

HOUSE BILL NO. 423

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE MULDER

Introduced: 2/16/98

Referred: House Special Committee on Fisheries, Resources

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the Alaska access fishery trust, purchase of commercial
2 fisheries permits, vessels, gear, equipment, and leases by the Department of Fish
3 and Game, sport fishing license surcharge, and the entry permit surcharge; and
4 providing for an effective date."

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

6 * **Section 1.** AS 16.05.050 is amended by adding a new paragraph to read:

7 (20) to use funds in the Alaska access fishery trust

8 (A) to acquire entry permits that become available for
9 acquisition by the department under AS 16.10.337, AS 16.43.325, or
10 AS 44.81.250; and

11 (B) to the extent authorized by law, to purchase vessels and
12 gear associated with permits acquired under (A) of this paragraph.

13 * **Sec. 2.** AS 16.05.100 is amended by adding a new subsection to read:

14 (b) There is created in the fish and game fund an account called the Alaska

1 access fishery trust. The trust consists of money appropriated to the trust. Money
2 appropriated to the trust does not lapse. The department may expend money in the
3 trust without further appropriation to purchase commercial fishing limited entry
4 permits, shore fishery development leases, and fishing vessels, gear, and equipment
5 that would result in a direct and immediate benefit to sport fishermen. The legislature
6 may appropriate revenue derived from the sport fishing license surcharge under
7 AS 16.05.340(b), the commercial fisheries permit surcharge under AS 16.43.160,
8 interest earned on the money in the trust, and grants and donations made to the state
9 for the purposes of the trust.

10 * **Sec. 3.** AS 16.05.130(a) is amended to read:

11 (a) Except as provided in (c) of this section, money accruing to the state from
12 sport fishing, hunting, and trapping licenses, tags, or permit fees may not be diverted
13 to a purpose other than the protection, propagation, investigation, and restoration of
14 sport fish and game resources, [AND] the expenses of administering the sport fish and
15 game divisions of the department, **and capitalization of the Alaska access fishery**
16 **trust in the fish and game fund.**

17 * **Sec. 4.** AS 16.05.340 is amended by adding a new subsection to read:

18 (h) In addition to the license fees set out under (a) of this section, a surcharge
19 of \$1 shall be collected on each sport fishing license sold under (a)(1), (5), (6), (7),
20 or (8) of this section. The amount of the surcharge collected under this subsection
21 shall be deposited into the fish and game fund. The legislature may appropriate money
22 collected under this subsection to the Alaska access fishery trust in the fish and game
23 fund.

24 * **Sec. 5.** AS 16.10.337 is amended by adding a new subsection to read:

25 (e) Notwithstanding (a) - (d) of this section, on a foreclosure of an entry
26 permit as provided in AS 16.10.335 that is subject to AS 16.43.325, the commissioner
27 shall offer the permit to the Department of Fish and Game. If the Department of Fish
28 and Game decides to purchase the permit, the Department of Fish and Game shall pay
29 the commissioner an amount equal to the amount outstanding on the note plus any
30 costs the department directly incurred in administering the loan.

31 * **Sec. 6.** AS 16.43.160 is amended by adding a new subsection to read:

1 (e) In addition to the amounts collected under (a) - (d) of this section, the
 2 commission shall collect, at the time of renewal of an entry permit or interim-use
 3 permit, a surcharge of five percent of the permit renewal fee. The amount of the
 4 surcharge collected under this subsection shall be deposited into the general fund. The
 5 legislature may appropriate money collected under this subsection to the Alaska access
 6 fishery trust in the fish and game fund.

7 * **Sec. 7.** AS 16.43.170(h) is amended to read:

8 (h) Notwithstanding (g) of this section, the commission may not approve a
 9 request for transfer of an entry permit after an execution sale unless the parties to the
 10 transfer offer [THE COMMISSION] a right to purchase the permit at the same price
 11 and on the same terms as those of that execution sale **to the commission or, if the**
 12 **entry permit is for a fishery subject to AS 16.43.325, to the Department of Fish**
 13 **and Game.** If the commission exercises its right to purchase the permit, the permit
 14 then shall be transferred to the commission.

15 * **Sec. 8.** AS 16.43 is amended by adding a new section to read:

16 **Sec. 16.43.325. Acquisition and disposition of permits, vessels, and gear.**

17 (a) Notwithstanding AS 16.43.310 and 16.43.320, if the optimum number of permits
 18 is less than the number of entry permits outstanding in a fishery and the commission
 19 has not established a buy-back fund for that fishery, or the buy-back fund does not
 20 contain sufficient money to purchase a permit for the fishery, the commission shall
 21 offer the permit to the Department of Fish and Game. If the department decides to
 22 purchase the permit, the department shall purchase the permit with funds from the
 23 Alaska access fishery trust under AS 16.05.100(b).

24 (b) Upon receipt of an entry permit under AS 16.10.337, AS 44.81.250, or this
 25 section, the Department of Fish and Game shall return the entry permit to the
 26 commission. The commission shall cancel the entry permit. The commission may not
 27 reissue the entry permit or issue another permit in the place of the canceled permit.

28 (c) The Department of Fish and Game may purchase at fair market value
 29 vessels and gear associated with an entry permit that is acquired under AS 16.10.337,
 30 AS 44.81.250, or this section if the permit holder is not able to sell the vessel or gear
 31 at a reasonable price after a diligent effort. Vessels and gear acquired by the

1 department shall be sold by the department in accordance with law. Proceeds from the
2 sale of vessels and gear shall be deposited in the general fund. The legislature may
3 appropriate the proceeds from the sale of vessels and gear under this subsection to the
4 Alaska access fishery trust in the fish and game fund.

5 (d) The acquisition of entry permits, vessels, and gear under AS 16.10.337,
6 AS 44.81.250, or this section is not subject to AS 36.30 (State Procurement Code).

7 * **Sec. 9.** AS 44.81.250(a) is amended to read:

8 (a) Upon foreclosure of a pledge of an entry permit under AS 44.81.241 -
9 44.81.249, the bank shall determine if the permit is subject to a buy-back program
10 under AS 16.43.290 - 16.43.330 and, if it is subject to a buy-back program, shall offer
11 the permit to the commission **or the Department of Fish and Game, as appropriate,**
12 at a price equal to the outstanding indebtedness on the loan.

13 * **Sec. 10.** AS 16.05.340(h) and AS 16.43.160(e) are repealed December 31, 2008.

14 * **Sec. 11.** APPLICABILITY. AS 16.05.340(h), added by sec. 4 of this Act, and
15 AS 16.43.160(e), added by sec. 6 of this Act, are applicable to sport fishing licenses, entry
16 permits, and interim-use permits issued for 1999 or a subsequent year.

17 * **Sec. 12.** Sections 2, 3, 4, 6, and 11 of this Act take effect immediately under
18 AS 01.10.070(c).

19 * **Sec. 13.** Except as provided in sec. 12 of this Act, this Act takes effect January 1, 1999.