

CS FOR HOUSE BILL NO. 26(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/26/05

Referred: Rules

Sponsor(s): REPRESENTATIVES MOSES BY REQUEST, Samuels, Gara, Chenault, Foster

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to short-term commercial fishing crewmember licenses; and providing**
2 **for an effective date."**

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

4 *** Section 1.** AS 16.05.480(g) is amended to read:

5 (g) A [FOR A CREWMEMBER FISHING LICENSE ISSUED FOR
6 CALENDAR YEAR 2002 AND FOLLOWING YEARS, A] resident engaged in
7 commercial fishing who is 11 years of age or older and who does not hold an entry
8 permit or an interim-use permit shall pay a [AN ANNUAL] fee of \$60 **for an annual**
9 **crewmember fishing license.** A [. FOR A CREWMEMBER FISHING LICENSE
10 ISSUED FOR CALENDAR YEAR 2002 AND FOLLOWING YEARS, A] resident
11 engaged in commercial fishing who is less than 11 years of age and who does not hold
12 an entry permit or an interim-use permit shall pay an annual fee of \$5.

13 *** Sec. 2.** AS 16.05.480(h) is amended to read:

14 (h) A [FOR A CREWMEMBER FISHING LICENSE ISSUED FOR

1 CALENDAR YEAR 2002 AND FOLLOWING YEARS, A] nonresident engaged in
 2 commercial fishing who is 11 years of age or older and who does not hold an entry
 3 permit or an interim-use permit shall pay a [AN ANNUAL] base fee of \$60 **for an**
 4 **annual crewmember fishing license**, plus an amount, established by the department
 5 by regulation, that is as close as is practicable to the maximum allowed by law. **A**
 6 [FOR A CREWMEMBER FISHING LICENSE ISSUED FOR CALENDAR YEAR
 7 2002 AND FOLLOWING YEARS, A] nonresident engaged in commercial fishing
 8 who is less than 11 years of age and who does not hold an entry permit or an interim-
 9 use permit shall pay an annual base fee of \$5 plus an amount, established by the
 10 department by regulation, that is as close as is practicable to the maximum allowed by
 11 law.

12 * **Sec. 3.** AS 16.05.480 is amended by adding a new subsection to read:

13 (j) Notwithstanding (g) and (h) of this section, a resident or nonresident
 14 engaged in commercial fishing who does not hold an entry permit or an interim-use
 15 permit may obtain a seven-day crewmember fishing license under this subsection.
 16 During the period for which the license is valid, a person who holds a seven-day
 17 crewmember fishing license may not engage in fishing with a rod and reel while
 18 present on a commercial fishing vessel. The fee for a seven-day crewmember fishing
 19 license is \$30.

20 * **Sec. 4.** AS 16.10.310(a) is amended to read:

21 (a) The department may

22 (1) make loans

23 (A) to individual commercial fishermen who have been state
 24 residents for a continuous period of two years immediately preceding the date
 25 of application for a loan under AS 16.10.300 - 16.10.370, who have had **an**
 26 **annual** [A] crewmember or commercial fishing license under AS 16.05.480 or
 27 a permit under AS 16.43 for the year immediately preceding the date of
 28 application and any other two of the past five years, and who actively
 29 participated in the fishery during those periods

30 (i) for the purchase of entry permits; or

31 (ii) to upgrade existing vessels and gear for the purpose

1 of improving the quality of Alaska seafood products;

2 (B) to an individual for the repair, restoration, or upgrading of
3 existing vessels and gear, for the purchase of entry permits and gear, and for
4 the construction and purchase of vessels, if the individual has been a state
5 resident for a continuous period of two years immediately preceding the date
6 of application for a loan under AS 16.10.300 - 16.10.370, and either

7 (i) because of lack of training or lack of employment
8 opportunities in the area of residence, does not have occupational
9 opportunities available other than commercial fishing; or

10 (ii) is economically dependent on commercial fishing
11 for a livelihood and for whom commercial fishing has been a traditional
12 way of life in Alaska;

13 (C) for the purchase of quota shares for fisheries in or off the
14 state by individual commercial fishermen who

