

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2025-67

A RESOLUTION OF THE UNALASKA CITY COUNCIL ADOPTING AN ALTERNATIVE ALLOCATION METHOD FOR THE FY2026 SHARED FISHERIES BUSINESS TAX PROGRAM AND CERTIFYING THAT THIS ALLOCATION METHOD FAIRLY REPRESENTS THE DISTRIBUTION OF SIGNIFICANT EFFECTS OF FISHERIES BUSINESS ACTIVITY IN THE FMA 2: ALEUTIAN ISLANDS AREA

WHEREAS, AS 29.60.450 requires that for a municipality to participate in the FY2026 Shared Fisheries Business Tax Program, the municipality must demonstrate to the Department of Commerce, Community, and Economic Development that the municipality suffered significant effects during calendar year 2024 from fisheries business activities; and

WHEREAS, 3 AAC 134.060 provides for the allocation of available program funding to eligible municipalities located within fisheries management areas specified by the Department of Commerce, Community, and Economic Development; and

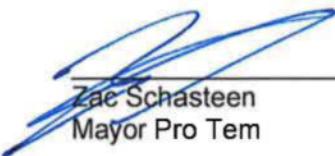
WHEREAS, 3 AAC 134.070 provides for the use, at the discretion of the Department of Commerce, Community, and Economic Development, of alternative allocation methods which may be used within fisheries management areas if all eligible municipalities within the area agree to use the method, and the method incorporates some measure of the relative significant effect of fisheries business activity on the respective municipalities in the area; and

WHEREAS, the Unalaska City Council proposes to use an alternative allocation method for allocation of FY26 funding available within the FMA 2: Aleutian Islands Area in agreement with all other municipalities in this area participating in the FY2026 Shared Fisheries Business Tax Program.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council by this resolution certifies that the following alternative allocation method fairly represents the distribution of significant effects during 2024 of fisheries business activity in the municipalities within the FMA 2: Aleutian Islands Area:

1. All municipalities share equally 60% of the allocation; and
2. All municipalities but the Aleutians East Borough share remaining 40% on a per capita basis.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on December 16, 2025.


Zac Schasteen
Mayor Pro Tem

ATTEST:


Estkarlen P. Magdaong CMC
City Clerk



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UNALASKA, ALASKA

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ATTEST:

Estkarlen P. Magdaong, CMC
City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and Council Members
From: Estkarlen P. Magdaong, City Clerk
Through: Marjie Veeder, Acting City Manager
Date: December 16, 2025
Re: Resolution 2025-67: Adopting an alternative allocation method for the FY2026 Shared Fisheries Business Tax Program and certifying that this allocation method fairly represents the distribution of significant effects of fisheries business activity in the FMA 2: Aleutians Islands Area

SUMMARY: The purpose of this tax program is to provide for a sharing of State fish tax collected outside municipal boundaries with municipalities affected by fishing industry activities. This resolution is submitted to Council with the assumption that the Alternate Method of distribution will be adopted as it has been for more than 31 years. Adak, Akutan, Atka, and the Aleutians East Borough, all of which are included in the fisheries management area, have agreed to the Alternate Method and are addressing or have addressed the same resolution.

PREVIOUS COUNCIL ACTION: Council has adopted the alternative allocation formula for more than 31 years.

BACKGROUND: This program was created to recognize that there are municipalities affected by fishing activity outside their municipal boundaries, but that were not receiving a share of the State fish tax collected from these activities.

The Shared Fisheries Tax became law (AS 29.60.450) in 1962 with qualified municipalities sharing approximately 10% of the monies. The law evolved from a series of congressional and territorial legislation that originally taxed canned salmon receipts and later other fisheries for the purpose of funding fisheries-related activities in pre-territorial Alaska. Since becoming law, the amount of fisheries business tax shared with qualified municipalities has increased only twice, once in 1979 to 20% and in 1981 to the present 50% share.

DISCUSSION: The Shared Fisheries Tax Program provides two methods for applying for this funding. The first method is the Standard Method, which is very complicated and requires a great deal of coordinated effort among the affected communities. The second is the Alternate Method through which all municipalities within a fisheries management area agree to a formula for distribution of funds. This method is less complex and agreeable to all affected communities in the management area.

Adak, Akutan, Atka, and the Aleutians East Borough, all of which participate in this program with Unalaska (Fisheries Management Area 2 Aleutian Islands), have been contacted for confirmation that they agree on the use of the Alternate Method and that they agree with the formula.

ALTERNATIVES: Council could choose not to adopt the Alternate Method, in which case the Standard Method would be implemented along with the attendant requirements to document and report the cost of fisheries business impacts in the community.

FINANCIAL IMPLICATIONS: This table shows the breakdown between the communities in our Fisheries Management Area for the FY26 allocation. Unalaska can expect to receive a total of \$243,294.56:

FMA 2: Aleutian Islands					FY 25 Landing Tax Allocation \$307,979.56
	Total allocation: \$297,087.55	60% Divided \$178,252.53	40% per capita \$118,835.02	LONG	
Community	Population	60% divided share	0% per capita share	Calculated Allocation	Calculated Allocation
Aleutians East Borough	1,944	\$35,650.51	\$0.00	\$35,650.51	\$36,957.55
City of Adak	67	\$35,650.51	\$1,362.88	\$37,013.39	\$38,370.39
City of Akutan	1,594	\$35,650.51	\$32,424.35	\$68,074.85	\$70,570.65
City of Atka	61	\$35,650.51	\$1,240.83	\$36,891.34	\$38,243.87
City of Unalaska	4,120	\$35,650.51	\$83,806.96	\$119,457.47	\$123,837.09
Totals	7,786	\$178,252.53	\$118,835.02	\$297,087.55	\$307,979.56
Community Count	5				

* All municipalities share equally 60% of allocation; all but Aleutians East Borough share remaining 40% on a per capita basis.
AEB pop = Borough (3685) - Akutan

	FBT + FLT CHECK	\$605,067.11 OKAY
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LEGAL: No legal opinion is necessary for this item.

STAFF RECOMMENDATION: Adoption of Resolution 2025-67.

PROPOSED MOTION: This item is included on the Consent Agenda. "I move to adopt the items included in the consent agenda."

If the item is moved to the regular agenda for discussion, the proposed motion would be "I move to adopt Resolution 2025-67".

CITY MANAGER'S COMMENTS:

ATTACHMENTS: Program materials from the State of Alaska



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

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

550 W 7th Ave, Suite 1650
Anchorage, AK 99501
Main: 907.269.4501
Fax: 907.269.4563

November 14, 2025

City of Unalaska
PO Box 610
Unalaska, Alaska 99685

Dear Marjie:

The Department of Commerce, Community, and Economic Development is pleased to announce availability of the **FY 2026 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 \$790,000.00 based on 2024 fisheries activity as reported by fish processors on their fish tax returns.

Your municipality is located within a fisheries management area, **FMA 02 City of Unalaska**. 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, 2026**

Applications for the FY26 Shared Fisheries Business Tax will be found under the Opportunities page in the [DCRA Grants Management System](#). Attached with this letter is a blank resolution you can use then upload once you complete your application (additional copies may be found on the DCRA Grants and Funding website). You will receive a notification that the application period is open from [DGMS](#) no later than November 15, 2025.

If you have any questions, please contact me at caa@alaska.gov or at 907-334-2634.

Sincerely,

Kasey Bezold

Kasey Bezold
Grants Administrator 2

Enclosure
SBFT Blank Resolution for FMA
FMA Share Allocation

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