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Bullard  
11/19/19

**SENATE CS FOR CS FOR HOUSE BILL NO. 41(FIN)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**THIRTY-FIRST LEGISLATURE - SECOND SESSION**

**BY THE SENATE FINANCE COMMITTEE**

**Offered:**  
**Referred:**

**Sponsor(s): REPRESENTATIVES ORTIZ, Vance, Story**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to management of enhanced stocks of shellfish; authorizing certain  
2 nonprofit organizations to engage in shellfish enhancement projects; relating to  
3 application fees for salmon hatchery permits and shellfish enhancement project permits;  
4 allowing the Alaska Seafood Marketing Institute to market aquatic farm products;  
5 relating to aquatic farming and hatchery site leases; requiring the director of the  
6 division of lands to provide the legislature with an annual report relating to aquatic  
7 farming and hatchery site leases; and providing for an effective date."

SECTIONS  
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8 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

9 \* **Section 1.** AS 16.05.730(c) is amended to read:

10 (c) The board may

11 (1) consider the need of enhancement projects authorized under  
12 AS 16.10.400 and contractors who operate state-owned enhancement projects under  
13 AS 16.10.480 to harvest and sell fish produced by the enhancement project that are not

1                   **(1)** holders of private, nonprofit hatchery permits issued by the  
2 Department of Fish and Game under AS 16.10.400 - 16.10.475 **for salmon; and**  
3                   **(2) nonprofit organizations holding a permit under AS 16.12 for a**  
4 **shellfish enhancement project.**

5 \* **Sec. 6.** AS 16.43.430 is amended to read:

6                   **Sec. 16.43.430. Authorized gear.** For the purposes of harvesting salmon **or**  
7 **shellfish**, a special harvest area entry permit holder may employ any fishing gear  
8 designated as legal gear in the applicable special harvest area by the Board of  
9 Fisheries.

10 \* **Sec. 7.** AS 16.51.090 is amended to read:

11                   **Sec. 16.51.090. Powers of board.** In carrying out the powers of the institute,  
12 the board may

- 13                   (1) adopt, alter, and use a corporate seal;
- 14                   (2) prescribe, adopt, amend, and repeal bylaws;
- 15                   (3) sue and be sued in the name of the institute;
- 16                   (4) enter into any agreements necessary to the exercise of its powers  
17 and functions;
- 18                   (5) cooperate with a public or private board, organization, or agency  
19 engaged in work or activities similar to the work or activities of the institute, including  
20 entering into contracts for joint programs of consumer education, sales promotion,  
21 quality control, advertising, and research in the production, processing, or distribution  
22 of seafood **and aquatic farm products**;
- 23                   (6) conduct, or contract for, scientific research to develop and discover  
24 health, dietetic, or other uses of seafood **and aquatic farm products** harvested and  
25 processed in the state;
- 26                   (7) receive contributions of money from persons;
- 27                   (8) establish offices in the state and otherwise incur expenses  
28 incidental to the performance of its duties;
- 29                   (9) appear on behalf of the institute before boards, commissions,  
30 departments, or other agencies of municipal, state, or federal government;
- 31                   (10) acquire, hold, lease, sell, or otherwise dispose of property, but

1 such property is limited to that which is necessary to the administrative functioning of  
2 the office of the institute;

3 (11) establish and maintain one or more bank accounts for the  
4 transaction of the institute's business;

5 (12) prepare market research and product development plans for the  
6 promotion of any species of seafood and aquatic farm product and their by-products  
7 that may be harvested in the state and processed for sale;

8 (13) establish committees related to the marketing of salmon and  
9 salmon products; the board shall, to the extent practicable, appoint equal numbers of  
10 seafood processors and persons engaged in commercial fishing to the committees.

11 \* **Sec. 8.** AS 16.51.110 is amended to read:

12 **Sec. 16.51.110. Prohibited promotions.** The board may not promote or make  
13 a contract that promotes seafood or aquatic farm products by

14 (1) geographic origin other than from the state generally;

15 (2) geographic region of the state; or

16 (3) specific brand name.

17 \* **Sec. 9.** AS 16.51.180(7) is amended to read:

18 (7) "seafood" means finfish, shellfish, and fish by-products, including  
19 [BUT NOT LIMITED TO] salmon, halibut, herring, flounder, crab, clam, cod, shrimp,  
20 and pollock, but does not include aquatic farm products [AS DEFINED IN  
21 AS 16.40.199].

22 \* **Sec. 10.** AS 16.51.180 is amended by adding a new paragraph to read:

23 (8) "aquatic farm product" has the meaning given in AS 16.40.199.

24 \* **Sec. 11.** AS 17.20.049(b)(1) is amended to read:

25 (1) "farmed fish" means fish that is propagated, farmed, or cultivated  
26 in a facility that grows, farms, or cultivates the fish in captivity or under positive  
27 control but that is not a salmon hatchery that is owned by the state or that holds a  
28 salmon hatchery permit under AS 16.10.400 or a shellfish facility that is permitted  
29 under AS 16.12.010; in this paragraph, "positive control" has the meaning given in  
30 AS 16.40.199;

31 \* **Sec. 12.** AS 37.05.146(c) is amended by adding new paragraphs to read: