

April 28, 2014

CFF COMMERCIAL SUBGROUP PROPOSAL

We recommend using the CFF Subgroup Adjusted Alternative as shown below, which will provide a projected ending balance of approximately \$773,000 in the 2019-2021 biennium. Given the uncertainties associated with projections of landings and revenues, we believe this to be a reasonable amount considering the increases in license fees and *ad valorem* taxes that the commercial industry will be facing. We note that this proposal will provide an ending balance above \$2.5 million for each of the next two biennia; it is only in the third biennium that the ending balance drops down, assuming projections that far into the future are correct.

In the event that ODFW believes that this proposal is insufficient, we recommend that the shortfall be made up by an additional cut of up to \$50,000 in the research program currently identified as the Columbia River Alternative Gear research program. Several of our subgroup's members further recommend that funding for the Columbia River Alternative Gear program be used instead for research on ocean fisheries.

With this in mind, we unanimously recommend that ODFW convene a commercial research work group consisting of all major commercial harvesting and processing sectors to provide ODFW with recommendations on how the research money should be spent.

Ad Valorem	CFF Subgroup Adjustments		
	Current Rate	New Rate	Revenues in 2016
<i>SPECIES</i>			
SALMON	3.15%	3.15%	\$252,989
CRAB	2.25%	2.35%	\$1,115,663
SHRIMP	2.25%	2.40%	\$483,611
ALBACORE	1.09%	1.09%	\$170,813
SARDINE	2.25%	2.25%	\$143,811
SABLEFISH	2.25%	2.40%	\$353,616
SOLE/FLOUNDER	2.25%	2.25%	\$190,566
GROUND FISH, MISC	2.30%	2.30%	\$111,956
WHITING	2.25%	2.30%	\$307,663
OTHER	2.25%	2.30%	\$79,186
<i>SUBTOTAL</i>			\$3,209,874
Nearshore fund transfer			-\$52,000
TOTAL			\$3,157,874

Licenses/Permits	#, 2012-13 Avg	Current Fee	CFR Subgrp Adjustments
FISHING	1,805	\$82	\$100
FISHING NRES	420	\$132	\$150
CREW RES	695	\$127	\$127
CREW NRES	332	\$177	\$177
JUVENILE	42	\$32	\$32
BAIT FISHING	47	\$102	\$127
TUNA LICENS D	224	\$22	\$22
TUNA UNLIC	92	\$127	\$250
BOAT	1,143	\$327	\$350
BOAT NRES.	416	\$377	\$400
SHRIMP RES	103	\$127	\$200
SHRIMP NRES	37	\$177	\$250
TROLL RES	733	\$102	\$127
TROLL NRES	251	\$152	\$177
GILLNET RES	241	\$102	\$127
GILLNET NRES	51	\$152	\$177
SCALLOP RES	20	\$127	\$127
SCALLOP NRES	3	\$177	\$177
CRAB RES	321	\$127	\$200
CRAB NRES	103	\$177	\$250
URCHIN RES	20	\$102	\$127
URCHIN NRES	7	\$152	\$177
BLACK/BLUE	52	\$102	\$127
NEARSHORE	70	\$102	\$127
CLAM CW RES	8	\$102	\$127
CLAM CW NRES	0		\$177
CLAM SC RES	3	\$102	\$127
CLAM SC NRES	0		\$177
SARDINE RES	8	\$102	\$127
SARDINE NRES	17	\$102	\$177
SHELLFISH HARVESTER	146	\$42	\$100
SINGLE DEL.	4	\$127	\$127
WHSALE DLR	149	\$452	\$500
FISH CANNER	3	\$452	\$500
SHFSH CANNER	2	\$452	\$500
BAIT DLR	50	\$102	\$127
SELLER LMTD	131	\$42	\$100
BUYER	99	\$252	\$252
DUPLICATE	102	\$20	\$20
Revenues in 2016		\$1,163,075	\$1,354,385
Boat License - 50ft Threshold pricing			\$17,000
TOTAL			\$1,371,385