

Cody Grussendorf

From: lburgess@wrangell.com
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To: Randy Ruaro; Rep. Daniel Ortiz; Cody Grussendorf
Cc: 'Lisa Von Bargaen'
Subject: Comments from SB63 3/21 Public Testimony

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Randy, Rep. Ortiz, et al.,

FYI, below is more or less what I shared during the public testimony yesterday.

Thank you Mr. Chairman and the rest of the committee for offering us the chance to testify.

Lee Burgess, Finance Director for the City and Borough of Wrangell

The City and Borough of Wrangell would likely recover the loss of revenue from SB 63 by raising moorage rates, because Wrangell has historically dedicated its raw fish tax to reinvesting in its harbors, to help maintain and rebuild harbor infrastructure, so this revenue is primarily a loss for the Wrangell Harbor enterprise fund. Moorage rates would need to increase by approximately 43%-57% to recover this loss, which has averaged \$311,000 per year over the last five years. Wrangell already has a 7% sales tax and a 12.75 mill rate for property taxes.

While the impact of SB 63 is not the same to Wrangell as it is to some other communities, I think the bigger point is that the effects are extremely variable depending on the community, and would in effect be an example of government arbitrarily picking winners and losers, causing disproportionate harm to certain communities relative to how much of their economic backbone is made up by commercial fishing.

The City and Borough of Wrangell echoes the serious concerns that have been shared by representatives from other communities.

Thank you very much.

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