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Alaska State Legislature

RESOURCES SUBCOMMITTEE ON FISHERIES

Senate

Official Business March 24, 1983

Pouch, V
State Capitol
Juneau, Alaska 99811

TO: Senator Bettye Fahrenkamp, Chairman
Senate Resources Committee

FROM: Senate Resources Subcommittee on Fisheries

SUBJ: SB 52

The subcommittee has taken testimony and recommends replacing SB 52 with CS SB 52(Res) and reports CS SB 52(Res) back to the committee as a whole with the following recommendations.

Members	Recommendation
Senator Mulcahy <u>Bob Mulcahy</u>	<u>Do Pass</u>
Senator Eliason <u>Al Eliason</u>	<u>" "</u>
Senator Gilman <u>Alan Gilman</u>	<u>No Pass</u>

STATE OF ALASKA
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: SB 52 Date on Bill: 1/18/83
 Title: "An act relating to the licensing of commercial fishing."
 Sponsor: Mulcahy
 Requestor: Resources & Finance

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital				
Operating		\$9,300	\$13,700	\$14,200
Total		\$9,300	\$13,700	\$14,200

b. Revenues:

Revenue	(\$28,100)	(\$33,700)	(\$36,600)
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2. Source of funds to offset fiscal impact of bill:

None given.

3. Assumptions:

Implementation of program creates a loss of revenue as 7% of Resident Crewmembers would qualify for \$15.00 Crewmember license. The loss in revenues comes from the General Fund and from the Sick & Disabled Fisherman's Fund. In FY 84 \$6,600 from the General Fund, \$21,500 from the S&DF, FY 85, \$10,900 from the General Fund, \$22,800 from the S&DF, FY 86, \$11,500 from the General Fund, and \$24,100 from the S&DF.

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Mary Delella - Spec. Asst. Phone: 465-2300
 Division: Revenue Date: 2/22/83
 Approved by Commissioner: Robt O'Heath Date: 2/22/83
 Department: Revenue

5. Distribution:

Original to Legislative Finance
 Copy to OMB
 Copy to Sponsor
 Copy to Requestor

2/15/83

I. REQUEST

Bill/Resolution No.: Senate Bill 52
 Title: "...licensing of commercial fishing..."
 Sponsor: Senator Mulcahy
 Requestor: Resources and Finance

II. FISCAL DETAIL

Agency Affected: Department of Labor
 Program Category Affected: Worker Protection
 BRU, Program of Subprogram(s) Affected: Fishermen's Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
Fisherman's Fund		(5.5)	(11.8)	(12.5)	(13.3)	(14.1)

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL: N/A

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Maureen McClintock
 Division: Workers' Compensation Division

Phone: 465-2790

Date: 3/9/83

Approved by Commissioner: Jim Robison
 Department: Labor

Date: 3/9/83

LEG:A:8

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
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3/8/83

Detail Analysis for Senate Bill 52

This bill would revise the cost for resident crewmember commercial fishing licenses for approximately 1,238 individuals in FY'84. The cost will be reduced from \$30.00 to \$15.00 for all residents who have a net family income falling within the poverty guidelines established by the Federal Community Services Administration and the Department of Revenue.

In preparing this fiscal note the following assumption have been made:

1. Effective date of January 1, 1984.
2. Six percent increase per annum in the number of crewmember licenses issued (CY 1982 used for bases).
3. Seven percent of resident crewmembers would qualify.
4. Loss of General Funds (40% of fee) will be reflected in the Department of Revenue's fiscal note.

Below is a chart which identifies the expected number of crewmember licenses to be issued annually and the projected loss of revenues to the Fishermen's Fund.

	<u>Total Crewmembers</u>	<u>Low-Income Crewmembers</u>	<u>Total Loss (1)</u>	<u>Fishermen's Fund Loss(2)</u>
CY'82	15,736			
FY'83	16,680			
FY'84	17,681	1,238	\$ 9,300 (3)	\$ 5,500
FY'85	18,742	1,312	19,700	11,800
FY'86	19,867	1,391	20,900	12,500
FY'87	21,059	1,474	22,100	13,300
FY'88	22,323	1,563	23,500	14,100

(1) Loss is \$15.00 per "low-income" crewmember.

(2) Fishermen's Fund receives 60% of the fees assessed.

(3) Annual Loss of \$18,600 is revised for effective date of January 1, 1984.

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: November 30, 1983

I. REQUEST

Bill/Resolution No.: CSSB 52 am
Title: Licensing of Commercial Fishing
Sponsor: Senate Resources Committee
Requestor: _____
Date of Request: _____

II. FISCAL DETAIL

Agency Affected: Fish and Game
Program Category Affected: NDMEC
BRU, Program of Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						
TOTAL						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

OFFICE OF
MANAGEMENT & BUDGET

NOV 30 1983

IV. ANALYSIS: Attach a separate page for any Analysis

BUDGET REVIEW

Prepared By: Beverly Reaume Phone: 465-4120
Division: Administration Date: _____

Approved by Commissioner: [Signature] Date: 11/29/83
Department: Fish and Game

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

9/14/83

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: November 30, 1983

REQUEST

Bill/Resolution No.: SB 52
Title: "...licensing of commercial fishing..."
Sponsor: Senator Mulcahy
Requestor: Resources and Finance
Date of Request: March 9, 1983

FISCAL DETAIL

Agency Affected: Labor
Program Category Affected: Worker Protection
BRU, Program or Subprogram(s) Affected: Fishermen's Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER *		<5.8>	<11.5>	<11.5>	<11.5>	<11.5>
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

The impact is on the Fishermen's Fund.

ANALYSIS: Attach a separate page for analysis

Prepared By: Jacquelyn McClintock Phone: 465-2790
Division: Workers' Compensation Date: _____
Approved by Commissioner: Jim Robinson Date: 12/11/83
Agency: Labor

LEG:A:13
Distribution (by Agency preparing fiscal note):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

12/1/83

JAN 10 1984

FISCAL NOTE

THE LEGISLATURE OF THE STATE OF ALASKA

THIRTEENTH LEGISLATURE

BILL/RESOLUTION NO: SB 52

TITLE: "An Act relating to licensing of commercial fishing"

AGENCY AFFECTED: Department of Labor

Page 2

This bill would revise the cost for resident crewmember commercial fishing licenses for approximately 1,282 individuals in Calendar Year 1985. The cost will be reduced from \$30.00 to \$15.00 for all residents who have a net family income falling within the poverty guidelines established by the Federal Community Services Administration and the Department of Revenue.

In preparing this fiscal note the following assumptions have been made:

1. Effective date of January 1, 1985.
2. No significant increase in the number of licenses sold from Calendar Year 1982 is anticipated.
3. Seven percent of resident crewmembers would qualify.
4. Loss of General Funds (40 percent of fee) will be reflected in the Department of Revenue's fiscal note.

The projected loss in revenue to the Fishermen's Fund will therefore be as follows:

Number of licenses sold in Calendar Year 1982	18,300
Number of low-income Crew Members	<u>x .07</u> 1,282
Total Loss in Revenue	<u>x \$15</u> \$19,230
Total Loss to Fund	<u>x .60</u> \$11,538

The same loss would be projected for Fiscal Year 1986 through Fiscal Year 1989. The impact on Fiscal Year 1985 would be only \$5,760, as the law would take effect January 1, 1985.

LEG:A:13

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

January 20, 1982

SUBJECT: Amendments to commercial fishing license laws (Work Order No. 12-2210)

TO: Senator Bob Mulcahy

FROM: Edward H. Hein *EHA*
Legislative Counsel

Enclosed is my draft of amendments intended to make uniform the terminology used for licensing of commercial fishermen. The following is a short section-by-section summary of the proposed changes.

Secs. 1 and 2 simply amend the statutory reference to the crewmember fishing license statute. Sec. 3 likewise amends the statutory references to crewmember licenses. I have also amended the title of the section to more accurately reflect the subject matter of the subsection (b). In both subsections (a) and (b), upon the recommendation of the revisor of statutes, I have deleted the provisions which exempt the commissioner of revenue and the limited entry commission from liability for embezzlement or other misappropriation of funds by a licensed vendor. The revisor and I have concluded that the bond which the commissioner requires is adequate protection for the state and the licensees.

