

SB

309

SENATE COMMITTEE REPORT

FURTHER

DATE TURNED INTO OFFICE _____

1/26/88
Mr. President:

Resources _____ Committee considered SB 309

definition of commercial fisherman under statutes regulating
commercial fishing
and recommended

replace with _____ CS SB 309 (res)) same title
 or adopt _____ CS _____) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations


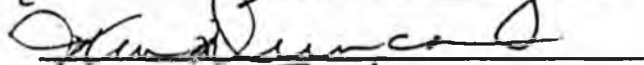
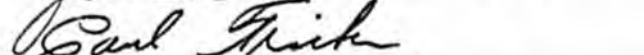
further referral to _____

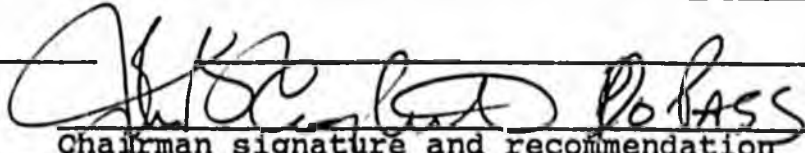
letter of intent adopted _____

Committee attached or adopted fiscal note(s)
 new updated or previous
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS


Chairman signature and recommendation

Committee Backup attached



SENATOR FRED F. ZHAROFF

ALASKA STATE LEGISLATURE

P.O. BOX 405, KODIAK, ALASKA 99816 (907) 486-5269


DURING SESSION:

P.O. BOX V, JUNEAU, ALASKA 99811 • (907) 465-3473 • 465-3474

DISTRICT N

ALASKA PENINSULA • ALEUTIAN CHAIN • BRISTOL BAY • KODIAK ISLAND • LAKE CLARK/LAKE ILIAMNA • PRIIBILOF ISLANDS • SHUMAGIN ISLANDS

TO: Senator Jack Coghill
Chairman
Senate Resources Committee

FROM: Senator Fred F. Zharoff 

DATE: March 15, 1988

RE: Senate Bill 309 -- "An Act relating to the definition of commercial fisherman under statutes regulating commercial fishing."

SB 309 amends 16.05.940(4) to eliminate processing workers on floating fish processing vessels from the definition of "commercial fisherman".

In 1986, the legislature passed a bill that exempted commercial fishermen from workers' compensation coverage. This was done for two reasons: (1) Commercial fishermen were not originally intended to be covered by workers' compensation. (2) Injured commercial fishermen are compensated under the provisions of maritime law; workers' compensation coverage would be an unnecessary duplication. The bill had the effect of affirming and clarifying the Department of Labor's current interpretation of the law.

The passage of the bill, however, resulted in one, unintentional side effect. Under current statutes, processing workers on board floating seafood processing vessels have been defined as "commercial fishermen" since they are part of the crew of a "floating craft used in transporting fish". Under the new law, they were now exempt from workers' compensation coverage, which raised havoc with floating processors' insurance rates. It was never the intent of the legislature to prevent processing vessel workers from being covered by workers' compensation.

The second major problem SB 309 addresses is to remedy an inconsistency in state law. As commercial fishermen, floating processing vessel workers have been required to hold commercial fishing licenses. The proceeds from the sales of commercial fishing licenses go to the Fishermen's Fund, a compensation program for injured commercial fishermen. Under a previous attorney general's opinion, however, floating processing workers are barred from receiving any benefits from the Fishermen's Fund. In the interest of basic fairness, people who receive no benefits from the fund should not be forced to pay into it.

A recent attorney general's opinion (attached), dated Oct. 20, 1987, straightened out much of the above by declaring that processing workers did not, in fact, need to have commercial fishing licenses. The attorney general determined that processing workers on seafood processing vessels were

manufacturing employees (the same as their counterparts in a shoreside processing plant) and distinct from the traditional definition of a "commercial fisherman". Still, there would no harm in amending the statute to reflect the present and, I believe, correct interpretation.

Backup information for SB 109 is attached, as follows:

1. Department of Labor fiscal note.
2. Chronology of events.
3. Attorney General's opinion, dated Oct. 20, 1987, stating that processing workers on mobile floating processing vessels are not required to hold commercial fishing licenses.
4. Attorney General's opinion, dated Feb. 22, 1984, stating that workers on floating processing ships need commercial fishing licenses and workers in shorebased processing plants do not.
5. Attorney General's opinion, dated Nov. 15, 1982, stating that floating processor workers do not qualify for Fishermen's Fund benefits.
6. Excerpt from the Division of Legal Service's "Report to the Thirteenth State Legislature Examining Court Decisions and Opinions of the Attorney General Construing Alaska Statutes", October, 1984, recommending legislative review of this issue.
7. Copies of the relevant state statutes, 16.05.480 (Commercial fishing license) and 16.05.940(4) (Definition of commercial fisherman).
8. Chapter 77 from the 1986 session laws, "An Act Exempting commercial fishermen from workers' compensation coverage."

