



LAWS OF ALASKA

1995

Source
CSHB 140(FSH)

Chapter No.
46

AN ACT

Relating to surety bonds required of certain fish processors.

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

THE ACT FOLLOWS ON PAGE 1

Approved by the Governor: May 26, 1995
Actual Effective Date: August 24, 1995

AN ACT

1 Relating to surety bonds required of certain fish processors.

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3 * Section 1. AS 44.25.040(b) is amended to read:

4 (b) A fish processor that processes more than 30,000 pounds of fish a year
5 and a primary fish buyer shall file a surety bond with the commissioner under
6 this subsection.

7 The amount of the bond shall be \$10,000 unless, during the
8 preceding five years, that amount was insufficient to satisfy a final judgment resulting
9 from a claim asserted against the bond, cash deposits, or other security filed under this
10 section. If \$10,000 was insufficient, the bond shall be \$50,000; if \$50,000 was
11 insufficient, the bond shall be \$100,000. If the commissioner determines that during
12 the preceding five years [,] a fish processor or primary fish buyer (1) has engaged in
13 the business of fish processor or primary fish buyer in the state while not in
14 compliance with this section and (2) has not yet satisfied a final judgment entered
15 against the processor or fish buyer for payment for labor furnished to, or raw fishery
resources purchased by, the processor or fish buyer, then the amount of the bond for

Chapter 46

1 the processor or fish buyer shall be \$100,000. In lieu of the surety bond, the fish
2 processor or primary fish buyer may file with the commissioner a cash deposit, or
3 other negotiable security acceptable to the commissioner in the amount specified for
4 the bond. If no claim is asserted under this section within two years from the date the
5 bond, cash deposit, or other security is filed, the term of the bond, cash deposit, or
6 other security shall be two years; if a claim has been asserted within two years, the
7 term of the bond, cash deposit, or other security shall be for five years.

8 * Sec. 2. AS 44.25.040 is amended by adding a new subsection to read:

9 (h) The amount of bond required of a fish processor that processes 30,000
10 pounds or less of fish a year is \$2,000 unless, during the preceding five years, that
11 amount was insufficient to satisfy a final judgment resulting from a claim asserted
12 against the bond, cash deposits, or other security filed under this section. If \$2,000
13 was insufficient, the bond shall be \$10,000; if \$10,000 was insufficient, the bond shall
14 be \$20,000. If the commissioner determines that during the preceding five years a
15 fish processor (1) has engaged in the business of fish processor in the state while not
16 in compliance with this section and (2) has not yet satisfied a final judgment entered
17 against the processor for payment for labor furnished to, or raw fishery resources
18 purchased by, the processor, then the amount of the bond for the processor shall be
19 \$20,000. If a processor who has filed a bond under this subsection processes more
20 than 30,000 pounds of fish in a year, the processor shall, within seven days from the
21 day on which the 30,000 pound threshold is exceeded, notify the commissioner and
22 comply with (b) of this section. If a processor who has filed a bond under this
23 subsection processes more than 30,000 pounds of fish in a year, and does not comply
24 with (b) of this section within seven days from the day on which the 30,000 pound
25 threshold is exceeded, the processor shall cease processing fish until a bond has been
26 filed under (b) of this section. In lieu of the surety bond, the fish processor may file
27 with the commissioner a cash deposit or other negotiable security acceptable to the
28 commissioner in the amount specified for the bond. If no claim is asserted under this
29 section within two years from the date the bond, cash deposit, or other security is filed,
30 the term of the bond, cash deposit, or other security shall be two years; if a claim has
31 been asserted within two years, the term of the bond, cash deposit, or other security

1 shall be for five years.