

CS FOR HOUSE BILL NO. 363(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 3/29/00

Referred: Rules

Sponsor(s): REPRESENTATIVES AUSTERMAN, Harris, Smalley, James

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to salmon product reports and to the sale of fish; and
2 providing for an effective date."

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

4 * **Section 1.** AS 16.05.680 is amended by adding a new subsection to read:

5 (b) A person may not sell salmon that was not harvested under the authority
6 of the entry permit, interim-use permit, or landing permit under which the salmon is
7 sold.

8 * **Sec. 2.** AS 16.05.690(a) is amended to read:

9 (a) Each buyer of fish shall keep a record of each purchase showing the name
10 or number of the vessel from which the catch involved is taken, the date of landing,
11 vessel license number, pounds purchased of each species, number of each species, and
12 **the Department of Fish and Game** [WHERE POSSIBLE,] statistical area in which
13 the fish were taken, and other information the department requires. Records may be
14 kept on forms provided by the department. Each person charged with keeping the

1 records shall report them to the department in accordance with regulations adopted by
 2 **the department** [IT].

3 * **Sec. 3.** AS 43.80.050(a) is amended to read:

4 (a) A fish processor engaged in the business of selling [THERMALLY
 5 PROCESSED] salmon products at wholesale and whose business sells more than
 6 **1,000,000** [240,000] pounds of [THERMALLY PROCESSED] salmon products at
 7 wholesale during a calendar year shall submit to the department during the following
 8 calendar year, on a form provided by the department, reports of the prices received **for**
 9 **and quantity of salmon products sold at wholesale** by the processor or an affiliate
 10 of the processor [FOR THE SALE OF THERMALLY PROCESSED SALMON]. Not
 11 later than May 31 of each reporting year, a processor shall submit a report for the
 12 period January 1 through April 30 of the reporting year. Not later than September 30
 13 of each reporting year, a processor shall submit a report for the period May 1 through
 14 August 31 of the reporting year. Not later than January 31 of each reporting year, a
 15 processor shall submit a report for the period September 1 through December 31 of the
 16 reporting year.

17 * **Sec. 4.** AS 43.80.050(b) is repealed and reenacted to read:

18 (b) A report submitted by a processor under (a) or (c) of this section must
 19 include

20 (1) the requested information for the following salmon product forms:

- 21 (A) thermally processed salmon products;
- 22 (B) fresh headed and gutted salmon products;
- 23 (C) fresh fillet salmon products;
- 24 (D) frozen headed and gutted salmon products;
- 25 (E) frozen fillet salmon products;
- 26 (F) salmon roe products;

27 (2) the requested information regarding the total quantity of each
 28 salmon product form sold by providing the total number of

- 29 (A) each size of container in which thermally processed salmon
 30 products were sold by the processor or its affiliate; and
- 31 (B) pounds for each of the other salmon product forms sold by

1 the processor or its affiliate; and

2 (3) for sales to buyers that are not affiliates of the processor, the total
3 quantity of each salmon product form sold by area of production by species, and the
4 wholesale price received.

5 * **Sec. 5.** AS 43.80.050(c) is amended to read:

6 (c) A sale to an affiliate of the processor may not be included in a report
7 submitted under this section by a processor. However, the processor shall report sales
8 by an affiliate at wholesale of [THERMALLY PROCESSED] salmon **products** that
9 **were** [WAS] obtained from the processor. The report **must** [SHALL] include a
10 description of the products and the **total** quantity **of each salmon product form** sold
11 by the affiliate **by area of production** by species and [BY THE SIZE OF THE
12 CONTAINER IN WHICH THE SALMON IS SOLD AND] the wholesale prices
13 received by the affiliate.

14 * **Sec. 6.** AS 43.80.050 is amended by adding a new subsection to read:

15 (f) Each fish processor who submits a report under (a) of this section during
16 a reporting year shall also submit an annual report of the quantity of salmon products
17 produced by the processor or an affiliate of the processor between January 1 and
18 December 31 of the reporting year. The report shall be submitted to the department
19 not later than January 31 of the following reporting year. The report must include

20 (1) a description of the products and the total quantity of each salmon
21 product form produced by area of production by species for each of the salmon
22 product forms listed in (b)(1) of this section; and

23 (2) the requested information regarding the total quantity of each
24 salmon product form produced by providing the total number of

25 (A) each size of container in which thermally processed salmon
26 products were produced by the processor or its affiliate; and

27 (B) pounds for each of the other salmon product forms
28 produced by the processor or its affiliate.