15 (i) have been state residents for a continuous period of
16 two years immediately preceding the date of application for a loan
17 under AS 16.10.300 - 16.10.370;

18 (ii) for any two of the past five years, possessed **an**
19 **annual** [A] crewmember or commercial fishing license under
20 AS 16.05.480 or a permit under AS 16.43 and actively participated in a
21 fishery for which the license or permit was issued;

22 (iii) qualify as transferees for quota shares under
23 applicable law; and

24 (iv) are not eligible for financing from other recognized
25 commercial lending institutions to purchase quota shares;

26 (D) to an individual commercial fisherman to satisfy past due
27 federal tax obligations, if the fisherman has been a state resident for a
28 continuous period of two years immediately preceding the date of application
29 for the loan, has filed past and current federal tax returns with the federal
30 government, has executed an agreement with the federal government for
31 repayment of past due federal tax obligations, and either

1 (i) has had an annual [A] crewmember or commercial
 2 fishing license under AS 16.05.480 or a permit under AS 16.43 for the
 3 year immediately preceding the date of application and any other two
 4 of the past five years, and has actively participated in the fishery during
 5 those periods;

6 (ii) because of lack of training or lack of employment
 7 opportunities in the area of residence, does not have occupational
 8 opportunities available other than commercial fishing; or

9 (iii) is economically dependent on commercial fishing
 10 for a livelihood and for whom commercial fishing has been a traditional
 11 way of life in Alaska;

12 (E) for the purchase of fishing quota shares by a community
 13 quota entity eligible under federal statute or regulation to purchase the fishing
 14 quota shares if the community quota entity is not eligible or qualified for
 15 financing from other recognized commercial lending institutions to purchase
 16 the fishing quota shares;

17 (2) designate agents and delegate its powers to them as necessary;

18 (3) adopt regulations necessary to carry out the provisions of
 19 AS 16.10.300 - 16.10.370, including regulations to establish reasonable fees for
 20 services provided;

21 (4) establish amortization plans for repayment of loans, which may
 22 include extensions for poor fishing seasons or for adverse market conditions for
 23 Alaska products;

24 (5) enter into agreements with private lending institutions, other state
 25 agencies, or agencies of the federal government to carry out the purposes of
 26 AS 16.10.300 - 16.10.370;

27 (6) enter into agreements with other agencies or organizations to create
 28 an outreach program to make loans under AS 16.10.300 - 16.10.370 in rural areas of
 29 the state;

30 (7) allow an assumption of a loan if

31 (A) the applicant has been a state resident for a continuous

1 period of two years immediately preceding the date of the request for an
2 assumption; and

3 (B) approval of the assumption would be consistent with the
4 purposes of AS 16.10.300; an applicant for a loan assumption may not be
5 disqualified because the applicant does not meet the loan eligibility
6 requirements of (1) of this subsection;

7 (8) prequalify loan applicants for a limited entry permit loan or a quota
8 shares loan and charge a fee not to exceed \$200 for prequalification;

9 (9) charge and collect the fees established under this subsection;

10 (10) refinance a debt obligation incurred by a borrower or borrowers
11 under this section if the borrower or borrowers otherwise qualify for a loan under
12 AS 16.10.300 - 16.10.370;

13 (11) refinance debt obligations, not to exceed \$300,000, incurred by a
14 borrower or borrowers for the purchase of a commercial fishing vessel or gear if the
15 borrower or borrowers otherwise qualify for a loan under AS 16.10.300 - 16.10.370;
16 the department may collect a refinancing loan origination charge as provided by
17 regulation.

18 * **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to
19 read:

20 TEMPORARY SURCHARGE ON ISSUANCE OF SHORT-TERM COMMERCIAL
21 FISHING CREWMEMBER LICENSES. The Department of Fish and Game may collect an
22 additional administrative fee of \$3 for each seven-day crewmember fishing license issued
23 under AS 16.05.480(j), added by sec. 3 of this Act, through December 31, 2005.

24 * **Sec. 6.** This Act takes effect July 1, 2005.