

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 830

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing the operation of private nonprofit
7 salmon hatcheries."

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

9 * Section 1. INTENT. It is the intent of this Act to authorize the private
10 ownership of salmon hatcheries by qualified nonprofit corporations for the
11 purpose of contributing, by artificial means, to the rehabilitation of the
12 state's depleted and depressed salmon fishery. The program shall be operated
13 without adversely affecting natural stocks of fish in the state and under
14 a policy of management which allows reasonable segregation of returning
15 hatchery-reared salmon from naturally occurring stocks.

16 * Sec. 2. AS 16.10 is amended by adding new sections to read:

17 ARTICLE 8. SALMON HATCHERIES.

18 Sec. 16.10.400. PERMITS FOR SALMON HATCHERIES. (a) The commis-
19 sioner or his designee may issue a permit, subject to the restrictions
20 he considers desirable or that are imposed by statute or regulation
21 under secs. 400 - 470 of this chapter, to a nonprofit corporation organ-
22 ized under AS 10.20, for the construction and operation of a salmon
23 hatchery.

24 (b) The application for a permit under this section shall be on
25 a form prescribed by the department and be accompanied by an application
26 fee of \$100.

27 (c) A hatchery permit is nontransferable. If a permit holder sells
28 or leases a hatchery for which a permit is issued under this section, the
29 new operator shall apply for a new permit under this section.

1 (d) Permits are renewable on terms prescribed by the commissioner.

2 Sec. 16.10.410. HEARINGS BEFORE PERMIT ISSUANCE. (a) At least
3 30 days before the issuance of a permit under sec. 400 of this chapter,
4 a public hearing shall be held in a central location in the vicinity of
5 the proposed hatchery facility.

6 (b) Notice of the hearing shall be published in a newspaper of
7 general circulation once a week for three consecutive weeks, with
8 completion of the notice at least 10 days before the hearing.

9 (c) The hearing shall be conducted by the department, with a
10 presentation by the permit applicant of a plan for the proposed hatchery,
11 describing its capacity and any other relevant facts which may be of
12 interest to the department or the public. Interested members of the
13 public shall be afforded an opportunity to be heard.

14 (d) The department shall record and consider objections and recom-
15 mendations offered by the public at the hearing conducted under this
16 section. It shall respond in writing, within 10 days after the hearing
17 is held, to any specific objections offered by a member of the public
18 at the hearing.

19 Sec. 16.10.420. CONDITIONS OF A PERMIT. The department shall
20 require, in a permit issued to a hatchery operator, that

21 (1) salmon eggs procured by the hatchery must be from the
22 department or a source approved by the department;

23 (2) no salmon eggs or resulting fry be placed in waters of
24 the state other than those specifically designated in the permit;

25 (3) no salmon eggs or resulting fry, sold to a permit
26 holder by the state or by another party approved by the department, may
27 be resold or otherwise transferred to another person;

28 (4) no salmon be released by the hatchery before department
29 approval, and, for purposes of pathological examination and approval,

1 the department shall be notified of the proposed release of salmon at
2 least 15 days before the date of their proposed release by the hatchery;

3 (5) diseased salmon be destroyed in a specific manner and
4 place designated by the department;

5 (6) adult salmon be harvested by hatchery operators only at
6 specific locations as designated by the department;

7 (7) surplus eggs from salmon returning to the hatchery be
8 made available for sale first to the department and then, after inspec-
9 tion and approval by the department, to operators of other hatcheries
10 authorized by permit to operate under secs. 400 - 470 of this chapter;

11 (8) if surplus salmon eggs are sold by a permit holder to
12 another permit holder, a copy of the sales transaction be provided to
13 the department;

14 (9) the cost of inspections or examinations conducted by
15 the department under this section before the release of salmon, or
16 when eggs are procured from sources other than the department, or to
17 determine the existence of disease, be borne by the hatchery owner for
18 which the inspection or examination is conducted;

19 (10) a hatchery be located in an area where a reasonable
20 segregation from natural stocks occurs, but, when feasible, in an area
21 where returning hatchery fish will pass through traditional salmon
22 fisheries.

23 Sec. 16.10.430. ALTERATION, SUSPENSION OR REVOCATION OF PERMIT.

24 (a) If a permit holder fails to comply with the conditions and terms
25 of the permit issued under secs. 400 - 470 of this chapter within a
26 reasonable period after notification of his noncompliance by the depart-
27 ment, his permit may be suspended or revoked, in the discretion of the
28 commissioner.

29 (b) If the commissioner finds that the operation of the hatchery

1 is not in the best interests of the public, he may alter the conditions
2 of the permit to mitigate the adverse effects of the operation, or,
3 if the adverse effects are irreversible and cannot be mitigated suffi-
4 ciently, initiate a termination of the operation under the permit over
5 a reasonable period of time under the circumstances, not to exceed four
6 years. During the period of time that the operation is being terminated,
7 the permit holder may harvest salmon under the terms of the permit but
8 may not release additional fish.

9 Sec. 16.10.440. REGULATION. (a) Fish released into the natural
10 waters of the state by a hatchery operated under secs. 400 - 470 of
11 this chapter are available to the people for common use and are subject
12 to regulation under applicable law in the same way as fish occurring
13 in their natural state until they return to the specific location
14 designated by the department for harvest by the hatchery operator.

15 (b) The board may promulgate regulations necessary to implement
16 secs. 400 - 470 of this chapter.

17 Sec. 16.10.445. EGG SOURCES. (a) The department shall approve
18 the source and number of salmon eggs taken under secs. 400 - 470 of
19 this chapter.

20 (b) Where feasible, salmon eggs utilized by a hatchery operator
21 shall first be taken from stocks native to the area in which the
22 hatchery is located, and then, upon department approval, from other
23 areas, as necessary.

24 Sec. 16.10.450. SALE OF SALMON AND SALMON EGGS BY HATCHERY. A
25 hatchery operator who sells salmon returning from the natural waters
26 of the state, or sells salmon eggs to another hatchery operating under
27 secs. 400 - 470 of this chapter, after utilizing the funds for reason-
28 able operating costs, including debt retirement, or expanding its
29 facilities, shall expend the remaining funds on fisheries research,

1 salmon rehabilitation projects, or other fisheries activities. Fish
2 sold by hatcheries for human consumption shall be of comparable quality
3 to fish harvested by commercial fisheries in the area, and shall be
4 sold at prices commensurate with the current market.

5 Sec. 16.10.460. INSPECTION OF HATCHERY. As a condition of and
6 in consideration for a permit to operate a hatchery under secs. 400 -
7 470 of this chapter, an inspection of the hatchery facility by depart-
8 ment inspectors shall be permitted by the permit holder at any time
9 the hatchery is operating. The inspection shall be conducted in a
10 reasonable manner.

11 Sec. 16.10.470. ANNUAL REPORT. A person who holds a permit for
12 the operation of a salmon hatchery under secs. 400 - 470 of this
13 chapter shall submit an annual report to the department to include but
14 not be limited to

15 (1) a complete description of all significant hatchery
16 operations;

17 (2) statistics on the numbers of eggs and fish handled by
18 the hatchery, whether for production or sale;

19 (3) future recommendations for modification of the hatchery
20 program;

21 (4) any other relevant data required by the department.
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