

Original Sponsor: Senator  
Blodgett

Offered: 4/8/65  
Referred: Rules

1 IN THE SENATE BY THE JUDICIARY COMMITTEE  
2 HOUSE CS FOR 2d CS FOR SENATE BILL NO. 157  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the payment of debts in-  
7 curred by fish and marine product buyers."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 43.75.020 is amended to read:

10 Sec. 43.75.020. APPLICATION REQUIREMENTS FOR LICENSE.

11 (a) Application for a license shall be filed with the  
12 Department of Revenue and accompanied by an initial fee of  
13 \$25 and a bond or security deposit as prescribed in sec. 25  
14 of this chapter. A separate initial fee is required for each  
15 plant specified in the application covered by the license.  
16 The application shall contain the name of the applicant, the  
17 line of business to be licensed, place of business, and  
18 other facts which the department prescribes. The applicant  
19 shall state that he agrees to pay the license tax, and that  
20 he will make a return to pay the tax at the time provided by  
21 law.

22 (b) Upon receipt of the application in proper form  
23 accompanied by the initial fee and bond or security deposit,  
24 the department shall issue the license as of the date the  
25 application is filed or mailed, and the applicant may carry  
26 on the business from the date the application was actually  
27 made.

28 \* Sec. 2. AS 43.75 is amended by adding a new section to read:

29 Sec. 43.75.025. BOND OR DEPOSIT AS CONDITION PRECEDENT.

1 (a) No license shall be issued until the applicant files a  
2 bond or makes a security deposit with the commissioner unless  
3 the bond or deposit requirement is waived by the commission-  
4 er under (d) of this section.

5 (b) A bond shall be in the sum of \$2,500, executed by  
6 the licensee as principal and one or more sufficient sure-  
7 ties, and run to the commissioner or his successors in  
8 office, and conditioned upon the payment of all debts related  
9 to the purchase of marine products incurred by the licensee  
10 in the operation of the licensed business during the period  
11 for which the license is valid. The aggregate liability of  
12 the surety for all breaches of the conditions of the bond  
13 shall in no event exceed the amount of such bond. With con-  
14 sent of the commissioner the bond may be cancelled by the  
15 surety or sureties upon 30 days written notice to the com-  
16 missioner who shall then require of the licensee a bond or  
17 deposit as provided in this section. The surety or sureties  
18 shall be liable on the bond for all judgments, decrees or  
19 orders made against the principal by a court of the state for  
20 all debts related to the purchase of marine products incurred  
21 by the principal in the operation of his business during the  
22 period of coverage. If the principal breaches the condition  
23 of the bond, the commissioner may, upon demand and receipt of  
24 satisfactory assurance for the payment of costs, enforce the  
25 bond either in his own name or in the name of another person  
26 as obligee by appropriate proceedings for the use and benefit  
27 of the person injured by the breach.

28 (c) In lieu of a bond the licensee may deposit with  
29 the department cash or securities in the same amount and

1 subject to the same conditions required for a bond.

2 (d) The commissioner shall waive the bonding and de-  
3 posit requirements if the applicant has shown himself to be  
4 financially responsible in the past or has sufficient tangi-  
5 ble assets within the state which could be attached to  
6 secure the payment of the debts.

7 \* Sec. 3. AS 43.75.070 is amended to read:

8 Sec. 43.75.070. LICENSE APPLICATION REQUIREMENTS AND  
9 FEE. (a) Application for a license shall be filed with the  
10 Department of Revenue and accompanied by an initial fee of  
11 \$25 and a bond or security deposit as prescribed in sec. 75  
12 of this chapter. A separate initial fee is required for each  
13 plant specified in the application. The application shall  
14 contain the name, the line of business, place where the  
15 business is to be carried on, and other facts which the de-  
16 partment prescribes. The applicant shall state that he  
17 agrees to pay the license tax, make a true return, and pay  
18 the tax at the time provided by law.

19 (b) Upon receipt of the application in the proper form  
20 accompanied by the initial fee and bond or security deposit,  
21 the department shall issue the license as of the date the  
22 application is filed or mailed, and the applicant may carry  
23 on the business from the date the application was actually  
24 made.

25 \* Sec. 4. AS 43.75 is amended by adding a new section to read:

26 Sec. 43.75.075. BOND OR DEPOSIT AS CONDITION PRECEDENT.

27 (a) No license shall be issued until the applicant files a  
28 bond or makes a security deposit with the commissioner unless  
29 the bond or deposit requirement is waived by the commissioner

1 under (d) of this section.

2 (b) A bond shall be in the sum of \$2,500, executed by  
3 the licensee as principal and one or more sufficient sure-  
4 ties, and run to the commissioner or his successors in  
5 office, and conditioned upon the payment of all debts related  
6 to the purchase of marine products incurred by the licensee  
7 in the operation of the licensed business during the period  
8 for which the license is valid. The aggregate liability of  
9 the surety for all breaches of the conditions of the bond  
10 shall in no event exceed the amount of such bond. With con-  
11 sent of the commissioner the bond may be cancelled by the  
12 surety or sureties upon 30 days written notice to the com-  
13 missioner who shall then require of the licensee a bond or  
14 deposit as provided in this section. The surety or sureties  
15 shall be liable on the bond for all judgments, decrees or  
16 orders made against the principal by a court of the state for  
17 all debts related to the purchase of marine products incurred  
18 by the principal in the operation of his business during the  
19 period of coverage. If the principal breaches the condition  
20 of the bond, the commissioner may, upon demand and receipt of  
21 satisfactory assurance for the payment of costs, enforce the  
22 bond either in his own name or in the name of another person  
23 as obligee by appropriate proceedings for the use and benefit  
24 of the person injured by the breach.

25 (c) In lieu of a bond the licensee may deposit with  
26 the department cash or securities in the same amount and  
27 subject to the same conditions required for a bond.

28 (d) The commissioner shall waive the bonding and  
29 deposit requirements if the applicant has shown himself to be

1            financially responsible in the past or has sufficient tangi-  
2            ble assets within the state which could be attached to secure  
3            the payment of the debts.

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