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March 29, 2019

Representative Stutes State Capitol Room 406 Juneau AK, 99801

RE: Oppose HB 65 - FISH TAX: REPEAL MUNI REFUNDS/REV. SHARE

Dear Representative Stutes,

CDFU is a non-profit membership organization representing over 900 commercial fishing families who participate in commercial fisheries in Alaska's Area E, which includes Prince William Sound, the Copper River region, and the northern-central Gulf. It is our mission to preserve, promote, and perpetuate the commercial fishing industry in Area E and to further promote safety at sea, legislation, conservation, management, and general welfare for the mutual benefit of all our members.

The commercial fishermen of Area E have a strong and historic relationship with the Alaska State Legislature and State of Alaska Departments that we foster with great care, proactive communications and representation. CDFU would like to formally state our opposition to HB 65 - Fish Tax: Repeal Muni Refunds/Rev. Share. This tax income is critically important for Alaska's rural communities. The current tax structure allows for sharing of 50% of revenues generated by fisheries taxes, which currently benefits all Alaskans, as well as provides financial resources to the communities directly tied to sustainable natural resource use.

If this revenue sharing were repealed, the tax burden would simply be shifted to municipalities to make up the difference, and likely would result in both a loss of services and new taxes implemented on rural residents. This will negatively impact our fisheries around the state, the infrastructure that is supported by fisheries tax revenues, and the communities of Prince William Sound, including Cordova, Valdez, and Whittier, who all depend on fisheries resources as a foundation to the local economy.

Thank you for your time and consideration, and for the opportunity to formally oppose HB 65.

Gerald McCune President

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Chelsea Haisman Executive Director

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