

Agenda Statement

Meeting Date: December 16, 2025
To: City Council
Through: Jackie Wilde, City Manager
From: Kris Erchinger, Finance Director
Agenda Item: FY26 Shared Fisheries Business Tax Application



BACKGROUND. JUSTIFICATION & INTENT:

The City of Whittier is required to apply to the State of Alaska Department of Community and Economic Development (DCCED) each year to qualify for funding under the State’s Shared Fisheries Business Tax Program. The purpose of the program is to share state fish tax collected outside municipal boundaries, with municipalities that have been affected by fishing industry activities. This program is different from the state fish tax sharing program which shares fish tax revenues collected inside municipal boundaries.

State law requires that funding be allocated first to fisheries management areas across the state based on the level of fish and shellfish processed in each area relative to total statewide fish and shellfish processed. Funds are then allocated among municipalities located within each fisheries management area, based on the relative level of impacts experienced by each municipality.

Whittier is located within Fisheries Management Area 15 – Prince William Sound Area which includes the communities of Whittier, Cordova and Valdez. For many years, the communities in FMA15 have agreed to utilize the alternative allocation method as it is considered to fairly distribute the significant effects of fisheries business activity. Under the alternative method, the three communities will share equal portions (one-third each) of the total allocation.

<u>CONSISTENCY CHECKLIST:</u>		Yes	No	N/A
1.	2020 Comprehensive Plan			X
2.	Whittier Code			X
3.	Other: <i>Letter from SOA DCRA dated 11/14/25 re: FY2026 Shared Fisheries Business Tax Program.</i>	X		

FISCAL NOTE: The total FMA 15 allocations have declined each year, as follows: FY26 allocation is expected to be \$6,526.87; FY25 allocation = \$21,752.02; FY24 allocation = \$45,861.94; FY23 allocation = \$110,234.51. The allocation between Cordova, Valdez and Whittier is expected to yield \$6,526.87 for each community, for a total FY15 Prince William Sound allocation of \$19,580.62.

ATTORNEY REVIEW: Yes No Not Applicable

RECOMMENDATION: That the Whittier City Council approve the Alternative Allocation Method and submit a request to the State of Alaska for the FY26 Shared Fisheries Business Tax Program.