

Department of Fish & Game

Division of Commercial Fisheries

Return on Investment



Presentation to House Fisheries Committee
January 28, 2020



Economic Value of Commercially Harvested Alaska Seafood

According to a 2019 McDowell Group presentation *Alaska Seafood Industry Update*:

- Largest private sector employer in Alaska
- Directly employs almost 60,000 workers annually, more than any other industry in Alaska
- Contributes \$172 million directly in taxes, fees, and self-assessments which help fund state, local and federal government
- Alaska seafood contributes an annual average of \$5.6 billion in economic output to the Alaska economy
- Alaska exports over 1 million metric tons of seafood each year, returning over \$3 billion of new money into the U.S. economy



General Fund Revenue for Division of Commercial Fisheries

Revenue Sources 2018	Amount Retained by State Agencies (GF)	Total Amount of Revenue
Taxes		
Fisheries Business Tax ¹	\$ 21,233,058	\$ 46,228,406
Fisheries Resources Landing Tax ¹	\$ 3,464,070	\$ 9,736,239
Marine Motor Fuel Tax ^{1,2}	\$ 2,853,113	\$ 2,853,113
Corporate Income Tax (FY2018) ³	\$ 3,179,000	\$ 3,179,000
Agency Fees and Cost Recovery		
CFEC Permit and Vessel Fees - net revenue ⁴	\$ 7,058,600	\$ 7,058,600
Crew License Sales ⁵	\$ 2,466,475	\$ 2,466,475
Test Fishery Receipts ⁵	\$ 2,631,428	\$ 2,631,428
Total	\$ 42,885,744	\$ 74,153,261

¹Department of Revenue, Tax Division, Annual Report 2018

²Assumed to be 50% of total Marine Motor Fuel Tax based on McDowell Group 2017 Economic Value of Alaska's Seafood Industry report

³Department of Revenue, Tax Division, Non-Petroleum Corporate Income Tax Collections by Sector, FY2016-FY2019

⁴Commercial Fisheries Entry Commission, Conservation with Executive Director

⁵State of Alaska ALDER inquiry, November 11, 2016

Division of Commercial Fisheries Budget Overview – Funding

	FY2020 Mangement Plan	FY2021 Governor
Funding		
Federal Receipts	10,178.0	10,204.2
General Fund Match	485.2	438.7
General Fund	37,528.7	36,650.9
General Fund Program Receipts	2,411.8	2,417.2
Interagency Receipts	1,016.8	1,021.5
Exxon Valdez Oil Spill Settlement	201.9	201.9
Fish & Game Fund	269.2	269.2
Capital Improvement Project Receipts	1,510.6	1,515.5
Statutory Designated Program Receipts	5,816.1	5,837.2
Test Fisheries Receipts	3,419.3	3,425.2
Commercial Fisheries Entry Commission Receipts	5,126.3	5,135.9
Funding Totals		
Unrestricted General Fund	38,013.9	37,089.6
Designated General Fund	10,957.4	10,978.3
Other	8,814.6	8,845.3
Federal	10,178.0	10,204.2
Total	67,963.9	67,117.4

Industry Tax Revenues

- McDowell Group estimates that of the taxes and fees collected
 - 43% or \$73 million goes to state government
 - 30% or \$51 million goes to local governments
 - 23% or \$40 million goes to salmon hatchery management
 - 5% or \$8 million goes to the federal government

Source: McDowell Group, *The Economic Value of Alaska's Seafood Industry*, January 2020



