

CS FOR HOUSE BILL NO. 206(RES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE HOUSE RESOURCES COMMITTEE

Offered: 4/11/01

Referred: Rules

Sponsor(s): HOUSE RESOURCES COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to a vessel-based commercial fisheries limited entry system for the**
2 **Bering Sea Korean hair crab fishery and for weathervane scallop fisheries, to**
3 **management of offshore fisheries, and to the definition of 'person' for purposes of the**
4 **commercial fisheries entry program; and providing for an effective date."**

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

6 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
7 to read:

8 FINDINGS. The legislature finds that

9 (1) the conventional commercial fisheries limited entry system, which limits
10 the entry of natural persons into a fishery, may not adequately protect the economic health
11 and stability of certain fisheries in this state;

12 (2) a system that limits the number of vessels that may engage in a fishery
13 may be necessary to regulate certain fisheries in order to promote the conservation and
14 sustained yield management of Alaska's fishery resource and the economic health and

1 stability of commercial fishing in this state;

2 (3) the existing moratorium on entry of new vessels into the Bering Sea
3 Korean hair crab fishery (AS 16.43.901) expires on June 30, 2003, and the existing vessel
4 moratorium for the weathervane scallop fisheries in state waters (AS 16.43.906) expires on
5 June 30, 2004;

6 (4) a vessel-based limited entry system may be necessary to facilitate state
7 management of fisheries that overlap with federally managed fisheries in the United States
8 exclusive economic zone; and

9 (5) a vessel-based limited entry system may be necessary to achieve
10 compatible state and federal management and enforcement of fisheries.

11 * **Sec. 2.** AS 16.43 is amended by adding new sections to read:

12 **Article 6A. Vessel Permit System for Bering Sea Korean Hair Crab Fishery**
13 **and Weathervane Scallop Fisheries.**

14 **Sec. 16.43.450. Vessel permit system.** (a) The commission may establish a
15 vessel permit system under AS 16.43.450 - 16.43.520 for the Bering Sea Korean hair
16 crab fishery or a weathervane scallop fishery if the commission determines that

17 (1) the regulation of entry into the fishery is necessary to achieve the
18 purposes of this chapter;

19 (2) a vessel permit system would achieve the purposes of this chapter;
20 and

21 (3) either

22 (A) limiting the number of participants in the fishery under
23 AS 16.43.140 - 16.43.330 would not achieve the purposes of this chapter; or

24 (B) regulating the number of vessels in the fishery would
25 enable the state to gain or retain management of the fishery.

26 (b) If the federal government has delegated management authority in the
27 United States exclusive economic zone to the state for the Bering Sea Korean hair crab
28 fishery or a weathervane scallop fishery, the commission may, to the extent consistent
29 with this chapter, adopt regulations to ensure that the vessel permit system is
30 consistent with applicable federal laws.

31 (c) If the commission establishes a vessel permit system for a fishery that

1 involves more than one fishery resource, type of gear, or administrative area, the
 2 commission may limit, as the commission determines appropriate, the fishery
 3 resources that may be harvested under the vessel permit, the types of gear that may be
 4 used under the vessel permit, or the areas where fishing may occur under the vessel
 5 permit. The commission shall adopt criteria, as appropriate, for determining

6 (1) how restrictions on fishery resources, types of gear, and areas
 7 fished are established for individual vessel interim-use permits and vessel entry
 8 permits; and

9 (2) how eligibility to take a particular fishery resource, to use a
 10 particular type of gear, or to fish in a particular area is established.

11 (d) The commission may, after consultation with the Department of Fish and
 12 Game, regulate the fishing capacity or effort authorized under a vessel interim-use
 13 permit or a vessel entry permit if the commission finds that limitations on fishing
 14 capacity or effort are necessary to achieve the purposes of this chapter. The
 15 commission shall adopt criteria, as appropriate, for measuring the fishing capacity or
 16 effort of a vessel and for determining how restrictions on vessel fishing capacity or
 17 effort are established for individual vessel interim-use permits and vessel entry
 18 permits. The criteria may be based on past participation.

19 (e) The commission shall adopt regulations limiting the number of vessel
 20 permits that may be held by a permit holder or group of related permit holders if the
 21 commission finds that limiting the number of vessel permits that may be held by a
 22 permit holder or group of related permit holders is necessary to prevent the excessive
 23 concentration of ownership of vessel permits in the fishery.

