



# LAWS OF ALASKA

1973

Source

Chapter No.

SCS CSHB 126 am S

79

## AN ACT

Relating to the regulation of entry into Alaska commercial fisheries; and providing for an effective date.

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

\* Section 1. AS 16 is amended by adding a new chapter to read:

#### CHAPTER 43. REGULATION OF ENTRY INTO ALASKA COMMERCIAL FISHERIES.

#### ARTICLE 1. CREATION OF THE ALASKA COMMERCIAL FISHERIES ENTRY COMMISSION.

Sec. 16.43.010. PURPOSE AND FINDINGS OF FACT. (a) It is the purpose of this chapter to promote the conservation and the sustained yield management of Alaska's fishery resource and the economic health and stability of commercial fishing in Alaska by regulating and controlling entry into the commercial fisheries in the public interest and without unjust discrimination.

(b) The legislature finds that commercial fishing for fishery resources has reached levels of participation, on both a statewide and an area basis, that have impaired or threaten to impair the economic welfare of the fisheries of the state, the overall efficiency of the harvest, and the sustained yield management of the fishery resource.

Sec. 16.43.020. ALASKA COMMERCIAL FISHERIES ENTRY COMMISSION. (a) There is established the Alaska Commercial Fisheries Entry Commission as a regulatory and quasi-judicial agency of the state. The commission consists of three members appointed by the governor and confirmed by the legislature in joint session.

(b) The governor shall designate one member of the commission as chairman of the commission. The member designated shall serve as chairman for a term of two years, and may be designated chairman for successive two-year terms.

Sec. 16.43.030. TERM OF OFFICE; VACANCY. (a) The members of the commission shall be appointed for terms of four years. Initial appointments shall be as follows: one member for two years, one member for three years, and one member for four years. The governor may remove a commissioner from office for cause including but not limited to incompetence, neglect of duty or misconduct in office. A commissioner, to be removed for cause, shall be given a copy of the charges against him and afforded an opportunity to be publicly heard in person or by counsel in his own defense upon not less than 10 days notice. If a commissioner is removed for cause, the governor shall file with the lieutenant governor a complete statement of all charges made against the commissioner and his findings based on the charges, together with a complete record of the proceedings.

(b) A vacancy on the commission shall be filled by appointment by the governor and the appointment shall be confirmed by the legislature in joint session. A member selected to fill a vacancy shall hold office for the balance of the full term for which his predecessor on the commission was appointed.

(c) A vacancy on the commission does not impair the authority of a quorum of commissioners to exercise all the powers and perform all the duties of the commission.

Sec. 16.43.040. QUORUM. Two members of the commission constitute a quorum for the transaction of business, for the performance of a duty or for the exercise of a power of the commission.

Sec. 16.43.050. QUALIFICATIONS. The commission shall consist of three members with a broad range of professional experience, none of whom has a vested economic interest in an interim-use permit, entry permit, commercial fishing vessel or gear, or in any fishery resource processing or marketing business.

Sec. 16.43.060. COMPENSATION. Members of the commission are in the exempt service and shall receive an initial annual salary at range 28, step B of the state pay plan, subject to merit raises as approved by the governor.

Sec. 16.43.070. LEGAL COUNSEL. The attorney general is the legal counsel for the commission. He shall advise the commission in legal matters arising in the discharge of its duties and represent the commission in suits to which it is a party. However, the commission may retain additional legal counsel as appropriate.

Sec. 16.43.080. EMPLOYMENT OF PERSONNEL. (a) The commission may employ those persons necessary to carry out the purposes of this chapter. Employees of the commission are in the exempt service under AS 39.25.110.

(b) In addition to its staff of regular employees, the commission may contract for and engage the services of consultants, experts and hearing officers as necessary.

ARTICLE 2. POWERS AND DUTIES OF THE COMMISSION.

