

1 IN THE HOUSE

BY GRUSSENDORF AND SUND

2

HOUSE BILL NO. 454

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the operation of state hatcheries; and providing for an effective date."
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8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 16.10 is amended by adding a new section to article 8
10 to read:

11 Sec. 16.10.480. CONTRACTS FOR THE OPERATION OF STATE HATCHERIES.

12 (a) If the department determines that it is unable to continue operating a state-owned hatchery or that it is in the best interest of
13 the state to transfer operation of the hatchery from the state to
14 another person, the department may enter into a contract for the
15 operation of the hatchery.
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17 (b) Notwithstanding AS 36.30 when selecting a contractor under
18 (a) of this section, the department shall give a preference to the
19 regional association organized under AS 16.10.380 that is located in
20 the region in which the hatchery is located. If the department determines that the preferred regional association does not meet the criteria established by the department for the contract, the department may
21 not award the contract to the preferred regional association and shall
22 procure the contract under AS 36.30 after considering the recommendations of the preferred regional association.
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25 (c) A contract entered into under this section must provide that
26 the hatchery will be operated under AS 16.10.400 - 16.10.445 and
27 16.10.460 - 16.10.470 and the regulations adopted under those sections.
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1 (d) The department may issue to a contractor who operates a
2 hatchery under this section a permit to harvest adult salmon during
3 the term of the contract in a quantity sufficient to allow the con-
4 tractor to recover all or part of the contractor's costs of operating
5 the hatchery.

6 * Sec. 2. AS 16.10.400(a) is amended to read:

7 (a) The commissioner or a designee may issue a permit, subject
8 to the restrictions imposed by statute or regulation under AS 16.-
9 10.400 - 16.10.470, to a nonprofit corporation organized under AS
10 10.20, after the permit application has been reviewed by the regional
11 planning team, for

12 (1) the construction and operation of a salmon hatchery;

13 (2) the operation of a hatchery under AS 16.10.480.

14 * Sec. 3. AS 16.10.400(e) is amended to read:

15 (e) A qualified regional association formed under AS 16.10.380,
16 if it has become a nonprofit corporation under AS 10.20, has a prefer-
17 ence right to a permit under (a)(1) of this section if its proposed
18 hatchery is provided for in the comprehensive plan for that region
19 developed under AS 16.10.375 and the fresh water source exceeds one
20 cubic foot per second minimum flow. Another [ANY OTHER] local non-
21 profit hatchery corporation approved by a qualified regional asso-
22 ciation has an identical preference right.

23 * Sec. 4. AS 16.10.410(c) is repealed and reenacted to read:

24 (c) The hearing shall be conducted by the department. At a
25 hearing for a permit under AS 16.10.400(a)(1), the applicant shall
26 present a plan for the proposed hatchery, describing the capacity of
27 the hatchery and other relevant facts that may be of interest to the
28 department or the public. Interested members of the public shall be
29 afforded an opportunity to be heard.

1 * Sec. 5. AS 16.10.450 is amended to read:

2 Sec. 16.10.450. SALE OF SALMON AND SALMON EGGS BY HATCHERY.

3 (a) A hatchery operator who sells salmon returning from the natural
4 waters of the state, or sells salmon eggs to another hatchery operat-
5 ing under AS 16.10.400 - 16.10.470, after utilizing the funds for
6 reasonable operating costs, including debt retirement, expanding its
7 facilities, salmon rehabilitation projects, fisheries research, or
8 [FOR] costs of operating the qualified regional association for the
9 area in which the hatchery is located, shall expend the remaining
10 funds on other fisheries activities of the qualified regional associa-
11 tion. This subsection does not apply to a person who operates a
12 state-owned hatchery under AS 16.10.480.

13 (b) Fish returning to hatcheries and sold for human consumption
14 shall be of comparable quality to fish harvested by commercial fisher-
15 ies in the area [,] and shall be sold at prices commensurate with the
16 current market.

17 * Sec. 6. This Act takes effect immediately under AS 01.10.070(c).