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March 5, 2010

Rep. Bryce Edgmon, Chairman House Fisheries Committee Alaska House of Representatives Capitol Room 416 Juneau, AK 99801

RE:

HB 365, Fish Processors Fees, Licenses, and Records

Hearing Date:

Tuesday, March 9, 2010

Dear Chairman Edgmon:

The Southeast Revitalization Association ("SRA") is a qualified fishery association under AS 16.40.250 and was established for the express purpose of designing and implementing a fleet consolidation program for the Southeast purse seine salmon fishery for which the Commercial Fisheries Entry Commission ("CFEC") has issued limited entry permits.

The SRA consolidation program, if ultimately approved by the affected permit holders, will be funded in large part by a federal loan authorized under the Magnuson-Stevens Fishery Conservation and Management Act and administered by the National Marine Fisheries Service ("NMFS"). Permit holders remaining in the fishery will repay the loan through imposition of a fee based on the ex-vessel price of all salmon harvested in the fishery. The fee will be collected by the first buyer of the salmon and then transmitted to NMFS.

To ensure that the fee is collected and transmitted in a timely fashion, NMFS needs access to fish ticket harvest data and fish buyer annual reports maintained by the State of Alaska. These records, subject to a variety of exceptions, are confidential under AS 16.05.815. HB 365 would allow NMFS access to these state records by creating another exception. HB 365 would also require the buyers of salmon to certify the collection and transmittal of fees as a condition to renewal of their annual fisheries business license.

Passage of HB 365 is not only a condition precedent to the actual funding of the loan by NMFS, but also serves two important compliance considerations to ensure an even playing field for both fishermen and processors:

- 1. Assures the fisherman/permit holder paying the fee that all monies collected by the buyer are being transmitted to NMFS for repayment of the loan.
- 2. Assures the processor/buyer of the salmon that all other buyers are also collecting and transmitting the fee.

The SRA strongly supports SB 365 and respectively requests prompt passage by your committee.

Rob Zuanich

Manager