

CITY OF CORDOVA



4-25-19

To: House Fisheries Committee
Testimony, 10AM, 4-25-19 Hearing, HB65

Chair Stutes and Committee:

The City of Cordova is strongly opposed to House Bill 65.

The effects upon Cordova, which is a class-one city, not a borough, would be devastating. Our fish tax revenues were just over \$1,400,000 last year, and to put this in perspective, this represents 15% of our general fund revenues. Cordova funds its schools (after the deep cuts over the past two years from the maximum allowed) is \$1,500,000. There is no way that Cordova can cut beyond the \$2,000,000 we have cut from our operating budget over the past 2 years and continue to keep our hospital, which is hanging on by a thread, and our schools, which have consumed all of their reserves to maintain a quality educational program, in operation without adding severe local taxes which will cripple our economy.

The tragedy is that Cordova is positioned to grow into the top five seafood ports in the nation alongside Kodiak and Dutch Harbor and have strategically passed bonds and a ½% local fish tax and wharfage fee increases to renovate our formerly state-owned harbor and position for that growth. The effort we have put into doubling our fish tax over the past ten years would be undermined by the state robbing all the fruits of those efforts. I'm quite sure that if the state elbows Cordova out as a partner, we will have to seek other business models, and the full fish taxes to the state could very well drop to lower levels than they are now with their 50% share. It's a lose-lose proposition and there are too many exciting ways to grow our community and state economies together rather than cannibalizing them as adversaries. The only way to build and maintain a strong State of Alaska is to build and maintain strong communities and HB65 moves us backwards, not forwards. We should be investing in Alaska's largest sustainable industry, not gutting it. Please vote in opposition of this bill.

Respectfully,

Clay Koplín
Mayor
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