Sec. 4. This is my revision of the current commercial fishing license/crewmember license statute. I have provided a basic annual fee of \$30 for residents and \$90 for non-residents and have provided for a \$15 fee for those who are eligible for the poverty permits and the poverty crewmember license. I should note at this point that in reviewing the amendments with Darrill Johnson of the Limited Entry Commission and Linda Lockridge of the Department of Revenue, it was pointed out that the poverty licenses are virtually impossible to administer. Mr. Johnson said that ever since

Senator Bob Mulcany
Page 2
January 20, 1982

the state repealed the state income taxes there has been no easy source of information to verify whether a person is eligible for the poverty permit. He said that the commission is forced to obtain income data the Internal Revenue Service in Ogden, Utah, and that process is extremely slow, creating a further hardship on the applicant. As a consequence, Mr. Johnson said, the commission had lowered some license fees to \$15 in order to allow persons to obtain an inexpensive permit without having to demonstrate that they were poor. It appears to me that this administrative solution may not be in accordance with the legislative intent of the poverty permit statute, AS 16.43.160(c). The same considerations, of course, would apply for the poverty crewmember license which I have created in AS 16.05.485.

Sec. 5 is a new section which distinguishes the commercial fishing license from the crewmember fishing license. Subsection (a) sets the fee for the crewmember license at the same rate as the commercial fishing license. In addition, I have had added a subsection (d) which provides a \$2 fee for duplicate licenses. That is the current fee being charged for duplicates.

Sec. 6 simply cleans up the language in the unlawful purchases statutes and changes the statutory reference to the crewmember fishing license.

Sec. 7 is a substantial rewording of the license forfeiture statute. The existing section is very poorly worded. I have clarified what licenses we are talking about and have made more precise the options the court has when dealing with a person convicted of violating the licensing statutes. These forfeiture provisions are in the nature of a criminal penalty and therefore ought to be as precise as possible. Much of the language was taken from AS 16.43.360. Note that, as in that section, I have included the option of ordering a suspension of fishing rights. This may amount to a substantive change, although one cannot legally fish without a license or permit.

Secs. 8 and 9 merely change the statutory reference for the crewmember fishing license and remove the language which equated the crewmember license with the commercial fishing license.

CC
Senator Bob Mulcahy
Page 3
January 20, 1982

CC
Sec. 10 deletes the language allowing the commission to give a permit applicant credit for the amount paid for the commercial fishing license under AS 16.05.480. This language was confusing in that it made it appear as if a permit holder first had to obtain a crewmember license, show the commission he had paid for it, and then the commission would deduct that amount from the fee for one of the permits. In fact, it is both the practice of the commission and the intent of the legislature that permit holders not be required to obtain a crewmember license or a commercial fishing license separately from their permit. My revision of AS 16.05.480 and addition of AS 16.05.485 obviates the need for the language I have deleted in this section.

Sec. 11 increases the minimum entry permit fee to \$30 so that all permit fees will cover the cost of the commercial fishing license. I also noted in the first sentence of subsection (b) the exception for the poverty permit provided for in subsection (c).

Sec. 12 amends the language of the fishermen's fund dedication to eliminate any ambiguity about what license fees the 60 percent is taken from.

Sec. 13 merely changes the statutory reference to the crewmember license.

~~Sec. 14 deals with a section related to the Alaska State income tax. Because the state income tax has been repealed the Department of Revenue intends to propose repealing this section. They have not enforced it since tax year 1978. I have clarified the language dealing with the phrase "commercial fishing license" in case that the section is not repealed.~~

¹⁴
Sec. 15: This section amends the statutory exclusion from the fisheries business tax passed during the last session. I have simply clarified the language without changing the substance of it.

¹⁵
Sec. 16 merely amends the statutory reference to crewmember fishing license and eliminates the language which equated the crewmember fishing license with the commercial fishing license. This section is part of the CFAB loan statutes.

CC
CC
Senator Bob Muricany
Page 4
January 20, 1982

16
Sec. ~~17~~ adds an effective date for the first of next year. This was requested by both the Department of Revenue and the Limited Entry Commission because their licensing is done on a calendar year basis and they said that changing fees during the middle of the year would create numerous administrative problems.

I would note that this bill draft is intended to be a comprehensive whole whose parts are interrelated. Changing the provisions of one section may necessitate changing provisions of additional sections. I will be happy to work with you and the committee to make further changes if requested. Please contact me if you have any questions regarding this work draft.

Both Linda Lockridge with the Department of Revenue and Darrill Johnson of the Limited Entry Commission have requested they be sent copies of the work draft or of the bill if it is introduced. I told them I would forward that request to you.

EHH:ljb

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ROBERT H. ZIEGLER, SR., Vice Chairman
DICK ELIASON
PAUL FISCHER
VIC FISCHER
BOB MULCAHY
ARLISS STURGULEWSKI



POUCH V
STATE CAPITAL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

Senate

Committee on Resources

TO: Senate Resources Committee Members

FROM: Senate Resources Committee Staff

RE: Hearing, 4/13/83

DATE: April 12, 1983

The following 3 bills have been heard by the Resources Subcommittee on Fisheries and will be addressed by Senator Mulcahy at the Wednesday hearing:

SB 2 PROVIDING FOR A LICENSE EXEMPTION FOR COMMERCIAL FISHING VESSELS 24 FEET OR LESS.

The Subcommittee recommends adoption of a Committee Substitute that would exempt all vessels used for the commercial harvesting of salmon in the administrative area know as Arctic-Yukon-Kuskokwim from the licensing requirement.

SB 52 RELATING TO THE LICENSING OF COMMERCIAL FISHING.

The Subcommittee recommends adoption of a Committee Substitute that would require that every person engaged in commercial fishing hold a commercial fisheries license which could be purchased either as a crewmember license or as an entry permit. A portion of the fees from this commercial fisheries license would go to the Fisherman's Fund.

HB 267 RELATING TO HERRING STRIPPING.

HB 267 would extend the time that herring stripping (the process by which herring roe is extracted from the carcass) is allowed to take place in the Bering Sea until 1986. The Board of Fisheries does have a regulation in place that will govern carcass disposal in the Bering Sea.

Also scheduled for the Wednesday hearing are:

SJR 21 RELATING TO THE USE OF LAKE GRACE, AN AREA WITHIN THE MISTY FJORDS NATIONAL MONUMENT, FOR THE GENERATION OF HYDROELECTRIC POWER FOR THE KETCHIKAN AREA.

SJR 21 would urge Congress to adopt legislation either eliminating the Lake Grace area from the Misty Fjords National Monument or permitting the development of the Lake Grace area for its hydro potential.

Lake Grace was determined to be of substantial potential value for a damsite before its designation as part of Misty Fjords National Monument. The nearby community of Ketchikan wishes to pursue its development to meet future power needs.

HB 187 RELATING TO REGULATION, LICENSING AND FEE FOR FUR FARMING.

HB 187 relieves the current permitting burden on fur farmers by eliminating the \$100 fee for a fur farming license, reducing the fee from \$100 to \$3 for collecting animals for fur farming purposes, and eliminating the requirement for a permit for importing and exporting mink and fox for fur farming. In addition, Commissioner Neve of DEC has committed to administrative changes in the current permitting procedures to more accurately reflect the needs of fur farmers and the types of activities they engage in.

The meeting is scheduled for Wednesday, April 13 at 3:00 pm in the Beltz Room. It is hoped that final committee action could be taken on these bills at this time.

MEMORANDUM

State of Alaska

TO: The Honorable Bob Mulcahy
Senate
MAIL STOP: 3100

DATE: January 25, 1983

FILE NO:

TELEPHONE NO:

FROM: John Williams
Derrill Johnson
Commercial Fisheries Entry Commission
MAIL STOP: 0302

SUBJECT:

As requested by your office, the following comments are offered by the Entry Commission regarding the above referenced working draft. As we indicated last session, the Commission supports your clarification of Title 16, regarding crewmember licensing, commercial licensing and their relationship to interim-use and entry permits. We offer the following technical suggestions:

1. Sec. 16.05.470(b) page 2, line 16, should read, "...for the interim use or entry permit as specified by regulation."

Reason: Commission regulation 20 AAC 05.980, Assistance by Designated Agent, spells out exactly what constitutes assistance for which a 15% retention is allowed.

