaska's CDQ evaluation team by the November 1, 2022, deadline. On January 23, 2023, the CDQ evaluation team provided written notice to each CDQ group and to the National Marine Fisheries Service Alaska Region of the state's proposed recommendation regarding whether the CDQ entity (1) has maintained or improved its overall performance with respect to the criteria; or (2) has not maintained or improved its overall performance with respect to the criteria during the review period.

State regulations allow a CDQ group to request a hearing regarding the state's determination within 30 days after the date of the state's written notice. CDQ groups have until February 22, 2023, to request a hearing to submit oral testimony or additional written comments or documentation regarding the state's proposed recommendations.

If the State of Alaska receives a hearing request, it will schedule a hearing process and finalize the decennial review process consistent with state regulations. If the State of Alaska does not receive a hearing request, it will provide written notice to the National Marine Fisheries Service that the determinations provided on January 23, 2023, are final.

The following pages summarize CDQ Program Decennial Review authority and requirements under the Magnuson-Stevens Act and State of Alaska regulations.

## Summary of CDQ Program decennial review authority and requirements

- The Magnuson-Stevens Act at U.S.C. 1855(i)(1)(H) specifies:

During calendar year 2012 and every 10 years thereafter, the State of Alaska shall evaluate the performance of each entity participating in the program based on the following criteria:

- (I) Changes during the preceding 10-year period in population, poverty level, and economic development in the entity's member villages.
- (II) The overall financial performance of the entity, including fishery and nonfishery investments by the entity.
- (III) Employment, scholarships, and training supported by the entity.
- (IV) Achieving of the goals of the entity's community development plan.

After the evaluation, the State of Alaska shall make a determination, on the record and after an opportunity for a hearing, with respect to the performance of each entity participating in the program. If the state determines that the entity has maintained or improved its overall performance with respect to the criteria, the allocation to such entity under the program shall be extended by the state for the next 10-year period.

If the state determines that the entity has not maintained or improved its overall performance with respect to the criteria—

- (I) at least 90 percent of the entity's allocation for each species under shall be extended by the state for the next 10-year period; and
  - (II) the state may determine, or the Secretary may determine (if State of Alaska law prevents the state from making the determination) and implement an appropriate reduction of up to 10 percent of the entity's allocation for each species for all or part of such 10-year period.
- State of Alaska regulations at 6 AAC 93 outline the CDQ Program decennial review process:

A CDQ evaluation team will perform the state's duties required under 16 U.S.C. 1855(i)(1)(H) and state regulations. The Department of Commerce, Community, and Economic Development will lead the CDQ evaluation process. The evaluation team consists of

- (1) the commissioner of commerce, community, and economic development, or the commissioner's designee;
- (2) the commissioner of fish and game, or the commissioner's designee; and

(3) the commissioner of labor and workforce development, or the commissioner's designee.

The CDQ evaluation team will limit its decennial review to (1) the criteria set out in 16 U.S.C. 1855(i)(1)(H)(ii); and (2) applying to those criteria the valuation system that the CDQ panel has established as required under 16 U.S.C. 1855(i)(1)(H)(ii).

To satisfy the requirements of 16 U.S.C. 1855(i)(1)(H), each CDQ entity shall submit a decennial report to the CDQ evaluation team.

The CDQ evaluation team will evaluate each CDQ entity's determination of whether the submitting CDQ entity maintained or improved its overall performance with respect to the criteria set out in 16 U.S.C. 1855(i)(1)(H)(ii). After the CDQ evaluation team has completed its evaluation, the Department of Commerce, Community, and Economic Development, on behalf of the CDQ evaluation team, will provide written notice, to the submitting CDQ entity and to NMFS, of the state's proposed recommendation regarding whether the CDQ entity (1) has maintained or improved its overall performance with respect to the criteria; or (2) has not maintained or improved its overall performance with respect to the criteria.

A CDQ entity may request a hearing to submit oral testimony or additional written comments or documentation regarding the state's proposed recommendation.

If the Department of Commerce, Community, and Economic Development receives a timely request for a hearing, it will schedule (1) a 30-day period during which the CDQ entity may submit additional written comments or documentation for review by the CDQ evaluation team; (2) a date and time to receive oral testimony if the CDQ entity has requested to present it to the CDQ evaluation team; the CDQ evaluation team may conduct the oral hearing in person, by teleconference, or by videoconference.

After the CDQ evaluation team reviews any new testimony, comments, or documentation, the Department of Commerce, Community, and Economic Development, on behalf of the CDQ evaluation team, will provide written notice to (1) the CDQ entity of the state's final recommendation regarding whether the CDQ entity (A) has maintained or improved its overall performance with respect to the criteria set out in 16 U.S.C. 1855(i)(1)(H)(ii); or (B) has not maintained or improved its overall performance with respect to the criteria; and (2) NMFS, for use by NMFS in making the determination under 16 U.S.C. 1855(i)(1)(H)(iii).

If the Department of Commerce, Community, and Economic Development does not receive a timely request for a hearing, on behalf of the CDQ evaluation team, it will provide written notice to NMFS that the state's proposed recommendation is the state's final recommendation for use by NMFS in making the determination under 16 U.S.C. 1855(i)(1)(H)(iii).