ALASKA STATE LEGISLATURE

SENATE FINANCE COMMITTEE

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Official Business

Sectional Analysis SCS CSHB 41(FIN)

31-LS0218\O

- **Section 1** The Board of Fish may direct the department to manage enhanced shellfish stocks for cost recovery projects.
- **Section 2** Hatchery permit application fee change.
- **Section 3** Conforms with Sec. 2. Hatchery permit application fee will be set by regulation equal to regulatory costs. Fee level will be annually reviewed.
- **Section 4** Adds a new Chapter to Title 16
 - AS 16.12.010 Commissioner of ADF&G may issue permits for nonprofit corporation for a shellfish enhancement project. Section includes permitting process, rules, and fees.
 - AS 16.12.020 Prior to permit approval, there will be public notification, a public hearing, and comment period.
 - AS 16.12.030 Requirements on permit holders.
 - AS 16.12.040 Permit revocation, suspension, or alteration.
 - AS 16.12.050 Enhanced shellfish stocks are common property. Board of Fish may regulate.
 - AS 16.12.060 ADF&G shall advise and assist applicants and permit holders to a reasonable and appropriate extent.
 - AS 16.12.070 ADF&G shall approve source and number of shellfish taken for brood stock.
 - AS 16.12.080 Limits proceeds from sale of shellfish to operating costs, shellfish enhancement projects, and shellfish research
 - AS 16.12.090 Cost recovery fisheries via contract or common property fishery.

- AS 16.12.100 ADF&G can inspect project facility at any time.
- AS 16.12.110 Annual Report
- AS 16.12.199 Definitions
- **Section 5** CFEC may issue special harvest area entry permits to AS 16.12 permit holders.
- **Section 6** Fishing gear used in a special harvest area must be authorized by the Board of Fish.
- **Section 7** Allows aquatic farm products to be marketed by ASMI.
- **Section 8** Conforms to Section 7.
- **Section 9** Conforms to Section 7.
- **Section 10** Adds aquatic farm products to ASMI's definitions.
- **Section 11** Exempts shellfish raised under a AS 16.12 permit from the farmed fish food labeling requirement.
- **Section 12** Adds hatchery permit fees & AS 16.12 permit fees to list of Program Receipts.
- Section 13 DNR Annual report to the legislature on aquatic farming lease status and lease applications under AS 38.05.083.
- **Section 14** Adds AS 38.05.083 leases to eligible list of leases that the Director of the Division of Mining, Land, & Water may renew.
- **Section 15** Conforms to Section 14.
- Section 16 Conforms to Section 14.
- Section 17 Allows Commissioner of DNR to renew or extend AS 38.05.083 leases. Establishes a 1-year time limit to grant or deny a lease application. Ecotourism and educational uses are not prohibited. Prohibits DNR from charging additional use fees other than the permit fee.
- **Section 18** Nonprofit Income Tax exemption for AS 16.12 permit holders.

- **Section 19** Nonprofit Income Tax exemption for AS 16.12 permit holders. Duplicated to conform with the AS 43.20.012(a) sunset and reenactment (SB 83 2013).
- **Section 20** Seafood Development Tax exemption for shellfish harvested under a CFEC special harvest area permit.
- Section 21 DNR and ADF&G report and recommendations for permitting process improvements.
- **Section 22** Applicability of Section 2.
- **Section 23** ADF&G authority to adopt regulations.
- **Section 24** Immediate effective date for Section 23.
- **Section 25** Effective date of 1-year time limit, Section 17.
- **Section 26** Delayed effective date for Section 19.