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## **Explanation of Changes from HB0076 to HB0076 CS**

### **Section 1**

Amends AS 16.10 to create a Declaration of Policy for the program and fund uses. This section was added to ensure the fund promotes mariculture and gives clear direction to the department. The declaration is similar to the Fisheries Enhancement Revolving Loan Fund (AS 16.10.500). This will make clear the intent of the program and protect the department from risks in a developing industry.

### **Section 2**

AS 16.10.900(a) (b) (3) and (c) will incorporate the declaration of policy, to ensure the state promotes mariculture through the fund, and links to new definitions in AS 16.10.945.

### **Section 3**

AS 16.10.905 (1) (a) will incorporate the declaration of policy, to ensure the state promotes mariculture through the fund, and links to new definitions in AS 16.10.945

AS 16.10.905(1) (b) ensures the fund covers marine aquatic plants rather than all aquatic plants.

AS 16.10.905(1) (c) This change expands the eligible applicants to include organizations that are actively pursuing shellfish enhancement projects. Enhancement refers to the enhancement of resources, rather than the enhancement of individual organisms.

16.10.905 (4) (b) will incorporate the declaration of policy, to ensure the state promotes mariculture through the fund, and links to new definitions in AS 16.10.945.

16.10.905 (7) will incorporate the declaration of policy, to ensure the state promotes mariculture through the fund, and links to new definitions in AS 16.10.945.

AS 16.10.905(9) allows the Department to make grants only to nonprofit organizations eligible for loans under AS 16.10.910(a)(2) for organizational and planning purposes that will provide for public uses in this developing industry

### **Section 4**

AS 16.10.910(a) will incorporate the declaration of policy, to ensure the state promotes mariculture through the fund, and links to new definitions in AS 16.10.945.

AS 16.10.910(a) (2) expands eligible applicants to include a resident of the state or entity organized under the laws of this state that holds a permit under AS 16.40.100 to operate a hatchery for the purpose of producing aquatic plants or shellfish for sale or is authorized to operate shellfish enhancement project.

**Section 6**

AS 16.10.915(a) will incorporate the declaration of policy, to ensure the state promotes mariculture through the fund, and links to new definitions AS 16.10.945.

As 16.10.915 (2) (a) and (b) clarifies the different categories of loan applicants and their terms. This gives an additional length of time to eligible loan applicants under category 2 for the same purpose of public uses, and these terms are consistent with those terms under the Fisheries Enhancement Revolving Loan Fund.

AS 16.10.915 (4) allows the department to consider additional collateral sources including voluntary assessments which may be agreed to in AS 16 10.923.

**Section 7**

AS 16.10.915(b) will incorporate the declaration of policy, to ensure the state promotes mariculture through the fund, and links to new definitions AS 16.10.945.

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**Section 9**

AS 16.10.915(d) will incorporate the declaration of policy, to ensure the state promotes mariculture through the fund, and links to new definitions AS 16.10.945.

**Section 10**

AS 16.10.915 (f) adds a new subsection to clarify that loans to a hatchery or enhancement project should contribute to common property fishery or otherwise the public interest so the program operates in a manner beneficial to the public interest and be managed in a manner that protects the fund.

**Section 11**

AS 16.10.920 (a) and (b) mirrors the initial loan period from the Fisheries Enhancement Revolving Loan Fund. This also allows flexibility for farmers in this developing industry.

**Section 12**

AS 16.10.923 (a) creates a mechanism through which organizations comprising more than one stakeholder can arrange to pay their loan through a voluntary assessment, similar to the salmon enhancement program.

AS 16.10.923 (b) protects the department by ensuring only organizations with a plan and agreement to collect an assessment to pay the loan may receive a loan.

**Section 13**

AS 16.10.935 to allow the department to dispose of property acquired after default.