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: SB 309
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An act relating to the definition
of commercial fisherman."
Sponsor: Zharoff
Requestor: Senate Labor & Commerce

Agency Affected: Labor
BRU: Workers' Compensation
Components: Worker's Compensation

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Jacque McClintock Phone: 465-2790
Division: Workers' Compensation Date: 1/22/88

Approved by Commissioner: Jim Samoson Date: 1/22/88
Agency: Labor

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CHRONOLOGY OF EVENTS SURROUNDING SB 309

- Nov., 1982 - Attorney General issues opinion (Asst. A.G. Gary Amendola to Glenn Lundell, deputy commissioner, Dept. of Labor, Nov. 15, file #366-252-83) saying that crewmembers on board floating fish processing vessels are not, by definition, engaged in "commercial fishing" and they do not qualify for Fisherman's Fund benefits (a special fund, administered by the Department of Labor, for compensating injured commercial fishermen).
- Feb., 1984 - Attorney General issues opinion (Asst. A.G. Kathleen McGuire to Lt. Col. Tetzlaff, Div. of Fish & Wildlife Protection, Feb. 22, file #166-358-84) saying that employees on board floating processing vessels, since they are engaged in the transport of fish, are required to have commercial fishing licenses.
- Oct., 1984 - The legislature's Division of Legal Services notes in its "Report to the Thirteenth State Legislature Examining Court Decisions and Opinions of the Attorney General Construing Alaska Statutes" the inconsistency in the two previous AG opinions -- floating processing workers are required to have commercial fishing licenses, but they are denied Fisherman's Fund benefits. Legislative review is recommended.
- May, 1986 - As part of an effort to clear up ambiguities and problems in regard to marine insurance, the Alaska Legislature passes a bill exempting commercial fishermen from workers' compensation.
- Spring, 1987 - Seafood processors contact Senator Zharoff. They complain their insurance companies have informed them that since the employees on floating processing vessels are defined as "commercial fishermen", and since commercial fishermen are now exempt from workers' compensation, the insurance companies will no longer sell the processors workers' compensation coverage. Instead, the processors must buy more expensive marine protection and indemnity (P&I) insurance policies.
- May, 1987 - Senate Bill 309 introduced in an effort to resolve the problem.
- Summer, 1987 - Seafood processors complain about Fish and Wildlife Protection officers boarding their processing vessels to enforce the requirement that all workers have commercial fishing licenses.
- Oct., 1987 - Attorney General issues opinion (Asst. A.G. Sarah McCracken to Col. Jack Jordan, director, Div. of Fish and Wildlife Protection, Oct. 20, file #661-87-0428) saying that processing workers on board mobile floating vessels are not "commercial fishermen" and do not need to hold commercial fishing licenses.

MEMORANDUM

State of Alaska DEPARTMENT OF LAW

TO: Col. Jack Jordan, Director
Division of Fish & Wildlife
Protection
Department of Public Safety

DATE: October 20, 1987

FILE NO: 661-87-0428

TELEPHONE NO:

THRU:

SUBJECT: Commercial fishing
licenses: applicability
to processors

FROM: Sarah E. McCracken ^{SEM}
Assistant Attorney General
Natural Resources-Anchorage

A March 17, 1987, memorandum from then Acting Director Capt. James Nutgrass requested our advice regarding various aspects of Alaska's commercial fisheries licensing statutes (copy of memorandum attached). The memorandum asks essentially three questions requiring interpretation of relevant law:

1. Is a person who works on the fish processing line of a mobile floating processor or catcher-processor required to hold a commercial fishing license?

2. Are crewmembers on a tender or mobile floating processor required to hold commercial fishing licenses?

3. Must the skipper or crew of a freight vessel hauling processed fish to market for sale hold a commercial fishing license?

A subsidiary question raised by the memorandum is whether the definition of "fish" in AS 16.05.940(10), as that term is used in the licensing requirement at AS 16.05.480 and in the definition of "commercial fishing" in AS 16.05.940(5), includes fish that are already dead or processed.

Our summary response to these questions is that an employee on a mobile floating processor or catcher-processor whose sole function is to work on the fish processing line (gutting, packing, or maintaining freezing equipment, etc.) and who does not engage in actual fishing activities (setting and hauling nets, operating and repairing gear) or in the navigation and operation of the vessel (independent of its processing functions) is not required to obtain a commercial fishing license. However, if that person, in addition to mere processing of fish, also engages in fishing activities or activities related

to the navigation or operation of the vessel itself, he must obtain a commercial fishing license. Crewmembers engaged in the operation and navigation of tenders or mobile floating processors that transport unprocessed fish must obtain commercial fishing licenses. The skipper or crew of a freight vessel used only to transport processed fish need not hold a commercial fishing license. Our analysis follows.

1. Commercial fishing license requirement.

The genesis of your inquiry is AS 16.05.480(a), which requires every person engaged in "commercial fishing" in waters subject to Alaska's jurisdiction to obtain a commercial fishing license from the state. 1/ This provision has existed in virtually identical form since the first state fish and game code was enacted in 1959. 2/

The term "commercial fishing" is defined in AS 16.05.940(5) as follows:

(5) "commercial fishing" means the taking, fishing for, or possession of fish, shellfish, or other fishery resources with the intent of disposing of them for profit, or by sale, barter, trade, or in commercial channels; the failure to have a valid

1/ The full text of AS 16.05.480(a) provides:

Sec. 16.05.480. Commercial fishing licenses. (a) 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.