2. Sec. 16.05.710, License Forfeiture (a)(1) page 4, line 18, should read "(1) a forfeiture of all rights to a crewmember fishing license,"...and (b) (1) line 28, same page should read: "(1) a forfeiture of all rights to a (the) crewmember fishing license,"...

Reason: A recent Alaska Court of Appeals decision (Prettyman v. State, Opinion No. 175, October 6, 1982) has highlighted an inadvertent limitation on criminal sentencing which this section neatly corrects. The addition of the passage is suggested by John Grissberg of the Department of Law.

3. Sec. 8. AS 16.10.310, as you no doubt are aware, needs to comply with the durational requirement change in residency.

4. Sec. 14, AS 43.75.017 (1) page 7, line 3, should read: "by a person holding a valid commercial license or crewmember license, or entry permit or interim-use permit..."

Reason: A commercial license or crewmember license holder can operate a vessel engaged in fishing as long as there is a permit holder on board. The commercial license/crewmember may even own the vessel. A vessel utilized as a tender or processor must have licensed personnel on board, but not a permit holder.

5. Sec. 15. AS 44.81 210(a) (20), See our comments in suggestion No. 3.

6. During the second half of the 12th legislature, legislation cleaning up foreclosure procedures in the State commercial fisheries loan program was passed. It is suggested that a similar amendment be proposed to cleanup the C.F.A.B. loan program. Because you are

proposing to amend this statute in Sec. 15, you may wish to consider rewriting AS 44.81.250(c) to remove unworkable provision for assumption of foreclosed notes and allow C.F.A.B. the greatest flexibility possible to protect their members against financial loss.

JW:DJ:dan

CITATION Sec. 16.05.450.
CATCH LINE

ISSUANCE OF LICENSES.

*Sec 1
amends
this*

TEXT

(a) The commissioner of revenue or his authorized agent shall issue a crewmember fishing license under AS 16.05.480 to each qualified person who files a written application at a place in the state designated by the commissioner, containing the reasonable information required by the commissioner together with the required fee. The application shall be simple in form and shall be executed by the applicant under the penalty of perjury.

(b) The Commercial Fisheries Entry Commission shall issue a vessel license under AS 16.05.490 to each qualified vessel for which a written application has been filed at a place in the state designated by the commission, containing the reasonable information required by the commission together with the required fee. The application shall be simple in form and shall be executed by the applicant under the penalty of perjury.

(c) Repealed by sec. 19 ch 105 SLA 1977.

HISTORY (Sec. 3 art III ch 94 SLA 1959; am sec. 1 ch 163 SLA 1962; am sec. 7 ch 31 SLA 1963; am secs. 1, 2 ch 92 SLA 1971; am sec. 1 ch 145 S 1972; am secs. 2, 3, 19 ch 105 SLA 1977)

CITATION Sec. 16.05.460.
CATCH LINE

*Sec 2
amends
this*

COMMISSIONER OF REVENUE MAY APPOINT AGENTS.

TEXT

The commissioner of revenue may appoint qualified persons as his agents to receive applications, issue licenses, and collect license fees under AS 16.05.440 - 16.05.480, and to assist in the completion of annual application or renewal forms for interim-use permits and entry permits issued under AS 16.43.010 16.43.380.

HISTORY

(Sec. 4 art III ch 94 SLA 1959; am sec. 8 ch 31 SLA 1963; am sec. 4 ch 105 SLA 1977)

CITATION Sec. 16.0 .470.
CATCH LINE

*Sec 3
amends
this*

FEE FOR ISSUANCE OF LICENSES AND INTERIM-USE OR ENTRY PERMITS.

TEXT

(a) A person appointed and authorized by the commissioner of revenue to sell licenses under AS 16.05.440 - 16.05.480, except salaried employees of the state, shall retain the sum of 15 per cent of the fee for the issuance of a license. An agent shall transmit monthly to the commissioner all license fees collected by him, less the authorized commission, together with a full accounting of the fees. The commissioner shall make monthly remittances of the fees collected to the proper state official. The commissioner is not liable for defalcation or failure to account for the fees collected by an agent, but he shall require a bond in the sum he considers adequate, conditioned upon the faithful accounting of money collected.

(b) A person appointed by the commissioner of revenue under AS 16.05.460 to issue licenses under AS 16.05.440 - 16.05.480, except salaried employees of the state, shall retain the sum of 15 per cent of the interim-use or entry permit fee for assisting

in completion of the annual application or renewal form for the interim-use or entry permit. An agent shall transmit promptly to the Commercial Fisheries Entry Commission all application or renewal forms and fees collected by him, less the authorized commission, together with a full accounting of the fees. The commissioner and the Commercial Fisheries Entry Commission are not liable for defalcation or failure to account for the fees collected by an agent, but the commissioner shall require a bond in the sum he considers adequate, conditioned upon the faithful accounting of money collected.

HISTORY (Sec. 5 art III ch 94 SLA 1959; am sec. 9 ch 31 SLA 1963; am sec. 1 ch 8 SLA 1977; am secs. 5, 6 ch 105 SLA 1977)

CITATION Sec. 16.05.480.
CATCH LINE

TEXT COMMERCIAL FISHING LICENSE.
LIMITED EFFECTIVE DATE

(a) -EFFECTIVE UNTIL JANUARY 1, 1982- A person engaged in commercial fishing shall obtain a commercial fishing license. The fee for the license is \$10 for residents, and \$30 for nonresidents. Except for those which are also entry or interim-use permits, all commercial fishing licenses are nontransferable. The commercial fishing license shall be retained in the possession of the licensee, readily accessible for inspection at all times. No more than one fee may be charged annually against a person. For the purposes of this section, "commercial fishing license" includes entry permits and interim-use permits issued under ch. 43 of this title and crewmember fishing licenses.

POSTPONED EFFECTIVE DATE
-EFFECTIVE JANUARY 1, 1983- A person engaged in commercial fishing shall obtain a commercial fishing license. The fee for the license is \$30 for residents, and \$90 for nonresidents. Except for those which are also entry or interim-use permits, all commercial fishing licenses are nontransferable. The commercial fishing license shall be retained in the possession of the licensee, readily accessible for inspection at all times. No more than one fee may be charged annually against a person. For the purposes of this section, "commercial fishing license" includes entry permits and interim-use permits issued under AS 16.43 and crewmember fishing licenses.

(b) A person applying for a resident commercial license under this section shall provide the proof of residence which the department requires by regulation.

(c) Repealed by sec. 12 ch 123 SLA 1978.

HISTORY (Sec. 6 art III ch 94 SLA 1959; am sec. 19 ch 131 SLA 1960; am sec. 1 ch 93 SLA 1966; am sec. 2 ch 42 SLA 1968; am sec. 8 ch 105 SLA 1977; am secs. 1, 2, 12 ch 123 SLA 1978; am sec. 1 ch 79 SLA 1982)

CITATION Sec. 16.05.680.
CATCH LINE

See 3
amends
this

See 4
repeals
&
re-enacts
this

Sec 5 →
adds a
new section
here

Sec 6
amends
this

TEXT

UNLAWFUL PURCHASES.

It is unlawful for a person, his agent, or his representative
(1) to have in his employ, in the harvesting, transporting or purchasing of fish, a fisherman who neither is licensed under AS 16.05.480 nor is the holder of a permit issued under AS 16.43.010 16.43.380,
(2) to purchase fish from a fisherman who neither is the holder of a permit issued under AS 16.43.010 16.43.380, nor is exempt under AS 16.05.660, or
(3) to purchase fish from an association other than one to which a permit has been issued under AS 16.05.662.

HISTORY

(Sec. 10 art III ch 94 SLA 1959; am sec. 2 ch 96 SLA 1963; am sec. 2 ch 73 SLA 1970; am sec. 11 ch 105 SLA 1977)

~~Sec 5~~
~~adds a~~
~~new sec-~~
~~from here~~
Sec 7
repeals
&
re-enacts
this

CITATION Sec. 16.05.710.
CATCH LINE

TEXT

LICENSE FORFEITURE.

Upon a first or second conviction of a person for a violation of secs. 440 - 720 of this chapter or a federal or state law or regulation for the protection of the commercial fish of the state, the court may, in addition to the penalty imposed by law, forfeit the commercial fishing license of the person for a period of one year. Upon a third conviction, the court may, in addition to the penalty imposed by law, forfeit the commercial fishing license for a period not to exceed three years.

