

HOUSE BILL NO. 206

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE HOUSE RESOURCES COMMITTEE

Introduced: 3/22/01

Referred: House Special Committee on Fisheries, Resources

A BILL

FOR AN ACT ENTITLED

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

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

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

7 FINDINGS. The legislature finds that

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

11 (2) a system that limits the number of vessels that may engage in a fishery
12 may be necessary to regulate certain existing, developing, or future fisheries in order to
13 promote the conservation and sustained yield management of Alaska's fishery resource and
14 the economic health and stability of commercial fishing in this state;

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

5 (4) the United States Department of Commerce has taken action to restrict
 6 access to groundfish, crab, and scallop fisheries in the waters of the United States exclusive
 7 economic zone adjacent to the state water of Alaska using a vessel-based limited entry
 8 system;

9 (5) a vessel-based limited entry system may be necessary to facilitate state
 10 management of fisheries that overlap with federally managed fisheries in the United States
 11 exclusive economic zone, especially for fisheries under a federal limited entry system; and

12 (6) a vessel-based limited entry system may be necessary to achieve
 13 compatible state and federal management and enforcement of fisheries.

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

15 **Article 6A. Vessel Permit System.**

16 **Sec. 16.43.450. Vessel permit system.** (a) The commission may establish a
 17 vessel permit system for a fishery under state management if the commission
 18 determines that

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

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

23 (3) limiting the number of participants in the fishery under
 24 AS 16.43.140 - 16.43.330 would not achieve the purposes of this chapter.

25 (b) The commission may establish a vessel permit system for a fishery that
 26 occurs in the United States exclusive economic zone or both the United States
 27 exclusive economic zone and state waters if the conditions set out in (a)(1) and (2) of
 28 this section are satisfied and if regulating the number of vessels in the fishery would
 29 enable the state to gain or retain management of the fishery; in making a determination
 30 under this subsection, the commission shall consider relevant provisions of federal
 31 fishery management plans.

1 (c) For a fishery in which the federal government has delegated management
 2 authority in the United States exclusive economic zone to the state, the commission
 3 may, to the extent consistent with this chapter, adopt regulations to ensure that the
 4 vessel permit system is consistent with applicable federal laws.

5 (d) If the commission establishes a vessel permit system for a fishery that
 6 involves more than one fishery resource, type of gear, or administrative area, the
 7 commission may limit, as the commission determines appropriate, the fishery
 8 resources that may be harvested under the vessel permit, the types of gear that may be
 9 used under the vessel permit, or the areas where fishing may occur under the vessel
 10 permit. The commission shall adopt criteria, as appropriate, for determining

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

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

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

24 (f) The commission shall adopt regulations limiting the number of vessel
 25 permits that may be held by a permit holder or group of related permit holders if the
 26 commission finds that limiting the number of vessel permits that may be held by a
 27 permit holder or group of related permit holders is necessary to prevent the excessive
 28 concentration of ownership of vessel permits in a fishery.

29 **Sec. 16.43.460. Initial issuance of vessel permits.** (a) For each fishery in
 30 which the commission establishes a vessel permit system, the commission shall
 31 establish qualifications for vessel interim-use permits and vessel entry permits. The

1 qualifications may include a qualification date, eligibility period, recent participation
2 requirements, minimum requirements for the nature and degree of ownership interest
3 that a permit holder must have in a vessel in order to receive a vessel permit for the
4 vessel, and criteria for receiving transferable and nontransferable vessel entry permits.
5 In adopting qualifications for transferable and nontransferable vessel entry permits, the
6 commission shall consider

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

10 (2) the level of past participation and harvest in the fishery, the nature
11 of the fishery, and the need to ensure the manageability of the fishery and conservation
12 of the fishery resource.

13 (b) If the commission establishes a vessel permit system under AS 16.43.450 -
14 16.43.520 for a fishery that is subject to a moratorium on entry of new vessels under
15 AS 16.43.901 or 16.43.906, the commission may incorporate some or all of the vessel
16 eligibility criteria established for the moratorium into the eligibility criteria for vessel
17 permits issued under the vessel permit system.

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

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

30 (e) The commission shall adopt regulations regarding

31 (1) the determination of which person or entity is eligible to receive a

1 vessel interim-use permit or a vessel entry permit for a vessel in the event of
2 competing claims to ownership of the vessel;

3 (2) the substitution of another vessel by the applicant for a vessel
4 interim-use permit or a vessel entry permit if the vessel used to establish eligibility for
5 a vessel entry permit is lost before the initial issuance of a vessel entry permit for the
6 vessel.

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

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

14 (1) facilitate sound management of the fishery;

15 (2) promote

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

17 (B) broad access to the fishery;

18 (C) conservation of the resource;

19 (D) quality seafood products; and

20 (3) discourage waste of harvested fish.

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

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

1 (e) If the optimum number range of vessel entry permits is greater than the
 2 number of permits authorized for the fishery, the commission shall issue additional
 3 vessel entry permits until the number of vessel entry permits is consistent with the
 4 optimum number range for the fishery. The commission shall obtain fair market value
 5 for new vessel entry permits issued under this subsection. The commission shall
 6 determine whether the additional vessel entry permits issued under this subsection are
 7 transferable or nontransferable.

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

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

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

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

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

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

3 (d) The commission may adopt regulations authorizing the simultaneous
4 transfer of a transferable vessel entry permit to an eligible transferee and the
5 substitution of another vessel for the vessel identified on the permit under
6 AS 16.43.490.

