

Original sponsor(s): REP. GOLL

1 IN THE HOUSE BY THE C&RA COMMITTEE
2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 456 (C&RA)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL
6 For an Act entitled: "An Act relating to the fisheries business tax and to
7 the allocation of certain fisheries business tax
8 receipts to certain municipalities by the Department
9 of Community and Regional Affairs; and providing for
10 an effective date."

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

12 * Section 1. AS 29.60 is amended by adding a new section to read:

13 ARTICLE 6. SHARED FISHERIES BUSINESS TAXES.

14 Sec. 29.60.450. FISHERIES BUSINESS TAX ALLOCATION. (a) A
15 municipality may receive a fisheries business tax allocation under
16 this section if the municipality demonstrates to the department that
17 the municipality suffered significant effects from fisheries business
18 activities during the base year.

19 (b) The tax allocation to an eligible municipality is the sum of
20 (1) the result of dividing the number of commercial fishing
21 vessel days in the municipality by a figure that is one percent of the
22 population of the municipality; and

23 (2) the result of dividing the number of commercial fishing
24 vessel days in the municipality by the greater of:

25 (A) the municipality's per capita distribution of the
26 fisheries business tax transmitted to the municipality under
27 AS 43.75.130 during the preceding tax allocation year; or

28 (B) the average statewide per capita distribution of
29 the fisheries business tax transmitted under AS 43.75.130

1 computed for the population of all municipalities that received a
2 payment under AS 43.75.130 during the preceding tax allocation
3 year.

4 (c) If, during the tax allocation year, the amount available
5 under AS 43.75.137 is not sufficient to provide full payment to each
6 municipality that qualifies for a payment under this section, the
7 department shall distribute the balance of the money available pro
8 rata.

9 (d) A municipality that receives a tax allocation under this
10 section shall use the tax allocation to help reduce the effect of
11 fisheries business activities on the municipality, which may include
12 the expenses of any municipal service.

13 (e) The department shall make the calculation of the factors
14 applied under (b) of this section. At the request of the department,
15 an applicant or a recipient of a tax allocation shall provide the
16 department with the assistance and information available to the munic-
17 ipality that is necessary for the department to carry out the depart-
18 ment's duties under this section relating to the municipality.

19 (f) The department may adopt regulations necessary to carry out
20 the provisions of this section.

21 (g) In this section

22 (1) "base year" means the calendar year that precedes the
23 application deadline for the tax allocation year;

24 (2) "commercial fishing vessel day" means a day for which a
25 fishing vessel licensed under AS 16.05.490 pays the municipality a
26 moorage, harbor, or docking fee;

27 (3) "effect" means the result of fisheries business activ-
28 ities on the municipality's

29 (A) population;

1 (B) employment;
2 (C) finances;
3 (D) air and water quality;
4 (E) fish and wildlife habitats; and
5 (F) ability to provide essential public services,
6 including health care, public safety, education, transportation,
7 utilities, and government administration;

8 (4) "fisheries business activity" means activity related to
9 (A) fishing, including but not limited to the catching
10 and sale of fisheries resources;

11 (B) vessel moorage and vessel and gear maintenance;
12 and

13 (C) processing fisheries resources for sale by freez-
14 ing, cooking, salting, or other method and includes but is not
15 limited to canneries, cold storages, freezer ships, and process-
16 ing plants;

17 (5) "population" means the population determined under
18 AS 29.60.020;

19 (6) "tax allocation year" means the fiscal year for which
20 the department makes the tax allocation.

21 * Sec. 2. AS 43.75 is amended by adding a new section to read:

22 Sec. 43.75.137. ADDITIONAL REFUND. To the extent that appro-
23 priations are available for the purpose, and notwithstanding the
24 requirement of AS 37.07.080(e) that approval of the office of manage-
25 ment and budget is required, an amount equal to 50 percent of the tax
26 revenue that is collected under this chapter from floating fisheries
27 businesses and is not subject to division with a municipality under
28 AS 43.75.130 shall be transmitted each fiscal year, without the ap-
29 proval of the office of management and budget, by the department to

1 the Department of Community and Regional Affairs for disbursal to
2 eligible municipalities under AS 29.60.450.
3 * Sec. 3. This Act takes effect July 1, 1990.