24 **Sec. 16.43.460. Initial issuance of vessel permits.** (a) For each fishery in
 25 which the commission establishes a vessel permit system under AS 16.43.450, the
 26 commission shall establish qualifications for vessel interim-use permits and vessel
 27 entry permits. The qualifications may include a qualification date, eligibility period,
 28 recent participation requirements, minimum requirements for the nature and degree of
 29 ownership interest that a permit holder must have in a vessel in order to receive a
 30 vessel permit for the vessel, and criteria for receiving transferable and nontransferable
 31 vessel entry permits. In adopting qualifications for transferable and nontransferable

1 vessel entry permits, the commission shall consider

2 (1) information provided by the Department of Fish and Game,
3 participants in the fishery, owners of vessels and gear used in the fishery, and other
4 interested parties;

5 (2) the level of past participation and harvest in the fishery, the nature
6 of the fishery, and the need to ensure the manageability of the fishery and conservation
7 of the fishery resource.

8 (b) If the commission establishes a vessel permit system under AS 16.43.450
9 for a fishery that is subject to a moratorium on entry of new vessels under
10 AS 16.43.901 or 16.43.906, the commission may incorporate some or all of the vessel
11 eligibility criteria established for the moratorium into the eligibility criteria for vessel
12 permits issued under the vessel permit system.

13 (c) Pending the issuance of vessel entry permits for a fishery for which the
14 commission has established a vessel permit system under AS 16.43.450, the
15 commission shall issue a vessel interim-use permit to the owner of each vessel that the
16 commission finds is potentially eligible to receive a vessel entry permit. A vessel
17 interim-use permit is renewable from year to year; however, a vessel interim-use
18 permit expires at the end of the period for which the permit was issued and may not be
19 renewed after a final determination by the commission that the vessel is or is not
20 eligible for a vessel entry permit.

21 (d) The commission shall issue vessel entry permits for a fishery, subject to
22 conditions established by the commission under AS 16.43.450 - 16.43.520, to the
23 owner of each vessel that the commission finds is eligible to receive a vessel entry
24 permit for that fishery.

25 (e) The commission shall adopt regulations regarding

26 (1) the determination of which person or entity is eligible to receive a
27 vessel interim-use permit or a vessel entry permit for a vessel in the event of
28 competing claims to ownership of the vessel;

29 (2) the substitution of another vessel by the applicant for a vessel
30 interim-use permit or a vessel entry permit if the vessel used to establish eligibility for
31 a vessel entry permit is lost before the initial issuance of a vessel entry permit for the

1 vessel.

2 **Sec. 16.43.470. Optimum number range of vessel permits.** (a) If, after the
3 initial issuance of vessel entry permits for a fishery, the commission determines that a
4 long-term biological or economic change has occurred in the fishery, the commission,
5 in consultation with the Department of Fish and Game, shall establish the optimum
6 number range of vessel entry permits for the fishery.

7 (b) In determining the optimum number range of vessel entry permits, the
8 commission shall seek to

9 (1) facilitate sound management of the fishery;

10 (2) promote

11 (A) the economic health and stability of the fishery;

12 (B) broad access to the fishery;

13 (C) conservation of the fish resources taken in the fishery;

14 (D) quality seafood products; and

15 (3) discourage waste of harvested fish.

16 (c) The commission may increase or decrease the optimum number range of
17 vessel entry permits for a fishery if the commission finds that an established long-term
18 change in the biological or economic condition of the fishery has occurred and that the
19 number of vessel entry permits that are necessary to achieve the goals set out in (b) of
20 this section has substantially changed.

21 (d) If the optimum number range of vessel entry permits is less than the
22 number of outstanding vessel permits for the fishery, the commission may adopt
23 regulations to allow the voluntary consolidation of vessel entry permits by permit
24 holders, including entities. The commission may investigate procedures to
25 permanently reduce the number of vessel permits issued for a fishery to within the
26 optimum number range.

27 (e) If the optimum number range of vessel entry permits is greater than the
28 number of permits authorized for the fishery, the commission shall issue additional
29 vessel entry permits until the number of vessel entry permits is consistent with the
30 optimum number range for the fishery. The commission shall obtain fair market value
31 for new vessel entry permits issued under this subsection. The commission shall

1 determine whether the additional vessel entry permits issued under this subsection are
2 transferable or nontransferable.