2/ Sec. 6, art. III, ch. 94, SLA 1959.

subsistence permit in possession, if required by statute or regulation, is considered prima facie evidence of commercial fishing if commercial fishing gear as specified by regulation is involved in the taking, fishing for, or possession of fish, shellfish, or other fish resources;

This definition, with the exception of reference to the failure to have a valid subsistence permit in possession, has also existed in virtually the same form since statehood. 3/

On its face, AS 16.05.480(a), as its terms are defined in AS 16.05.940(5), requires a commercial fishing license only of those persons who are actually taking, fishing for, or possessing fishery resources with the intent of selling them.

As explained in 1984 Inf. Op. Att'y Gen. (Feb. 22; 166-358-84), "possession" of fish requires a degree of ownership or control. A person who merely works on a processing line at a cannery and whose sole function is to process fish does not exercise the requisite indicia of possession to fit within the meaning of a person "taking, fishing for, or possessing" fish to require a license. See cases cited in 1984 Inf. Op. Att'y Gen., supra. In this regard, the principle of statutory construction that when legislative intent is unclear, the meaning of doubtful words may be determined by referring to associated words (noscitur a sociis) is applicable, as explained below. See 2A N. Singer Sutherland Statutory Construction, §47.16 (4th ed. 1984); see also State, Real Estate Comm'n v. Johnston, 682 P.2d 383, 386-87 (Alaska 1984).

To the extent that the word "possession" in AS 16.05.940(5) is unclear, it should be interpreted in light of the related terms "taking" and "fishing" for fish. 4/ In this

3/ Sec. 2(n), art. I, ch. 94, SLA 1959.

4/ The term "take" is defined in AS 16.05.940(31) as follows:

(3) "take" means taking, pursuing, hunting, fishing, trapping, or in any manner disturbing, capturing, or killing or attempting to take,
(Footnote continued)

context, we believe "possession" of fish should be interpreted to mean possession that is associated with fishing activities, i.e., exercising some control over the fish, as opposed to mere handling of fish in a processing plant. We believe this applies regardless of whether the worker is processing fish on board a floating or a stationary processing vessel. 5/ Similarly, a person who is merely processing fish on board a catcher-processor and who does no other function related to fishing or the operation of the vessel, would not require a commercial fishing license. 6/

2. Definition of "commercial fisherman."

The above conclusions are consistent with the interpretation of AS 23.35 articulated in 1982 Inf. Op. Att'y Gen. (Nov. 15; 366-252-83), that employees processing fish on floating processors are not "commercial fishing" and hence do not qualify for "fisherman's fund" benefits. (Copy of memorandum attached). That memorandum noted, however, that "the [D]epartment [of Fish and Game] has been advising owners of processors to purchase commercial fishing licenses for those persons employed on board although the law is not perfectly clear on that requirement."

The ambiguity regarding whether employees on floating cannery vessels or fish processors are "commercial fishing" derives from the statutory definition of "commercial fisherman" set out at AS 16.05.940(4):

(4) "commercial fisherman" means an individual who fishes commercially for, takes, or attempts to

(Footnote continued)

pursue, hunt, fish, trap, or in any manner capture or kill fish or game;

5/ To the extent that this conclusion departs from that reached in 1984 Inf. Op. Att'y Gen. (Feb. 22; 166-350-84), the earlier memorandum is hereby overruled on this point only.

6/ We recognize that on many catcher processors, crewmembers participate at times in all aspects of the operation -- both fishing and processing. These crewmembers would require a license.

take fish, shellfish, or other fishery resources of the state by any means, and includes every individual aboard a boat operated for fishing purposes who participates directly or indirectly in the taking of these raw fishery products, whether participation is on shares or as an employee or otherwise; however, this definition does not apply to anyone aboard a licensed vessel as a visitor or guest who does not directly or indirectly participate in the taking; and the term "commercial fisherman" includes the crews of tenders or other floating craft used in transporting fish;

The term "commercial fisherman" is not actually used in AS 16.05.480(a) nor in AS 16.05.940(5), the operative provisions that require a person engaged in "commercial fishing" to obtain a commercial fishing license. However, the existence of the definition in AS 16, and its ostensibly broad application to "the crews of floating craft used in transporting fish," raises some question as to whether employees who work on fish processing lines aboard vessels are "commercial fishermen" and whether that definition correlates precisely with the definition of "commercial fishing" in AS 16.05.940(5).

The relationship between the definition of "commercial fisherman" in AS 16.05.940(4) and the class of persons who must obtain commercial fishing licenses is fortified by two factors: (1) the legislative history of the term and (2) interpretive regulations.

First, the statutory definition of "commercial fisherman" in AS 16.05.940(4) derives from section 2(o), ch. 94, SLA 1959. 7/ The present statutory requirement regarding

7/ The text of that definition provided:

(o) "Commercial fisherman": an individual who fishes commercially for, takes or attempts to take fish, shellfish, or other fishery resources of Alaska by any means, and including every individual aboard boats operated for fishing
(Footnote continued)

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commercial fishing licenses derives from section 6, article III, ch. 94, SLA 1959, which provided:

Sec. 6. Commercial Fishing License. A commercial fishing license shall be obtained by each and every individual before he shall become engaged as a fisherman as above defined. The fee for such license shall be \$10.00 for residents, and \$15.00 for non-residents.

