

ALASKA RESEARCH CONSORTIUM

Supporting sustainable fisheries, marine science and the blue economy in the North Pacific

P.O. Box 1256
Kodiak, Alaska 99615

December 9, 2019

Representative Louise Stutes
Alaska State Legislature
305 Center Avenue Ste. 1
Kodiak AK, 99615

Dear Representative Stutes,

The Alaska Research Consortium, via this letter, is requesting your support and assistance in developing a **Seafood Workforce Training Partnership** for our state.

As you know, the Alaska Research Consortium (ARC) was organized in 2017 when the University of Alaska Fairbanks issued a request for proposals for a public-private partnership to operate the Kodiak Seafood and Marine Science Center (KSMSC). The University was considering closing or repurposing KSMSC due to budget cuts. In our opinion, this revealed a lack of understanding by the University about the value of the seafood industry to our state. Many community and industry members pushed back strongly, including yourself, and ultimately the University decided to maintain operation of the Center. The ARC considers this one of our first tasks completed successfully.

However, workforce training in support of Alaska's seafood industry, identified in Title 16 as a key purpose of KSMSC (formerly Fishery Industrial Technology Center (FITC)), is still not realized, primarily due to lack of capacity and funds. **It is not due to lack of interest or need by the industry.** In fact, last month, the ARC sponsored a Baader company trainer to travel from Germany to Kodiak to conduct a 40-hour processing machinery technician training class. The class was limited to 6 individuals from 3 companies and cost \$17,000. Industry paid the tuition and travel fees in full for this class; ARC's role was coordination and communication. This is just an example of the potential to support the seafood workforce in Alaska through partnership with the industry.

ARC is proposing that beginning in FY20, Technical Vocational Education Program (TVEP) funds be dedicated to a new Seafood Workforce Training Partnership (SWTP) in our state. ARC will operate SWTP and coordinate with a number of training entities to develop and deliver seafood workforce trainings for a statewide audience. This is an opportunity to fully utilize the Kodiak Seafood and Marine Science Center as the hub for this training; however, other training entities across the state will be used as well in response to need, participation and timing.

The TVEP fund comes from .16% of the annual employee contribution to unemployment insurance. Seafood processing employees contribute a significant amount of funds annually to the state's TVEP fund; in fact, an Alaska Department of Labor and Workforce Development analyst noted that from FY16-FY18, workers using NAICS 3117 (Seafood Product Preparation and Packaging) contributed an average of \$607,000 to the fund. While the University and AVTEC have expended a percentage of their TVEP funds on fisheries and maritime training over the last few years, funds dedicated to directed seafood processing workforce training have been minimal (i.e. averaging \$64,000 per year from FY 14-20 or about 1.2% of the University's TVEP allocation).

With TVEP coming up for reauthorization during this session, we ask that you consider adjusting the bill to direct some of these funds (in FY18, the total TVEP fund was approximately \$12M) to workforce training targeting the seafood industry through the Seafood Workforce Training Partnership. We had included a draft budget outlining how these funds might be allocated.

Over 25,000 seafood workers from Metlakatla to Kotzebue contribute to the TVEP education fund annually. With the legislative mandate for the Kodiak Seafood and Marine Science Center yet unrealized, this is an opportunity to re-invest Alaska seafood industry-generated funds in a manner that will contribute to the long-term economic health of our state.

I am happy to speak with you in more detail about the attached proposal. Thank you again for your support of the Alaska seafood industry and the Kodiak Seafood and Marine Science Center. We look forward to working closely with you on this.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jay Stinson", is written over the typed name.

Jay Stinson, President
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