



March 31, 2015

JUNEAU, ALASKA

Dear Senator Giessel and Senate Resource Committee Members:

Taku Smokeries has been an established seafood processing company located in Juneau, Alaska since 1984. We are writing you to voice our opposition to SB 42 (Personal Use Priority Bill).

Commercial fishermen, their families, and the communities in which processors are located rely on the current well balanced approach that the Alaska Board of fisheries (BOF) and ADF&G use to manage the seafood resource. We feel SB 42 will create an atmosphere that is not conducive to problem solving but rather increase conflicts with user groups in regards to the allocation of seafood resources through legislative action. The current BOF process takes input from all current users and ADF&G input as well as scientific data to allow controlled harvest of seafood resources. While this BOF process can be frustrating at times for all users it brings all people to the table to discuss the issues and uses sound scientific data to make harvest policies that are implemented by ADF&G. This gives ADF&G the flexibility to manage subsistence, sport, and commercial harvests according to run strength and forecast models in addition to real time data collected in these various fisheries. ADF&G can and has used EO (emergency orders) to close various fisheries if real time data suggests weak or failed returns. Again, flexibility is key to managing these resources using the best scientific data available.

In the commercial seafood business all species and poundage is declared and reported to multiple state and federal agencies, this info is used both for in-season and post season management/assessment. One of the unintended consequences of SB 42 will be expanded resource access, minimal if-any reporting requirements and will result in an increase of wasteful harvests.

Taku Smokeries employs up to 90 employees during the summer months, of that workforce over 70% are Alaska residents. The fish processors across the state of Alaska are vitally important to the communities for jobs, property tax, and fish tax revenue; SB 42 will have a net-negative impact on communities in Alaska.

The seafood harvested by a commercial fleet of predominately Alaskan residents is taxed at 3.5% of the value of the seafood. This 3.5% tax goes directly into the general fund of which 50% by legislative action is then returned to the borough in which the seafood is processed. At this time – while the state of Alaska is experiencing a budget crunch due to falling oil prices and production – it would not be in the

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best interest of Alaskans to pass SB 42, resulting in less revenue going into the general fund from the commercial seafood industry.

Thank you for allowing us the opportunity to voice our concerns against SB 42.

Sincerely,

A handwritten signature in blue ink, appearing to read "Eric R. Norman", with a long horizontal flourish extending to the right.

Eric R. Norman
V.P. & General Manager