

February 20, 2018

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PPO Box 5417
Ketchikan, AK 99901

Rep. Dan Ortiz
State Capitol Room 513
Juneau AK, 99801

Re: HB 354

Dear Representative Ortiz,

We are writing on behalf of the Southeast Alaska Regional Dive Fisheries Association (SARDFA). SARDFA is a private non-profit, economic development organization representing the harvest divers, processors, and communities of Southeast Alaska. In recent years there are approximately 180 to 200 divers making landings in SE AK, although there are closer to 400 CFEC permits available to fish. The three fisheries have an ex-vessel value of approximately \$10,000,000 a year.

SARDFA was formed in 1998 under Alaska statutes 43.76.150-210. SARDFA works cooperatively with ADF&G in developing its Annual Operating Plan (AOP), which determines how the dive assessments (self-imposed tax on the dive resources) will be spent.

Each fishery, sea cucumbers, geoduck clams, and sea urchins, can tax itself at a different rate. The commercial divers have voted to tax themselves at 5% in the sea cucumber fishery, 7% in the geoduck fishery and 5% in the sea urchin fishery. The taxes are based on ex-vessel value at the time of landing. This is in addition to the 3% State fishery tax.

SARDFA supports enacting HB 354 which would modify the way a dive association can conduct an election to change the assessment tax.

SARDFA divers have found that the current regulation to change assessment taxes makes it nearly impossible to make the changes.

Changing the assessment tax would not affect the way SARDFA does business with the Alaska Department of Fish and Game. SARDFA taxes are used by the department to conduct resource assessment surveys, manage the fisheries, and do necessary research. SARDFA would continue to work with the department to develop the AOP and meet its financial obligations to the State.

Thank-you for your time in this matter.

Philip Doherty
Kate Sullivan
Co-Executive Directors – SARDFA