

Introduced by: Bagley
Date: 04/02/19
Action: Adopted
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2019-026**

**A RESOLUTION OPPOSING SB 63 AND HB 65 REPEALING FISHERIES BUSINESS
TAX REFUNDS TO MUNICIPALITIES AND REVENUE SHARING FOR FISHERY
RESOURCE LANDING TAXES**

- WHEREAS,** Governor Michael Dunleavy transmitted SB 63 and HB 65 to the legislature which would delete local municipalities' ability to receive local fisheries business taxes and fishery resource landing taxes; and
- WHEREAS,** these bills shift local tax authority and revenue from the municipalities where the industry operates to the state; and
- WHEREAS,** these taxes are based on fish landed or processed within the municipal jurisdictions; and
- WHEREAS,** Article X, Section 1, of the Alaska Constitution provides for maximum local self-government and a liberal construction applied to the powers of local government; and
- WHEREAS,** removing revenue sources from municipalities and forcing them to increase the burden on residents to provide similar services for the industry does not equate to cutting the State budget and is inconsistent with Article X Section 1 of the Alaska Constitution; and
- WHEREAS,** the State of Alaska Department of Commerce, Community and Economic Development Division of Community and Regional Affairs webpage provides that the Department's Shared Fishery Business Tax Program was created to help municipalities impacted by the effects of the rapidly expanding offshore fish processing industry; and
- WHEREAS,** the Kenai Peninsula Borough ("borough") and cities within the borough provide numerous resources to the commercial fishing industry including fire, emergency medical, roads, planning, hospitals, senior housing and care, solid waste, docks, police, water, sewer, recreational and library services; and
- WHEREAS,** in fiscal year 2018 the borough alone received approximately \$727,284 from the fishery business tax and fishery resource landing tax; and

WHEREAS, this reduction in revenue would burden the borough's and cities' ability to fund services provided for this industry and/or force the municipalities to seek other revenue potentially further burdening the industry;

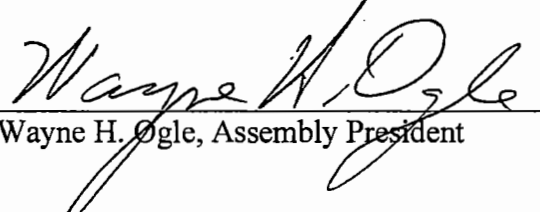
NOW THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That Governor Dunleavy and the state legislature are strongly encouraged to rescind or defeat SB 63 and HB 65 and continue to allow local municipalities to receive raw fish taxes and fisheries business taxes, enabling them to provide services to the commercial fishing industry without imposing additional burdens on that industry or local communities.


SECTION 2. That a copy of this resolution shall be sent to Governor Dunleavy, all members of the Alaska House of Representatives and all members of the Alaska State Senate.

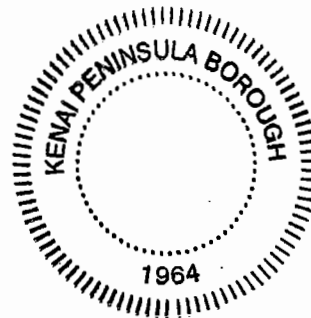
SECTION 3. That this resolution shall become effective immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 2ND DAY OF APRIL, 2019.


Wayne H. Ogle, Assembly President

ATTEST:


John Blankenship, MMC, Borough Clerk



Yes: Bagley, Blakeley, Carpenter, Cooper, Dunne, Fischer, Hibbert, Smalley, Ogle
No: None
Absent: None