HISTORY

(Sec. 11 art III ch 94 SLA 1959; am sec. 1 ch 112 SLA 1961; am sec. 1 ch 75 SLA 1966)

CITATION Sec. 16.10.310.
CATCH LINE

TEXT

POWERS OF THE DEPARTMENT.

(a) The department may
(1) make loans to

Sec 8
amends
this

(A) individual commercial fishermen who have been state residents for a continuous period of five years immediately preceding the date of application for a loan under AS 16.10.300 - 16.10.370 and have had a crewmember or commercial fishing license under AS 16.05.480 or a permit under AS 16.43 for any one of the past five years, and who actively participated in the fishery during that period, for the purchase of entry permits;

(B) an individual who has been a state resident for a continuous period of five years immediately preceding the date of application for a loan under AS 16.10.300 - 16.10.370, who (i) because of lack of training or lack of employment opportunities in the area of residence does not have occupational opportunities available other than commercial fishing; or (ii) is economically dependent on commercial fishing for a livelihood and commercial fishing has been a traditional way of life for the individual in Alaska, for the repair, restoration or upgrading of existing vessels and

gear, for the purchase of entry permits and gear, and for the construction and purchase of vessels;

Sec 9 amends this

(C) corporations, partnerships, or joint ventures, 100 percent of which are owned by individual commercial fishermen who have been state residences for a continuous period of five years immediately preceding the date of application for a loan under AS 16.10.310(a)(1)(B) and have had a crewmember or commercial fishing license under AS 16.05.480 or a permit under AS 16.43 for any one of the past five years, and who actively participated in the fishery during that period, for the repair, restoration or upgrading of existing vessels and gear, for the purchase of gear, and for the construction and purchase of vessels;

(2) designate agents and delegate its powers to them as necessary;

(3) adopt regulations necessary to carry out its functions;

(4) establish amortization plans for repayment of loans, which may include extensions for poor fishing seasons or for adverse market conditions for Alaskan products;

(5) enter into agreements with private lending institutions, other state agencies, or agencies of the federal government, to carry out the purposes of AS 16.10.300 - 16.10.370;

(6) enter into agreements with other agencies or organizations to create an outreach program to make loans under AS 16.10.300 - 16.10.370 in rural areas of the state.

(b) The department shall consult with the Department of Fish and Game on regulations and procedures established under this chapter.

HISTORY (Sec. 1 ch 134 SLA 1972; am sec. 3 ch 54 SLA 1973; am sec. 3 ch 128 SLA 1975; am sec. 1 ch 154 SLA 1977; am sec. 3 ch 83 SLA 1978; am secs. 2 - 7 ch 72 SLA 1979; am sec. 7 ch 113 SLA 1982)

CITATION Sec. 16.43.160.

CATCH LINE

FEES.

TEXT

(a) The commission shall establish annual fees for the issuance and annual renewal of entry permits or interim-use permits. The amount paid by a permit holder under the provisions of AS 16.05.480 shall be credited by the commission toward payment of the fee charged under this section. No more than one credit may be obtained annually by a person. LIMITED EFFECTIVE DATE

(b) -EFFECTIVE UNTIL JANUARY 1, 1983- Annual fees established under this section shall be no less than \$10 and no more than \$750 and shall reasonably reflect the different rates of economic return for different fisheries.

POSTPONED EFFECTIVE DATE

-EFFECTIVE JANUARY 1, 1983- Annual fees established under this section shall be no less than \$10 and no more than \$750 and shall

Sec 10 amends this

Sec 11 amends this

reasonably reflect the different rates of economic return for different fisheries. The amount of an annual fee for a nonresident shall be three times the amount of the annual fee for a resident.

(c) The resident holder of an entry permit or interim-use permit who has a net family income falling within the Federal Community Services Administration poverty guidelines, adjusted by the commission to reflect appropriate cost-of-living differentials, is subject to a maximum annual fee of \$15.

HISTORY (Sec. 1 ch 79 SLA 1973; am sec. 15 ch 105 SLA 1977; am sec. 4 ch 123 SLA 1978; am sec. 2 ch 79 SLA 1982)

CITATION Sec. 23.35.060.

CATCH LINE

CREATION AND ADMINISTRATION OF FISHERMEN'S FUND.

TEXT There is created a fund, designated as the "fishermen's fund." The Department of Revenue is the custodian of the fund and the Department of Labor shall administer it. The fund shall be composed of 60 per cent of the money derived by the state from all commercial fishermen's licenses and money appropriated to carry out the purpose of AS 23.35.010 - 23.35.150.

HISTORY (Sec. 4 ch 100 SLA 1951; am sec. 1 ch 99 SLA 1955; am sec. 16 ch 105 SLA 1977; am sec. 11 ch 123 SLA 1978)

CITATION Sec. 23.35.150.

CATCH LINE

DEFINITIONS.

TEXT In this chapter

(1) "commissioner" means the commissioner of labor;

(2) "council" means the Fishermen's Fund Advisory and Appeals Council;

(3) "department" means the Department of Labor;

(4) "fisherman" means a person who is licensed by the state to engage in commercial fishing under AS 16.05.480 or who is the holder of a permit issued under AS 16.43 and who, at the time injury is sustained or illness is contracted, is actually so engaged or is occupied in Alaska in preparing or dismantling boats or gear used in commercial fishing;

(5) "fund" means the Fishermen's Fund;

(6) "occupational disease" means hernia; varicose veins of the leg; the respiratory diseases, bronchitis, pleurisy, and pneumonia caused by or aggravated by the fishing endeavor, but excluding the common cold and influenza; rheumatism, arthritis and those musculoskeletal diseases (such as bursitis, traumatic sciatica, and tenosynovitis) directly caused by or aggravated by the fishing endeavor; and does not include a disease not common to both sexes, venereal disease, or a condition arising out of an attempt of a fisherman to injure himself or another.

(7) "approved medical facilities" and "medical care" include the facilities of, or the care and treatment prescribed or performed by, a practitioner or chiropractic

Sec 12 amends this

Sec 13 amends this

licensed by the state under AS 08.20,
HISTORY (Sec. 13 ch 64 SLA 1959; am sec. 1 ch 33 SLA 1960; sec. 4 ch 100
SLA 1951; am sec. 1 ch 99 SLA 1955; sec. 5 ch 100 SLA 1951; am
sec. 2 ch 99 SLA 1955; am sec. 1 ch 59 SLA 1957; sec. 8 ch 100
SLA 1951; am sec. 1 ch 77 SLA 1962; am sec. 1 ch 51 SLA 1972; am
sec. 17 ch 105 SLA 1977)

CITATION Sec. 43.75.017.
CATCH LINE

EXCLUSION FROM FISHERIES BUSINESS TAX.

TEXT A person is not liable for the fisheries business tax under AS
43.75.015 when the fishery resource is frozen aboard a fishing
vessel if

*See 14
amend's
this*

- [
- (1) the vessel is operated as a commercial fishing vessel under a valid commercial fishing license;
 - (2) the fishery resource is not processed beyond heading, gutting or cleaning, freezing and glazing;
 - (3) the fishery resource was caught by the vessel; and
 - (4) the fishery resource is sold by the person claiming an exclusion from the tax to a fisheries business licensed under AS 43.75.011 - 43.75.140.

HISTORY (Sec. 7 ch 117 SLA 1981)

CITATION Sec. 44.81.210.
CATCH LINE

POWERS OF THE BANK.

