



RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

April 8, 2025

Submitted electronically via: Senate.Resources@akleg.gov

Chair Senator Cathy Giessel
Senate Resources Committee
Alaska State Legislature
Juneau, Alaska



RE: Support for SB 130, Fisheries Product Development Tax Credit

Dear Chair Giessel and Members of the Senate Resources Committee:

The Resource Development Council for Alaska (RDC) writes in support of SB 130, which would make positive changes to the existing fisheries product development tax credit. This legislation will provide long-term economic benefits to Alaskans, particularly coastal communities, at a time when our seafood industry is struggling.

RDC is a statewide, non-profit trade association founded in 1975. Our membership is comprised of individuals and companies from Alaska's fishing, tourism, forestry, mining, and oil and gas industries and includes Alaska Native corporations, local communities, organized labor, and industry support firms. RDC's purpose is to encourage a strong, diversified private sector in Alaska and expand the state's economic base through the responsible development of our natural resources.

The seafood industry is one of the largest employment and economic drivers in Alaska, directly employing 48,000 people, and producing more than \$5 billion in economic activity in the state every year. It also comprises our largest manufacturing sector. Unfortunately, the Alaska seafood industry, which produces nearly 60% of the nation's commercial fisheries, is facing unprecedented national and international challenges ranging from unfavorable trade policy and regulations, and higher operational costs due to inflation, resulting in declining market value.

Among other things, SB 130 will reauthorize the Fisheries Product Development Tax Credit and expand the types of equipment and the species eligible for the tax credit. This bill will provide further incentives for Alaska seafood processors to invest in new equipment that produces higher quality, value-added products to enhance the competitiveness of Alaska's seafood



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industry. SB 130 is aligned with recommendations from the Alaska Legislative Seafood Task Force and is supported by previous analysis by McKinley Research Group showing that the tax credit applicable for salmon species has generated an additional \$114.4 million in new revenue to the State General Fund. SB 130 would allow this return on investment to be realized across all fish and shellfish species for the benefit of the Alaska seafood industry.

During a time when Alaska's seafood industry is experiencing unprecedented challenges resulting in decreased value of seafood, it is important we take actions to keep our seafood industry competitive and primed for future investment. RDC urges you to move SB 130 out of Senate Resources in a timely manner.

Thank you for your consideration of these comments.

Sincerely,

Leila Kimbrell
Executive Director
Resource Development Council for Alaska
Celebrating 50 Years of Responsible Resource Development in Alaska



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