3 **Sec. 16.43.480. Transfer and expiration of vessel entry permits.** (a) The
4 commission may adopt regulations authorizing the transfer of a transferable vessel
5 entry permit to an eligible transferee. The transferee of a vessel entry permit must
6 have a legal ownership interest in the vessel identified on the vessel entry permit. The
7 commission may establish by regulation the minimum requirements for the nature and
8 degree of ownership interest that the transferee must have in the vessel.

9 (b) Except as provided under (c) of this section, a person or entity that
10 received a transferable vessel entry permit upon the initial issuance of vessel entry
11 permits for a fishery may not transfer the permit to another entity. For purposes of this
12 subsection, a transfer to an entity includes a change in the entity to which the permit
13 was issued. Except for a publicly held corporation, the addition of a new shareholder
14 or partner to the entity, other than a trustee appointed by a court to act on behalf of a
15 shareholder or partner who becomes incapacitated, constitutes a change in the entity.
16 A transfer of a vessel entry permit in violation of this subsection suspends the permit
17 by operation of law until the permit is transferred to a person or back to the original
18 entity and the transfer is approved by the commission.

19 (c) Notwithstanding (b) of this section, the commission may authorize a
20 transferable vessel entry permit for a fishery to be transferred by a person or entity to
21 an entity if

22 (1) the entity to which the permit is to be transferred received a vessel
23 entry permit for the fishery at the time of initial issuance of vessel entry permits for
24 the fishery;

25 (2) the vessel entry permit is to be issued for a vessel for which the
26 entity receiving the permit already holds a vessel entry permit for the fishery; and

27 (3) the transfer of the vessel entry permit is consistent with
28 AS 16.43.520(b).

29 (d) The commission may adopt regulations authorizing the simultaneous
30 transfer of a transferable vessel entry permit to an eligible transferee and the
31 substitution of another vessel for the vessel identified on the permit under

1 AS 16.43.490.

2 (e) The commission may prohibit the involuntary transfer of a vessel entry
3 permit.

4 (f) The commission shall adopt regulations relating to the expiration of
5 nontransferable vessel entry permits.

6 **Sec. 16.43.490. Substitution of vessels.** (a) The commission may adopt
7 regulations providing for the permanent or temporary substitution, after the initial
8 issuance of vessel entry permits, of another vessel for the vessel that is identified on a
9 vessel entry permit. A permit holder must have a legal ownership interest in the vessel
10 that is permanently substituted for the vessel identified on the permit. Upon the
11 approval of a permanent substitution of a vessel, the commission shall issue a new
12 vessel entry permit for the substituted vessel. The commission may require that the
13 permit holder have an ownership interest in a temporarily substituted vessel. The
14 commission may specify by regulation the nature and degree of ownership interest that
15 a permit holder must have in a substituted vessel.

16 (b) A substituted vessel and the operation of the substituted vessel are subject
17 to all terms and conditions attached to the vessel entry permit at the time that the
18 vessel permit is transferred from the original vessel to the substituted vessel.

19 **Sec. 16.43.500. Renewal of vessel permits.** (a) A vessel interim-use permit
20 or vessel entry permit is issued for one year and must be renewed annually.

21 (b) A vessel interim-use permit or vessel entry permit may not be renewed
22 until the fees for each preceding year during which the permit has not been renewed
23 are paid.

24 (c) A vessel entry permit issued to an entity may not be renewed if the permit
25 is suspended by operation of law under AS 16.43.480(b).

26 (d) Failure to renew a vessel entry permit for two consecutive years from the
27 year of last renewal results in a forfeiture of the permit unless the forfeiture is waived
28 by the commission for good cause. If an administrative closure of a fishery occurs for
29 an entire season, the commission may not count the season toward the two-year
30 period.

31 **Sec. 16.43.510. Vessel permit fees.** (a) The commission shall establish fees

1 for the issuance and annual renewal of vessel interim-use permits and vessel entry
2 permits. Annual fees established under this subsection may not exceed \$2,500 and
3 shall reasonably reflect the rate of economic return for the fishery.

4 (b) The commission shall waive the payment of the annual fees for a vessel
5 interim-use permit or a vessel entry permit for a fishery in which there was an
6 administrative closure for the entire season.

7 (c) Subject to AS 37.10.050(a), the commission may establish fees for
8 processing applications for vessel interim-use permits and vessel entry permits, for
9 transfer of vessel entry permits, and for permanent and temporary substitution of
10 vessels.

