

Konrad Jackson

From: HARRY MOORE <hmoore@mtaonline.net>
Sent: Monday, April 14, 2025 5:19 PM
To: Senate Labor and Commerce
Cc: ella.adkinson@akleg.gov
Subject: Senate Bill 156 - CFAB

To the Chair,

My name is Harry Moore from Palmer Alaska. My family has been fishing in Bristol Bay since 1948, and I have been a permit holder in the fishery since 1975, first as a set netter and more recently as a drift fisherman. I had attempted to call in, however, I was tied up and missed the call in time.

The costs of owning and operating a small seasonal business in the Bristol Bay Fishery has been steadily increasing. For example my annual fuel bill has climbed exponentially from an annual cost of \$3500.00 to more than double in 2024, insurance has almost doubled from \$6500.00 to \$11,850.00 for my six week fishery. Last year my boat payment climbed from \$14,000.00 to \$28,000.00 with only \$6700.00 going to principal, the rest being spent on interest. When I first signed onto my current loan with CFAB the FED interest rate was a low 3% and paying the additional 2% interest as required by a loan through the Commercial Fishing and Agriculture Bank (CFAB) was a reasonable cost of a commercial loan, but then the season of 2023 happened...

During the season of 2022 Bristol Bay experienced a record setting run, with the base price paid for the sockeye at a reasonable \$1.35 a pound. However there were changes beginning to occur on the world market which would generate a new record low (consider inflation) of \$.50 a pound in 2023. There was no warning, no discussion with processors, the price was not announced until July 12 which was so late in the year and the season that there was no recovery by "just fishing harder". Inflation was also ramping up as the FED began to tighten its fiscal policy which is directly reflective of the incremental increase to the CFAB loan accordingly. Thankfully I had been able to save money from the previous year and was able to make my payments. However, that was a very hard season, but then 2024 presented itself, with a smaller run, small fish (4.5 pounds) and again a dismal base price of \$.80 a pound. The small total poundage harvested plus the low base price almost wiped me out financially as the FED interest rate continued to climb to 7.25% which moved CFAB's rate to 9.25%. This had a devastating impact on my financial outlook. I had attempted to refinance through the state but due to the nature of my current loan with CFAB the State could not offer me financing because I did not fit the stringent requirements.

With the successful passage of Senate Bill 156 I could find myself on better footing through my current lender (CFAB) who has been a wonderful organization to work with. It can be difficult to work with fisherman and farmers, the risks can be high, and the rewards can be unpredictable. Without CFAB it would be very difficult to find the financing that would be needed to operate in the fishery I was raised in. During these tough financial times CFAB has offered to reduce the required 2% mark up on the FED rate to a 1% fee. This definitely helps but it is not enough. The state has established a 5.25% loan rate but you only qualify for this loan if you are not currently under a refinance loan. Which is where I find myself. Allowing CFAB to assist fisherman like myself who have a life time of investment into the Bristol Bay fishery with a similar State loan option, a lone which could assist myself, and others like me, would allow us to continue bringing resources home to the State of

Alaska. We are residents of the State, we raise our families here, and are fully vested into the success of not only the fishery but also the State itself.

Please consider supporting and passing Senate Bill 156 in support of the Alaskan Farmers and Fisherman who call Alaska home.

Thank you for support

Harry Moore - Fishing Vessel Alaska Lou

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