TEXT (a) The bank may

- (1) make variable rate or fixed rate loans to individuals who are residents and who are engaged in commercial agriculture or fishing, including harvesters, processors, suppliers and marketers, or to corporations, partnerships or joint ventures engaged in commercial agriculture or fishing, the majority interest of which is beneficially owned by residents of the state and a majority of the owners of which are residents of the state, if the recipient of the loan is a member of the bank; however, the bank may make a loan under this paragraph to a corporation, partnership, or joint venture for the purchase of a new or existing fishing vessel or for the repair or renovation of an existing fishing vessel, the primary purpose of which is to commercially harvest fishery resources only if the corporation, partnership, or joint venture is wholly owned and controlled by residents of the state and if the recipient of the loan is a member of the bank.
- (2) make and alter bylaws necessary or desirable to carry out its corporate functions;
- (3) establish amortization plans for repayment of loans, which may include extensions for poor fishing or farming seasons, or for adverse market conditions for Alaskan products;
- (4) enter into agreements with regional institutions of

the federal farm credit system, private lending institutions, and other state agencies or agencies of the federal government, to carry out the purposes of AS 44.81.010 - 44.81.350;

(5) adopt, alter, and use a corporate seal;

(6) sue and be sued in the name of the bank;

(7) issue bonds to carry out any of its corporate purposes and powers;

(8) sell, lease as lessor or lessee, exchange, donate, convey or encumber in any manner by mortgage or by creation of any other security interest, real or personal property owned by it, or in which it has an interest, when, in the judgment of the board of directors, the action is in furtherance of its corporate purposes;

(9) incur secondary liability by guaranty or endorsement of the obligations of another corporation or legal entity when, in the judgment of the board of directors, the action is in furtherance of its corporate purposes;

(10) make loans as provided in (1) of this section in participation with financial institutions, and establish and regulate the terms of the loans;

(11) make contracts and execute instruments necessary or convenient in the exercise of its corporate powers;

(12) acquire by purchase, lease, bequest, devise, gift, the satisfaction of debts, or the foreclosure of mortgages, and hold, maintain, use, operate, and convey real or personal property;

(13) borrow money and issue secured and unsecured evidence of indebtedness for a corporate purpose or to fund, refund, pay, or discharge outstanding obligations, and enter agreements and contracts concerning these obligations;

(14) secure the payment of its obligations by pledge or mortgage or other lien on its contracts, revenues, income, or property;

(15) appoint officers, employees, trustees for certificate holders, and agents, and prescribe their powers and duties;

(16) provide technical services to members of the bank; for the purpose of this paragraph, "technical services" includes services that will enhance the ability of the member to obtain financial assistance from the bank;

(17) make loans, as provided in (1) of this section, secured by liens subordinate to valid first liens and security agreements granted to a private lending institution;

(18) participate with state departments and agencies in formulating policy and in planning for the development of commercial fishing and agriculture in the state;

(19) do what is necessary or desirable to carry out the corporate purposes and powers expressed or implied in AS 44.81.010 - 44.81.350;

(20) make loans to individual commercial fishermen for limited entry permits; a loan under this paragraph may be made only to an individual commercial fisherman who has been a state resident for a continuous period of five years

Sec 15
amends
this

immediately preceding the date of application for the loan and who has had a crewmember or commercial fishing license under AS 16.05.480 or a permit under AS 16.43.010 - 16.43.380 for any one of the past five years, and who has actively participated in the fishery during that period; loans made under this paragraph are subject to the provisions of AS 44.81.230;

(21) indemnify a director, officer or employee of the bank and his heirs, executors and administrators against all liabilities and related expenses including, but not limited to, court costs and attorney fees, judgments, and the cost of reasonable settlements, incurred by him in connection with or arising out of an action or proceeding brought against him because of an act or omission in the performance of his official duties as director, officer or employee of the bank regardless of whether he is a director, officer or employee at the time the expenses or liabilities are incurred;

(22) accept the pledge of a limited entry permit as security for a loan made under AS 44.81.010 44.81.350 for the repair, restoration, or improvement of a commercial fishing vessel or commercial fishing gear, or for the construction or purchase of a commercial fishing vessel, subject to the conditions set out in AS 44.81.230 - 44.81.250 on pledges of limited entry permits.

(b) The provisions of (a)(21) of this section do not authorize the bank to indemnify a director, officer or employee of the bank who is adjudged liable for negligence or misconduct in the performance of his official duties.

HISTORY

(Sec. 3 ch 159 SLA 1978; am sec. 4 ch 53 SLA 1979; am secs. 7-10 ch 51 SLA 1980; am sec. 6 ch 109 SLA 1981; am sec. 52 ch 113 SLA 1982)

Effect of amendments. — The 1981 amendment added "or interim-use permit" preceding "if a person knowingly" in the introductory language of subsection (a). Also in subsection (a), the amendment

deleted "or" from the end of paragraph (1), added "or" at the end of paragraph (2) and added paragraph (3). The amendment also added subsection (i).

Sec. 16.43.360. Penalties. (a) A person who violates a provision of this chapter or a regulation promulgated under this chapter is, upon conviction, guilty of a class B misdemeanor and is punishable by a fine of not more than \$5,000 for a first conviction, and a fine of not more than \$10,000 for a second or third conviction. Upon a third conviction, the person forfeits all interim-use and entry permits held by the person and loses eligibility for future issuance or transfer of interim-use or entry permits for a period of three years. Upon a first or second conviction under this section, the court may in its discretion order a forfeiture of interim-use or entry permits held by the person, as well as a loss of eligibility for future issuance or transfer of interim-use or entry permits, or order a suspension of fishing rights under interim-use or entry permits held or to be held by the person for a period of not more than three years. This subsection does not apply to violations of AS 16.43.140(a).

(b) A person who knowingly makes a false statement of fact in the application for or renewal of an interim-use permit or an entry permit or vessel license application or renewal or in the application for a transfer under AS 16.43.170 — 16.43.180, or a person who assists another by knowingly making a false statement of fact in support of the other person's application for issuance or renewal of an interim-use permit or an entry permit or vessel license is guilty of a misdemeanor and shall forfeit all interim-use permits and entry permits held by him and shall lose eligibility for interim-use permits and for entry permits for a period of three years and is punishable by a fine of not more than \$5,000.

(c) Repealed by § 12 ch 47 SLA 1981.

(d) If a permit holder is charged by the state with violating a provision of AS 16.43.010 — 16.43.380 or a regulation adopted under AS 16.43.010 — 16.43.380, he may not transfer, under AS 16.43.170, any interim-use or entry permit he may hold, until after the final adjudication or dismissal of the charges.

(e) Notwithstanding any other provision of this section, no interim-use or entry permit may be transferred while under suspension, without the consent of the commission.

(f) An entry permit forfeited under this section that is taken as security for a loan under AS 16.10.333 or AS 44.81.230 shall be reassigned as provided in AS 16.10.337 or AS 44.81.250.

(g) A person who violates the provisions of AS 16.43.140(a) is

(1) upon a first conviction, guilty of a class E misdemeanor and may be sentenced to a definite term of imprisonment of not more than 90

days, or forfeiture of the person's fishing vessel, or both, and shall be sentenced to a fine of not less than \$5,000 nor more than \$10,000 and loss of commercial fishing privileges for a period of one year after the date of conviction;

(2) upon a second conviction, guilty of a class A misdemeanor and may be sentenced to a definite term of imprisonment of not more than one year, and shall be sentenced to a fine of not less than \$10,000 nor more than \$20,000, forfeiture of the person's fishing vessel, and loss of commercial fishing privileges for a period of two years after the date of conviction;

(3) upon a third or subsequent conviction, guilty of a class A misdemeanor and may be sentenced to a definite term of imprisonment of not more than one year, and shall be sentenced to a fine of not less than \$20,000 nor more than \$50,000, forfeiture of the person's fishing vessel, and loss of commercial fishing privileges for a period of five years after the date of conviction.

(h) A person convicted of violating the provisions of AS 16.43.140(a) forfeits the value of the fishery resources found on board the person's vessel at the time of the violation. (§ 1 ch 79 SLA 1973; am § 7 ch 73 SLA 1977; am §§ 7—9 ch 123 SLA 1978; am §§ 10, 12 ch 47 SLA 1981; am §§ 4, 5 ch 94 SLA 1982)

Cross references. — As to sentences for misdemeanors, see AS 12.55.135.

Effect of amendments. — The 1978 amendment, in the first sentence of subsection (a), inserted "or assists in the violation of," "is" preceding "upon conviction," and "or third," substituted "and" for a semicolon following "for a first conviction" and deleted the language providing a penalty for a third conviction from the end of that sentence. The amendment also added the second and third sentences of subsection (a), and in subsection (b), inserted "knowingly" near the beginning and near the middle, "or renewal of" near the beginning, "or vessel license application or renewal" near the beginning, and "or renewal" near the middle, deleted "a material" preceding "fact" near the beginning and near the middle, and substituted "vessel license" for "transfer of an entry permit, upon conviction" near the middle and "three years and is punishable by a fine of not more than \$5,000" for "five years" at the end. Moreover, the amendment added subsection (e).