11 (d) The commission may charge interest at a rate not to exceed the legal rate
12 of interest established in AS 45.45.010(a) on fees established under the section that are
13 more than 60 days overdue.

14 **Sec. 16.43.520. General vessel permit provisions.** (a) A person or entity
15 may not operate a vessel or use a vessel to take fish in a commercial fishery for which
16 a vessel interim-use permit or vessel entry permit is required unless the appropriate
17 vessel permit has been issued for the vessel and is posted in a prominent location on
18 the vessel. A vessel entry permit holder, other than an entity or a person who received
19 the permit at the time of initial issuance of vessel entry permits for the fishery, shall be
20 physically present on the vessel while the vessel is engaged in the fishery for which
21 the vessel entry permit was issued.

22 (b) A person or entity may not hold more than one vessel entry permit for a
23 fishery unless

24 (1) the number of vessel entry permits held by the person or entity is
25 consistent with regulations of the commission regarding concentration of ownership of
26 vessel permits in the fishery; and

27 (2) either

28 (A) the person or entity qualified for each vessel entry permit at
29 the time of the initial issuance of vessel entry permits for the fishery; or

30 (B) the vessel entry permits are issued for a vessel for which
31 the person or entity already holds another vessel entry permit for that fishery.

1 (c) The operator of a vessel for which a vessel interim-use permit or vessel
2 entry permit has been issued shall comply with the terms of the vessel permit while the
3 vessel is operated in the fishery for which the permit is issued.

4 (d) A vessel interim-use permit and a vessel entry permit constitute a use
5 privilege that may be modified or revoked by order of the commission or by law
6 without compensation.

7 (e) AS 16.43.450 - 16.43.520 do not alter the requirement for an interim-use
8 permit or entry permit under AS 16.43.140 or a vessel license under AS 16.05.490 -
9 16.05.520.

10 (f) Nothing in AS 16.43.450 - 16.43.520 limits the powers of the Board of
11 Fisheries or the Department of Fish and Game.

12 (g) Notwithstanding AS 16.05.815 and AS 16.43.975, the commission may
13 release to the owner of a vessel information on the vessel's history of harvests in a
14 fishery that is necessary to apply for a vessel interim-use permit or vessel entry permit
15 under AS 16.43.450 - 16.43.520.

16 * **Sec. 3.** AS 16.05.735 is amended to read:

17 **Sec. 16.05.735. Management of offshore fisheries.** The state may assume
18 management of a fishery [THE SCALLOP FISHERIES] in offshore water adjacent to
19 the state in the absence of a federal fishery management plan for the fishery
20 [SCALLOPS] or in the event that a federal fishery management plan for the fishery
21 [SCALLOPS] delegates authority to the state to manage the fishery [SCALLOP
22 FISHERIES] in the United States exclusive economic zone.

23 * **Sec. 4.** AS 16.43.010(a) is amended to read:

24 (a) It is the purpose of this chapter to promote the conservation and the
25 sustained yield management of Alaska's fishery resource and the economic health and
26 stability of commercial fishing in Alaska by regulating and controlling entry of
27 participants and vessels into the commercial fisheries in the public interest and
28 without unjust discrimination.

29 * **Sec. 5.** AS 16.43.100(a) is amended to read:

30 (a) To accomplish the purposes set out in AS 16.43.010, the commission shall
31 (1) regulate entry into the commercial fisheries for all fishery resources

1 in the state;

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

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

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

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

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

12 (7) issue entry permits to qualified applicants;

13 (8) issue interim-use permits as provided in AS 16.43.210, 16.43.220,
14 and 16.43.225;

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

17 (10) administer the buy-back program provided for in AS 16.43.310
18 and 16.43.320 to reduce the number of outstanding entry permits to the optimum
19 number of entry permits;

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

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

25 (13) administer the collection of the annual fees provided for in
26 AS 16.43.160;

27 (14) administer the issuance of commercial fishing vessel licenses
28 under AS 16.05.490;

29 (15) issue educational entry permits to applicants who qualify under
30 the provisions of AS 16.43.340 - 16.43.390;

31 (16) establish reasonable user fees for services;

1 (17) issue landing permits under AS 16.05.675 and regulations adopted
2 under that section;

