

Offered: 2/6/86
Referred: Finance

Original sponsors: Coghill and Sackett

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2

CS FOR SENATE BILL NO. 164 (Resources)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to surety for collection of wages
7 and payment; and providing for an effective date."

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

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

10 (a) A person applying for a license as a fish processor or
11 primary fish buyer shall file with the commissioner of labor a surety
12 bond running to the State of Alaska conditioned upon the promise to
13 pay (1) all persons furnishing labor to a fish processor or primary
14 fish buyer, including contractual employee benefits; and (2) indepen-
15 dent registered commercial fishermen for the price of the raw fishery
16 resource purchased from them. The surety or sureties shall be satis-
17 factory, in the determination of the commissioner.

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

19 (b) The amount of the bond shall be \$10,000 unless, during the
20 preceding five years, that amount was insufficient to satisfy a final
21 judgment resulting from a claim asserted against the bond, cash depos-
22 its, or other security filed under this section. If \$10,000 was
23 insufficient, the bond shall be \$50,000; if \$50,000 was insufficient,
24 the bond shall be \$100,000. If the commissioner determines that
25 during the preceding five years, a fish processor or primary fish
26 buyer (1) has engaged in the business of fish processor or primary
27 fish buyer in the state while not in compliance with this section and
28 (2) has not yet satisfied a final judgment entered against the pro-
29 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. This Act takes effect immediately in accordance with AS 01.-
22 10.070(c).