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Sitka → Craig → Valdez → Naknek → Metlakatla

February 20, 2018

The Honorable Dan Ortiz State Capitol, Room 513 Juneau, Alaska 99801

RE: Letter of Support for House Bill 128

Dear Representative Ortiz:

Silver Bay Seafoods, LLC (Silver Bay, or SBS) is writing to support Alaska House Bill 128, "An Act relating to the management of enhanced stocks of shellfish; authorizing certain nonprofit organizations to engage in shellfish enhancement projects; relating to application fees for salmon hatchery permits; and providing for an effective date"

SBS is a vertically integrated, primarily fishermen-owned processor of frozen salmon, herring, and other seafoods products for both domestic and export markets. Silver Bay began in 2007 as a single salmon processing facility in Sitka, Alaska, and has since grown into one of the largest seafoods companies in Alaska. Silver Bay has state of the art, high volume processing and freezing facilities throughout Alaska, currently operating in Sitka, Craig, Valdez, Naknek and Metlakatla. SBS also has aspirations for developing production-scale mariculture operations in Sitka Sound, and is currently in the design and permitting phase for a 182-acre aquatic farm site along the western shore of Krestof Island near Olga Point. At full production, this site would yield 20 million Pacific oysters per year, bringing year-round employment to the area along with the production of an environmentally friendly, sustainable, and healthy food source for sale and distribution both locally and worldwide.

HB 128 creates a regulatory framework for the effective management of shellfish fishery enhancement, shellfish restoration activities, and shellfish hatcheries. This act will allow interested stakeholders to either begin or continue with the enhancement and/or restoration of species such as King crab, sea cucumber, geoduck, abalone, or razor clams.

An added benefit of developing shellfish fishery enhancement in Alaska is the role that shellfish hatcheries can play in developing strategies to adapt to ocean acidification and other changes to our coastal waters. As we develop shellfish hatcheries and related techniques, we learn more about the effects of ocean acidification and our ability to mitigate for these effects in a hatchery setting. Thus, shellfish hatcheries can play a critical role in positioning Alaska to better protect its wild stocks in response to changing environmental conditions, while also ensuring seed production for aquatic farmers.

Thank you for sponsoring this important legislation. Silver Bay Seafoods supports HB 128, and appreciates your proactive role in introducing this legislation. Please feel free to call on me if you have any questions whatsoever.

Sincerely,

Tommy Sheridan Director of Government Affairs Silver Bay Seafoods

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Cc: Senator Hoffman, Co-Chair, Senate Finance Committee: <u>Senator.Lyman.Hoffman@akleg.gov</u>
Senator MacKinnon, Co-Chair, Senate Finance Committee: <u>Senator.Anna.MacKinnon@akleg.gov</u>
Senator Stevens, Member, Senate Finance Committee: <u>Senator.Gary.Stevens@akleg.gov</u>

Representative Stutes, Chair, House Fisheries Committee: Rep.Louise.Stutes@akleg.gov