

**PRESENTATION TO THE ALASKA STATE LEGISLATURE
HOUSE FISHERIES COMMITTEE**

**ALASKA'S SALMON
HATCHERY
ASSOCIATIONS**

**SUPPORTING SUSTAINABLE SALMON RUNS.
SUPPORTING ALASKA.**

ALASKA'S NINE PRIVATE, NON-PROFIT HATCHERY ASSOCIATIONS

SUSTAINABLY PRODUCING SALMON FOR ALL USER
GROUPS THROUGHOUT SOUTHCENTRAL AND
SOUTHEAST ALASKA.

KODIAK REGIONAL AQUACULTURE ASSOCIATION - KODIAK

COOK INLET AQUACULTURE ASSOCIATION - KENAI

PRINCE WILLIAM SOUND AQUACULTURE CORPORATION - CORDOVA

VALDEZ FISHERIES DEVELOPMENT ASSOCIATION INC. - VALDEZ

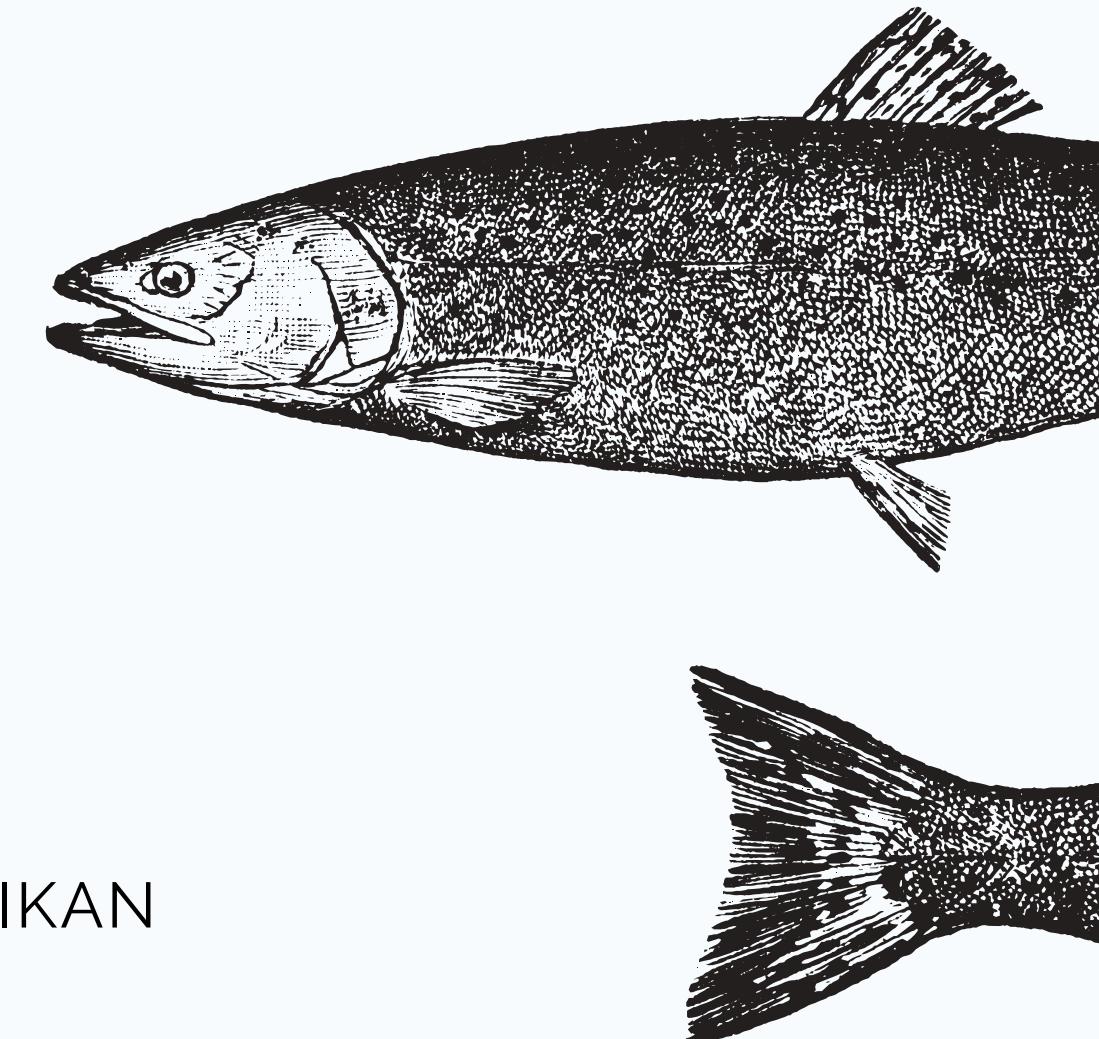
NORTHERN SOUTHEAST REGIONAL AQUACULTURE ASSOCIATION - SITKA

SOUTHERN SOUTHEAST REGIONAL AQUACULTURE ASSOCIATION - KETCHIKAN

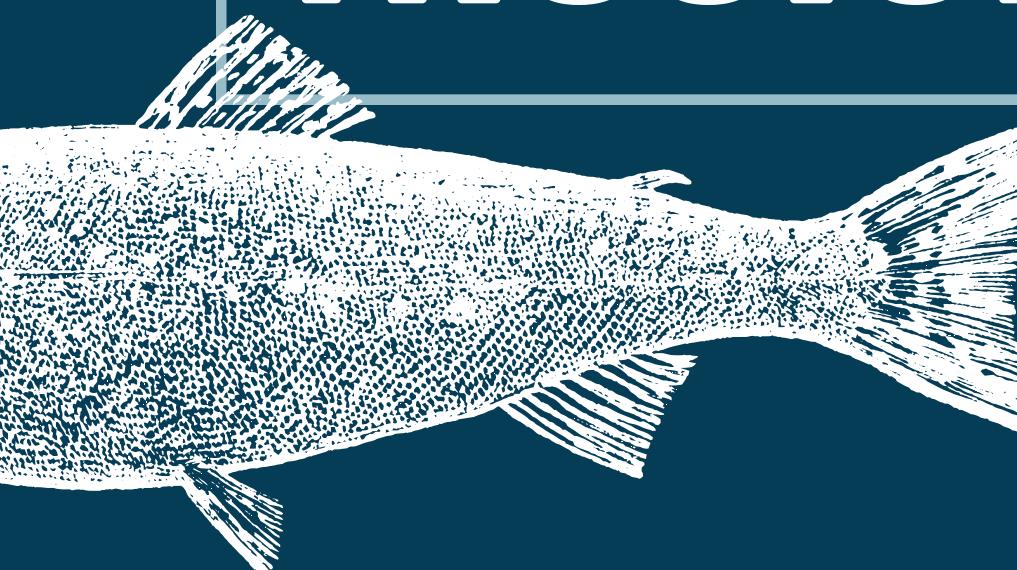
DOUGLAS ISLAND PINK AND CHUM, INC. - JUNEAU

ARMSTRONG KETA INC. - SITKA

SHELDON JACKSON HATCHERY (SSSC) - SITKA



THE ALASKA SALMON HATCHERY MISSION



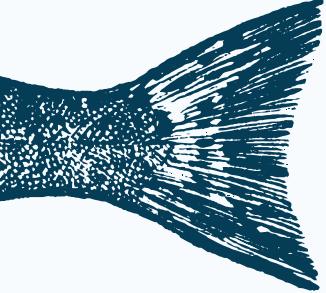
SALMON HATCHERIES ARE HERE FOR THE PUBLIC.
ENHANCING HARVEST OPPORTUNITIES FOR ALL USERS.