The 1981 amendment repealed subsection (c) which read "If a permit holder is convicted of a violation of AS 43.20.335 and the violation relates to income derived from commercial fishing under this title, he shall forfeit all interim-use permits and entry permits held by him and shall lose eligibility for interim-use permits and for entry permits for a period of five years" and added subsection (f).

The 1982 amendment, effective June 16, 1982, in subsection (a), deleted "or assists in the violation of" following "violates" and inserted "class B" preceding "misdemeanor" in the first sentence, substituted "forfeits" for "shall forfeit" in the second sentence, substituted "by the person" for "by him" in two places in the next-to-last sentence, and added the present last sentence. The amendment also added subsections (g) and (h).

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 0.05.031(c) and § 4, Chapter 58, SLA 1982.

Sec. 16.43.380. Definitions. In this chapter

(1) "commission" means the Alaska Commercial Fisheries Entry Commission;

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STATE OF ALASKA
THE LEGISLATURE

FOUCH Y - STATE CAPITOL
JUNEAU ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 13, 1983

SUBJECT: Commercial fishing licenses
(W. O. No. 13-0471)

TO: Senator Bob Mulcahy

FROM: Edward H. Hein *EHL*
Legislative Counsel

Enclosed is the draft you requested to reintroduce SB 755 from the 12th Legislature.

Note that I have updated the bill in the following ways: (1) references to sexually explicit pronouns have been neutralized; and (2) section 14 of the old bill has been deleted because that section of the statutes was repealed last year.

The section-by-section analysis of the bill I sent you last year (January 20, 1982) is still valid, except that the material in sec. 14 should be deleted and the three paragraphs that follow it should be renumbered accordingly.

If you have any further comments or questions about this bill draft, feel free to contact me at your convenience.

EHH:csh

Enclosure

SENATE BILL 52
PROPOSED AMENDMENTS
DEPARTMENT OF LABOR

Memo
→

AMENDMENT 1. Rewrite Sec. 4 to read

Sec. 16.05.480 COMMERCIAL FISHING LICENSE. (a) A person engaged in commercial fishing shall obtain a commercial fishing license. A commercial fishing license is included in, and need not be issued separately from, a crewmember fishing license issued under AS 16.05.485 or a permit issued under AS 16.43. The annual fee for a commercial fishing license is \$30 for a resident and \$90 for a nonresident. However, if a resident is eligible for a permit under AS 16.43.160(c) or purchases a crewmember license under AS 16.05.485(b), the fee is \$15.

(b) The annual fee for a commercial fishing license is included in the fee for a crewmember fishing license issued under AS 16.05.485 and the first fee paid during a calendar year for an entry permit or interim-use permit issued or renewed under AS 16.43.

AMENDMENT 2. Rewrite Sec. 5(a), into two subsections

Sec. 16.05.485. CREWMEMBER FISHING LICENSE. (a) A person engaged in commercial fishing who does not hold a valid permit issued under AS 16.43 shall obtain a crewmember fishing license.

(b) A resident who has a net family income falling within the Federal Community Services Administration poverty guidelines, adjusted by the Department of Revenue to reflect appropriate cost-of-living differentials, may be issued a poverty crewmember license. Reletter rest of section 5.

AMENDMENT 3. Rewrite sections 8, 9 and 15 to read

"have had a [CREWMEMBER OR] commercial fishing license under AS 16.05.480"

AMENDMENT 4.

Delete section 13. No change needed.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 10, 1983

SUBJECT: Department of Labor proposals for amendments
to CSSB 52

TO: Senator Bob Mulcahy

FROM: Edward H. Hein *EH*
Legislative Counsel

Enclosed is a draft Resources Committee substitute to SB 52. I have reviewed the amendments suggested by the Department of Labor to sections 4, 5, 8, 9, 15 and 13 of the bill. In my opinion, the amendments are ill-advised.

Their Amendment No. 1 is essentially a rearrangement of Sec. 16.05.480. The amendment takes the first sentence of subsec. (b) and moves it to subsec. (a). I do not think this is necessarily an improvement. If one were going to rearrange this section as this amendment does, it might be advisable to go further and put all the provisions relating to fees together in subsec. (b). I recommend leaving Sec. 16.05.480 as it is in the bill.

Their Amendment No. 2 would remove the reference to fees in Sec. 16.05.485. This would be a mistake. The statutes must state somewhere what the fee is for the crewmember license. The bill intentionally makes the fee for the commercial fishing license the same amount as the fee for the crewmember license. But it would be possible to increase the fee for the crewmember license without increasing the fee for the commercial fishing license. Thus, it is not sufficient to set the fee for only one or the other.

Their Amendment No. 3 raises an interesting question: Do sections 8, 9, or 15 of the bill be interpreted to mean that a person who held a crewmember license under AS 16.05.480 during any of the past five years is ineligible for a loan because the license was not (and could not have been) issued under the new AS 16.05.485? The answer is that some nut might try to read it that way. Therefore, I have amended

Representative Bob Mulcahy
Page 2
March 10, 1983

the statutory reference to read "AS 16.05" instead of either "AS 16.05.480" or "AS 16.05.485". This should solve the problem.

Their Amendment No. 4 is wrong. Section 13 of the bill is necessary. However, as in sections 8, 9, and 15, I have changed the statutory reference to "AS 16.05".

If you have any questions or comments about this bill draft, feel free to contact me at your convenience.

EHH:ljb

Enclosure
1/032

SENATE AMENDMENT

#1 adopted

BY Senator Eliason

To: _____ SENATE BILL No. CSSB 52 (Res)

To: _____ HOUSE BILL No. _____

PAGE: 6 LINE: 13 through 15

Delete: The commission may charge interest at a rate not more than than the rate provided by AS 45.45.010 (a) on a fee not paid during the calendar in which it was due.

SB 52 RELATING TO THE LICENSING OF COMMERCIAL FISHING.

SPONSOR: MULCAHY. THERE IS A RESOURCES COMMITTEE SUBSTITUTE.
SENATOR MULCAHY WILL CARRY ON THE FLOOR. THE RESOURCES COMMITTEE
MAKES ONLY TECHNICAL CHANGES.

Generally, the bill requires that every person engaged in commercial fisheries hold a commercial fisheries license. This license is included in a crewmember license and in an entry or interim-use permit. It is not a separate license. Also allows the Commercial Fisheries Entry Commission to charge interest on late fees.

*held
over*

Original sponsor: Mulcahy

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 CS FOR SENATE BILL NO. 52 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - FIRST SESSION
5 A BILL
6 For an Act entitled: "An Act relating to the licensing of commercial
7 fishing; and providing for an effective date."
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
9 * Section 1. AS 16.05.450(a) is amended to read:
10 (a) The commissioner of revenue or the commissioner's [HIS]
11 authorized agent shall issue a crewmember fishing license under
12 AS 16.05.485 [AS 16.05.480] to each qualified person who files a
13 written application at a place in the state designated by the commis-
14 sioner, containing the reasonable information required by the commis-
15 sioner together with the required fee. The application shall be
16 simple in form and shall be executed by the applicant under the pen-
17 alty of perjury.
18 * Sec. 2. AS 16.05.460 is amended to read:
19 Sec. 16.05.460. COMMISSIONER OF REVENUE MAY APPOINT AGENTS. The
20 commissioner of revenue may appoint qualified [PERSONS AS HIS] agents
21 to receive applications, issue licenses, and collect license fees
22 under AS 16.05.440 - 16.05.485 [AS 16.05.440 - 16.05.480], and to
23 assist in the completion of annual application or renewal forms for
24 interim-use permits and entry permits issued under AS 16.43.
25 * Sec. 3. AS 16.05.470 is amended to read:
26 Sec. 16.05.470. AGENT'S FEE FOR ISSUANCE OF LICENSES AND ASSIS-
27 TANCE [INTERIM-USE OR ENTRY PERMITS]. (a) A person appointed and
28 authorized by the commissioner of revenue to sell licenses under
29 AS 16.05.440 - 16.05.485 [AS 16.05.440 - 16.05.480], except salaried

1 employees of the state, shall retain the sum of 15 percent of the fee
2 for the issuance of a license. An agent shall transmit monthly to the
3 commissioner all license fees collected by the agent [HIM], less the
4 authorized commission, together with a full accounting of the fees.
5 The commissioner shall make monthly remittances of the fees collected
6 to the proper state official. The commissioner [IS NOT LIABLE FOR
7 DEFALCATION OR FAILURE TO ACCOUNT FOR THE FEES COLLECTED BY AN AGENT,
8 BUT HE] shall require a bond in the sum the commissioner [HE] con-
9 sidered adequate, conditioned upon the faithful accounting of money
10 collected.