29 * **Sec. 7.** AS 43.80.055 is amended to read:

30 **Sec. 43.80.055. Wholesale price averages; Alaska salmon price report.** (a)

31 Based on the information provided in reports submitted under AS 43.80.050, the

1 department shall determine the [STATEWIDE] average wholesale prices paid to fish
 2 processors and their affiliates for the sale of [THERMALLY PROCESSED] salmon
 3 **products.**

4 (b) The department shall determine under this section the monthly and annual
 5 wholesale price averages for

6 (1) each species of [THERMALLY PROCESSED] salmon for each size
 7 of the container in which **thermally processed** [THE] salmon **products are** [IS] sold;

8 (2) **each pound of other salmon products by area of production by**
 9 **species by product form.**

10 * **Sec. 8.** AS 43.80.055 is amended by adding a new subsection to read:

11 (c) The department shall publish the average wholesale prices paid for salmon
 12 products in a report entitled the "Alaska Salmon Price Report."

13 * **Sec. 9.** AS 43.80.060 is amended to read:

14 **Sec. 43.80.060. Report to the legislature.** Not later than **March 15** [THE
 15 15TH DAY] of each **year** [REGULAR LEGISLATIVE SESSION], the department
 16 shall make available to the legislature a report of [STATEWIDE] average wholesale
 17 [THERMALLY PROCESSED SALMON] prices **paid for salmon products and a**
 18 **report of the quantity of salmon products produced during the preceding calendar**
 19 **year.** The department shall notify the legislature that the report is available.

20 * **Sec. 10.** AS 43.80.100(5) is amended to read:

21 (5) "reporting year" means the calendar year after the calendar year in
 22 which a fish processor's business sells more than **1,000,000** [240,000] pounds of
 23 [THERMALLY PROCESSED] salmon products **at wholesale;**

24 * **Sec. 11.** AS 43.80.100(7) is amended to read:

25 (7) "wholesale price" includes all receipts, whether in the form of
 26 money, credits, or other consideration, from the sale of a [FINISHED THERMALLY
 27 PROCESSED] salmon product at **wholesale** [LESS THAN RETAIL], without
 28 deduction for the costs of property sold, materials used, insurance, labor, services,
 29 labeling, transportation, storage, interest, taxes, losses, or any other expense [EXCEPT

30 (A) CASH DISCOUNTS ALLOWED ON SALES, NOT TO
 31 EXCEED TWO PERCENT; AND

1 (B) COMMISSIONS ACTUALLY PAID TO INDEPENDENT
2 BROKERS, NOT TO EXCEED FIVE PERCENT].

3 * **Sec. 12.** AS 43.80.100 is amended by adding new paragraphs to read:

4 (8) "area of production" means the area in which a salmon product was
5 processed by a fish processor; in this paragraph, "area" means one of the following
6 areas:

7 (A) Southeastern and Yakutat;

8 (B) Prince William Sound;

9 (C) Cook Inlet;

10 (D) Kodiak;

11 (E) Chignik;

12 (F) Aleutian Islands, Atka-Amlia Islands, and Alaska Peninsula;

13 (G) Bristol Bay; or

14 (H) Kuskokwim, Yukon-Northern, Norton Sound-Port Clarence,

15 and Kotzebue;

16 (9) "produce" means to process salmon into a salmon product;

17 (10) "wholesale" means the first sale of a salmon product at wholesale
18 after the fishery business tax was paid or became payable on the salmon from which
19 the salmon product was produced.

20 * **Sec. 13.** Section 12, ch. 37, SLA 1998, is repealed.

21 * **Sec. 14.** The uncodified law of the State of Alaska is amended by adding a new section
22 to read:

23 TRANSITION. The first report required by AS 43.80.050, as amended by secs. 3 -
24 5 of this Act, is due September 30, 2000, must cover the period of May 1, 2000, through
25 August 31, 2000, and must be filed by a fish processor whose business sold more than
26 1,000,000 pounds of salmon products at first wholesale during the 12-month period ending
27 August 31, 2000.

28 * **Sec. 15.** This Act takes effect September 1, 2000.