“

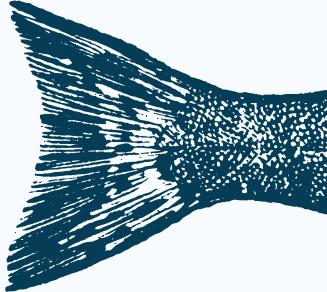
The Alaska hatchery program was designed to **increase salmon abundance and enhance fisheries, while protecting wild stocks.** The program was built in response to depressed commercial fisheries, to meet the needs of the people of the state. Fisheries enhancement projects are not permitted if they are anticipated to have a significant negative effect on natural production. **Our fisheries enhancement program is designed to supplement natural production, not replace or displace it.**

- Alaska Department of Fish & Game

”



ALASKA'S SALMON HATCHERIES: A HISTORY



SUPPORTING SUSTAINABLE SALMON RUNS. SUPPORTING ALASKA.

STATEHOOD

Alaska gained statehood and started to manage its fisheries within state waters.

YEAR 1973

Alaskan voters approved the Limited Entry & Hatchery Program & the Fisheries, Rehabilitation, Enhancement and Development (F.R.E.D.) was created within ADF&G.

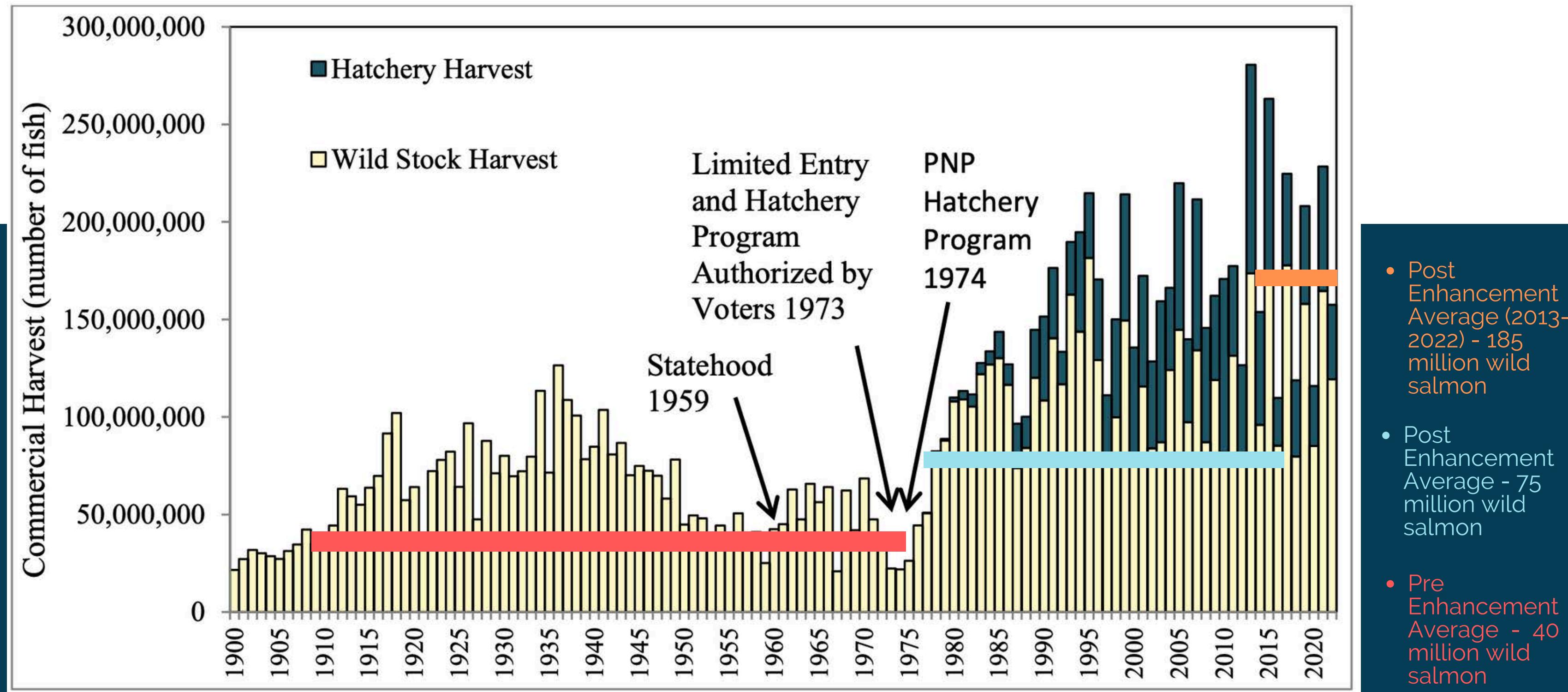
YEAR 1974

Alaska put the Private Nonprofit (PNP) hatchery program and permitting into place.

YEAR 2023-24

Alaska's PNP hatchery program turns 50, with observed increased wild salmon abundance in line with the state's original intent and mission.

SUPPORTING WILD STOCKS FOR FIFTY YEARS. ENHANCING HARVESTS FOR ALL USER GROUPS.



THE PUBLIC-PRIVATE PARTNERSHIP MODEL

- **Alaska's Hatchery Programs represent one of the most successful and consistent public-private partnerships in state history.**
- With the creation of the PNP Hatchery Program in 1974, the Legislature provided the means for these non-profits to pay for their operations through Cost Recovery activities and through a self-assessed Salmon Enhancement Tax approved by the permit holders in each region.
- **Fish are produced for the benefit of all Common Property users** —Subsistence, Sport, Commercial, and Personal Use — at no cost to the state. The hatchery programs are 100% self-funded by the commercial fishing industry.