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

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

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

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

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

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

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

31 (d) Failure to renew a vessel entry permit for two consecutive years from the

1 year of last renewal results in a forfeiture of the permit unless the forfeiture is waived
 2 by the commission for good cause. If an administrative closure of a fishery occurs for
 3 an entire season, the commission may not count the season toward the two-year
 4 period.

5 **Sec. 16.43.510. Vessel permit fees.** (a) The commission shall establish fees
 6 for the issuance and annual renewal of vessel interim-use permits and vessel entry
 7 permits. Annual fees established under this subsection may not exceed \$2,500 and
 8 shall reasonably reflect the rate of economic return for the fishery.

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

12 (c) Subject to AS 37.10.050(a), the commission may establish fees for
 13 processing applications for vessel interim-use permits and vessel entry permits, for
 14 transfer of vessel entry permits, and for permanent and temporary substitution of
 15 vessels.

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

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

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

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

1 (2) either

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

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

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

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

12 (e) AS 16.43.450 - 16.43.520 do not alter the requirement for an interim-use
13 permit or entry permit under AS 16.43.140 or a vessel license under AS 16.05.490 -
14 16.05.520.

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

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

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

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

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

29 (a) It is the purpose of this chapter to promote the conservation and the
30 sustained yield management of Alaska's fishery resource and the economic health and
31 stability of commercial fishing in Alaska by regulating and controlling entry of

1 **participants and vessels** into the commercial fisheries in the public interest and
 2 without unjust discrimination.

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

4 (a) To accomplish the purposes set out in AS 16.43.010, the commission shall

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

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

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

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

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

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

17 (7) issue entry permits to qualified applicants;

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

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

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

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

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

30 (13) administer the collection of the annual fees provided for in
 31 AS 16.43.160;

1 (14) administer the issuance of commercial fishing vessel licenses
2 under AS 16.05.490;

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

5 (16) establish reasonable user fees for services;

6 (17) issue landing permits under AS 16.05.675 and regulations adopted
7 under that section;

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

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

13 **(20) administer the vessel permit system authorized under**
14 **AS 16.43.450 - 16.43.520.**

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

16 (b) When the commission finds that a fishery, not designated as a distressed
17 fishery under AS 16.43.230 or not subject to a moratorium under AS 16.43.225, has
18 reached levels of participation that require the limitation of entry **under AS 16.43.140**
19 **- 16.43.330** in order to achieve the purposes of this chapter, the commission shall
20 establish the maximum number of entry permits for that fishery.

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

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

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

27 (a) The commission may revoke, suspend, or transfer all entry or interim-use
28 permits, **vessel entry permits, or vessel interim-use permits** held by a person **or**
29 **entity** who knowingly provides or assists in providing false information, or fails to
30 correct false information provided to the commission for the purpose of obtaining a
31 benefit for self or another, including the issuance, renewal, duplication, or transfer of

1 an entry or interim-use permit, [OR] vessel license, vessel entry permit, or vessel
 2 interim-use permit. The commission may suspend, as appropriate, that person's or
 3 entity's eligibility to hold an entry or interim-use permit, vessel entry permit, or
 4 vessel interim-use permit for a period not to exceed three years, and may impose an
 5 administrative fine of not more than \$5,000 on the person or [. THE COMMISSION
 6 MAY ALSO IMPOSE AN ADMINISTRATIVE FINE OF NOT MORE THAN
 7 \$5,000 ON AN] entity whose officers, employees, representatives, or agents
 8 knowingly provide or assist in providing false information, or fail to correct false
 9 information provided, to the commission for the purpose of obtaining a benefit.

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

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

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

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

1 of this section.

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

3 (d) If a permit holder is charged by the state with violating a provision of this
4 chapter or a regulation adopted under this chapter, the holder may not transfer [,
5 UNDER AS 16.43.170,] any interim-use or entry permit **under AS 16.43.170 or any**
6 **transferable vessel entry permit under AS 16.43.450 - 16.43.520** [,] until after the
7 final adjudication or dismissal of the charges.

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

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

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

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

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

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

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

26 (2) a notice from the court that a person **or entity** has been convicted
27 of a third or subsequent violation of (a) 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 (3) a notice from the court that a person **or entity** has been convicted
31 of a violation described under (b) of this section, suspend all commercial fishing

1 privileges of the person **or entity** for a period of three years from the date of
 2 conviction and revoke all commercial fishing permits held by the person **or entity**;

3 (4) a notice from the court that a person has been convicted of a
 4 violation described under (g)(1) of this section, suspend all commercial fishing
 5 privileges of the person for a period of one year from the date of conviction;

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

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

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

13 (1) "commercial fishing permit" means an entry permit, [OR] an
 14 interim-use permit, **a vessel entry permit, or a vessel interim-use permit** issued
 15 under this chapter;

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

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

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

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

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

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

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

30 (10) "entity" means a corporation, company, partnership, firm,
 31 association, organization, joint venture, trust, society, or other legal entity other than a

1 natural person.

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

4 REGULATIONS. The Alaska Commercial Fisheries Entry Commission may adopt
5 regulations under AS 44.62 (Administrative Procedure Act) that the commission finds
6 necessary to implement this Act. The regulations may not take effect before July 1, 2002.

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

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