

HOUSE BILL NO. 118

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE AUSTERMAN

Introduced: 1/25/95

Referred: House Special Committee on Fisheries, Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to seafood marketing, to the definition of 'seafood' for purposes
2 of the Alaska Seafood Marketing Institute, and to an aquatic farm product
3 marketing tax; and providing for an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** AS 16.51.090 is amended to read:

6 Sec. 16.51.090. POWERS OF BOARD. In carrying out the powers of the
7 institute, the board may

8 (1) adopt, alter, and use a corporate seal;

9 (2) prescribe, adopt, amend, and repeal bylaws;

10 (3) sue and be sued in the name of the institute;

11 (4) enter into any agreements necessary to the exercise of its powers
12 and functions;

13 (5) cooperate with a public or private board, organization, or agency
14 engaged in work or activities similar to the work or activities of the institute, including

1 entering into contracts for joint programs of consumer education, sales promotion,
2 quality control, advertising, and research in the production, processing, or distribution
3 of seafood;

4 (6) conduct, or contract for, scientific research to develop and discover
5 health, dietetic, or other uses of seafood harvested and processed in the state;

6 (7) receive contributions of money from persons;

7 (8) establish offices in the state and otherwise incur expenses incidental
8 to the performance of its duties;

9 (9) appear on behalf of the institute before boards, commissions,
10 departments, or other agencies of municipal, state, or federal government;

11 (10) acquire, hold, lease, sell, or otherwise dispose of property, but such
12 property is limited to that which is necessary to the administrative functioning of the
13 office of the institute;

14 (11) establish and maintain one or more bank accounts for the
15 transaction of the institute's business;

16 (12) prepare market research and product development plans for the
17 promotion of any species of seafood and their by-products that may be harvested in
18 the state and processed for sale;

19 (13) establish committees related to the marketing of **seafood**
20 [SALMON] and **seafood** [SALMON] products; the board shall, to the extent
21 practicable, appoint equal numbers of seafood processors and persons engaged in
22 commercial fishing to the committees.

23 * **Sec. 2.** AS 16.51.180(5) is amended to read:

24 (5) "seafood" means finfish, shellfish, and fish by-products, including
25 but not limited to salmon, halibut, herring, flounder, crab, clam, cod, shrimp, and
26 pollock [, BUT DOES NOT INCLUDE AQUATIC FARM PRODUCTS AS DEFINED
27 IN AS 16.40.199];

28 * **Sec. 3.** AS 43.76 is amended by adding new sections to read:

29 ARTICLE 3. AQUATIC FARM PRODUCT MARKETING TAX.

30 Sec. 43.76.160. AQUATIC FARM PRODUCT MARKETING TAX. A person
31 holding an aquatic farming or hatchery permit under AS 16.40.100 shall pay an

1 aquatic farm product marketing tax at the rate of one percent of the value, as defined
2 in AS 43.75.290, of shellfish that the person removes from the state or transfers to a
3 buyer in the state. The buyer shall collect the aquatic farm product marketing tax at
4 the time the shellfish is acquired by the buyer.

5 Sec. 43.76.170. COLLECTION OF TAX. (a) A buyer who acquires shellfish
6 that is subject to the aquatic farm product marketing tax imposed by AS 43.76.160
7 shall collect the aquatic farm product marketing tax at the time of purchase and shall
8 remit the total aquatic farm product marketing tax collected during each month to the
9 Department of Revenue by the last day of the next month.

10 (b) A buyer who collects the aquatic farm product marketing tax shall

11 (1) maintain records of the value of shellfish purchased in the state;

12 (2) report to the Department of Revenue by March 1 of each year the
13 total value, as defined in AS 43.75.290, of the shellfish that the buyer has acquired
14 during the preceding year.

15 (c) The owner of shellfish removed from the state is liable for payment of
16 the aquatic farm product marketing tax imposed by AS 43.76.160 if, at the time the
17 shellfish is removed from the state, the tax payable on the shellfish has not been
18 collected by a buyer. If the owner of the shellfish is liable for payment of the aquatic
19 farm product marketing tax under this subsection, the owner shall comply with the
20 requirements under (a) and (b) of this section to remit the tax to the Department of
21 Revenue, to maintain records, and to report to the Department of Revenue.

22 (d) The aquatic farm product marketing tax collected under this section shall
23 be deposited in the general fund. The legislature may appropriate revenue generated
24 by the aquatic farm product marketing tax to the Alaska Seafood Marketing Institute
25 for the purpose of supporting the institute's marketing programs for aquatic farm
26 products.

27 Sec. 43.76.180. DEFINITIONS. In AS 43.76.160 - 43.76.180,

28 (1) "buyer" means a person who acquires possession of shellfish from
29 the person who farmed, propagated, or cultivated the shellfish regardless of whether
30 there is an actual sale of the shellfish, but does not include a person engaged solely
31 in interstate transportation of goods for hire;

1 (2) "shellfish" means shellfish, part of a shellfish, and shellfish by-
2 products that are propagated, farmed, or cultivated in an aquatic farm and sold or
3 offered for sale.

4 * **Sec. 4.** AS 43.76.160, 43.76.170, and 43.76.180 are repealed June 30, 1998.

5 * **Sec. 5.** Section 3 of this Act takes effect January 1, 1996.