

H B

83



March 12, 1979

Mr. Bill Parker, Chairman  
House Community and Regional Affairs Committee  
Alaska House of Representatives  
Pouch V  
Juneau, Alaska 99811

Dear Gentlemen:

The Council took action at their meeting of March 8, opposing HB 83. The Council definitely feels that a higher percentage of the raw fish tax should be returned to the municipalities. However, Kodiak is in a unique situation in that the major portion of the revenue is produced inside the boundaries of the City of Kodiak. Yet the Borough receives twice the amount of refund.

I do not know how the amendment to the Statutes, giving the borough an additional percentage, was passed several years ago or which area was in favor of it, but it is certainly unfair.

The City of Kodiak has 15 year-round processing plants and the Kodiak Island Borough has 3 or 4 seasonal plants. The City provides all services to the canneries; fire protection, police, water, sewer, streets, etc. For all these services necessary to obtain the revenue, the City of Kodiak has received only 10% and the Kodiak Island Borough has received 20% of the monies collected.

To explain the extent the City assists the canneries and fishermen, I would like to address certain services. The City pays the Borough for personal property tax and does not levy any City personal property tax. This is a real advantage to canneries with a great deal of equipment and boat owners, who may be residents of the Borough or another State, with boats stored inside the City limits.

The real emergency on the Monashka Dam repair was to provide water to the canneries. If it had not been for the canneries' need, the City could have waited and attempted to obtain State or federal grants. It now appears that the City is stuck with a \$250,000 repair bill!

Several years ago the canneries were directed to provide for the disposal of their fish wastes. The City not only coordinated a necessary study to entice a private company to establish a plant and process the waste, but also leased land from the State and provided it for locating the plant at a subsidized rental. To this day, the City provides a reduced rental for the waste plant.

Community and Regional Affairs Committee  
Page Two  
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The City of Kodiak also operates the boat harbor and for many years, as you know, has attempted to obtain federal funding for a larger boat harbor (Dug Bay).

For the reasons stated above and others that could be mentioned, it is felt that the city or borough providing the services to those generating the revenues should receive the largest share of the raw fish tax.

Thank you for your consideration and attention in this matter.

Sincerely,

CITY OF KODIAK



Gary Stevens  
Mayor

GS/yb

cc: Members of the House Community and Regional Affairs Committee  
House Finance Committee  
Representative Fred Zharoff

25% COTTON FIBER

Exchange Bond



## STATE OF ALASKA

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5 - JUNEAU 99811

February 12, 1979

The Honorable Alvin Osterback  
Co-Chairman  
House Resources Committee  
Room 118 - Capitol Building  
Juneau, Alaska

Re: House Bull No. 83

Dear Mr. Osterback:

House Bill No. 83, an Act relating to the raw fish tax, was introduced in the House on January 25, 1979 and was referred to the House Resources and Finance Committees. The bill was given a further referral on January 30, 1979 to the House Community and Regional Affairs Committee.

For the consideration of the House Resources Committee, I am enclosing a copy of a Fiscal Note prepared by Mr. Phil Wall, Director, Administrative Services Division, Department of Revenue concerning the proposed legislation.

Sincerely

R. D. Stevenson  
Special Assistant

cc: The Honorable Bill Miles  
Co-Chairman  
House Resources Committee

The Honorable Bill Parker  
Chairman  
House Community & Regional Affairs Committee

The Honorable Russ Meekins  
Chairman  
House Finance Committee

John Messenger  
Acting Commissioner  
Department of Revenue

Phil Wall, Director  
Administrative Services Division  
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. HB 83  
 Title Raw Fish Tax  
 Requested by House Resources Committee Date 1/25/79

II. FISCAL DETAIL  
 Agency Affected Revenue  
 Program Category Affected Development  
 Budget Request Unit(s) Affected Shared Taxes

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

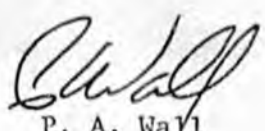
GENERAL FUND	(2,000.0)	(2,000.0)	(2,000.0)	(2,000.0)	(2,000.0)	(2,000.0)
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

There is no additional cost to administer the Bill. The General Fund will decrease in the amount shown as the additional raw fish tax revenue is shared.

