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**Governor Michael J. Dunleavy
STATE OF ALASKA**

February 15, 2019

The Honorable Cathy Giessel
Senate President
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Giessel:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill repealing statutes providing allocations, refunds, and revenue sharing to municipalities from the Fisheries Business Taxes and Fishery Resource Landing Tax.

Currently, the state shares revenues from state fisheries business taxes with municipalities. For the fisheries business taxes, 50 percent of Fisheries Business Taxes are shared with the municipalities where the fishery resources were processed. Similarly, the state shares 50 percent of the Fishery Resource Landing Tax with the municipality where the fishery resources were landed. The revenues that form the basis of the disbursement each October are from taxes collected for the previous calendar year of processing and landing of fisheries resources. In fiscal year 2018, the state shared approximately \$29 million in revenues. This bill would repeal the statutes that provide for this revenue sharing.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in blue ink that reads "mjd".

Michael J. Dunleavy
Governor

Enclosure