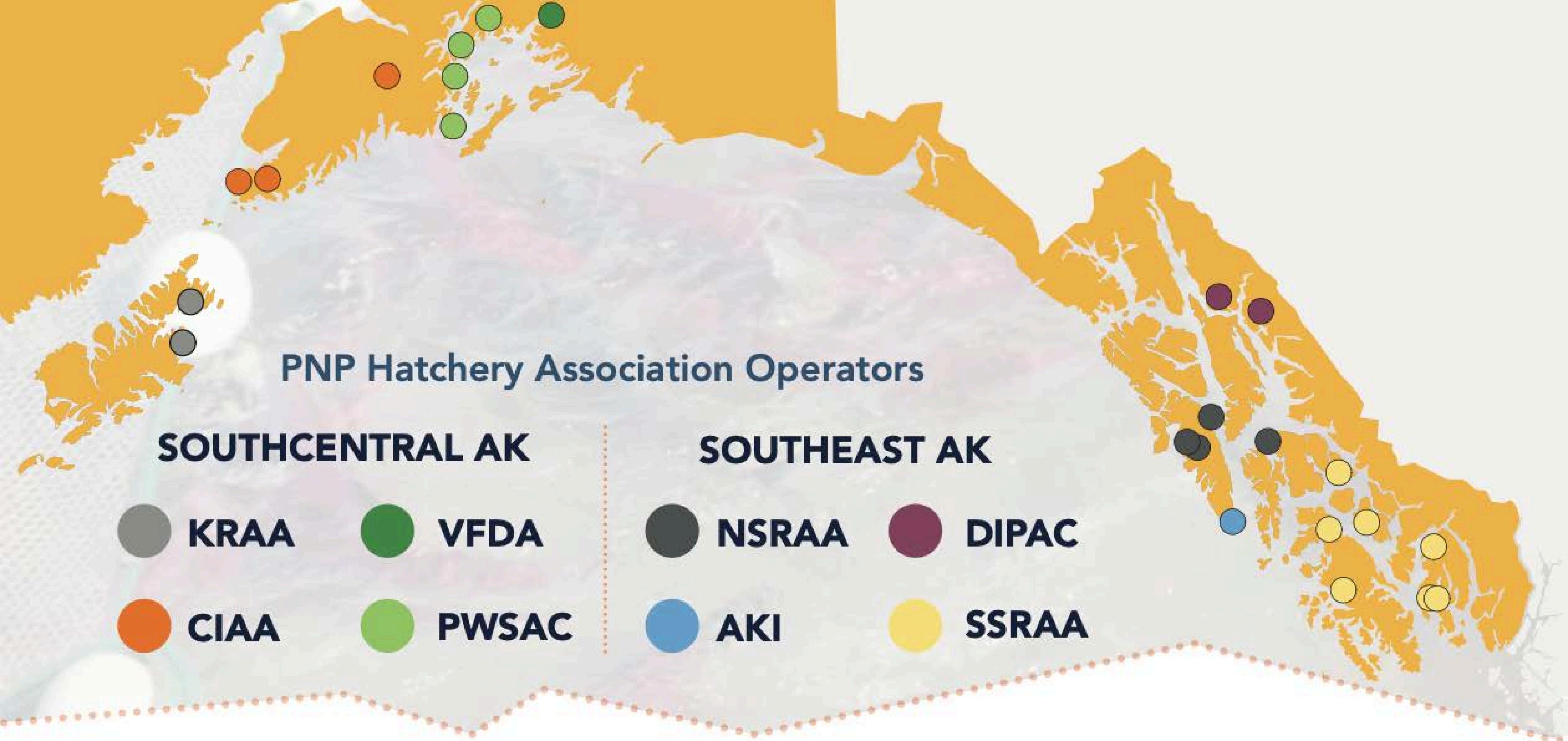
CHECKS, BALANCES & REGULATION

- Housed in ADF&G, under the Commercial Fisheries Division, Alaska's PNP hatchery program has a very dynamic regulatory structure rooted in science-based management.
- ADF&G oversight & permitting: Alaska's salmon hatcheries are carefully reviewed and permitted by the Alaska Department of Fish & Game. The hatcheries production numbers are monitored and reported annually to the Department.

Opportunities for Public Process

- RPT
- Board of Directors
- Board of Fish Hatchery Committee Meetings





As of 2024, nine PNPs operate 26 hatcheries in Alaska. These include a mix of PNP and state-owned hatcheries, which PNPs operate at no cost to the state. There are four additional non-PNP hatcheries: two sport fish hatcheries operated by the state (in Anchorage and Fairbanks), a research hatchery owned by the federal National Marine Fisheries Service, and a tribally owned hatchery operated by the Metlakatla Indian Community.

