ALASKA LEGISLATURE

Representative Jonathan Kreiss-Tomkins

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Committees:
Fisheries
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State Affairs



Juneau, Alaska 99801 (Jan. – April) State Capitol, Room 426 (907) 465-3732

Sitka, Alaska 99835 (May – Dec.) 201 Katlian Street, Ste. 103 (907) 747-4665

HB 366 Sponsor Statement Improving Access and Opportunity in Alaska Fisheries

House Bill 366 improves Alaskans' access and opportunity in Alaska fisheries.

Alaska's commercial fisheries are a critical and sustainable source of employment, income, cultural identity, and state and local tax revenue for Alaska and its people. Over 30,000 commercial fishermen harvest over \$6 billion worth of fish and shellfish in waters off Alaska each year. Many coastal communities have few alternative economic and job opportunities outside commercial fishing.

Alaskans want a vibrant and sustainable Alaska fishing industry supporting economically empowered and self-sufficient Alaska communities.

State-issued limited entry fishing permits, however, are leaving Alaska, particularly rural Alaska, and nonresident ownership is increasing. Permits are getting more expensive — the value of Alaska's limited entry salmon permits has more than doubled in the last 15 years. The high cost of entry makes it difficult for new and young Alaska fishermen to enter Alaska fisheries, a "graying of the fleet" phenomenon that is well documented. In 1980, the average age of an Alaska fishery permit holder was just over 39 years; in 2014, the average age was nearly 50.

Just as the Division of Investments' Commercial Fishing Revolving Loan Fund has helped thousands of Alaskans enter Alaska fisheries, permit banks are a tool to help Alaskans access Alaska fisheries — and to empower coastal Alaska communities with greater economic self-sufficiency.

House Bill 366 allows communities to band together and create permit banks. New and young fishermen can access permits from permit banks as a stepping stone before buying a permit outright and becoming independent fishermen. Just as one usually rents before buying a house, permit banks create the opportunity for new and young fishermen to lease a permit for a few years, make some mistakes, save some money, and get their legs solidly under them before making the major life commitment, and taking on tens or hundreds of thousands of dollars of debt, to buy a permit outright.

House Bill 366 aims to reverse the dual trends of the "graying of the fleet" and of permit outmigration from Alaska by creating a tool, similar to the Commercial Fishing Revolving Loan Fund, that improves Alaskans' access and opportunity in our fisheries. Contact: Reid Magdanz (<u>reid.magdanz@akleg.gov</u>, 465.3732)