There is no definition of "fisherman" in ch. 94, SLA 1959; however, there is the above definition of "commercial fisherman" set out in section 2(o), article III, ch. 94, SLA 1959, and logically this must be the definition referred to in section 6. Thus, unlike the present statutory language at AS 16.05.480(a) that requires commercial fishing licenses of people engaged in "commercial fishing," the statutory language from which this provision derives did reference the definition of "commercial fisherman," and each "commercial fisherman" had to obtain a license.

Although we have found no legislative history that sheds light on the reason for the language change from section 6, article III, ch. 94, SLA 1959 to the language now in AS 16.05.480(a), it does not appear that there was any legislative intent to divorce the statutory license requirement in AS 16.05.480(a) from the definition of "commercial fisherman." Hence we believe that the current definition of "commercial fisherman" should be read in harmony with AS 16.05.480(a) and be a guide in interpreting who must obtain a license.

(Footnote continued)

purposes who participates directly or indirectly in the taking of the raw fishery products above mentioned, whether such participation be on shares or as employee or otherwise; provided, however, this shall not apply to anyone aboard a licensed vessel merely as a visitor or guest who does not directly or indirectly participate in the said taking. The term "commercial fisherman" shall also include the crews of tenders or other floating craft used in transporting fish.

The above conclusion is strengthened also by the fact that the board of fisheries has adopted a regulation, 5 AAC 39.110(a), that requires a "commercial fisherman" who does not hold a valid interim-use or entry permit to obtain a "crew member fishing license." 8/ In the absence of any discreet definition of "commercial fisherman" in the administrative code, we interpret this term in light of the statutory definition of "commercial fisherman" in AS 16.05.940(4). We also read "crewmember fishing license" as included within the definition of "commercial fishing license" in AS 16.05.480(a). 9/

Based upon the above analysis, we believe that the definition of "commercial fisherman" in AS 16.05.940(4) should be a guideline in determining who is "commercial fishing" and hence required to obtain a commercial fishing license. However, although the definition of "commercial fisherman" appears to cover broadly the "crews of tenders or other floating craft used in transporting fish," we do not find that this covers employees aboard floating craft who merely process fish and who do not engage in the operation or navigation of the vessel. This

8/ The text of 5 AAC 39.110(a) provides:

5 AAC 39.110. Crew member fishing license requirements. (a) Each commercial fisherman who does not hold a valid interim-use or entry permit card issued by the Commercial Fisheries Entry Commission shall obtain a crewmember fishing license before fishing in any waters of Alaska. A crew member fishing license is not required for the holder of a valid interim-use or entry permit card.

9/ As 16.05.480 specifies that "'commercial fishing license' includes entry permits and interim-use permits issued under AS 16.43 and crewmember fishing licenses." The term "crew" is defined in 5 AAC 39.110(e) as:

(e) In this section, "crew" means the activities of a commercial fisherman as defined in AS 16.05.940(4), who is actively engaged in the operation of fishing gear that is being operated in the manner described in 5 AAC 39.107.

conclusion is based upon a review of the statutory scheme as a whole and a reading of associated words within the definition of "commercial fisherman," explained below.

3. Scope of "crews of other floating craft used to transport fish."

First, as discussed above, we do not view AS 16.05.480(a), standing alone, as requiring persons who merely process fish to hold a commercial fishing license. The statutory definition of "commercial fisherman," while, as explained above, relevant in interpreting who must hold a license, should be construed in harmony with the terms used in AS 16.05.480(a). See generally State v. First Nat. Bank of Anchorage, 660 P.2d 406, 413 (Alaska 1982).

Second, reading doubtful words in harmony with associated words in AS 16.05.940(4), we believe that "tenders or other floating craft used in transporting fish" relates to craft used in taking and transporting raw, rather than fully processed fish. AS 16.05.940(4) specifies that "commercial fisherman" "includes every individual aboard a boat operated for fishing purposes who participates directly or indirectly in the taking of these raw fishery products ..." (Emphasis added). Since tenders transport raw fish, we believe that the term "tenders and other floating craft used in transporting fish" must be read in association with the rest of AS 16.05.940(4) to refer to vessels used to transport raw or partially processed fish, as opposed to barges carrying fully processed fishery products to market. ^{10/} We also do not view an employee on a processing vessel who merely processes fish and does not engage in other aspects of the

^{10/} Captain Nutgrass had requested in particular an interpretation of the word "fish" defined in AS 16.05.940(10); he suggested that if "fish" includes dead (processed) fish, by logical extension "personnel of airlines and freight companies transporting fish to market would be required to have commercial fishing licenses." For the reasons stated above, we conclude that in context, the term "fish" as used in AS 16.05.940(4) does not include fully processed fish. However, we also believe that the general definition of "fish" in AS 16.05.940(10) (which includes fish "in any stage of its life cycle") does include dead and processed fish, unless the context otherwise provides.

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vessel's operation to be a "crewmember" within the meaning of a person engaged in "commercial fishing." Such a broad interpretation would not harmonize with the other language (discussed above) in AS 16.05.940(4) and AS 16.05.940(5). 11/

4. Summary.

In summary, your specific questions and our answers are as follows:

Q.1. Is a person who works on the fish processing line of a mobile floating processor or catcher-processor required to hold a commercial fishing license?

