Good afternoon,

Mr. Chairman and members of the Senate Finance Committee, for the record my name is Abby Fredrick, I live in Juneau, Alaska and am representing Silver Bay Seafoods as Director of Communications.

**Silver Bay Seafoods supports SB-33, Seafood Product Development Tax Credit bill** and we thank Senators Stevens and Kiehl for co-sponsoring this bill.

Silver Bay is a primarily fishermen-owned processor. We process salmon, herring, Pacific Cod, pollock, rockfish, and other species.

Silver Bay and our Alaska fishermen partners have significantly invested in processing facilities throughout Alaska. We operate in several coastal communities, including Sitka, Craig, Valdez, Naknek, False Pass, and Kodiak. We serve fishermen who reside in nearly every region of the state.

Silver Bay Seafoods has been able to utilize past versions of the program Sb33 seeks to extend and expand. This tax credit program has encouraged our investment in additional equipment and infrastructure to produce more value-added salmon products in Alaska. We see advantages to including cod and pollock, as well. According to the Alaska Seafood Marketing Institutes’ 2022 Report on the Economic Value of Alaska’s Seafood Industry – pollock is Alaska’s highest volume species. Any additional increased value in this area could have a significant benefit.

Because this isn’t a new tax credit program, we are able to evaluate its effectiveness and benefits shared by all. Per an analysis conducted by McKinley Research Group in March 2021, the Seafood Product Development Tax credit has directly contributed to the generation of an additional $114.4 million in new revenue to the State of Alaska general fund due to product form changes and the resulting increase in product value.

This tax credit program has provided a significant return on investment to Alaska.

In addition to long-term benefits for the State and coastal communities, maximizing value and full utilization of our fish resource benefits harvesters. As a fishermen-owned company, the price paid to fishermen is a point of focus. And with the correlation between 1st wholesale value of fish after processing and exvessel price paid to fishermen at the dock – expanding product forms is one area where, as an industry, we can make advancements.

By expanding this to other species, some of which have experienced market impacts from the pandemic, this promotes continued investment in fisheries and encourages businesses to find innovative and adaptive ways to thrive in a time of changing consumer demands.

I want to thank the Co-Chairs for providing an opportunity for public testimony on SB-33, we appreciate the committee’s time and ask committee members to consider voting in support of this bill.