Sec. 16.43.100. GENERAL POWERS. (a) To accomplish the purposes set out in sec. 10 of this chapter the commission shall:

(1) regulate entry into the commercial fisheries for all fishery resources in the state;

(2) establish priorities for the application of the provisions of this chapter to the various commercial fisheries of the state;

(3) establish administrative areas suitable for regulating and controlling entry into the commercial fisheries;

(4) establish, for all types of gear, the maximum number of entry permits for each administrative area;

(5) designate, when necessary to accomplish the purposes of this chapter, particular species for which separate interim-use permits or entry permits will be issued;

(6) establish qualifications for the issuance of entry permits;

(7) issue entry permits to qualified applicants;

(8) issue interim-use permits as provided in secs. 210 - 220 of this chapter;

(9) establish, for all types of gear, the optimum number of entry permits for each administrative area;

(10) administer the buy-back program provided for in secs. 310 - 320 of this chapter to reduce the number of outstanding entry permits to the optimum number of entry permits;

(11) provide for the transfer and reissuance of entry permits to qualified transferees;

(12) provide for the transfer and reissuance of entry permits for alternative types of legal gear, in a manner consistent with the purposes of this chapter;

(13) administer the collection of the annual fees provided for in sec. 160 of this chapter.

(b) The commission may do all things necessary to the exercise of its powers under this chapter, whether or not specifically designated in this chapter.

Sec. 16.43.110. REGULATIONS AND HEARING PROCEDURES.

(a) The commission may adopt regulations, consistent with law, necessary or proper in the exercise of its powers or

for the performance of its duties under this chapter.

(b) The commission shall adopt regulations, consistent with due process of law, which govern practice and procedure and the conduct of all investigations, hearings and proceedings which it holds.

(c) Common law rules of evidence apply to investigations, hearings and proceedings before the commission, except when the commission determines that their application is not required in order to assure fair treatment of all parties and that the evidence is relevant and of the sort on which responsible persons are accustomed to rely in the conduct of serious matters.

(d) The commission, each commissioner or an employee authorized by the commission may administer oaths, certify to all official acts, and issue subpoenas and other process to compel the attendance of witnesses and the production of testimony, records, papers, accounts and documents in an inquiry, investigation, hearing, or proceeding before the commission in any part of the state. The commission may petition a court to enforce its subpoenas or other process.

Sec. 16.43.120. APPLICATION OF ADMINISTRATIVE PROCEDURE ACT. (a) The administrative adjudication procedures of the Administrative Procedure Act (AS 44.62) do not apply to adjudicatory proceedings of the commission except that final administrative determinations by the commission are subject to judicial review as provided in AS 44.62.560 - 44.62.570.

(b) AS 44.62.010 - 44.62.320 and 44.62.640 apply to regulations adopted by the commission.

### ARTICLE 3. REQUIREMENTS FOR ENTRY PERMITS.

Sec. 16.43.140. PERMIT REQUIRED. (a) After January 1, 1974, no person may operate gear in the commercial taking of fishery resources without a valid entry permit or a valid interim-use permit issued by the commission.

(b) A permit is not required of a crewman or other person assisting in the operation of a unit of gear engaged in the commercial taking of fishery resources as long as the holder of the entry permit or the interim-use permit for that particular unit of gear is at all times present and actively engaged in the operation of the gear.

(c) A person may hold more than one interim-use or entry permit issued or transferred under this chapter only for the following purposes:

- (1) fishing more than one type of gear;
- (2) fishing in more than one administrative area;
- (3) harvesting particular species for which separate interim-use or entry permits are issued.

Sec. 16.43.150. TERMS AND CONDITIONS OF ENTRY PERMIT; ANNUAL RENEWAL. (a) Each entry permit authorizes the

permittee to operate a unit of gear within a specified administrative area.

(b) The holder of an entry permit shall have the permit in his possession at all times when engaged in the operation of gear for which it was issued.

(c) Each entry permit is issued for a term of one year and is renewable annually.

(d) Failure to renew an entry permit for a period of two years from the date of last renewal shall result in a forfeiture of the entry permit to the commission, except as waived by the commission for good cause.

(e) An entry permit constitutes a use privilege which may be modified or revoked by the legislature without compensation.

(f) An entry permit shall survive the death of the holder.

(g) An entry permit may not be:

(1) pledged, mortgaged, or encumbered in any way;

(2) transferred with any retained right of re-possession or foreclosure; or

(3) attached, distrained, or sold on execution of judgment or under any other process or order of any court.

