OPPOSE THE 1,300% COMMERCIAL FISHING LANDING TAX INCREASE.





























































































Dear Senator McGuire:

We are writing to express our opposition to the Budget Change Proposal (BCP) of the Department of Fish and Wildlife that would increase commercial fishing landing taxes on average 13-fold (1,300%), and for many fisheries would exceed that amount (see attached).

The BCP was drafted without input from the seafood industry; they were not consulted before the DFW submitted the tax increase to the Governor. The seafood industry heard about the tax hike when the Governor submitted his budget to the legislature on January 10. Since that time we have learned about the tremendous increases in expenditures by the department that, over the past 5 years, has charged the commercial seafood industry for cost overruns by the department without notifying anyone in the commercial fishing industry. Now they are playing catch up, charging the commercial fishing side of their ledger for costs they cannot explain after taking monies from other programs without revealing any of this to anyone. This is simply wrong.

Since 1992 when landing taxes were last raised, the federal Government has taken over the management and costs associated with management of a majority of the commercial fisheries in California. These are tasks for which the state no longer has primary management responsibility and their costs to industry should be less, not more.

The Dungeness crab season in 2015-16 was declared a disaster by Governor Brown last year due to oceanic conditions. Sea urchin is experiencing harvest losses exceeding 80% of normal due to ocean and environmental conditions. Following poor landings of salmon in 2015 and 2016 due to the effects of drought, we learned recently that a severely restricted salmon season is slated for 2017. The same is true for the sardine fishery, no season in 2015, 2016, and now 2017. The Governor will be asked to declare both fisheries a disaster as well.

The tax increases will not only destroy the economic margins of the fishermen and processors but also have a profound effect on local coastal economies. That is widely recognized by those of us that have signed onto this letter. There are many entities involved in the seafood industry, beyond the fisherman and the processor. The economic driver that is the seafood industry, from Pacific-to-plate, takes more than most people realize.

Fishermen pay for slips in harbors, pay crew, buy fuel, bait, insurance, gear, and ice. They pay for safety gear and health care for captain and crew. They pay mechanics and boat yards. Processors pay the fishermen for their catch, pay their workers to fillet fish, and pay rent on property leased by the port districts. They provide health care for their workers, pay for insurance, compliance with food safety programs, they buy ice machines, cleaning equipment, forklifts, boxes, trucks to deliver fish to restaurants and grocery stores, ship products overseas. Without fish and shellfish, there is no seafood. Without the fishing industry, many ports and harbors and local coastal economies will suffer gravely.

Please oppose the DFW BCP and support America's first industry and coastal economies that together bring you and all consumers the wide variety of nutritious local fish and shellfish harvested off our coast.

Thank you very much.

The landing tax imposed pursuant to Section 8041 shall be determined pursuant to Section 8040 and 8051 by using the tax rates in the following schedule:

	Rate per pound	Proposed	% TAX INCREASE
(1) All fish, except as otherwise specified in this section	\$0.0013	\$.0500	3,846%
(2) Mollusks and crustaceans, excluding squid and crab	.0125	.0500	400%
(3) Crab	.0019	.2500	13,157%
(4) Squid	.0019	.0175	921%
(5) Salmon, based only on the weight in the round	.0500	.2500	500%
(6) Lobster	.0125	1.0000	8,000%
(7) Abalone	.0125	.7500	6,000%
(8) Anchovies	.0013	.0075	576%
(9) Sardines	.0063	.0075	119%
(10) Mackerel	.0013	.0725	576%
(11) Halibut	.0125	.2500	2,000%
(12) Angel shark, based only on the weight in the round	.0113	.0725	641%
(13) Swordfish, based only on the weight in the round	.0125	0.250	2,000%
(14) Thresher shark, based only on the weight in the round	.0113	.0725	641%
(15) Bonito shark, based only on the weight in the round	.0113	.0200	176%
(16) Herring	.0125	.0200	160%
(17) Sea urchin	.0013	.0350	2,692%
(18) The following fish: Barracuda, Flying fish, Frogs, Giant sea bass, Saltwater worms, White sea bass, Yellowtail	.0125	.050250	400-2,000%



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Lori Steele Executive Director West Coast Seafood Processors Association

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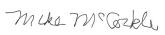
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Brian Colgate Owner Santa Barbara Fish Market

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