

Offered: 2/17/86  
Referred: Finance

Original sponsor: Binkley

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

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CS FOR HOUSE BILL NO. 227 (Resources)

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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FOURTEENTH LEGISLATURE - SECOND SESSION

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A BILL

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For an Act entitled: "An Act relating to fish processors and primary fish

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buyers; and providing for an effective date."

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

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\* Section 1. AS 16.10.290(a) is amended to read:

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(a) A person applying for a license as a fish processor or

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primary fish buyer shall file with the commissioner of labor a surety

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bond running to the State of Alaska conditioned upon the promise to

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pay (1) all persons furnishing labor to a fish processor or primary

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fish buyer, including contractual employee benefits; and (2) independ-

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ent registered commercial fishermen for the price of the raw fishery

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resource purchased from them. The surety or sureties shall be satis-

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factory, in the determination of the commissioner.

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\* Sec. 2. AS 16.10.290(b) is amended to read:

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(b) The amount of the bond shall be \$10,000 unless, during the

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preceding five years, that amount was insufficient to satisfy a final

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judgment resulting from a claim asserted against the bond, cash depos-

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its, or other security filed under this section. If \$10,000 was

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insufficient, the bond shall be \$50,000; if \$50,000 was insufficient,

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the bond shall be \$100,000. If the commissioner determines that

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during the preceding five years, a fish processor or primary fish

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buyer (1) has engaged in the business of fish processor or primary

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fish buyer in the state while not in compliance with this section and

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(2) has not yet satisfied a final judgment entered against the pro-

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cessor or fish buyer for payment for labor furnished to, or raw

1 fishery resources purchased by, the processor or fish buyer, then the  
2 amount of the bond for the processor or fish buyer shall be \$100,000.

3 In lieu of the surety bond the fish processor or primary fish buyer  
4 may file with the commissioner a cash deposit or other negotiable  
5 security acceptable to the commissioner in the amount specified for  
6 the bond. If no claim is asserted under this section within two years  
7 from the date the bond, cash deposit or other security is filed, the  
8 term of the bond, cash deposit or other security shall be two years;  
9 if a claim has been asserted within two years, the term of the bond,  
10 cash deposit or other security shall be for five years.

11 \* Sec. 3. AS 16.10.290(c) is repealed and reenacted to read:

12 (c) A bond is not required if the fish processor or primary fish  
13 buyer has more than the amount of the bond in lienable property in the  
14 state and provides proof of the property satisfactory to the commis-  
15 sioner.

16 \* Sec. 4. AS 16.10.291 is repealed and reenacted to read:

17 Sec. 16.10.291. EXEMPTION FROM BONDING REQUIREMENTS. A fish  
18 processor or primary fish buyer that does not purchase fish or hire  
19 employees is exempt from the bonding requirements of AS 16.10.290 -  
20 16.10.296.

21 \* Sec. 5. AS 16.10.296 is amended by adding a new subsection to read:

22 (b) In AS 16.10.290 - 16.10.291, "person" means an individual, a  
23 corporation, partnership, association, or joint stock company.

24 \* Sec. 6. This Act takes effect immediately in accordance with AS 01.-  
25 10.070(c).