Sec. 16.43.160. FEES. (a) The commission shall establish annual fees for the issuance and annual renewal of entry permits or interim-use permits to reflect the cost of administering this chapter. Fees collected under this section shall be paid into the general fund.

(b) Annual fees established under this section shall be no less than \$10 and no more than \$100 and shall reasonably reflect the different rates of economic return for different fisheries.

(c) The holder of an entry permit or interim-use permit who has a net family income falling within the Federal Social Security Administration poverty guidelines, adjusted by the commission to reflect appropriate cost-of-living differentials, shall be subject to a maximum annual fee of \$5.

Sec. 16.43.170. TRANSFER OF ENTRY PERMITS. (a) An entry permit is transferable only through the commission as provided in this section and sec. 180 of this chapter and under regulations adopted by the commission.

(b) Except as provided in (c) and (d) of this section, the holder of an entry permit may transfer his permit to another person or to the commission upon six months notice of intent to transfer under regulations adopted by the commission. No sooner than six months nor later than eighteen months from the date of notice to the commission,

the holder of an entry permit may transfer his permit. If the proposed transferee, other than the commission, can establish present ability to participate actively in the fishery, the commission shall approve the transfer and reissue the entry permit to the transferee.

(c) If the number of outstanding entry permits for a fishery is greater than the optimum number of entry permits established under secs. 290 - 300 of this chapter, the holder of an entry permit who qualified for that entry permit in a priority classification designated under sec. 250(c) of this chapter may transfer his permit only to the commission. The transfer to the commission shall be made under the buy-back provisions of secs. 310 - 320 of this chapter.

(d) An applicant who is eligible for an entry permit under sec. 260 of this chapter may elect to receive a permit subject to a five-year prohibition on any transfer under this section. Entry permits subject to the five-year prohibition on transfer may be transferred under the emergency transfer provision under sec. 180 of this chapter.

Sec. 16.43.180. EMERGENCY TRANSFERS. (a) The commission shall adopt regulations providing for the temporary transfer of an entry permit when sickness, injury, or other unavoidable hardship prevents the permittee from participating in the fishery.

(b) The commission shall adopt regulations providing for the temporary transfer of an entry permit upon the death of the permittee pending final disposition of the permit as a part of the permittee's estate.

#### ARTICLE 4. INITIAL ISSUANCE OF ENTRY PERMITS.

Sec. 16.43.200. ADMINISTRATIVE AREAS. (a) The commission shall establish administrative areas suitable for regulating and controlling entry into the commercial fisheries. The commission shall make the administrative areas reasonably compatible with the geographic areas for which specific commercial fishing regulations are adopted by the Board of Fish and Game.

(b) The commission may modify or change the boundaries of administrative areas when necessary and consistent with the purposes of this chapter.

Sec. 16.43.210. INTERIM-USE PERMIT; QUALIFICATIONS. (a) Pending the establishment of the maximum number of entry permits under sec. 240 of this chapter and the issuance of entry permits under sec. 270 of this chapter, the commission shall issue interim-use permits under regulations promulgated by the commission for each fishery, to all applicants who can establish their present ability to participate actively in the fishery for which they are making application, except as provided under (e) of this section.

(b) Before the issuance of the maximum number of entry permits for a given fishery, the commission may issue an interim-use permit to an applicant who may later become

eligible for an entry permit under sec. 270 of this chapter.

(c) To the extent that the commissioner of fish and game authorizes it under AS 16.05.050(11), the commission may grant an interim-use permit to a person to engage in the commercial taking from a fishery on an experimental basis.

(d) The sustained yield management and economic health of the following fisheries is severely impaired as a result, among other factors, of too many units of gear participating in the commercial harvest:

- (1) Bristol Bay registration area - drift gillnet fishery;
- (2) Cook Inlet registration area - drift gillnet fishery;
- (3) Prince William Sound registration area - drift gillnet fishery.

(e) For a fishery specified under (d) of this section, an interim-use permit may be issued for 1974 only to an applicant who has harvested the fishery resource commercially while holding a gear license issued under AS 16.05-.536 - 16.05.670, before January 1, 1973.

