

## **RESOLUTION 26-25**

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING THE MAYOR TO NEGOTIATE AND EXECUTE AN AGREEMENT BETWEEN THE CITY OF SAINT PAUL AND THE ALEUTIANS EAST BOROUGH FOR COLLECTING AND REMITTING TAXES ON NORTH REGION DESIGNATED AND CBSFA BERING SEA SNOW CRAB DELIVERED IN AKUTAN IN 2026**

**WHEREAS**, the Crab Rationalization Program regulations governing the Bering Sea Opilio (Snow) crab fishery (the “BSS Fishery”) include a regional landing requirement under which a certain amount of crab must be landed in each of the “North” and “South” regions, as defined under the Program regulations, and

**WHEREAS**, due to a low total allowable catch of BSS crab with a North Region designation that may be harvested in the 2025/2026 season, the lone major processor in the North Region, which is located on Saint Paul Island is unable to economically process snow crab this season, and

**WHEREAS**, the 2025 Framework Agreement among numerous parties that make the BSS Fishery possible establishes general terms and conditions under which an exemption contract may be executed for the purposes of changing Regional Landing Requirements and providing fair compensation for same, and

**WHEREAS**, the Aleutian Pribilof Island Community Development Association serves as the City of Akutan’s community representative for the Program, and approved the 2025 Framework Agreement, and

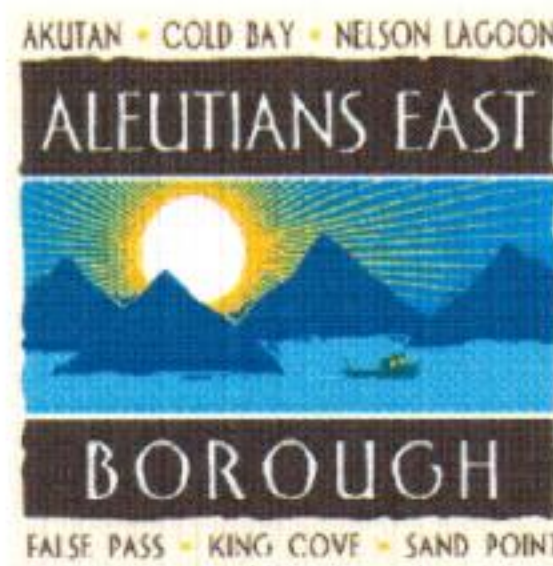
**WHEREAS**, the Aleutians East Borough is not a party to the Framework Agreement, having not been notified of the need to be involved until after the NMFS deadline, and

**WHEREAS**, to ensure that the entire 2025 BSS Fishery total allowable catch can be harvested, the parties to the Framework Agreement expect to enter into an Exemption Contract, and

**WHEREAS**, the proposed Exemption Contract enables the North Region Crab to be delivered to and processed in the Southern ports of Unalaska or Akutan, rather than Saint Paul and without the Exemption Contract, the North Region Crab could not be delivered to Southern ports, and

**WHEREAS**, delivering the North Region Crab to Akutan could result in Saint Paul losing tax revenue and economic benefits, and





**WHEREAS**, the parties to the Exemption Contract would agree that fair compensation for Saint Paul is the 3.5% tax revenues that Saint Paul would have received if the North Region Crab were landed in Saint Paul, and

**WHEREAS**, the parties to the Exemption Contract would also agree that a 2% tax on undesignated shares owned by the Central Bering Sea Fishermen's Association (CBSFA) would also be compensated to Saint Paul, and

**WHEREAS**, the Aleutians East Borough does not expect to be a party to the Exemption Contract but can enter into a separate agreement with the City of Saint Paul, and

**WHEREAS**, in 2024, the City of Saint Paul and Unalaska entered into an agreement for the 2024/2025 crab season allowing the collection of sales tax by Unalaska on North region Snow crab and remittance of those taxes to Saint Paul, and

**WHEREAS**, the proposed Memorandum of Agreement between the Aleutians East Borough and the City of Saint Paul would implement the intent of the Exemption Contract by having the Borough collect a 2% raw fish tax on North Region Crab that, combined with the City of Akutan tax of 1.5%, would equal what Saint Paul would have collected if the North Region Crab were landed and processed in Saint Paul, and remit those amounts to Saint Paul, and

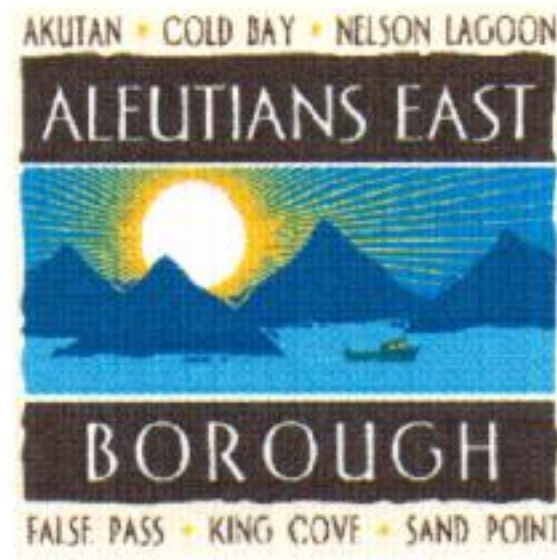
**WHEREAS**, , the proposed Memorandum of Agreement between the Aleutians East Borough and the City of Saint Paul would also allow for compensation on undesignated shares owned by CBSFA, and

**WHEREAS**, by collecting for and remitting to Saint Paul taxes assessed on North Region Crab, the Borough does not "lose" any tax revenue that it would have received without the Exemption Contract and subsequent agreement, and

**WHEREAS**, implementing the intent of the Exemption Contract through a Memorandum of Agreement, will provide the City of Akutan and the Aleutians East Borough secondary economic benefits from delivery of North Region Crab to Akutan, including increased sales tax revenue resulting from the delivery and processing of additional pounds of snow crab in Akutan, and

**WHEREAS**, the Exemption Contract and implementation of its Saint Paul compensation pursuant to the proposed Memorandum of Agreement will benefit harvesters, processors and all affected communities, and





**WHEREAS**, the Aleutians East Borough is continuing to consider the feasibility of compensating Saint Paul for any municipal allocation of State of Alaska fisheries business tax attributable to North Region Crab that is landed and processed in Akutan.

**NOW THEREFORE BE IT RESOLVED** that the Aleutians East Borough Assembly recognizes the validity of the 2025 Framework Agreement and proposed Exemption Contract to be approved by APICDA on behalf of the City of Akutan, and

**BE IT FURTHER RESOLVED** that the Aleutians East Borough Assembly hereby authorizes the Mayor to negotiate and execute a Memorandum of Agreement between the City of Saint Paul and the Aleutians East Borough for collecting and remitting taxes on designated North Region Bering Sea Snow Crab and undesignated shares owned by CBSFA delivered in Akutan in 2026.

**PASSED AND APPROVED** by the Aleutians East Borough Assembly on this 11<sup>th</sup> day of December 2025.

**Alvin D. Osterback, Mayor**

**Attest:**

  
**Beverly Rosete, Clerk**