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Referred: Resources and  
Finance'

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 198

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Alaska Seafood Marketing In-  
7 stitute; and providing for an effective date."

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

9 \* Section 1. PURPOSES. The purposes of this chapter are to

10 (1) encourage the fishing industry in the state to make greater  
11 use of the fishing resources off the coast of the state;

12 (2) expand the range of species of seafood harvested by the fish-  
13 ing industry in the state;

14 (3) enable the fishing industry to maintain the quality of sea-  
15 food harvested and processed by fishermen and processors in the state;

16 (4) enable the fishing industry in the state to stimulate consumer  
17 identification of Alaska seafood to increase the use and consumption of  
18 seafood harvested and processed in the state;

19 (5) stabilize and diversify the distribution of seafood products  
20 processed and harvested in the state by encouraging consumers to purchase  
21 Alaska seafood.

22 \* Sec. 2. AS 16 is amended by adding a new chapter to read:

23 CHAPTER 51. ALASKA SEAFOOD MARKETING INSTITUTE.

24 Sec. 16.51.005. INSTITUTE ESTABLISHED. (a) There is established  
25 in the Department of Commerce and Economic Development the Alaska Sea-  
26 food Marketing Institute. The institute shall act through a board of  
27 directors, which consists of 18 members. Seventeen members are to be  
28 appointed by the governor as provided in (b) of this section. The com-  
29 missioner of commerce and economic development or his designee is also a

1 member of the board.

2 (b) Nine members of the board must be persons who represent  
3 seafood processors having an annual payroll in the state of at least  
4 \$1,000,000. Four members of the board must be persons who represent  
5 seafood processors having an annual payroll in the state of at least  
6 \$100,000. Four members of the board must be commercial fishermen.  
7 Members serve terms of three years. Initial appointments of members  
8 are five members serving for one year, five members serving for two  
9 years, and seven members serving for three years.

10 (c) Members of the fishing industry may make recommendations to  
11 the governor of persons to serve on the board.

12 (d) Nine members of the board constitute a quorum.

13 (e) The board shall elect a chairman annually and shall hold at  
14 least one regular meeting a year. The chairman must be a member of the  
15 board. The board shall meet at the call of the chairman or upon the  
16 written request of two members of the board.

17 (f) Board members receive no salary, but are entitled to per diem  
18 and travel expenses authorized by law for other boards and commissions.

19 Sec. 16.51.015. POWERS. The board may

20 (1) adopt by-laws;

21 (2) make contracts and other agreements which promote the  
22 sale of seafood harvested and processed in the state;

23 (3) cooperate with a public or private board, organization,  
24 or agency engaged in work or activities similar to the work or activi-  
25 ties of the institute and make contracts and agreements with those or-  
26 ganizations or agencies for joint programs of consumer education, sales  
27 promotion, quality control, advertising and research in the production,  
28 processing or distribution of seafood;

29 (4) conduct, or contract for scientific research to develop

1 and discover health, dietetic or other uses of seafood harvested and  
2 processed in the state;

3 (5) receive contributions of money from persons;

4 (6) employ at its pleasure an executive director and other  
5 employees it considers necessary and prescribe their duties and fix  
6 their compensation;

7 (7) establish offices in the state and incur expenses inci-  
8 dental to the performance of its duties;

9 (8) present facts to, and negotiate with local, state or  
10 federal agencies on matters affecting quality, production, processing  
11 or distribution of seafood harvested and processed in the state.

12 Sec. 16.51.020. DUTIES. The board shall

13 (1) conduct programs of education, research, advertising or  
14 sales promotion designed to accomplish the purposes of this chapter;

15 (2) prepare annually a budget of proposed expenses of the  
16 board to be incurred in carrying out this chapter;

17 (3) provide promotional services for fishermen and proces-  
18 sors of all species of fish and their by-products which are harvested  
19 in the state and processed for sale;

20 (4) recommend quality control programs including product  
21 quality standards for seafood harvested and processed in the state;

22 (5) prepare market research and product development plans  
23 for the promotion of all species of fish and their by-products which  
24 are harvested in the state and processed for sale; and

25 (6) submit an annual report to the governor and the legisla-  
26 ture describing its activities.

27 Sec. 16.51.025. PROHIBITED PROMOTIONS. The board may not promote  
28 or make a contract which promotes seafood by

29 (1) geographic origin other than from this state generally;

- 1 (2) geographic region in the state; or  
2 (3) specific brand name.

3 Sec. 16.51.030. CONTRIBUTIONS. (a) Contributions received by  
4 the institute shall be accounted for as provided in AS 37.10.050.

5 (b) Appropriations made to the institute for a fiscal year may be  
6 limited so that the appropriation of money from the general fund is at  
7 least equal to the contributions received by the institute but not more  
8 than 10 percent of the tax collected under AS 43.75 for the tax year  
9 which ended during the preceding fiscal year.

10 Sec. 16.51.100. DEFINITIONS. In this chapter

- 11 (1) "board" means the board of directors of the institute;  
12 (2) "institute" means the Alaska Seafood Marketing Institute;  
13 (3) "seafood processor" means a person cooking, canning,  
14 freezing or otherwise preparing seafood for sale.

15 \* Sec. 3. AS 39.50.200(b) is amended by adding a new paragraph to read:  
16 (44) Alaska Seafood Marketing Institute (AS 16.51.005).

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

18 Sec. 43.75.134. TAX CREDIT. For tax years beginning after Decem-  
19 ber 31, 1980, each taxpayer who files a fisheries tax return is enti-  
20 tled to a credit against the tax imposed by AS 43.75.015 and 43.75.100  
21 for contributions made in the tax year to the Alaska Seafood Marketing  
22 Institute established in AS 16.51.005(a). The tax credit provided in  
23 this section may not exceed five percent of the net fisheries tax lia-  
24 bility of the taxpayer before the deduction of this credit or other ap-  
25 plicable credits.

26 \* Sec. 5. Section 4 of this Act is retroactive to January 1, 1981 and  
27 applies to tax years beginning after December 31, 1980.

28 \* Sec. 6. This Act takes effect immediately in accordance with AS 01.-  
29 10.070(c).