

Offered: 4/23/84
Referred: Finance

Original sponsor: Mulcahy

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 HOUSE CS FOR CS FOR SENATE BILL NO. 52 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the licensing of commercial
7 fishing; and providing for an effective date."

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

9 * Section 1. AS 16.05.450(a) is amended to read:

10 (a) The commissioner of revenue or an authorized agent shall
11 issue a crewmember fishing license under AS 16.05.485 [AS 16.05.480]
12 to each qualified person who files a written application at a place in
13 the state designated by the commissioner, containing the reasonable
14 information required by the commissioner together with the required
15 fee. The application shall be simple in form and shall be executed by
16 the applicant under the penalty of perjury.

17 * Sec. 2. AS 16.05.460 is amended to read:

18 Sec. 16.05.460. COMMISSIONER OF REVENUE MAY APPOINT AGENTS. The
19 commissioner of revenue may appoint qualified persons as agents to
20 receive applications, issue licenses, and collect license fees under
21 AS 16.05.440 - 16.05.485 [AS 16.05.440 - 16.05.480, AND TO ASSIST IN
22 THE COMPLETION OF ANNUAL APPLICATION OR RENEWAL FORMS FOR INTERIM-USE
23 PERMITS AND ENTRY PERMITS ISSUED UNDER AS 16.43].

24 * Sec. 3. AS 16.05.470 is amended to read:

25 Sec. 16.05.470. AGENT'S FEE FOR ISSUANCE OF LICENSES AND ASSIS-
26 TANCE [INTERIM-USE OR ENTRY PERMITS]. [(a)] A person appointed and
27 authorized by the commissioner of revenue to sell licenses under
28 AS 16.05.440 - 16.05.485 [AS 16.05.440 - 16.05.480], except salaried
29 employees of the state, shall retain the sum of 15 percent of the fee

1 for the issuance of a license. An agent shall transmit monthly to the
2 commissioner all license fees collected by the agent, less the author-
3 ized commission, together with a full accounting of the fees. The
4 commissioner shall make monthly remittances of the fees collected to
5 the proper state official. The commissioner [IS NOT LIABLE FOR DEFAL-
6 CATION OR FAILURE TO ACCOUNT FOR THE FEES COLLECTED BY AN AGENT, BUT
7 THE COMMISSIONER] shall require a bond in the sum the commissioner
8 considers adequate, conditioned upon the faithful accounting of money
9 collected.

10 [(b) A PERSON APPOINTED BY THE COMMISSIONER OF REVENUE UNDER
11 AS 16.05.460 TO ISSUE LICENSES UNDER AS 16.05.440 - 16.05.480, EXCEPT
12 SALARIED EMPLOYEES OF THE STATE, SHALL RETAIN THE SUM OF 15 PERCENT OF
13 THE INTERIM-USE OR ENTRY PERMIT FEE FOR ASSISTING IN COMPLETION OF THE
14 ANNUAL APPLICATION OR RENEWAL FORM FOR THE INTERIM-USE OR ENTRY PER-
15 MIT. AN AGENT SHALL TRANSMIT PROMPTLY TO THE COMMERCIAL FISHERIES
16 ENTRY COMMISSION ALL APPLICATION OR RENEWAL FORMS AND FEES COLLECTED
17 BY THE AGENT, LESS THE AUTHORIZED COMMISSION, TOGETHER WITH A FULL
18 ACCOUNTING OF THE FEES. THE COMMISSIONER AND THE COMMERCIAL FISHERIES
19 ENTRY COMMISSION ARE NOT LIABLE FOR DEFALCATION OR FAILURE TO ACCOUNT
20 FOR THE FEES COLLECTED BY AN AGENT, BUT THE COMMISSIONER SHALL REQUIRE
21 A BOND IN THE SUM THE COMMISSIONER CONSIDERS ADEQUATE, CONDITIONED
22 UPON THE FAITHFUL ACCOUNTING OF MONEY COLLECTED.]

23 * Sec. 4. AS 16.05.480 is repealed and reenacted to read:

24 Sec. 16.05.480. COMMERCIAL FISHING LICENSE. (a) A person
25 engaged in commercial fishing shall obtain a commercial fishing li-
26 cense. The annual fee for the license is \$15 for a resident who is
27 eligible for an entry permit or interim-use permit under AS 16.43.-
28 160(c) or who is eligible for a \$15 crewmember fishing license under
29 AS 16.05.485(a). The annual fee for a commercial fishing license for

1 all other residents is \$30. The annual fee for a commercial fishing
2 license for a nonresident is \$90.

