My name is Gordon Kruse. I am the Director of the Fisheries Division of the School of Fisheries and Ocean Sciences at the University of Alaska Fairbanks. I am located at the Juneau Center and I am a 31-year resident of Douglas, Alaska, in Senate district Q.

While I agree that the university should receive its fair share of cuts, *I remain very* concerned that even the proposed cuts by the Senate could risk serious, long-term damage to the university.

I offer some examples from the perspective of our Fisheries Division:

- 1) We have an outstanding fisheries program. Our Undergraduate Fisheries Program is one of the Nation's largest and has the highest retention rate of any undergraduate program at UAF. Our Graduate Fisheries Program is often ranked in the top three in the country. I fear that deep cuts will result in faculty layoffs, a major decline in student enrollment, and will seriously degrade our ability to meet Alaska's fisheries needs.
- 2) We train Alaska's professional fisheries workforce 65% of all our fisheries graduates are employed in Alaska.
- 3) State-funded research is an excellent investment. University-wide, for each \$1 million in state-funded research, we receive an additional \$4 million in outside grants. Moreover, we conduct research into issues that matter to Alaskans. We're studying sharp declines in Western Alaskan salmon, which threaten the very way of life in impoverished subsistence communities. We're investigating causes of stunted halibut, which results in low halibut catches. These are just two examples.
- 4) We provide outstanding service to Alaska. For instance, 25% of the science advisors to the North Pacific Fishery Management Council are UA faculty. If we lose these faculty, which outsiders would you rather have set catch limits for our multi-billion dollar fisheries?

Finally, it is critically important to diversify state revenues *now*. I personally support:

- 1) A sustainable plan to use Permanent Fund earnings in perpetuity,
- 2) A modest income tax that includes the large non-resident workforce in Alaska,
- 3) A revision to oil tax credit structure.

Thank you very much for this opportunity to speak to you. I urge your continued support for the university, which has huge impacts on the Alaskan economy in so many ways.