A. No, so long as the person does not engage in any

11/ It may be of some use to compare certain other state and federal laws that distinguish between crewmembers who operate vessels and other employees aboard. For example, the Fair Labor Standards Act provides certain exceptions from minimum wage requirements for employees who process, can, or pack fish or shell fish "at sea as an incident to ... fishing operations" (29 U.S.C. §213(a)(5)), and for "seamen." (29 U.S.C. §213(b)(6)). The latter term is defined as an employee who performs "service which is rendered primarily as an aid in the operation of [a] vessel as a means of transportation, provided he performs no substantial amount of work of a different character." 29 C.F.R. §783.31. See also 29 C.F.R. §783.32. And see Worthington v. Icicle Seafoods, Inc., 796 F.2d 337, 338 (9th Cir. 1986). Under Alaska law, the minimum wage exemption only applies to "seamen." AS 23.10.060(12). Thus, in some areas of law, a distinction is made between the functions of seamen (who may be viewed as "crewmen") and employees who merely process fish. (However, compare citizenship requirements for "seamen" on certain large documented vessels. 46 U.S.C. §8103(b) and 46 U.S.C. §8701(a)(7) and (b). The term "seamen" is not defined in these statutes and there appears to be a difference of interpretation as to whether the term "seamen" applies only to the deck crew and persons in a position directly related to navigation, or to any employee engaged in any capacity on the vessel. See e.g. definition of "seamen" under merchant seamen protection and relief law, 46 U.S.C. §10101(3))

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Division of Fish & Wildlife Protection
661-87-0428

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activities relating to operation and navigation of the vessel (other than processing).

Q.2. Do crewmembers on a tender or mobile floating processor require a commercial fishing license?

A. Yes, but in context a "crewmember" does not include a person whose sole activity is processing fish.

Q.3. Must the skipper or crew of a freight vessel hauling processed fish to market for sale hold a commercial fishing license?

A. No.

I hope this answers all the questions raised in Captain Nutgrass's request. If we can be of further assistance on this matter, please let us know.

SEM/jmo

cc: Hon. Don W. Collinsworth, Comm'r, ADF&G
Norman Cohen, Deputy Comm'r,
Ken Parker, Dir., Div. of Comm'l Fisheries
Bob Clasby, Comm'l Fisheries
Larri I. Spengler, AGO
Lance Nelson, AGO

a:JORDAN.MOA

MEMORANDUM

State of Alaska

TO: Lt. Col. Tetzlaff
Div. of Fish & Wildlife
Protection
Dept. of Public Safety

DATE: February 22, 1984

FILE NO: 166-358-84

TELEPHONE NO: 276-3550

FROM: Norman C. Gorsuch
Attorney General

SUBJECT: Commercial Fishery
Licenses

By: Kathleen McGuire *KM*
Assistant Attorney General

You requested an opinion as to whether workers assigned to shore-based canneries must possess a commercial fishing license under AS 16.05.480.

The summary answer is that shore-based cannery workers do not need a commercial fishing license. AS 16.05.480(a) provides in part that "a person engaged in commercial fishing shall obtain a commercial fishing license" and AS 16.05.940(2) defines a commercial fisherman as "every individual aboard a boat operated for fishing purposes..." which includes "the crew of tenders or other floating craft used in transporting fish."

The two statutes read together make it clear that employees of canneries attached to land do not need commercial fishing licenses because they are not aboard a boat that is transporting fish. However, employees aboard floating processors that transport fish do require commercial fishing licenses.

Specifically, you have asked whether employees of shore-based but floating cannery are required to hold a commercial fishing license under AS 16.05.480(a). Two types of canneries are prevalent in Alaska: shore-based and floating. For tax purposes, AS 43.75.140(5) and (6) define shore-based canneries as including floating craft that are permanently attached to land, or remain in the same location in the state for an entire tax year. 1/

1/ AS 43.75.015 provides tax advantages to processors that are shore-based. AS 43.75.140 extinguishes those tax advantages, if the processors move their location. Because of the tax advantage, few shore-based canneries will be moving. However, if the shore-based canneries do move they are considered floating processors and their employees would be required to hold commercial fishing licenses under AS 16.05.480(a).

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Div. of Fish & Wildlife Protection
166-358-84

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Based upon the above definitions, the employees of a floating shore-based facility would be exempt under the definition of "commercial fisherman" in AS 16.05.940(2) because the floating shore-based facility would not be used for "transporting" fish because it must remain in the same location all year.

The employees of a floating shore-based facility would also be exempt under the definition of "commercial fishing" in AS 16.05.940(3). AS 16.05.940(3) defines possessing fish as commercial fishing. Although cannery workers handle fish, they are not in possession. Tinglev v. Brown, 380 So.2d 1289 (Fla. 1980). Possession requires a degree of ownership or control. Florida v. Brider, 386 So.2d 818, 819 (Fla. Dist. Ct. App. 1980). Cannery workers universally do not have ownership or control of the fish they handle.

CONCLUSION

Employees of shore-based floating canneries are not required to have a commercial fishing license. Employees of floating canneries are required to have a commercial fishing license.