Sec. 16.43.220. TERMS AND CONDITIONS OF INTERIM-USE PERMITS. (a) The commission shall adopt regulations specifying the dates and places of application, the procedures to be followed in renewal of the interim-use permit including the time, place of its renewal, and for any other purpose incident to the administration of interim-use permits for that fishery. An interim-use permit shall expire upon the final determination of the holder's eligibility for an entry permit.

(b) The commission shall adopt regulations for the temporary transfer of interim-use permits to alleviate hardship caused by illness, disability, or death of an interim-use permit holder so that another person may operate the gear for the remainder of the season, or in the case of illness or disability, for the duration of the illness or disability if that is shorter than the remainder of the season. Interim-use permits are otherwise nontransferable.

(c) The holder of an interim-use permit must have the permit in his possession at all times when engaged in the operation of the gear for which it was issued.

Sec. 16.43.230. DESIGNATION OF DISTRESSED FISHERIES. Pending the determination of maximum numbers of entry permits under sec. 240 of this chapter and before the initial issue of entry permits under sec. 270 of this chapter, the commission shall designate as distressed fisheries those for which it estimates that the optimum number of entry permits will be less than the highest number of units of gear fished in that fishery during any one of the four years immediately preceding January 1, 1973.

Sec. 16.43.240. DETERMINATION OF THE MAXIMUM NUMBER OF ENTRY PERMITS FOR INITIAL ISSUE. (a) Except as provided in sec. 270(a) of this chapter, the maximum number of entry permits for a distressed fishery designated under sec. 230 of this chapter shall be the highest number of units of gear fished in that fishery during any one of the four years immediately preceding January 1, 1973.

(b) When the commission finds that a fishery not designated as a distressed fishery under sec. 230 of this chapter has reached levels of participation which require the limitation of entry in order to achieve the purposes of this chapter, the commission shall establish the maximum number of entry permits for that fishery.

Sec. 16.43.250. STANDARDS FOR INITIAL ISSUE OF ENTRY PERMITS. (a) Following the establishment of the maximum number of units of gear for a particular fishery under sec. 240 of this chapter, the commission shall adopt regulations establishing qualifications for ranking applicants for entry permits according to the degree of hardship which they would suffer by exclusion from the fishery. The regulations shall define priority classifications of similarly situated applicants based upon a reasonable balance of the following hardship standards:

(1) degree of economic dependence upon the fishery, including but not limited to percentage of income derived from the fishery, reliance on alternative occupations, availability of alternative occupations, investment in vessels and gear;

(2) extent of past participation in the fishery, including but not limited to the number of years participation in the fishery, and the consistency of participation during each year.

(b) The commission shall designate in the regulations those priority classifications of applicants who would suffer significant economic hardship by exclusion from the fishery.

(c) The commission shall designate in the regulations those priority classifications of applicants who would suffer only minor economic hardship by exclusion from the fishery.

Sec. 16.43.260. APPLICATION FOR INITIAL ISSUE OF ENTRY PERMITS. (a) The commission shall accept applications for entry permits only from applicants who have harvested fishery resources commercially while participating in the fishery as holders of gear licenses issued under AS 16.05.536 - 16.05.670, before January 1, 1973.

(b) The commission shall establish the opening and closing dates, places and form of application for entry permits for each fishery. The commission may require the submission of specific verified evidence establishing the applicant's qualifications under the regulations adopted under sec. 250 of this chapter.

(c) When an applicant is unable to establish his

qualifications for an entry permit by submitting the specific verified evidence required in the application by the commission, he may request and obtain an administrative adjudication of his application according to the procedures established in sec. 110(b) of this chapter. At the hearing he may present alternative evidence of his qualifications for an entry permit.

(d) Except as provided in (e) of this section, an applicant shall be assigned to a priority classification based solely upon his qualifications as of January 1, 1973.

(e) When the commission establishes the maximum number of entry permits for a particular fishery under sec. 240 of this chapter after January 1, 1975, an applicant shall be assigned to a priority classification based solely upon his qualifications as of January 1 of the year during which the commission establishes the maximum number of entry permits for the fishery for which application is made.

#### Sec. 16.43.270. INITIAL ISSUANCE OF ENTRY PERMITS.

(a) The commission shall issue entry permits, for each fishery, first to all qualified applicants in the priority classifications designated under sec. 250(b) of this chapter and then to qualified applicants in order of descending priority classification, until the number of entry permits issued equals the maximum number of entry permits established under secs. 230 - 240 of this chapter for each fishery, except that no person within a priority classification specified under sec. 250(b) of this chapter may be denied an entry permit.