3 (18) establish and collect annual fees for the issuance of landing
4 permits that reasonably reflect the costs incurred in the administration and
5 enforcement of provisions of law related to landing permits; [AND]

6 (19) establish a moratorium on entry into commercial fisheries as
7 provided in AS 16.43.225; **and**

8 **(20) administer the vessel permit system authorized for the Bering**
9 **Sea Korean hair crab fishery and for weathervane scallop fisheries under**
10 **AS 16.43.450 - 16.43.520.**

11 * **Sec. 6.** AS 16.43.240(b) is amended to read:

12 (b) When the commission finds that a fishery, not designated as a distressed
13 fishery under AS 16.43.230 or not subject to a moratorium under AS 16.43.225, has
14 reached levels of participation that require the limitation of entry **under AS 16.43.140**
15 **- 16.43.330** in order to achieve the purposes of this chapter, the commission shall
16 establish the maximum number of entry permits for that fishery.

17 * **Sec. 7.** AS 16.43.240(c) is amended to read:

18 (c) When the commission finds that a fishery subject to a moratorium under
19 AS 16.43.225 has reached levels of participation that require the limitation of entry
20 **under AS 16.43.140 - 16.43.330** in order to achieve the purposes of this chapter, the
21 commission shall establish the maximum number of entry permits for that fishery.

22 * **Sec. 8.** AS 16.43.960(a) is amended to read:

23 (a) The commission may revoke, suspend, or transfer all entry or interim-use
24 permits, **vessel entry permits, or vessel interim-use permits** held by a person **or**
25 **entity** who knowingly provides or assists in providing false information, or fails to
26 correct false information provided to the commission for the purpose of obtaining a
27 benefit for self or another, including the issuance, renewal, duplication, or transfer of
28 an entry or interim-use permit, [OR] vessel license, **vessel entry permit, or vessel**
29 **interim-use permit**. The commission may suspend, **as appropriate**, that person's **or**
30 **entity's** eligibility to hold an entry or interim-use permit, **vessel entry permit, or**
31 **vessel interim-use permit** for a period not to exceed three years, and may impose an

1 administrative fine of not more than \$5,000 on the person **or** [. THE COMMISSION
 2 MAY ALSO IMPOSE AN ADMINISTRATIVE FINE OF NOT MORE THAN
 3 \$5,000 ON AN] entity whose officers, employees, representatives, or agents
 4 knowingly provide or assist in providing false information, or fail to correct false
 5 information provided, to the commission for the purpose of obtaining a benefit.

6 * **Sec. 9.** AS 16.43.970(a) is amended to read:

7 (a) A person who violates a provision of this chapter or a regulation adopted
 8 under this chapter **or an entity that violates a provision of AS 16.43.450 - 16.43.520**
 9 **or a regulation adopted under AS 16.43.450 - 16.43.520** is, upon conviction, guilty
 10 of a class B misdemeanor and is punishable by a fine of not more than \$5,000 for a
 11 first conviction, and a fine of not more than \$10,000 for a second or third conviction.
 12 Upon a first or second conviction under this subsection, the court may in its discretion
 13 also order the commission to suspend the commercial fishing privileges of the person
 14 **or entity** for a period of not more than three years and to revoke one or more or all
 15 commercial fishing permits held by the person **or entity**. Upon a third or subsequent
 16 conviction under this subsection, the person **or entity** is also subject to a loss of
 17 commercial fishing privileges as provided under (i) of this section. This subsection
 18 does not apply to violations of AS 16.43.140(a).

19 * **Sec. 10.** AS 16.43.970(b) is amended to read:

20 (b) A person **or entity** who knowingly makes a false statement to the
 21 commission for the purpose of obtaining a benefit, including the issuance, renewal,
 22 duplication, or transfer of an entry or interim-use permit, [OR] vessel license, **vessel**
 23 **interim-use permit, or vessel entry permit,** or a person who assists another by
 24 knowingly making a false statement to the commission for the purpose of obtaining a
 25 benefit for another, is guilty of the crime of unsworn falsification as set out in
 26 AS 11.56.210. Upon conviction, the person **or entity** is also subject to suspension of
 27 commercial fishing privileges and revocation of commercial fishing permits under (i)
 28 of this section.