KIM/ssr

MEMORANDUM

State of Alaska

TO: Glenn H. Lundell
Deputy Commissioner
Department of Labor

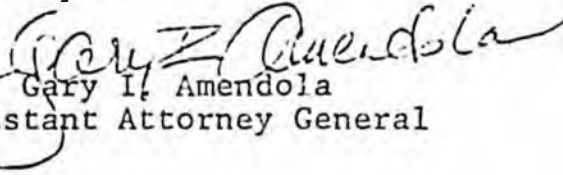
DATE: November 15, 1982

FILE NO: 366-252-83

TELEPHONE NO: 465-3603

FROM: Wilson L. Condon
Attorney General

SUBJECT: Interpretation of
Statute regarding
Workers on Fish
Processors

By: 
Gary I. Amendola
Assistant Attorney General

Under AS 23.35 and under the proper circumstances, "fishermen" can obtain medical and related benefits through a fund known as the "fisherman's fund". You have asked whether fish processing employees injured while working on a fish processor qualify for fisherman's fund benefits. You have also asked, in the event that the answer is in the affirmative, whether only specific employees on the processor are entitled to those benefits.

AS 23.35.070 states:

BENEFITS. A fisherman, upon becoming disabled, is entitled to receive benefits as follows: Immediately after he sustains an injury or disability arising out of an accident directly connected with his operations as a fisherman, either ashore, in the state, or in Alaska water, or suffers an occupational disease, the fisherman is entitled to emergency treatment, transportation to the nearest place where approved medical facilities are available, medical care and hospitalization. As used in this section, "Alaska water" means the inland and territorial water of the state and the fishery conservation zone adjacent to the state established by sec. 101 of the Fishery Conservation and Management Act of 1976, P.L. 94-265 (16 U.S.C. 1801 et seq.).

AS 23.35.080 -- AS 23.35.140 indicate the extent of other benefits offered, the manner in which the benefits may be provided, and the time and monetary limitations on benefits.

AS 23.35.150(4) reads:

"fisherman" means a person who is licensed by the state to engage in commercial fishing under

Glenn H. Lundell, Deputy Commissioner
Department of Labor
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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.

I am advised by representatives of the Department of Revenue that all crewmembers on board a floating fish processor are required to have commercial fishing licenses.

I am advised by representatives of the Department of Fish and Game that all persons working on board a harvester/processor and on board tenders are required to have commercial fishing licenses. See AS 16.05.480 and AS 16.05.940(2). The department has been advising owners of processors to purchase commercial fishing licenses for those persons employed on board although the law is not perfectly clear on that requirement. For purposes of this opinion, however, the resolution of that particular issue is not necessary.

In order to qualify as a "fisherman" under AS 23.35 and therefore qualify for "fisherman's fund" benefits, a person must not only be licensed to engage in commercial fishing or be the holder of a limited entry permit, the person must also at the time the injury is sustained or illness is contracted, (1) be engaged in commercial fishing, or (2) occupied in Alaska preparing or dismantling boats or gear used in commercial fishing.

The "plain meaning" rule of statutory construction requires that an unambiguous statute be read to mean what it clearly expresses. There is thus no need to interpret it except to the extent that the words themselves have inexact meaning. State v. Alex, 646 P.2d 203, 208, n.4 (Alaska 1982); Application of Babcock, 387 P.2d 694, 696 n.6 (Alaska 1963); 2A Sutherland, Statutes and Statutory Construction, § 46.01, at 48-49 (4th Ed. Sands, 1973). There is little question that employees on fish processors are not commercial fishing nor occupied in Alaska preparing or dismantling boats or gear used in commercial fishing.

However, to the extent one could argue otherwise, reference to related statutes in order to interpret a particular statute is customary if there is some ambiguity perceived. 2A Sutherland, Statutes and Statutory Construction, § 51.01, at 287-289 (4th Ed. Sands, 1973). The fish and game statute which

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defines "commercial fishing" does not include employees on fish processors. AS 16.05.940(3) states:

"commercial fishing" means the taking, fishing for, or possession of fish, shellfish or other fishery resources with the intent of disposing of them for profit, or by sale, barter, trade, or in commercial channels; the failure to have a valid subsistence permit in possession, if required by statute or regulation, is considered prima facie evidence of commercial fishing if commercial fishing gear as specified by regulation is involved in the taking, fishing for, or possession of fish, shellfish or other fish resources.

It is our view, therefore, that employees processing fish on a floating processor are not "commercial fishing" and do not qualify for "fisherman's fund" benefits.

GIA/bap

AS 16.05.480(a)
AS 16.05.940

WORKERS AT SHORE-BASED CANNERIES NEED
NOT POSSESS COMMERCIAL FISHING LICENSE.