(b) If, within the lowest priority classification of qualified applicants to which some entry permits may be issued, there are more applicants than there are entry permits to be issued, then the allocation of entry permits within that priority classification shall be by lottery.

(c) If, at the time entry permits are issued, some applicants are still appealing the findings of an administrative adjudication under sec. 260 of this chapter, a sufficient number of permits shall be reserved out of the permits to be issued to protect the rights of those applicants, assuming all the appeals will be resolved in favor of the applicants. In the event that all appeals are not resolved in favor of the applicants, the remaining entry permits shall be allocated to the next most qualified applicants as provided in (a) and (b) of this section.

#### ARTICLE 5. REDUCTION TO OPTIMUM NUMBER OF ENTRY PERMITS.

##### Sec. 16.43.290. OPTIMUM NUMBER OF ENTRY PERMITS.

Following the issuance of entry permits under sec. 270 of this chapter, the commission shall establish the optimum number of entry permits for each fishery based upon a reasonable balance of the following general standards:

(1) the number of entry permits sufficient to maintain an economically healthy fishery that will result in a reasonable average rate of economic return to the fishermen participating in that fishery, considering time

fished and necessary investments in vessels and gear;

(2) the number of entry permits necessary to harvest the allowable commercial take of the fishery resource during all years in an orderly, efficient manner, and consistent with sound fishery management techniques;

(3) the number of entry permits sufficient to avoid serious economic hardship to those currently engaged in the fishery, considering other economic opportunities reasonably available to them.

Sec. 16.43.300. REVISIONS OF OPTIMUM NUMBER OF ENTRY PERMITS. (a) The commission may increase or decrease the optimum number of entry permits for a fishery when one or more of the following conditions makes a change desirable considering the purposes of this chapter:

(1) an established long-term change in the biological condition of the fishery has occurred which substantially alters the optimum number of entry permits permissible applying the standards set out in sec. 290 of this chapter;

(2) an established long-term change in market conditions has occurred, directly affecting the fishery, which substantially alters the optimum number of entry permits permissible under the standards set out in sec. 290 of this chapter.

(b) If the commission decreases the optimum number of entry permits for a fishery, the number of entry permits may be reduced only under the voluntary buy-back provisions set out in secs. 310 - 320 of this chapter.

Sec. 16.43.310. ESTABLISHMENT OF BUY-BACK FUNDS.

(a) When the optimum number of entry permits is less than the number of entry permits outstanding in a fishery, the commission shall establish and administer a buy-back fund for that fishery for the purpose of reducing the number of entry permits to the optimum number within no more than 10 years, at a rate to be established by the commission.

(b) For each buy-back fund, the commission shall adopt regulations establishing annual assessments on holders of entry permits of not more than seven per cent of the gross value of the total annual catch attributable to a holder's entry permit, except that the holder of a permit who has made no commercial landings in a given year will be assessed the average assessed all other holders of the same type of permit in that year. Assessments will be paid into the specific buy-back fund for which they are collected.

(c) Assessments need not equal annual buy-back fund expenditures within a particular fishery but shall be continued until the buy-back fund for that fishery has been reimbursed.

Sec. 16.43.320. ADMINISTRATION OF THE BUY-BACK PROGRAM. (a) The commission shall adopt regulations providing for the purchase of entry permits, vessels, and

gear at fair market value with money accumulated in the buy-back fund for each fishery. The buy-back program for a fishery shall terminate when the number of entry permits is reduced to the optimum and the buy-back fund has been reimbursed.

(b) When entry permits subject to the restrictions in sec. 250(c) of this chapter and the vessels and gear related to those permits are offered for sale to the commission, the commission shall purchase the permits and related vessels and gear at fair market value, provided that sufficient funds are available in the appropriate buy-back fund.

Sec. 16.43.330. ISSUANCE OF NEW ENTRY PERMITS. (a) When the number of outstanding entry permits for a fishery is less than the optimum number established under sec. 290 of this chapter, the commission shall issue new entry permits to applicants who are presently able to engage actively in the fishery until the optimum number is reached.

