



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,  
and Economic Development  
DIVISION OF COMMUNITY AND REGIONAL AFFAIRS  
Fairbanks Office

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Anchorage, AK 99501  
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October 26, 2023

Phillip Zavadil  
City of Saint Paul  
PO Box 901  
St. Paul Island, AK 99660

Dear Phillip:

The Department of Commerce, Community, and Economic Development is pleased to announce availability of the **FY 2024 Shared Fisheries Business Tax Program**. The purpose of the program is to allocate a share of state fish tax collected outside municipal boundaries with municipalities that have been affected by fishing industry activities. Municipalities around the state will share approximately \$1.3 million based on 2022 fisheries activity as reported by fish processors on their fish tax returns. Details of how the program works are included in the application under Program Description.

Your municipality is located within a fisheries management area, **FMA 1: Pribilof Islands Area** with a total allocation of \$4,000 or less, therefore you have been provided a Short-Form Application. I have attached a separate sheet that details the communities that are in your FMA, in addition to the anticipated payment. If the determination of the municipalities' allocation is \$50.00 or less, the department will determine that the amount of the effects from fisheries business activities is negligible and the department will not distribute the allocation to the applicant. This will be determined by the applications received within your FMA.

**DEADLINE FOR SUBMISSION OF COMPLETED APPLICATION IS  
FEBRUARY 15, 2024**

Applications can be scanned and emailed to [caa@alaska.gov](mailto:caa@alaska.gov) with the subject line "**St. Paul Island, FY24, SFBT**". If you have any questions about the program or require assistance in completing the application, please contact me at [zoe.olson@alaska.gov](mailto:zoe.olson@alaska.gov) or call (907) 263-2156.

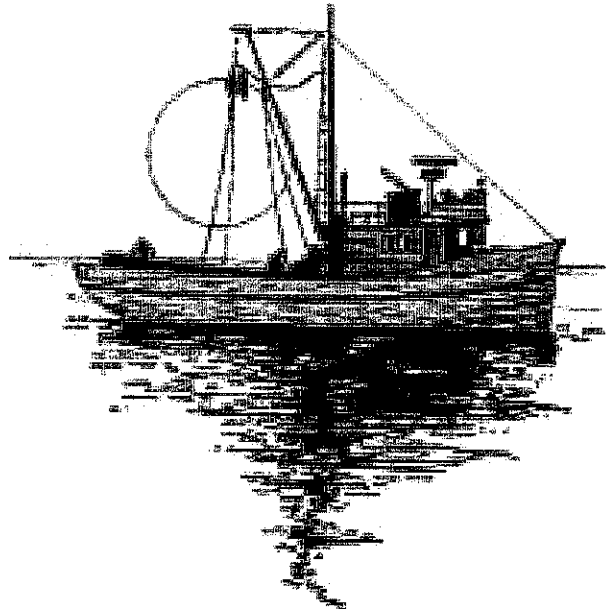
Sincerely,

A handwritten signature in blue ink, appearing to read "Zoe Olson".

Zoe Olson  
Grants Administrator 2

Enclosure

**DCCED**  
**Shared Fisheries Business Tax Program**  
**FY24 Short-Form Application For**  
**FMA 1: Pribiloff Islands Area**



**APPLICATION MUST BE SUBMITTED TO DCCED**  
**NO LATER THAN FEBRUARY 15, 2024**

**State of Alaska**  
**Mike Dunleavy, Governor**

**Department of Commerce, Community, and**  
**Economic Development**  
**Julie Anderson, Commissioner**

**Division of Community and Regional Affairs**  
**Sandra Moller, Director**

## **FY24 SHARED FISHERIES BUSINESS TAX PROGRAM DESCRIPTION**

The purpose of the Shared Fisheries Business Tax Program is to provide for an annual sharing of fish tax collected outside municipal boundaries to municipalities that can demonstrate they suffered significant effects from fisheries business activities. This program is administered separately from the state fish tax sharing program administered by the Department of Revenue which shares fish tax revenues collected inside municipal boundaries.

### **Program Eligibility**

To be eligible for an allocation under this program, applicants must:

1. Be a municipality (city or borough); and
2. Demonstrate the municipality suffered significant effects as a result of fisheries business activity that occurred within its respective fisheries management area(s).

### **Program Funding**

The funding available for the program this year is equal to half the amount of state fisheries business tax revenues collected outside of municipal boundaries during calendar year 2022.

Program funding is allocated in two stages:

**1st Stage:** Nineteen Fisheries Management Areas (FMAs) were established using existing commercial fishing area boundaries. The available funding is allocated among these 19 FMAs based on the pounds of fish and shellfish processed in the whole state during the 2022 calendar year. For example, if an area processed 10% of all the fish and shellfish processed in the whole state during 2022, then that area would receive 10% of the funding available for the program this year. These allocations are calculated based on Fisheries Business Tax Return information for calendar year 2022.

**2nd Stage:** If the total funding available for a Fisheries Management Area (FMA) is less than the long-form threshold value (the value determined by multiplying the number of municipalities in an area by \$4,000), then one half of the allocation is divided equally among the eligible applicants in that area. The other half of the area allocation is distributed among the eligible applicants proportionate to the populations of all the eligible applicants in the area. This is known as the short-form method\*.

*\* Because your municipality is located within a Fisheries Management Area with a total allocation less than the long-form threshold value, you have been provided a Short-Form Application.*

## FY24 SHARED FISHERIES BUSINESS TAX PROGRAM DESCRIPTION

**Short-Form Application Method:** In order to receive funding under the Short-Form Application Method, an applicant must have suffered significant effects during the program base year from fisheries business activities that occurred within its respective fisheries management area(s).

**Some important definitions:** The Shared Fisheries Business Tax Program provides for a sharing of State Fisheries Business Tax with municipalities that can demonstrate they suffered *significant effects* during the *program base year* from *fisheries business activity* in their respective fisheries management area.

For the purposes of this program, "fisheries business activity" means:

- activity related to fishing, including but not limited to the catching and sale of fisheries resources;
- activity related to commercial vessel, moorage, and gear maintenance;
- activity related to preparing fisheries resources for transportation; and,
- activity related to processing fisheries resources for sale by freezing, icing, cooking, salting, or other method and includes but is not limited to canneries, cold storages, freezer ships, and processing plants.

And, "significant effects" means:

- municipal expenditures during the program base year demonstrated by the municipality to the department to be reasonable and necessary that are the result of fisheries business activities on the municipality's:
  - population;
  - employment;
  - finances;
  - air and water quality;
  - fish and wildlife habitats; and,
  - ability to provide essential public services, including health care, public safety, education, transportation, marine garbage collection and disposal, solid waste disposal, utilities, and government administration.

And, "program base year" means:

- calendar year 2022.

**FMA 1: Pribilof Islands**

		Total allocation: 50% Divided		50% per capita	FY 22 Landing Tax Allocation	
		\$652.54	\$326.27	\$326.27	\$0.00	
Community	Population			Calculated Allocation	Calculated Allocation	Reference Number
City of Saint George	61	\$0.00	\$0.00	\$326.27	\$0.00	24-SF01-01
City of Saint Paul	379	\$0.00	\$0.00	\$326.27	\$0.00	24-SF01-02
<b>Totals</b>	<b>440</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$652.54</b>	<b>\$0.00</b>	
Community Count	2					

**Total Distribution**  
 \$ 326.27  
 \$ 326.27  
 \$ 652.54

Both municipalities receive an equal share of the allocation.