3 (b) A commercial fishing license is included in and need not be
4 issued separately from a crewmember fishing license issued under
5 AS 16.05.485 and an entry permit or interim-use permit issued, re-
6 newed, or transferred under AS 16.43. The annual fee for a commercial
7 fishing license is included in the annual fee for a crewmember fishing
8 license issued under AS 16.05.485 and the first fee paid during a
9 calendar year for an entry permit or interim-use permit issued or
10 renewed under AS 16.43.

11 * Sec. 5. AS 16.05 is amended by adding a new section to read:

12 Sec. 16 05.485. CREWMEMBER FISHING LICENSE. (a) A person
13 engaged in commercial fishing who does not hold a valid entry permit
14 or interim-use permit issued, renewed, or transferred under AS 16.43
15 shall obtain a crewmember fishing license. The annual crewmember
16 fishing license fee is \$15 for a resident who has a net family income
17 falling within the Federal Community Services Administration poverty
18 guidelines, adjusted by the Department of Revenue to reflect appropri-
19 ate cost-of-living differentials. The annual crewmember fishing
20 license fee for all other residents is \$30. The annual crewmember
21 fishing license fee for a nonresident is \$90.

22 (b) A crewmember fishing license is nontransferable and shall be
23 retained in the possession of the licensee, readily accessible for
24 inspection at all times.

25 (c) A person applying for a resident crewmember fishing license
26 under this section shall provide the proof of residence that the
27 Department of Revenue requires by regulation.

28 (d) If a valid crewmember fishing license issued under this
29 section is lost or destroyed, the person to whom the license was

1 issued may, upon payment of a \$2 fee, obtain a duplicate license. A
2 person who recovers an original license for which a duplicate has been
3 issued shall immediately surrender the duplicate to the Department of
4 Revenue.

5 * Sec. 6. AS 16.05.680 is amended to read:

6 Sec. 16.05.680. UNLAWFUL PURCHASES. A person, or the person's
7 agent or representative, may not

8 (1) employ a person in harvesting, transporting, or pur-
9 chasing of fish unless the person [A FISHERMAN WHO] is [NEITHER]
10 licensed under AS 16.05.485 or is [AS 16.05.480 NOR] a holder of a
11 permit issued under AS 16.43;

12 (2) purchase fish from a fisherman who is neither a holder
13 of a permit issued under AS 16.43 nor exempt under AS 16.05.660; or

14 (3) purchase fish from an association other than one to
15 which a permit has been issued under AS 16.05.662.

16 * Sec. 7. AS 16.05.710 is repealed and reenacted to read:

17 Sec. 16.05.710. LICENSE FORFEITURE. (a) Upon a first or second
18 conviction of a person for a violation of AS 16.05.440 - 16.05.720 or
19 a federal or state law or regulation for the protection of the commer-
20 cial fish of the state, the court may, in addition to the penalty
21 imposed by law, order any or all of the following:

22 (1) a forfeiture of a crewmember fishing license held by
23 the person;

24 (2) a loss of eligibility to hold a crewmember fishing
25 license, interim-use permit, or entry permit for a period of not more
26 than one year;

27 (3) a suspension of fishing rights under a crewmember
28 fishing license, interim-use permit, or entry permit for a period of
29 not more than one year.

1 (b) Upon a third conviction, the court may, in addition to the
2 penalty imposed by law, order any or all of the following:

3 (1) a forfeiture of the crewmember fishing license,
4 interim-use permit, or entry permit held by the person;

5 (2) a loss of eligibility to hold a crewmember fishing
6 license, interim-use permit, or entry permit for a period of not more
7 than three years;

8 (3) a suspension of fishing rights under a crewmember
9 fishing license, interim-use permit, or entry permit for a period of
10 not more than three years.

11 * Sec. 8. AS 16.10.310(a) is amended to read:

12 Sec. 16.10.310. POWERS OF THE DEPARTMENT. (a) The department
13 may

14 (1) make loans to

15 (A) individual commercial fishermen who have been
16 state residents for a continuous period of two years immediately
17 preceding the date of application for a loan under AS 16.10.300 -
18 16.10.370 and have had a crewmember [OR COMMERCIAL] fishing li-
19 cense under AS 16.05 [AS 16.05.480] or a permit under AS 16.43
20 for the year immediately preceding the date of application and
21 any other two of the past five years, and who actively partici-
22 pated in the fishery during those periods, for the purchase of
23 entry permits;

24 (B) an individual who has been a state resident for a
25 continuous period of two years immediately preceding the date of
26 application for a loan under AS 16.10.300 - 16.10.370, who

27 (i) because of lack of training or lack of em-
28 ployment opportunities in the area of residence does not
29 have occupational opportunities available other than

1 commercial fishing; or

2 (ii) is economically dependent on commercial fish-
3 ing for a livelihood and for whom commercial fishing has
4 been a traditional way of life for the individual in Alaska,
5 for the repair, restoration or upgrading of existing vessels
6 and gear, for the purchase of entry permits and gear, and
7 for the construction and purchase of vessels;