THE ECONOMIC IMPACT OF ALASKA'S PRIVATE NONPROFIT HATCHERIES

SOURCE: 2023 MCKINLEY RESEARCH REPORT ON HATCHERIES



162,000

**SALMON HARVESTED IN
SPORT, PERSONAL USE, AND
SUBSISTENCE FISHERIES**



\$576 MILLION

TOTAL ECONOMIC OUTPUT



\$219 MILLION

LABOR INCOME



\$3 MILLION

**ESTIMATED FISHERIES
BUSINESS TAX
REVENUE GENERATED**



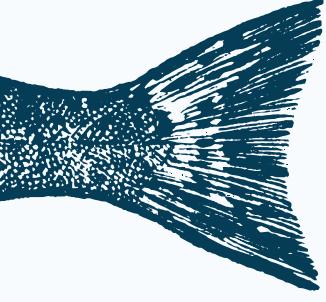
14,000+

**PEOPLE EARNING INCOME
FROM HATCHERY SALMON**

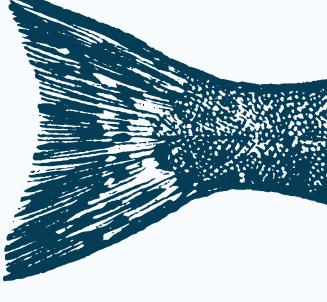


4,200 JOBS

ANNUALIZED



HATCHERY SALMON EX-VESSEL VALUE AS % OF STATEWIDE SALMON TOTAL



SOURCE: 2023 MCKINLEY RESEARCH REPORT ON HATCHERIES



20%
IN 2018



14%
IN 2019



13%
IN 2020



14%
IN 2021



14%
IN 2022

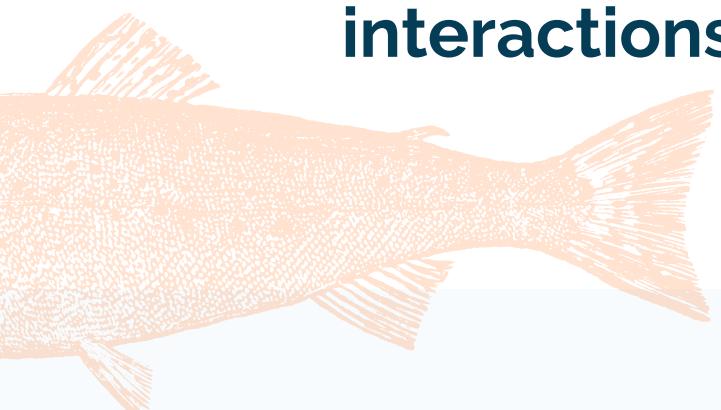


20%
IN 2023

SHORT TERM PRIORITIES

CONTRIBUTE TO THE STABILITY OF THE ALASKA SALMON INDUSTRY

- Maintain existing permitted production levels for all hatchery-produced salmon species.
- Work to improve coordination between state agencies and hatcheries to ensure permitting and regulations support long-term success.
- Ensure funding for data collection and scientific research to determine the interactions of hatchery and wild fish.



LONG TERM PRIORITIES

MAINTAIN THE LONG-TERM VIABILITY OF OUR PROGRAMS & HATCHERY INFRASTRUCTURE

- Consider a funding request for aging infrastructure and deferred maintenance of state-owned hatchery facilities.
- Continued funding of ASMI for the development of existing and new markets for seafood products.

FISHERY ASSESSMENT: ISSUE, FIX & DECISION

THE ISSUE

- The current Department of Revenue Fishery Assessment model relies on reporting timelines and definitions that do not align with how hatchery operators actually generate audited financials and projected return data.
- This misalignment creates avoidable inaccuracies, administrative burden, and implementation challenges.

PROPOSED FIX

- Adjust the reporting deadline from October 1 to November 1 to allow for finalized data.
- Clarify how “current year” is defined for organizations operating on a fiscal year.
- Allow limited flexibility to apply an assessment rate below the DOR-calculated rate when appropriate.



WHY DOES THIS MATTER?

- These targeted adjustments improve accuracy, efficiency, and fairness without changing the underlying assessment framework.
- They also support consistent administration while preserving accountability and transparency.

CURRENT PATH FORWARD

- The Department of Revenue and hatchery operators are working collaboratively.
- A fee waiver request is under review by OMB to enable near-term implementation.
- Longer-term regulatory updates will still be needed.

DECISION REQUESTED

That the Legislature support the Department of Revenue's efforts to pursue targeted regulatory adjustments and interim implementation where appropriate.



CONTACT SALMON HATCHERIES FOR ALASKA

LEARN.
ENGAGE.
VISIT.

SCHEDULE A SITE VISIT

With 26 unique hatcheries sites across the state, we welcome you to learn more, engage in Alaska's hatchery program, and set up site visits at your convenience.

CONTACT THE NONPROFIT HATCHERY LEADERS

The nine nonprofit hatchery associations are ready and willing to answer your questions and meet with you in the near future as needed. Thank you.

NEED MORE INFORMATION?

Please contact the nonprofit hatchery associations with any questions, data requests, meeting requests, or anything else.