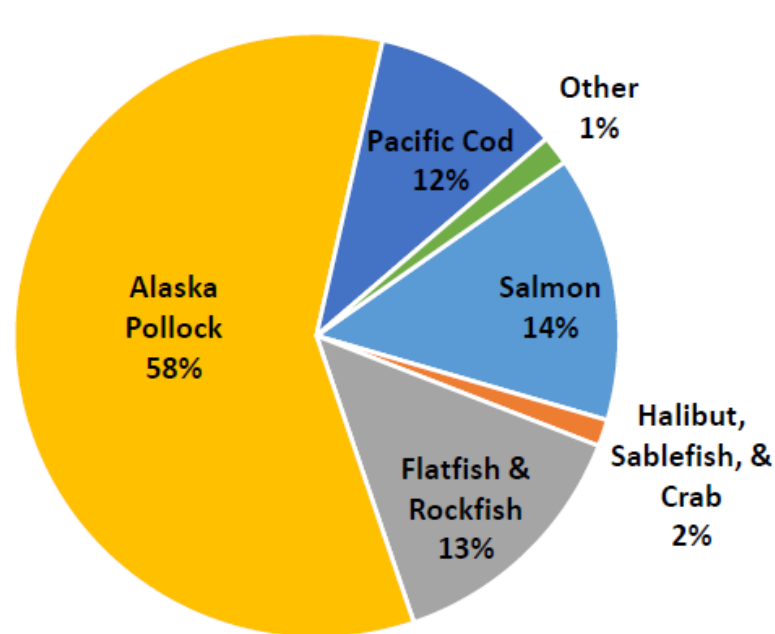
	2018, \$Millions
Taxes	\$85.3
Fisheries Business Tax	\$46.2
Fisheries Resources Landing Tax	\$9.7
Marine Motor Fuel Tax	\$3.0
Corporate Income Tax	\$3.2
Local Raw Fish and Other Taxes	\$23.1
Agency Fees & Cost Recovery	\$64.6
CFEC Permit and Vessel Fees	\$7.5
Crew License Sales	\$3.3
Test Fishery Receipts	\$3.0
Processing/Mariculture/Other Fees	\$1.5
Salmon Hatchery Cost Recovery*	\$40.0
Federal Cost Recovery Fees - Federal Share	\$4.4
Federal Cost Recovery Fees - State Share	\$1.5
Federal Observer Program	\$3.4
Industry Self-Assessments	\$22.3
Seafood Marketing (ASMI)	\$9.9
Salmon Enhancement	\$9.1
Seafood Development (RSDAs)	\$2.8
Dive Fishery Management	\$0.5
Total	\$172

Note: Data are for FY 2018. Totals may not sum due to rounding.

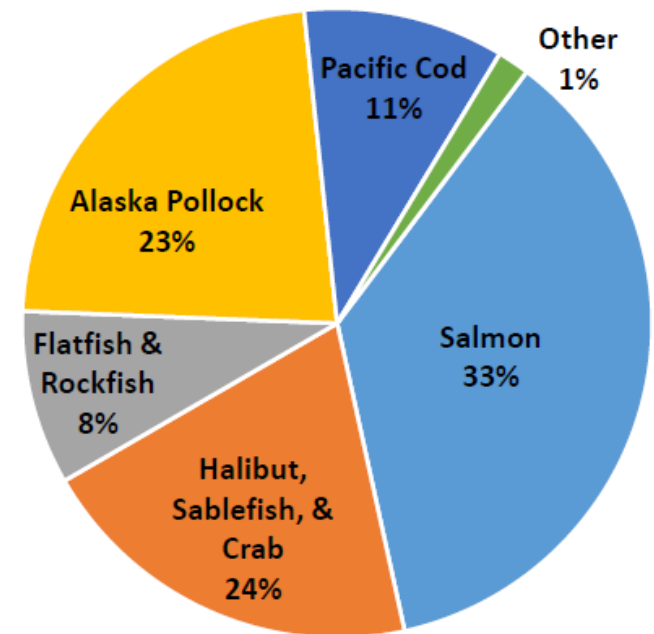
*Earnings are retained by salmon hatcheries.

Sources: ADOR, CFEC, DCCED, ADF&G, NMFS, OMB, & McDowell Group.

