

ALASKA STATE LEGISLATURE

SESSION ADDRESS
Alaska State Capitol
Juneau, AK 99801-1182
(907) 465-4925



INTERIM ADDRESS
305 Center Ave, Ste 1
Kodiak, AK 99615
(907) 486-4925

Senator Gary Stevens

SENATE BILL 64

Shellfish Enhancement Projects

SECTIONAL ANALYSIS *(Version A)*

- Sec. 1: AS 16.05.730(c) 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: AS 16.10.400(b) Removes a flat \$100 permit application fee for new private nonprofit salmon hatcheries, to instead be determined by the department by regulation, as described in Section 3 of the bill, below.
- Sec. 3: AS 16.10.400 Conforming language consistent with other fee structures set and adjusted by regulation, requiring fees to approximately reflect the cost of administering the application process, and to be reviewed and adjusted periodically.
- Sec. 4: 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 the issuance of permits for private nonprofit shellfish fishery enhancement projects intended to improve the yield, rehabilitate stocks, or increase habitat for shellfish. This subsection also directs the commissioner to set an application fee and 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;

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

AS 16.12.080 places restrictions on how monies received 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. 5: AS 16.43.400(a) 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. 6: AS 16.43.430 Defines legal fishing gear for special harvest area entry permit holders.

Sec. 7: AS 16.51.090 adds marketing and promotion of aquatic farm products to the powers and duties of the Alaska Seafood Marketing Institute (ASMI).

Sec. 8: AS 16.51.110 conforming amendment, prohibiting ASMI from promoting aquatic farm products not from Alaska, a specific region of Alaska, or by a specific brand name.

Sec. 9: AS 16.51.180(7) conforming amendment regarding the definition of “seafood.”

Sec. 10: AS 16.51.180 (8) is a new referential subsection pointing to the existing definition of “aquatic farm product” as described in AS 16.40.199, which states “an aquatic plant or shellfish,.. that is propagated, farmed, or cultivated in an aquatic farm and sold or offered for sale.”

Sec. 11: AS 17.20.049(b) Exempts shellfish raised in a private nonprofit shellfish project from the definition of “farmed fish.”

Sec. 12: AS 37.05.146(c) Makes application fee revenues received by the Dept. of Fish and Game from the salmon hatchery and shellfish hatchery programs be accounted for separately. Appropriations from those program receipts are not made from the unrestricted general revenue fund.

Sec. 13: AS 43.20.012(a) Exempts a nonprofit corporation holding a shellfish fishery enhancement permit from state corporate income tax when making shellfish sales and engaging in shellfish cost recovery activity.

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- Sec. 14: AS 43.20.012(a) Is a technical conforming amendment required by prior session law and has no impact on the policies being set in this bill.
- Sec. 15: AS 43.76.390 Exempts shellfish harvested under a special harvest area entry permit from seafood development taxes.
- Sec. 16: Establishes an effective date for the salmon hatchery permit application fee change, as described in Section 2 above.
- Sec. 17: Authorizes the Department of Fish and Game to adopt implementing regulations.
- Sec. 18: Establishes an immediate effective date for Section 17 pursuant to AS 01.10.070(c).
- Sec. 19: Is a technical, conforming effective date for Section 14 concomitant with 2 CH 55, SLA 2013 and has no effect on the policy set forth in this bill.