

**Sectional Analysis**  
**HB 128: 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". 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. This section provides for a hearing prior to issuance of a permit and describes certain permit terms including cost recovery fisheries, harvest, sale, and release of enhancement project-produced shellfish, and selection of brood stock sources. This section describes reporting requirements and terms for modification or revocation of a permit. It specifies that shellfish produced under an approved enhancement project are a common property resource, with provision for special harvest areas by permit holders.

**Sec. 4**

Provides 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 and 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.