2017-2018 Annual Average Ex-vessel Volume and Value by Species Group



Ex-vessel Volume
5.8 Billion Pounds

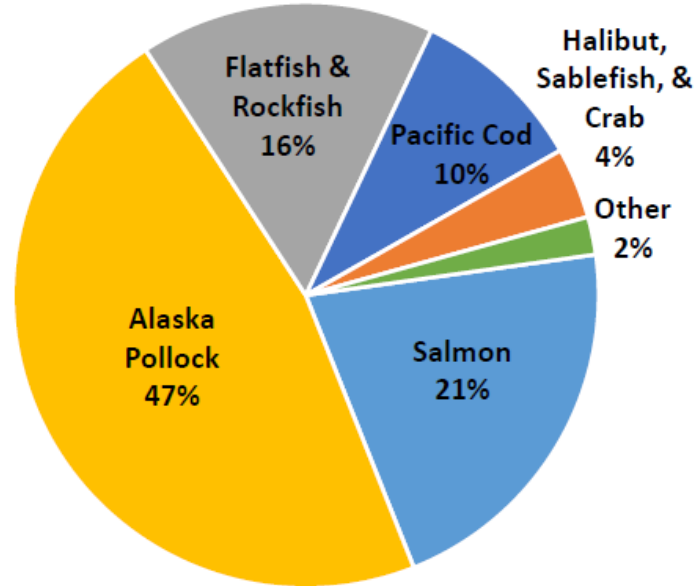


Ex-vessel Value
\$2.0 Billion

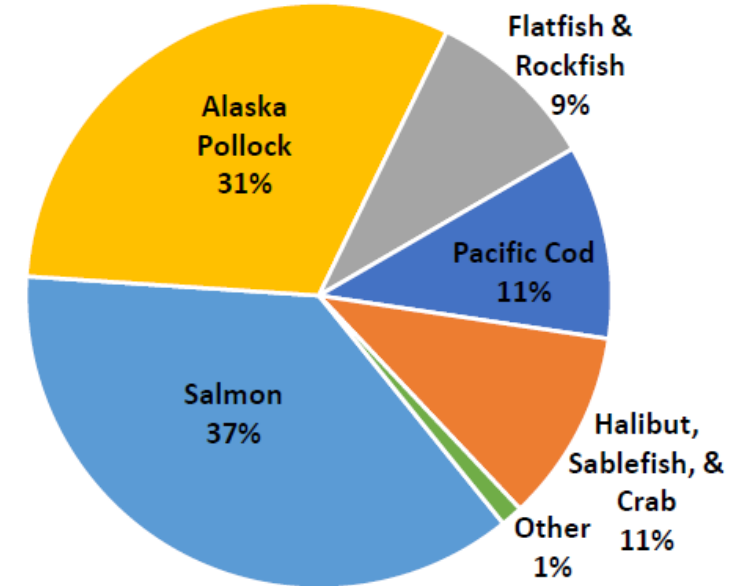
Source: NMFS and ADF&G; compiled by McDowell Group.
Some 2018 figures are preliminary.

Source: McDowell Group, Pacific Marine Expo Presentation, *Alaska Seafood Industry Update*, November 22, 2019

2017-2018 Annual Average First Wholesale Volume and Value by Species



First Wholesale Volume
2.8 Billion Pounds



First Wholesale Value
\$4.7 Billion

Source: NMFS and ADF&G; compiled by McDowell Group.
Some 2018 figures are preliminary.

Source: McDowell Group, Pacific Marine Expo Presentation, *Alaska Seafood Industry Update*, November 22, 2019

Other Support Provided

The Division of Commercial Services provides services that are critical to management of

- Subsistence Fisheries
- Personal Use Fisheries

Data collected by the division is shared across the department for various uses.

The division also shares the cost of certain projects and facilities with other divisions in the department.

Thank you
Questions?



THE STATE
of ALASKA
GOVERNOR MICHAEL J. DUNLEAVY