

Original sponsors: Eliason, Jones  
and Kerttula

1 IN THE SENATE BY THE CONFERENCE COMMITTEE  
 2 CONFERENCE CS FOR SENATE BILL NO. 410  
 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 hatcher-  
 7 ies; and providing for an effective date."

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 op-  
 13 erating a state-owned hatchery or that it is in the best interest of  
 14 the state to provide for the operation of the hatchery by another  
 15 person or by another person in cooperation with the state, the depart-  
 16 ment may enter into a contract for the operation or cooperative opera-  
 17 tion of the hatchery.

18 (b) Notwithstanding AS 36.30, when selecting a contractor under  
 19 (a) of this section, the department shall give a preference to the  
 20 regional association organized under AS 16.10.380 that is located in  
 21 the region in which the hatchery is located. If the department deter-  
 22 mines that the preferred regional association does not meet the crite-  
 23 ria established by the department for the contract, the department may  
 24 not award the contract to the preferred regional association and shall  
 25 procure the contract under AS 36.30 after considering the recommenda-  
 26 tions of the preferred regional association.

27 (c) A contract entered into under this section must provide that  
 28 the hatchery will be operated under AS 16.10.400 - 16.10.445 and  
 29 16.10.460 - 16.10.470 and the regulations adopted under those

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1 sections.

2 (d) The department may issue to a contractor who operates a  
3 hatchery under this section a permit to harvest adult salmon during  
4 the term of the contract in a quantity sufficient to allow the con-  
5 tractor to recover all or part of the contractor's costs of operating  
6 the hatchery.

7 (e) A contract under this section for the operation of a  
8 hatchery may not affect the state's ownership of the hatchery and does  
9 not affect the state's responsibility to manage the resource.

10 (f) The operation of a hatchery under a contract authorized by  
11 this section shall be conducted in accordance with the fisheries  
12 management and production goals of the department, and must be consis-  
13 tent with the Comprehensive Regional Salmon Plan approved under AS 16.  
14 10.375. During the term of the contract, the department may order  
15 changes in the operation of the hatchery that are necessary to ensure  
16 consistency with the production goals of the Comprehensive Regional  
17 Salmon Plan. The contract must specify the species to be raised and  
18 the production goals for each species, and these specifications must  
19 comply with the Comprehensive Regional Salmon Plan. The department may  
20 terminate a contract if the contractor fails to operate the hatchery  
21 in accordance with the requirements established by and under this  
22 subsection.

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

24 (a) The commissioner or a designee may issue a permit, subject  
25 to the restrictions imposed by statute or regulation under AS 16.-  
26 10.400 - 16.10.470, to a nonprofit corporation organized under  
27 AS 10.20, after the permit application has been reviewed by the  
28 regional planning team, for

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

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

2       \* Sec. 3. AS 16.10.400(b) is amended to read:

3                    (b) The application for a permit under this section shall be on  
4       a form prescribed by the department and be accompanied by an applica-  
5       tion fee of \$100. The commissioner may waive the submission of an  
6       application for a permit to operate a hatchery under AS 16.10.480.

7       \* Sec. 4. AS 16.10.400(e) is amended to read:

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

16      \* Sec. 5. AS 16.10.410(c) is repealed and reenacted to read:

17                    (c) The hearing shall be conducted by the department. At a  
18      hearing for a permit under AS 16.10.400(a)(1), the applicant shall  
19      present a plan for the proposed hatchery, describing the capacity of  
20      the hatchery and other relevant facts that may be of interest to the  
21      department or the public. Interested members of the public shall be  
22      afforded an opportunity to be heard.

23      \* Sec. 6. AS 16.10.450 is amended to read:

24                    Sec. 16.10.450. SALE OF SALMON AND SALMON EGGS BY HATCHERY.  
25                    (a) Except as otherwise provided in a contract for the operation of a  
26                    hatchery under AS 16.10.480, a [A] hatchery operator who sells salmon  
27                    returning from the natural waters of the state, or sells salmon eggs  
28                    to another hatchery operating under AS 16.10.400 - 16.10.470, after  
29                    utilizing the funds for reasonable operating costs, including debt

1 retirement, expanding its facilities, salmon rehabilitation projects,  
2 fisheries research, or [FOR] costs of operating the qualified regional  
3 association for the area in which the hatchery is located, shall  
4 expend the remaining funds on other fisheries activities of the qual-  
5 ified regional association.

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

10 \* Sec. 7. This Act takes effect immediately under AS 01.10.070(c).