## Representative Dan Ortiz

Alaska State Legislature / Ketchikan, Saxman, Wrangell, Hydaburg, Metlakatla, Hyder, Loring and Meyers Chuck

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## Sectional Analysis House Bill 41 ver. A Shellfish Enhancement Projects

Sec. 1: Provides the Alaska Board of Fisheries authority to direct the department to manage production of enhanced shellfish stocks, beyond brood stock needs, for cost recovery harvest.

**Sec. 2:** Increases the permit application fee for new private nonprofit salmon hatcheries from \$100 to \$1,000.

Sec. 3: Adds a new Chapter 12 to Title 16, "Shellfish Stock Enhancement Projects."

AS 16.12.010: Provides direction to the commissioner of the Department of Fish and Game on issuance of permits for private nonprofit shellfish fishery enhancement projects and establishes a \$1,000 permit application fee. This section directs the commissioner to consult with technical experts in the relevant areas before permit issuance;

**AS 16.12.020:** Provides for a hearing and public notification and input process prior to issuance of a permit;

AS 16.12.030: Describes terms and conditions for permit holders to conduct their work, including cost recovery fisheries, harvest, sale, and release of enhancement project produced shellfish, and selection of brood stock sources;

AS 16.12.040: Describes the revocation process should a permit holder fail to comply with the terms and conditions of the permit;

AS 16.12.050: Specifies that shellfish produced under an approved enhancement project are a common property resource, with provision for special harvest areas by permit holders. This section also specifies the Board of Fisheries to establish regulations relating to this chapter;

AS 16.12.060: Directs the department to advise and assist permit holders in their planning, operations, and construction of facilities to a reasonable and appropriate extent;

AS 16.12.070: provides department authority to approve source and number of shellfish taken for use as broodstock.

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## Sectional Analysis House Bill 41 ver. A Shellfish Enhancement Projects (continued)

AS 16.12.080: places restrictions on how monies receives from sale of shellfish may be used only for operating costs associated with their facilities;

**AS 16.12.090:** Relates to Cost Recovery Fisheries, and provides a means by which a shellfish hatchery may contract to either harvest and sell shellfish, or to implement a self-assessment from amongst its membership, for purposes of recovering operational costs associated with the hatchery.

AS 16.12.100: Gives the department authority to inspect facilities at any time while the facility is in operation;

- AS 16.12.110: Requires a permit holder to submit an annual report to the department;
- AS 16.12.199: provides definitions for "enhancement project," "facility," "genetically modified shellfish," "hatchery," and "shellfish;"
- **Sec. 4:** Provides the Commercial Fisheries Entry Commission authority to issue special harvest area entry permits to holders of private nonprofit shellfish rehabilitation, or enhancement project permits.
- Sec. 5: Defines legal fishing gear for special harvest area entry permit holders.
- Sec. 6: Exempts shellfish raised in a private nonprofit shellfish project from the farmed fish definition.
- **Sec. 7-8:** Establish state corporate income tax exemption for a nonprofit corporation holding a shellfish fishery enhancement permit.
- **Sec. 9:** Exempts shellfish harvested under a special harvest area entry permit from seafood development taxes.
- Sec. 10: Establishes an effective date for the salmon hatchery permit application fee described in sec. 2.
- Sec. 11: Authorizes the Department of Fish and Game to adopt implementing regulations.
- Sec. 12: Establishes an immediate effective date for sec. 11 pursuant to AS 01.10.070(c).
- Sec. 13: Establishes an effective date for sec. 8 concomitant with sec. 2, Chapter 55, SLA 2013.