

**ALASKA MUNICIPAL LEAGUE  
RESOLUTION #2011-05**

**A RESOLUTION BY THE ALASKA MUNICIPAL LEAGUE REQUESTING THE  
LEGISLATURE AMEND THE FISHERIES BUSINESS TAX (RAW FISH TAX) LAW TO  
SHARE MORE THAN THE CURRENT 50% OF THE TAX REVENUE WITH  
QUALIFIED MUNICIPALITIES**

**WHEREAS**, shared fisheries tax became law in 1962 and the amount of sharing with qualified municipalities was then 10%; and

**WHEREAS**, the shared fisheries tax law evolved from a series of congressional and territorial legislation that originally taxed canned salmon receipts (and later, other fisheries) for the purpose of funding fisheries-related activities in pre-territorial Alaska; and

**WHEREAS**, since becoming law, the amount fisheries business tax shared with qualified municipalities has increased only twice; once in 1979 to 20% and again, in 1981 to the present 50% share; and

**WHEREAS**, the fisheries business tax revenue retained by the State, after being reduced for various credits, is now placed in the State's General Fund and is not designated for any specific purpose; and

**WHEREAS**, from inception of the fisheries tax to the mid-2000s, the vast majority of public harbor facilities throughout the State, were owned by the State of Alaska Department of Transportation and operated by the municipalities; and

**WHEREAS**, from the mid-1990s to mid-2000s, the State began to transfer ownership of these public harbors (many of which were aging and in need of extensive maintenance and/or replacement) to the municipalities on an "as is with all faults" basis, conveying to each municipality, a Bill of Sale for the personal property along with a designated Legislative appropriation of a sum of money to perform necessary repairs and upgrades (deferred maintenance); and

**WHEREAS**, the Bill of Sales for these harbor facilities came with a covenant that the municipalities shall operate and maintain the harbor facilities for the use and benefit of the public and in the event the municipality fails or ceases to administer, maintain and operate the harbor facilities as public facilities, title to the facilities shall revert to the State of Alaska; and

**WHEREAS**, in many instances, the initial appropriations for “necessary repairs and upgrades” have not been sufficient to address the numerous deferred maintenance items conveyed from the State to the municipalities, requiring municipalities to place burdens on their local treasuries; and

**WHEREAS**, the large majority of the communities who accepted the harbors from the State, are communities that derive their main economic base from various fisheries businesses, and their harbor facilities are the lifeblood of the community.

**NOW, THEREFORE BE IT RESOLVED** that the Alaska Municipal League requests the Legislature amend the Fisheries Business Tax (Raw Fish Tax) law and share more than the current 50% of the tax revenue with the qualified municipalities, as an increased share of the tax would encourage municipalities to continue to maintain, upgrade and operate the State transferred facilities to the greatest degree possible and would assist the municipalities in the retention of successful, working harbors.

**PASSED AND APPROVED** by the Alaska Municipal League on this 19<sup>th</sup> day of November, 2010.

Signed: \_\_\_\_\_  
Hal Smalley, President, Alaska Municipal League

Attest: \_\_\_\_\_  
Kathie Wasserman, Executive Director, Alaska Municipal League