

Original sponsor(s): REP. GOLL

1 IN THE HOUSE BY THE FINANCE COMMITTEE  
2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 456 (Finance)  
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 amount transmitted each fiscal year under AS 43.75.137  
20 shall be apportioned by the department to each management area based  
21 on the ratio of the management area's production value to the total  
22 production value for all of the management areas. The department  
23 shall allocate the amount available for each management area to each  
24 municipality in that management area based on the demonstrated effects  
25 on the municipality of fisheries business activities, the commercial  
26 fishing vessel days in that municipality, or both.  
27 (c) A municipality that receives a tax allocation under this  
28 section shall use the tax allocation to help reduce the effect of  
29 fisheries business activities on the municipality, which may include

1 the expenses of any municipal service.

2 (d) At the request of the department, an applicant or a re-  
3 cipient of a tax allocation shall provide the department with the  
4 assistance and information available to the municipality that is  
5 necessary for the department to carry out the department's duties  
6 under this section relating to that municipality.

7 (e) The department may adopt regulations necessary to carry out  
8 the provisions of this section.

9 (f) In this section

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

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

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

17 (A) population;

18 (B) employment;

19 (C) finances;

20 (D) air and water quality;

21 (E) fish and wildlife habitats; and

22 (F) ability to provide essential public services,  
23 including health care, public safety, education, transportation,  
24 marine garbage collection and disposal, solid waste disposal,  
25 utilities, and government administration;

26 (4) "fisheries business activity" means activity related to

27 (A) fishing, including but not limited to the catching  
28 and sale of fisheries resources;

29 (B) vessel moorage and vessel and gear maintenance;

1 (C) preparing fisheries resources for transportation;

2 and

3 (D) processing fisheries resources for sale by  
4 freezing, icing, cooking, salting, or other method and includes  
5 but is not limited to canneries, cold storages, freezer ships,  
6 and processing plants;

7 (5) "management area" means one of the geographical units  
8 designated by the Board of Fisheries by regulation adopted under  
9 AS 16.05.251(a)(2) for the management of commercial fisheries of the  
10 state;

11 (6) "production value" means the weight of the fish and  
12 shellfish produced by floating fisheries businesses.

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

14 Sec. 43.75.137. ADDITIONAL REFUND. To the extent that appro-  
15 priations are available for the purpose, and notwithstanding the  
16 requirement of AS 37.07.080(e) that approval of the office of manage-  
17 ment and budget is required, an amount equal to 50 percent of the tax  
18 revenue that is collected under this chapter from floating fisheries  
19 businesses and is not subject to division with a municipality under  
20 AS 43.75.130 shall be transmitted each fiscal year, without the ap-  
21 proval of the office of management and budget, by the department to  
22 the Department of Community and Regional Affairs for disbursal to  
23 eligible municipalities under AS 29.60.450.

24 \* Sec. 3. This Act takes effect July 1, 1992.