Alaska State Legislature

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Representative Louise Stutes Speaker of the House

House Bill 64 - Version B Sectional Analysis

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"An Act relating to regional fisheries development associations; and related to developing fishery management assessments."

Section 1 adds new subsection to AS 16.40 [Commercial Use of Fish and Game] This section establishes Regional Fishery Development Associations (RFDAs) in statute. RFDAs are authorized by the commissioner of Fish & Game if the commissioner determines that they are a nonprofit corporation representing fisherman who would harvest resources in the area included in the new fishery and have a board of directors that is made up of fisherman, processors, and a member of the municipality in which the fishery would exist. A "developing fishery" is designated as an area where either the optimum yield of resources has not been reached, has not been estimated, a commercial harvest of the fishery resource has just been developed, or annual stock assessments are not conducted. A "new fishery" is defined as a perspective fishery that is not currently regulated or controlled.

Section 2 amends AS 37.05.146(c)(26) with conforming language. This section adds "developing fishery management assessment receipts" to the program receipts allowed to be received by the State of Alaska.

Section 3 adds new sections relating to Developing Fishery Management Assessments (management assessments) to AS 43.76 [Fisheries Taxes and Assessment]

Sec 43.76.281 allows for a management assessment to be levied on the fishery resource extracted from the developing fishery.

A fisherman with either a limited entry or interim-use permit would be subject to a tax between 2.5-30%, as determined by an election held by the RFDA.

Sec 43.76.283 *establishes the criteria of an election to approve, amend or terminate management assessments.*

An election may be held if the commissioner of Fish & Game approves the notice, ballot, and voting procedures of the election. The management assessment may be levied, amended, or terminated only if approved by a majority of the voters and if the election results have been certified by the commissioner. Elections must follow the appropriate procedures; one public meeting must be noticed within 30 days of ballots being postmarked; two ballots must be sent within 45 days and 15 days of the counting; the ballots must be counted by an auditor and approved by the commissioner.

Sec 43.76.285 *establishes the process for amending management assessments.* The commissioner of Fish & Game shall amend the rate if they receive a petition signed by 75% of the board of the RFDA and if a properly noticed election is held and majority of voters approve the amendment.

Sec 43.76.287 establishes the process for terminating management assessments. The commissioner of Fish & Game shall terminate the management assessment if they receive a petition signed by 75% of the board of the RFDA and if a properly noticed election is held and majority of voters approve the termination.

Sec 43.76.289 establishes the methodology for collecting the management assessment. A buyer will collect the management assessment and remit it quarterly to the Department of Revenue. For direct-to-market fisheries business, the business is liable for payment of the management assessment. All management assessment funds will be deposited in the state treasury, and appropriations will not be from the unrestricted general fund.

Sec 43.76.291 *establishes the methodology for funding RFDAs.*

The legislature may make appropriations of the revenue collected from management assessments to fund the RFDAs. Appropriated funds are to be spent in accordance with an operations plan developed by the RFDA, the Department of Fish & Game, and the Department of Environmental Conservation. An annual operating plan must specify the activities that will be conducted the RFDA within the year. Any RFDA receiving appropriations will be required to submit an annual financial report to the Department of Fish & Game.

Sec 43.79.299 establishes definitions.