

# Sponsor Statement

## HB 130

### Unfair Trade Practices: Anti-Trust

**“An Act relating to the award of damages, costs, and attorney fees in an action against a seafood processor under certain state laws that prohibit unfair trade practices, monopolies, and restraints of trade; stating legislative intent regarding the appropriation and use of money obtained by the state from the operation of this Act; amending Rules 54, 58, and 82, Alaska Rules of Civil Procedure; and providing for an effective date.”**

This bill requires any party that brings a case under Alaska's unfair trade practice statutes ([AS 45.50](#)) to pay 15%, or \$40 million of any damage award, whichever is less, to the State of Alaska. This bill is based upon the legislature's 1997 tort reform statute that requires any person who receives an award of punitive damages to pay 50 percent of the award into the general fund of the state.

This bill bases its 15%, or \$40 million figure on that precedent. The bill includes intent language calling for the legislature to appropriate the amount of funds received under this bill to the Alaska Seafood Marketing Institute for the purposes of marketing wild Alaska salmon. A companion bill, [HB 131](#), continues that intent by making an appropriation of \$40 to ASMI.

Under Alaska's unfair trade practice statutes ([AS 45.50.576](#)), a person allegedly injured by wrongful conduct may bring a civil action, and seek damages. If the court finds that the person was injured and the defendant's conduct was willful, the plaintiff is automatically awarded treble damages plus costs and reasonable attorney fees. The intent of this bill is to have the state receive 15% of the judgment before costs and attorney's fees from any judgment.

A zero fiscal note and sectional analysis of this bill is attached.