

UNITED FISHERMEN OF ALASKA

Mailing Address: P.O. Box 20229, Juneau AK 99802-0229

Phone: (907) 586-2820

E-mail: ufa@ufa-fish.org Website: www.ufa-fish.org

February 22, 2021

Sent Electronically:

Alaska Senate Finance Committee Alaska Senate Resource Committee Alaska House Fisheries Committee Alaska House Resource Committee Alaska House Finance Committee

Re: HB 80/SB 60- Support for Salmon Enhancement Funding

Dear Committee Members,

United Fishermen of Alaska (UFA) is the statewide commercial fishing trade association, representing 37 commercial fishing organizations participating in fisheries throughout the state, and the federal fisheries off Alaska's coast.

United Fishermen of Alaska recognizes the economic value of the Alaska's salmon hatchery program and supports immediate and continued State funding for the Southern Southeast Regional Aquaculture Association (SSRAA) operated Crystal Lake Hatchery (CLH) and the Chinook salmon enhancement projects conducted by Douglas Island Pink and Chum (DIPAC).

In September 2020, the Alaska Department of Fish and Game (ADF&G) announced it was discontinuing its Southeast salmon enhancement programs. This included operational funding for the CLH in Petersburg operated by the Southern Southeast Regional Aquaculture Association (SSRAA) and Chinook salmon enhancement projects conducted by Douglas Island Pink and Chum (DIPAC) in Juneau. This notice was unexpected.

ADF&G's reasoning for the decision was that a portion of the funding supporting the CLH and DIPAC Chinook salmon enhancement projects was derived from a sport fishing license surcharge. This surcharge, which expired December 31, 2020, was not renewed by the Alaska Legislature in 2020 when the Legislature adjourned suddenly due to the COVID-19 pandemic and SB 247 and HB189 were not passed. No alternative funding is currently available to replace the \$500,000 needed to continue the Southeast salmon enhancement programs.

Important issues to consider:

- CLH, located in Petersburg, is owned by the State of Alaska, with SSRAA as the operator of the facility under a service contract with ADF&G Sport Fish Division. SSRAA has operated CLH with 4 full-time employees since 2000.
- CLH produces Chinook and coho that are released in the Petersburg, Wrangell, Ketchikan, and Craig areas.
- Averaged over the past 10 years, returning adult CLH Chinook have represented about 40% of the catch of Alaska hatchery-produced salmon in SE.
- SSRAA's service contract with ADF&G Sport Fish Division for operating CLH is for \$517,300 of which \$200,000 is derived from the Sport Fish license surcharge fund. The remaining \$317,300 of the contract is derived from federal funds (Dingell-Johnson) and a required state 25% match and is expected to continue into FY 22.
- DIPAC in Juneau operates a Chinook program primarily funded by the State to boost the local Juneau sport opportunity for Chinook Salmon. For almost 30 years, DIPAC has received \$346,400 for the Chinook program through a cooperative agreement with ADF&G. At the time, \$311,600 of the funds received by DIPAC through the State is derived from the Sportfish License fee surcharge revenues, and the remaining \$34,800 are federal (Dingell-Johnson) funds.
- DIPAC produced adult Chinook salmon returning to the Juneau area have provided significant benefits to the recreational fishery. On average, recreational marine boat fishery harvested about 41% of the Chinook salmon produced by DIPAC, and the DIPAC production has contributed approximately 37% of all the marine boat harvest of Chinook salmon in the Juneau area. The shore side sport fishery also benefits from DIPAC's Chinook program, but those harvest percentages have yet to be evaluated.
- If the surcharge is restored during this legislative session, funds would not be available until the following calendar year, i.e., 2022, and a short-term "gap" in funding of at least one year is expected.

There is a critical need for legislative action for the Southeast salmon enhancement programs to continue. If State funds are not appropriated to cover the current short-term "gap" and a long-term State source such as the sportfish license surcharge, the Southeast Sport Fish salmon enhancement programs will be reduced. Short -term "gap" funding is needed to assure the uninterrupted rearing and release of the salmon currently being reared, and there is an even greater need for a long-term solution to be crafted within a renewed license surcharge.

Sincerely,

Matt Alward President

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Frances H. Leach Executive Director

CC: Governor Mike Dunleavy Commissioner Doug Vincent-Lang