11 (b) A person appointed by the commissioner of revenue under
12 AS 16.05.460 to issue licenses under AS 16.05.440 - 16.05.485 [AS 16.-
13 05.440 - 16.05.480], except salaried employees of the state, shall
14 retain the sum of 15 percent of the interim-use or entry permit fee
15 for assisting in completion of the annual application or renewal form
16 for the interim-use or entry permit, as provided by regulations of the
17 Commercial Fisheries Entry Commission. An agent shall transmit
18 promptly to the Commercial Fisheries Entry Commission all application
19 or renewal forms and fees collected by the agent [HIM], less the
20 authorized commission, together with a full accounting of the fees.
21 The commissioner [AND THE COMMERCIAL FISHERIES ENTRY COMMISSION ARE
22 NOT LIABLE FOR DEFALCATION OR FAILURE TO ACCOUNT FOR THE FEES COL-
23 LECTED BY AN AGENT, BUT THE COMMISSIONER] shall require a bond in the
24 sum the commissioner [HE] considers adequate, conditioned upon the
25 faithful accounting of money collected.

26 * Sec. 4. AS 16.05.480 is repealed and reenacted to read:

27 Sec. 16.05.480. COMMERCIAL FISHING LICENSE. (a) A person
28 engaged in commercial fishing shall obtain a commercial fishing li-
29 cense. The annual fee for the license is \$15 for a resident who is

Restructured - Same intent.

1 eligible for an entry permit or interim-use permit under AS 16.43.-
2 160(c) or who is eligible for a \$15 crewmember fishing license under
3 AS 16.05.485(a). The annual fee for a commercial fishing license for
4 all other residents is \$30. The annual fee for a commercial fishing
5 license for a nonresident is \$90.

6 (b) A commercial fishing license is included in and need not be
7 issued separately from a crewmember fishing license issued under
8 AS 16.05.485 and an entry permit or interim-use permit issued, re-
9 newed, or transferred under AS 16.43. The annual fee for a commercial
10 fishing license is included in the annual fee for a crewmember fishing
11 license issued under AS 16.05.485 and the first fee paid during a
12 calendar year for an entry permit or interim-use permit issued or
13 renewed under AS 16.43.

14 * Sec. 5. AS 16.05 is amended by adding a new section to read:

15 Sec. 16.05.485. CREWMEMBER FISHING LICENSE. (a) A person
16 engaged in commercial fishing who does not hold a valid entry permit
17 or interim-use permit issued, renewed, or transferred under AS 16.43
18 shall obtain a crewmember fishing license. The annual crewmember
19 fishing license fee is \$15 for a resident who has a net family income
20 falling within the Federal Community Services Administration poverty
21 guidelines, adjusted by the Department of Revenue to reflect appropri-
22 ate cost-of-living differentials. The annual crewmember fishing
23 license fee for all other residents is \$30. The annual crewmember
24 fishing license fee for a nonresident is \$90.

25 (b) A crewmember fishing license is nontransferable and shall be
26 retained in the possession of the licensee, readily accessible for
27 inspection at all times.

28 (c) A person applying for a resident crewmember fishing license
29 under this section shall provide the proof of residence that the

1 Department of Revenue requires by regulation.

2 (d) If a valid crewmember fishing license issued under this
3 section is lost or destroyed, the person to whom the license was
4 issued may, upon payment of a \$2 fee, obtain a duplicate license. A
5 person who recovers an original license for which a duplicate has been
6 issued shall immediately surrender the duplicate to the Department of
7 Revenue.

8 * Sec. 6. AS 16.05.680(1) is amended to read:

9 (1) to employ a person [HAVE IN HIS EMPLOY,] in the har-
10 vesting, transporting or purchasing of fish unless the person [, A
11 FISHERMAN WHO NEITHER] is licensed under AS 16.05.485 or [AS 16.05.480
12 NOR] is the holder of a permit issued under AS 16.43,

13 * Sec. 7. AS 16.05.710 is repealed and reenacted to read:

14 Sec. 16.05.710. LICENSE FORFEITURE. (a) Upon a first or second
15 conviction of a person for a violation of AS 16.05.440 - 16.05.720 or
16 a federal or state law or regulation for the protection of the commer-
17 cial fish of the state, the court may, in addition to the penalty
18 imposed by law, order

19 (1) a forfeiture of a crewmember fishing license, interim-
20 use permit, or entry permit held by the person;

21 (2) a loss of eligibility to hold a crewmember fishing
22 license, interim-use permit, or entry permit for a period of not more
23 than one year; and

24 (3) a suspension of fishing rights under a crewmember
25 fishing license, interim-use permit, or entry permit for a period of
26 not more than one year.

27 (b) Upon a third conviction, the court may, in addition to the
28 penalty imposed by law, order

29 (1) a forfeiture of the crewmember fishing license,

1 interim-use permit, or entry permit held by the person;

2 (2) a loss of eligibility to hold a crewmember fishing
3 license, interim-use permit, or entry permit for a period of not more
4 than three years; and

5 (3) a suspension of fishing rights under a crewmember
6 fishing license, interim-use permit, or entry permit for a period of
7 not more than three years.

8 * Sec. 8. AS 16.10.310(a)(1)(A) is amended to read:

9 (A) individual commercial fishermen who have been
10 state residents for a continuous period of five years immediately
11 preceding the date of application for a loan under AS 16.10.300 -
12 16.10.370 and have had a crewmember [OR COMMERCIAL] fishing
13 license under AS 16.05 [AS 16.05.480] or a permit under AS 16.43
14 for any one of the past five years, and who actively participated
15 in the fishery during that period, for the purchase of entry
16 permits;

17 * Sec. 9. AS 16.10.310(a)(1)(C) is amended to read:

18 (C) corporations, partnerships, or joint ventures, 100
19 percent of which are owned by individual commercial fishermen who
20 have been state residents for a continuous period of five years
21 immediately preceding the date of application for a loan under
22 AS 16.10.310(a)(1)(B) and have had a crewmember [OR COMMERCIAL]
23 fishing license under AS 16.05 [AS 16.05.480] or a permit under
24 AS 16.43 for any one of the past five years, and who actively
25 participated in the fishery during that period, for the repair,
26 restoration or upgrading of existing vessels and gear, for the
27 purchase of gear, and for the construction and purchase of ves-
28 sels;

29 * Sec. 10. AS 16.43.160(a) is amended to read:

1 (a) The commission shall establish annual fees for the issuance
2 and annual renewal of entry permits or interim-use permits. [THE
3 AMOUNT PAID BY A PERMIT HOLDER UNDER THE PROVISIONS OF AS 16.05.480
4 SHALL BE CREDITED BY THE COMMISSION TOWARD PAYMENT OF THE FEE CHARGED
5 UNDER THIS SECTION. NO MORE THAN ONE CREDIT MAY BE OBTAINED ANNUALLY
6 BY A PERSON.]

7 * Sec. 11. AS 16.43.160(b) is amended to read:

8 (b) Except as provided in (c) of this section, annual [ANNUAL]
9 fees established under this section shall be not [NO] less than \$30
10 nor [\$10 AND NO] more than \$750 and shall reasonably reflect the
11 different rates of economic return for different fisheries. The
12 amount of an annual fee for a nonresident shall be three times the
13 amount of an annual fee for a resident. The commission may charge
14 interest at a rate not more than the rate provided by AS 45.45.010(a)
15 on a fee not paid during the calendar year in which it was due.

16 * Sec. 12. AS 23.35.060 is amended to read:

17 Sec. 23.35.060. CREATION AND ADMINISTRATION OF FISHERMEN'S FUND.
18 There is created a fund, designated as the "fishermen's fund." The
19 Department of Revenue is the custodian of the fund and the Department
20 of Labor shall administer it. The fund shall be composed of 60 per-
21 cent of the money derived by the state from all commercial fishing
22 [FISHERMEN'S] licenses required under AS 16.05.480 and money appropri-
23 ated to carry out the purpose of AS 23.35.