In response to an inquiry from the division of fish and wildlife protection, the Attorney General stated that an employee of a shore-based floating cannery is not required to have a commercial fishing license, but that an employee of a floating cannery is required to have a commercial fishing license. The Attorney General stated that the definition of "commercial fisherman" includes "the crew of tenders or other floating craft used in transporting fish" (AS 16.05.940(4)). Therefore, those who transport fish must have the license; those who don't transport fish need not have the license, the Attorney General concluded. AS 16.05.480 requires that a person "engaged in commercial fishing" obtain a commercial fishing license. The definition of "commercial fishing" does not include "transporting" (AS 16.05.940(5)). Thus, one must have a commercial fishing license if one is engaged in commercial fishing, regardless of whether one is a commercial fisherman or is involved in transporting. In a previous opinion the Attorney General stated that "there is little question that employees on fish processors are not commercial fishing . . ." Op. Atty. Gen. (Alaska, November 15, 1982). On that basis, the Attorney General concluded that processor employees were not entitled to benefits of the fisherman's fund. Now, however, the Attorney General is saying that employees on floating processors are engaged in commercial fishing. Op. Atty. Gen. (Alaska, February 22, 1984)

The intent of the Legislature is not clear. The Attorney General has construed the law in an apparently inconsistent manner, saying that certain persons must have a license because they are engaged in commercial fishing, but they should be denied fisherman's fund benefits because they are not engaged in commercial fishing. Legislative review is recommended.

(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 the agent, 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 the commissioner considers adequate, conditioned upon the faithful accounting of money collected. (§ 5 art III ch 94 SLA 1959; am § 9 ch 31 SLA 1963; am § 1 ch 8 SLA 1977; am §§ 5, 6 ch 105 SLA 1977)

Sec. 16.05.475. Registration of fishing vessels. (a) A person may not employ a fishing vessel in the water of Alaska unless it is registered under the laws of the state. Vessels registered under the laws of another state, and persons residing in another state, are not excused from this provision.

(b) The term "employ", as used in this section, shall be defined by the Board of Fisheries through the adoption of regulations under the Administrative Procedure Act (AS 44.62). The definition may include any activities involving the use or navigation of fishing vessels.

(c) The term "registered under the laws of the state", as used in this section, shall be defined by the Board of Fisheries through the adoption of regulations under the Administrative Procedure Act (AS 44.62). The definition may include any existing requirements regarding registration, licenses, permits, and similar matters imposed by law or regulation together with modifications of them and with any additional requirements the board finds necessary to maximize the authority of the state to apply and enforce fisheries regulations under the Fishery Conservation and Management Act of 1976 (P.L. 94-265, 90 Stat. 331, 16 U.S.C. 1801 et seq.).

(d) The term "fishing vessel", as used in this section, means any vessel, boat, ship, or other craft which is used for, equipped to be used for, or of a type which is normally used for

- (1) fishing, or
- (2) aiding or assisting one or more vessels at sea in the performance of any activity relating to fishing, including, but not limited to, preparation, supply, storage, refrigeration, transportation, or processing. (2 7 ch 105 SLA 1977)

Sec. 16.05.480. Commercial fishing license. (a) 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, § 12 ch 123 SLA 1978.)* § 6 art III ch 94 SLA 1959; am § 19 ch 131 SLA 1960; am § 1 ch 93 SLA 1966; am § 2 ch 42 SLA 1968; am § 8 ch 105 SLA 1977; am §§ 1, 2, 12 ch 123 SLA 1978; am § 1 ch 79 SLA 1982)

Effect of amendments. — The 1982 amendment increased the fees in the second sentence of subsection (a) from \$10 to \$30 for residents and from \$30 to \$90 for nonresidents.

Editor's notes. — Sixty percent of the fees collected under this section is deposited in the fishermen's fund, AS 23.35.060. For opinions of the Attorney General regarding constitutional limits on

altering the amount of a license fee upon which a dedicated fund is based, see annotations following Article IX, section 7 in the Alaska Constitution pamphlet.

Opinions of attorney general. — Discrimination against aliens and nonresidents in issuance of fishing licenses. — See 1959 Op. Att'y Gen., No. 15.

NOTES TO DECISIONS

Constitutionality of former provisions. — See *Anderson v. Mullaney*, 13 Alaska 332, 191 F.2d 123 (9th Cir. 1951), aff'd, 13 Alaska 342 U.S. 415, 72 S. Ct. 428, 96 L. Ed. 458 (1952).

States have a right to exact a higher license fee from nonresidents than from residents for the privilege of hunting game within its borders. *Anderson v. Smith*, 71 F.2d 493 (9th Cir. 1934).

Principle upon which such right is based. — This right to discriminate is based upon the principle that the state

owns the wild fish and game within its borders and therefore has a right to determine the conditions upon which persons may reduce the same to possession and ownership. *Anderson v. Smith*, 71 F.2d 493 (9th Cir. 1934).

Discrimination between resident and nonresident fishermen in prescribing license fees. — See *Anderson v. Smith*, 8 Alaska 470, aff'd, 71 F.2d 493 (9th Cir. 1934).

Applied in Commercial Fisheries Entry Comm'n v. Apokedak, Sup. Ct. Op. No. 2011 (File No. 4464), 606 P.2d 1255 (1980).

Sec. 16.05.490. Vessel license. (a) As a condition to delivery or landing of fish or engaging in commercial fishing in the state, a license is required for a commercial vessel, including a vessel used in charter service for the recreational taking of fish and shellfish.