(b) The commission shall determine equitable methods of issuance, as appropriate, under (a) of this section that assure the receipt of fair market value for the permits issued.

#### ARTICLE 6. GENERAL PROVISIONS.

Sec. 16.43.350. APPLICATIONS OF REGULATIONS OF BOARD OF FISH AND GAME. Nothing in this chapter limits the powers of the Board of Fish and Game, including the power to determine legal types of gear and the power to establish size limitations or other uniform restrictions applying to a certain type of gear. Holders of interim-use permits or entry permits issued under this chapter are subject to all regulations adopted by the Board of Fish and Game.

Sec. 16.43.360. PENALTIES. (a) A person who violates a provision of this chapter or a regulation promulgated under this chapter, upon conviction, is guilty of a misdemeanor and is punishable by a fine of not more than \$5,000 for a first conviction; a fine of not more than \$10,000 for a second conviction; and, for a third conviction, a fine of not more than \$10,000 as well as forfeiture of all interim-use permits and entry permits held by him and permanent loss of eligibility for interim-use permits or for entry permits.

(b) A person who makes a false statement of a material fact in the application for an interim-use permit or an entry permit or in the application for a transfer under secs. 170 - 180 of this chapter, or a person who assists another by making a false statement of a material fact in support of the other person's application for issuance of an interim-use permit or an entry permit or transfer of an entry permit, upon conviction, 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 five years.

(c) 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.

Sec. 16.43.370. RECOMMENDATIONS TO THE LEGISLATURE.

(a) The commission shall submit an annual report to the legislature. The report shall include but not be limited to the following:

(1) a progress report on the reduction of entry permits to optimum levels;

(2) recommendations for additional legislation relating to the regulation of entry into Alaska commercial fisheries.

(b) The commission shall study alternative methods of permit transferability and report its findings and recommendations to the legislature before January 15, 1975.

Sec. 16.43.380. DEFINITIONS. In this chapter

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

(2) "economically healthy fishery" means a fishery that yields a sufficient rate of economic return to the fishermen participating in it to provide for, among other things, the following:

(A) maintenance of vessels and gear in satisfactory and safe operating condition; and

(B) ability and opportunity to improve vessels, gear and fishing techniques, including, when permissible, experimentation with new vessels, new gear, and new techniques;

(3) "fishery" means the commercial taking of a specific fishery resource in a specific administrative area with a specific type of gear;

(4) "gear" means the specific apparatus used in the commercial harvest of a species, including but not limited to purse seines, drift gill nets, set gill nets, and troll gear;

(5) "person" means a natural person and does not include a corporation, company, partnership, firm, association, organization, business trust, or society;

(6) "present ability to actively participate" means the person applying for a permit is physically able to harvest fish in the fishery and has reasonable access to commercial fishing gear of the type utilized in that fishery;

(7) "priority classification" means the allocation of potential permit applicants into reasonable groupings of similarly situated applicants and the priority ranking of those groupings according to the extent to which

they satisfy the standards of preference;

(8) "type of gear" means a customary and identifiable classification of gear and shall include:

(A) those classifications for which separate regulations are adopted by the Board of Fish and Game and for which separate gear licenses are required by AS 16.05.550 - 16.05.630; and

(B) distinct subclassifications of gear such as "power" troll gear and "hand" troll gear;

(9) "unit of gear" means the maximum amount of a specific type of gear which can be fished under a single gear license subject to regulations established by the Board of Fish and Game defining the legal requirements for that type of gear.

\* Sec. 2. AS 16.05.050 is amended by adding a new paragraph to read:

(11) authorize the holder of an interim-use permit under ch. 43 of this title to engage on an experimental basis in commercial taking of a fishery resource with vessel, gear, and techniques not presently qualifying for licensing under this chapter in conformity with standards established by the Alaska Commercial Fisheries Entry Commission.

\* Sec. 3. AS 16.05.250(14) is amended to read:

(14) establishment of the times and dates during which the issuance of fish and game licenses, permits and registrations and the transfer of permits and registrations between registration areas, game management units or sub-units, is allowed; however, this paragraph does not apply to permits issued or transferred under ch. 43 of this title.

\* Sec. 4. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.