8 (C) corporations, partnerships, or joint ventures, 100
9 percent of which are owned by individual commercial fishermen who
10 have been state residents for a continuous period of two years
11 immediately preceding the date of application for a loan under
12 AS 16.10.310(a)(1)(B) and have had a crewmember [OR COMMERCIAL]
13 fishing license under AS 16.05 [AS 16.05.480] or a permit under
14 AS 16.43 for the year immediately preceding the date of applica-
15 tion and any other two of the past five years, and who actively
16 participated in the fishery during that period, for the repair,
17 restoration or upgrading of existing vessels and gear, for the
18 purchase of gear, and for the construction and purchase of
19 vessels;

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

22 (3) adopt regulations necessary to carry out its functions;

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

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

29 (6) enter into agreements with other agencies or

1 organizations to create an outreach program to make loans under
2 AS 16.10.300 - 16.10.370 in rural areas of the state.

3 * Sec. 9. AS 16.43.160(a) is amended to read:

4 (a) The commission shall establish annual fees for the issuance
5 and annual renewal of entry permits or interim-use permits. [THE
6 AMOUNT PAID BY A PERMIT HOLDER UNDER THE PROVISIONS OF AS 16.05.480
7 SHALL BE CREDITED BY THE COMMISSION TOWARD PAYMENT OF THE FEE CHARGED
8 UNDER THIS SECTION. NO MORE THAN ONE CREDIT MAY BE OBTAINED ANNUALLY
9 BY A PERSON.]

10 * Sec. 10. AS 16.43.160(b) is amended to read:

11 (b) Except as provided in (c) of this section, annual [ANNUAL]
12 fees established under this section shall be not [NO] less than \$30
13 nor [\$10 AND NO] more than \$750 and shall reasonably reflect the
14 different rates of economic return for different fisheries. The
15 amount of an annual fee for a nonresident shall be three times the
16 amount of an annual fee for a resident. The commission shall charge
17 interest on fees due at the rate established by AS 45.45.010(a) from
18 the date of permit renewal.

19 * Sec. 11. AS 23.35.060 is amended to read:

20 Sec. 23.35.060. CREATION AND ADMINISTRATION OF FISHERMEN'S FUND.
21 There is created a fund, designated as the "fishermen's fund." The
22 Department of Revenue is the custodian of the fund and the Department
23 of Labor shall administer it. The fund shall be composed of 60 per-
24 cent of the money derived by the state from all commercial fishing
25 [FISHERMEN'S] licenses required under AS 16.05.480 and money appropri-
26 ated to carry out the purpose of AS 23.35.

27 * Sec. 12. AS 23.35.150(4) is amended to read:

28 (4) "fisherman" means a person who is licensed by the state
29 to engage in commercial fishing under AS 16.05 [AS 16.05.480] or who

1 is the holder of a permit issued under AS 16.43 and who, at the time
2 injury is sustained or illness is contracted, is actually so engaged
3 or is occupied in Alaska in preparing or dismantling boats or gear
4 used in commercial fishing;

5 * Sec. 13. AS 43.75.017 is amended to read:

6 Sec. 43.75.017. EXCLUSION FROM FISHERIES BUSINESS TAX. A person
7 is not liable for the fisheries business tax under AS 43.75.015 when
8 the fishery resource is frozen aboard a fishing vessel if

9 (1) the vessel is operated as a commercial fishing vessel
10 by a person holding [UNDER] a valid entry permit or interim-use permit
11 issued, renewed, or transferred under AS 16.43, or a valid crewmember
12 [COMMERCIAL] fishing license under AS 16.05.485;

13 (2) the fishery resource is not processed beyond heading,
14 gutting or cleaning, freezing and glazing;

15 (3) the fishery resource was caught by the vessel; and

16 (4) the fishery resource is sold by the person claiming an
17 exclusion from the tax to a fisheries business licensed under this
18 chapter.

19 * Sec. 14. AS 44.81.210(a)(20) is amended to read:

20 (20) make loans to individual commercial fishermen for
21 limited entry permits; a loan under this paragraph may be made only to
22 an individual commercial fisherman who has been a state resident for a
23 continuous period of two years immediately preceding the date of
24 application for the loan and who has had a crewmember [OR COMMERCIAL]
25 fishing license under AS 16.05 [AS 16.05.480] or a permit under
26 AS 16.43 for the year immediately preceding the date of application
27 and any other two of the past five years, and who has actively partic-
28 ipated in the fishery during that period; loans made under this para-
29 graph are subject to the provisions of AS 44.81.230;

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* Sec. 15. This Act takes effect January 1, 1985.