(b) *(Repealed, § 19 ch 105 SLA 1977.)*

(c) *(Repealed, § 19 ch 105 SLA 1977.)*

(d) *(Repealed, § 19 ch 105 SLA 1977.)*

(e) *(Repealed, § 19 ch 105 SLA 1977.)* § 7 art III ch 94 SLA 1959; am § 20 ch 131 SLA 1960; am § 1 ch 48 SLA 1963; am § 19 ch 105 SLA 1977.

certified by the department to be surplus and unnecessary to the sustained yield management of the resource. Each application for a permit under (a) of this section shall be accompanied by a statement prepared by the Department of Fish and Game examining the probable environmental impact of the action.

(e) This chapter does not prevent the traditional barter of fish and game taken by subsistence hunting or fishing, except that the commissioner may prohibit the barter of subsistence-taken fish and game by regulation, emergency or otherwise, if a determination on the record is made that the barter is resulting in a waste of the resource, damage to fish stocks or game populations, or circumvention of fish or game management programs.

(f) A permit may not be required for possessing, importing or exporting mink and fox for fur farming purposes. (S 28 art 1 ch 94 SLA 1959; am § 1 ch 7 SLA 1972; am § 2 ch 104 SLA 1972; am § 4 ch 82 SLA 1974; am §§ 16, 17 ch 206 SLA 1975; am § 1 ch 20 SLA 1976; am § 13 ch 151 SLA 1978; am § 4 ch 23 SLA 1983)

Effect of amendments. — The 1983 amendment added subsection (f).

Editor's notes. — For legislative intent, see § 1, ch. 151, SLA 1978, in the 1978 Temporary and Special Acts and Resolves.

Legislative history reports. — For report on ch. 151, SLA 1978 (HB 960), see 1978 House Journal, p. 1154.

NOTES TO DECISIONS

Quoted in *State v. Semaken*, Ct. App. Op. No. 107 (File No. 6384), 648 P.2d 114 (1982).

Sec. 16.05.940. Definitions. In this chapter

(1) "aquatic plant" means any species of plant, excluding the rushes, sedges and true grasses, growing in a marine aquatic or intertidal habitat;

(2) "barter" means the exchange or trade of fish or game, or their parts, taken for subsistence uses

(A) for other fish or game or their parts; or

(B) for other food or for nonedible items other than money if the exchange is of a limited and noncommercial nature;

(3) "a board" means either the Board of Fisheries or the Board of Game;

(4) "commercial fisherman" means an individual who fishes commercially for, takes, or attempts to take fish, shellfish, or other fishery resources of the state by any means, and includes every individual aboard a boat operated for fishing purposes who participates directly or indirectly in the taking of these raw fishery products, whether participation is on shares or as an employee or otherwise; however, this definition does not apply to anyone aboard a licensed vessel as a visitor

or guest who does not directly or indirectly participate in the taking; and the term "commercial fisherman" includes the crews of tenders or other floating craft used in transporting fish:

(5) "commercial fishing" means the taking, fishing for, or possession of fish, shellfish, or other fishery resources with the intent of disposing of them for profit, or by sale, barter, trade, or in commercial channels; the failure to have a valid subsistence permit in possession, if required by statute or regulation, is considered prima facie evidence of commercial fishing if commercial fishing gear as specified by regulation is involved in the taking, fishing for, or possession of fish, shellfish or other fish resources;

(6) "commissioner" means the commissioner of fish and game unless specifically provided otherwise;

(7) "department" means the Department of Fish and Game unless specifically provided otherwise;

(8) "domestic mammals" include muck oxen, bison and reindeer, if they are lawfully owned;

(9) "fish" means any species of aquatic finfish, invertebrates and amphibians, in any stage of their life cycle, found in or introduced into the state;

(10) "fish derby" means a contest in which prizes are awarded for catching fish;

(11) "fishing derby association" means a civic, service or charitable organization in the state, not for pecuniary profit, whose primary purpose is to promote interest in fishing for recreational purposes and which has been in existence for five years before applying for a permit under this chapter, but does not include an organization formed or operated for gaming or gambling purposes;

(12) "fish or game farming" means the business of propagating, breeding, raising, or producing fish or game in captivity for the purpose of marketing the fish or game or their products, and "captivity" means having the fish or game under positive control, as in a pen, pond, or an area of land or water which is completely enclosed by a generally escape-proof barrier;

(13) "fur dealing" means engaging in the business of buying, selling, or trading in animal skins; the term does not apply to a hunter or trapper selling the animal skins the trapper or hunter has legally taken, or to a person, other than a fur dealer, purchasing animal skins for the person's own use;

(14) "game" means any species of bird and mammal, including a feral domestic animal, found or introduced in the state, except domestic birds and mammals; and game may be classified by regulation as big game, small game, fur bearers or other categories considered essential for carrying out the intention and purposes of this chapter;

(15) "hunting" means the taking of game under this chapter and the regulations adopted under it;

Not valid or All-Alaskan

state; however, stationed in the resident for the dent member of for the precedin. a person who is nent place of at chapter;

(20) "seizure" of real or person. enforcement or fish and game

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AN ACT
Exempting commercial fishermen from workers'
compensation coverage.

* Section 1. AS 23.30.230 is amended by adding a new subsection to read:

(b) A commercial fisherman, as defined in AS 16.05.940, is not covered by this chapter.