24 * Sec. 13. AS 23.35.150(4) is amended to read:

25 (4) "fisherman" means a person who is licensed by the state
26 to engage in commercial fishing under AS 16.05 [AS 16.05.480] or who
27 is the holder of a permit issued under AS 16.43 and who, at the time
28 injury is sustained or illness is contracted, is actually so engaged
29 or is occupied in Alaska in preparing or dismantling boats or gear

1 used in commercial fishing;

2 * Sec. 14. AS 43.75.017(1) is amended to read:

3 (1) the vessel is operated as a commercial fishing vessel
4 by a person holding [UNDER] a valid entry permit or interim-use permit
5 issued, renewed, or transferred under AS 16.43, or a valid crewmember
6 [COMMERCIAL] fishing license issued under AS 16.05.485;

7 * Sec. 15. AS 44.81.210(a)(20) is amended to read:

8 (20) make loans to individual commercial fishermen for
9 limited entry permits; a loan under this paragraph may be made only to
10 an individual commercial fisherman who has been a state resident for a
11 continuous period of five years immediately preceding the date of
12 application for the loan and who has had a crewmember [OR COMMERCIAL]
13 fishing license under AS 16.05 [AS 16.05.480] or a permit under
14 AS 16.43 for any one of the past five years, and who has actively
15 participated in the fishery during that period; loans made under this
16 paragraph are subject to the provisions of AS 44.81.230;

17 * Sec. 16. This Act takes effect January 1, 1984.

18

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ROBERT H. ZIEGLER, SR., Vice Chairman
DICK ELIASON
PAUL FISCHER
VIC FISCHER
BOB MULCAHY
ARLISS STURGULEWSKI



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Senate

Committee on Resources

MINUTES

Bettye Fahrenkamp
Chairman

April 13, 1983
3:05 p.m.

Beltz Room
Room 211, Capitol

MEMBERS PRESENT

Senator Fahrenkamp, Chair
Senator Ziegler, Vice Chair
Senator Sturgulewski

Senator Eliason
Senator Mulcahy
Senator Vic Fischer

CALENDAR

- | | |
|--------|---|
| SJR 21 | Relating to the use of Lake Grace, an area within the Misty Fjords National Monument, for the generation of hydroelectric power for the Ketchikan area. |
| SB 2 | Providing for a license exemption for commercial fishing vessels 24 feet or less. |
| SB 52 | Relating to the licensing of commercial fishing. |
| HP 187 | Relating to regulation, licensing and fee for fur farming. |
| HB 267 | Relating to herring stripping. |

HB 187

Representative Ringstad reviewed the provisions of the bill: (Sec 1) fur farming is redefined; (Sec 2) eliminates fee; (Sec 3) requires Fish and Game to authorize trapping for breedstock without a permit, and; (Sec 4) streamlines importation regulations and permitting.

In response to a question, Rep. Ringstad stated that federal regulations would still be in effect to control importation of diseased animals.

Bob Hinman, of the Department of Fish and Game, said that the department supports CSHB 187 (Res). They approved of Sec. 3, although it reduces fees, because of the small number issued. In response to a question on Sec. 4, Hinman explained that it ended a conflict between Title 16 and Title 3 over control of import permitting.

Commissioner Richard Neve, Department of Environmental Conservation, submitted a statement in support of the bill and announcing a suspension of regulations to study transfer to DNR of this authority.

Senator Sturgulewski moved that CSHB 187 (Res) be reported out of committee with individual recommendations. There was no objection.

SJR 21

Senator Ziegler reviewed the history of the proposed hydro site and the purpose of the resolution. In answer to a question about the authority for approval of the development, he said the resolution is addressed to Congress and the President, for approval of the transmission line along with the hydro development.

The US Forest Service submitted a letter stating that administrative authority to accommodate the development was possible. Senator Ziegler moved that SJR 21 be reported out of committee with individual recommendations. There was no objection.

HB 267

Senator Mulcahy reported on the testimony heard in the Fisheries Subcommittee hearing on HB 267, which supported the extension of the date from July 1, 1982 to July 1, 1986.

Senator Mulcahy moved that HB 267 be reported out of committee with individual recommendations. There was no objection.

SB 2

Senator Mulcahy moved that a committee substitute for SB 2 be adopted. There was no objection.

Senator Mulcahy said the purpose of the bill is to exempt from licensing the small boat fleet because of the short season for salmon and herring fishing from skiffs. Currently all boats are licensed.

Sgt. Buell Russell, Department of Public Safety, Fish and Wildlife Protection Division, testified that the department had no problem with the bill.

Senator Mulcahy moved CSSB 2 from committee with individual recommendations. There was no objections.

SB 52

Senator Mulcahy moved the committee substitute for SB 52. There was no objection. Senator Mulcahy referred to the sectional analysis and said the bill is basically technical changes. In response to concerns on residency requirement, Senator Mulcahy said that the requirement could be made to conform to other legislation or court decisions if necessary.

Senator Fahrenkamp agreed that the bill was housekeeping changes.

Senator Mulcahy moved CSSB 169 (Res) from committee with individual recommendations. There were no objections.

The meeting adjourned at 3:40 p.m.

from Sen. Mulcahy

Sectional Analysis of SB 52

Section one: This section makes technical changes.

Section two: This section makes technical changes.

Section three: This section makes several technical changes. In addition, it removes liability from the Commissioner of Revenue and the Commercial Fisheries Entry Commission if an agent selling licenses can't account for the fees paid.

Section four: This section rewrites the commercial fisheries license statute. It requires that every person engaged in commercial fisheries hold a commercial fisheries license. It provides a poverty license for people with low income that is \$15.00. It provides a fee of \$30.00 for residents, and a fee of \$90.00 for non-residents. The commercial fisheries license is included in a crewmember license and in an entry or interim-use permit. It is not a separate license.

Section five: This section establishes a new license; the crewmember license. This license is required of any person who commercial fishes and does not hold an entry or interim-use permit. The fees are as follows: \$15.00 for a poverty license; \$30.00 for a resident license; and \$90.00 for a non-resident license. It provides for a \$2.00 replacement license if the original license is lost.

Sections six through ten only clean up language and make technical changes.

Section eleven: This section allows the Commercial Fisheries Entry Commission to charge interest on late fees. It also makes technical changes.

Sections twelve through fifteen make technical changes.

Section sixteen: This section provides an effective date of
January 1, 1984.

Sectional Analysis of CS SB 52(Res)

Section one: This section makes technical changes.

Section two: This section makes technical changes.

Section three: This section makes several technical changes. In addition, it removes liability disclaimer from the Commissioner of Revenue and the Commercial Fisheries Entry Commission if an agent selling licenses can't account for the fees paid.

Section four: This section rewrites the commercial fisheries license statute. It requires that every person engaged in commercial fisheries hold a commercial fisheries license. It provides a poverty license for people with low income that is \$15.00. It provides a fee of \$30.00 for residents, and a fee of \$90.00 for non-residents. The commercial fisheries license is included in a crewmember license and in an entry or interim-use permit. It is not a separate license.

Section five: This section establishes a new license; the crewmember license. This license is required of any person who commercial fishes and does not hold an entry or interim-use permit. The fees are as follows: \$15.00 for a poverty license; \$30.00 for a resident license; and \$90.00 for a non-resident license. It provides for a \$2.00 replacement license if the original license is lost.

Section six cleans up language and makes technical changes.

Section seven: This section rewords the license forfeiture statute. It provides for the forfeiture of licenses, loss of eligibility to hold a license for one year, or a suspension of fishing rights for one year for a first or second offense. For a third or subsequent offense, it provides for the forfeiture of licenses, loss of eligibility to hold a license for three years, or a

suspension of fishing rights for three years. All these penalties are in addition to penalties ordained by law, and are at the court's discretion.

Sections eight through ten: These sections make technical changes.

Section eleven: This section allows the Commercial Fisheries Entry Commission to charge interest on late fees. It also makes technical changes.

Sections twelve through fifteen make technical changes.

Section sixteen: This section provides an effective date of January 1, 1984.