IV. DATE 2/13/79 PREPARED BY  P. A. Wall  
 AGENCY Revenue  
 PHONE 465-2313  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

Fisheries Tax

Cities	FY 77 Actual	ACTUAL	FY 78 Actual	ACTUAL	FY 79 Authorized	EST.	FY 80 Request	EST
		FY 77 @ 30%		FY 78 @ 30%		FY 79 @ 30%		FY 80 @ 30%
Cordova	86477	259,431	111791	335,313	69500	208,500	89988	269,764
Craig	4260	12,780	3273	9,819	5000	15,000	4433	13,299
Dillingham	29669	89,007	32792	98,376	30000	90,000	30874	92,622
Fairbanks	15	45	3	9	15	45	16	48
Haines	-0-	-0-	5	15	-0-	-0-	-0-	-0-
Hoonah	1952	5,856	2249	6,747	2000	6,000	2031	6,093
Homer	2697	8,091	6475	19,425	2000	6,000	2806	8,418
Hydaburg	1659	4,977	1564	4,692	2000	6,000	1726	5,178
Kake	391	1,173	-0-	-0-	500	1,500	407	1,221
Kenai	35639	106,917	34010	102,030	30000	90,000	37086	111,258
Ketchikan	14860	44,580	27290	81,870	15000	45,000	15463	46,389
King Cove	85810	257,430	11593	34,779	80000	240,000	89294	267,882
Klawock	10858	32,574	22716	68,148	10000	30,000	11299	33,897
Kodiak	74439	223,317	98465	295,395	70000	210,000	77461	232,383
Nenana	92	276	79	237	100	300	96	288
Pelican	12447	37,341	13153	39,459	12000	36,000	12952	38,856
Petersburg	36904	110,712	99651	298,953	35000	105,000	38402	115,206
Seldovia	1233	3,699	1151	3,453	1000	3,000	1283	3,849
Seward	21220	63,660	26850	80,50	20000	60,000	22081	66,243
St. Marys	-0-	-0-	235	05	-0-	-0-	-0-	-0-
Unalaska	101417	304,251	154901	464,703	90000	270,000	105534	316,602
Valdez	-0-	-0-	5	15	-0-	-0-	-0-	-0-

AGENCY Revenue BRU Shared Taxes COMPONENT Fisheries Tax DATE REVISED

Fisheries Tax (Con't.)

Cities	FY 77 Actual	Actual FY 77 @ 30%	FY 78 Actual	Actual FY 78 @ 30%	FY 79 Authorized	Est. FY 79 @ 30%	FY 80 Request	Est. FY 80 @ 30%
Wrangell	6482	19,446	11571	34,713	5000	15,000	6745	20,235
Yakutat	1227	3,681	1456	4,368	2000	6,000	1277	3,831
<b>Total Cities</b>	<b>529748</b>	<b>1,589,244</b>	<b>661279</b>	<b>1,983,837</b>	<b>481115</b>	<b>144,345</b>	<b>551254</b>	<b>1,653,762</b>
<b>Boroughs</b>								
North Star	15	45	3	9	100	300	16	48
Anchorage	25367	76,101	40525	121,575	35000	105,000	26397	79,191
Bristol Bay	93101	279,303	92881	278,643	100000	300,000	96881	290,643
Fairbanks	-0-	-0-	-0-	-0-	100	300	-0-	-0-
Haines	4669	14,007	35467	106,401	6000	18,000	4859	14,577
Juneau	7054	21,162	8159	24,477	10000	30,100	7340	22,020
Kenai	58248	174,744	133925	401,775	75000	225,000	71019	213,057
Ketchikan	34018	102,054	81946	245,838	40000	120,000	35399	106,197
Kodiak	251716	755,148	182348	547,044	232685	698,055	261968	785,904
Mat-Su	-0-	-0-	-0-	-0-	10000	30,000	-0-	-0-
Sitka	5734	17,202	3289	9,867	10000	30,000	5967	17,901
<b>Total Boroughs</b>	<b>489922</b>	<b>1,469,766</b>	<b>583544</b>	<b>1,750,632</b>	<b>518885</b>	<b>1,556,655</b>	<b>509846</b>	<b>1,529,538</b>
<b>Total Cities &amp; Boroughs</b>	<b>1019670</b>	<b>3,059,010</b>	<b>1244821</b>	<b>3,734,469</b>	<b>1000000</b>	<b>3,000,000</b>	<b>1061100</b>	<b>3,183,300</b>

AGENCY Revenue BRU Shared Taxes COMPONENT Fisheries Tax DATE REVISED