29 * **Sec. 11.** AS 16.43.970(d) is amended to read:

30 (d) If a permit holder is charged by the state with violating a provision of this
 31 chapter or a regulation adopted under this chapter, the holder may not transfer [,

1 UNDER AS 16.43.170,] any interim-use or entry permit **under AS 16.43.170 or any**
 2 **transferable vessel entry permit under AS 16.43.450 - 16.43.520** [,] until after the
 3 final adjudication or dismissal of the charges.

4 * **Sec. 12.** AS 16.43.970(e) is amended to read:

5 (e) Notwithstanding any other provision of this section, an interim-use or entry
 6 permit **or transferable vessel entry permit** may not be transferred while under
 7 suspension, without the consent of the commission.

8 * **Sec. 13.** AS 16.43.970(f) is amended to read:

9 (f) A commercial fishing **entry** permit revoked under this section that is
 10 pledged as security for a loan under AS 16.10.333, or 16.10.338, or AS 44.81.231
 11 shall be reassigned as provided in AS 16.10.337 or AS 44.81.250.

12 * **Sec. 14.** AS 16.43.970(i) is amended to read:

13 (i) Upon the conviction of a person **or entity** for an offense described under
 14 (a), (b), or (g) of this section, the court shall immediately notify the commission of the
 15 conviction. The notice provided by the court shall be accompanied by an order
 16 suspending commercial fishing privileges and revoking commercial fishing permits
 17 under (a) of this section, as appropriate. The commission shall, upon receipt of

18 (1) an order from the court under (a) of this section, suspend the
 19 commercial fishing privileges of a person **or entity** for the period set by the court and
 20 revoke commercial fishing permits held by the person **or entity** as directed by the
 21 court;

22 (2) a notice from the court that a person **or entity** has been convicted
 23 of a third or subsequent violation of (a) of this section, suspend all commercial fishing
 24 privileges of the person **or entity** for a period of three years from the date of
 25 conviction and revoke all commercial fishing permits held by the person **or entity**;

26 (3) a notice from the court that a person **or entity** has been convicted
 27 of a violation described under (b) of this section, suspend all commercial fishing
 28 privileges of the person **or entity** for a period of three years from the date of
 29 conviction and revoke all commercial fishing permits held by the person **or entity**;

30 (4) a notice from the court that a person has been convicted of a
 31 violation described under (g)(1) of this section, suspend all commercial fishing

1 privileges of the person for a period of one year from the date of conviction;

2 (5) a notice from the court that a person has been convicted of a
3 violation described under (g)(2) of this section, suspend all commercial fishing
4 privileges of the person for a period of two years from the date of conviction;

5 (6) a notice from the court that a person has been convicted of a
6 violation described under (g)(3) of this section, suspend all commercial fishing
7 privileges of the person for a period of five years from the date of conviction.

8 * **Sec. 15.** AS 16.43.970(j)(1) is amended to read:

9 (1) "commercial fishing permit" means an entry permit, [OR] an
10 interim-use permit, a vessel entry permit, or a vessel interim-use permit issued
11 under this chapter;

12 * **Sec. 16.** AS 16.43.980(a) is amended to read:

13 (a) The commission shall prepare an annual report and notify the legislature
14 that it is available. The report **must** [SHALL] include but not be limited to the
15 following:

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

18 (2) recommendations for additional legislation relating to the
19 regulation of entry **of participants and vessels** into Alaska commercial fisheries.

20 * **Sec. 17.** AS 16.43.990(5) is amended to read:

21 (5) "person" means a natural person; **"person"** [AND] does not
22 include a corporation, company, partnership, firm, association, organization, **joint**
23 **venture**, [BUSINESS] trust, [OR] society, **or other legal entity other than a natural**
24 **person**;

25 * **Sec. 18.** AS 16.43.990 is amended by adding a new paragraph to read:

26 (10) "entity" means a corporation, company, partnership, firm,
27 association, organization, joint venture, trust, society, or other legal entity other than a
28 natural person.

29 * **Sec. 19.** The uncodified law of the State of Alaska is amended by adding a new section to
30 read:

31 REGULATIONS. The Alaska Commercial Fisheries Entry Commission may adopt

1 regulations under AS 44.62 (Administrative Procedure Act) that the commission finds
2 necessary to implement this Act. The regulations may not take effect before July 1, 2002.

3 * **Sec. 20.** Section 19 of this Act takes effect immediately under AS 01.10.070(c).

4 * **Sec. 21.** Except as provided in sec. 20 of this Act, this Act takes effect July 1, 2002.