

HOUSE BILL NO. 365

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES KREISS-TOMKINS, Vance, Edgmon, Stutes

Introduced: 2/22/22

Referred: House Special Committee on Fisheries, Resources

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the establishment of the optimum number of commercial fishing**
2 **entry permits for a fishery."**

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

4 * **Section 1.** AS 16.43.100(a) is amended to read:

- 5 (a) To accomplish the purposes set out in AS 16.43.010, the commission shall
- 6 (1) regulate entry into the commercial fisheries for all fishery resources
- 7 in the state;
- 8 (2) establish priorities for the application of the provisions of this
- 9 chapter to the various commercial fisheries of the state;
- 10 (3) establish administrative areas suitable for regulating and
- 11 controlling entry into the commercial fisheries;
- 12 (4) establish, for all types of gear, the maximum number of entry
- 13 permits for each administrative area;
- 14 (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 AS 16.43.210, 16.43.220, and 16.43.225;

(9) **if the optimum number of entry permits for a fishery has been established under AS 16.43.290,** [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 AS 16.43.310 and 16.43.320 to reduce the number of outstanding entry permits to the optimum number of entry permits;

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

(11) [(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;

(12) [(13)] establish and administer the collection of the annual fees provided for in AS 16.43.160;

(13) [(14)] administer the issuance of commercial fishing vessel licenses under AS 16.05.490;

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

(15) [(16)] establish reasonable user fees for services;

(16) [(17)] issue landing permits under AS 16.05.675 and regulations adopted under that section;

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

(18) [(19)] establish a moratorium on entry into commercial fisheries

as provided in AS 16.43.225; and

(19) [(20)] when requested by a regional development organization formed under former AS 44.33.895, provide to the organization, without charge, public information contained in the commission's data with respect to relevant fisheries, including limited fisheries, fishery participants, and limited entry permit holders' harvests and earnings.

[(21) REPEALED]

* **Sec. 2.** AS 16.43.290 is amended to read:

Sec. 16.43.290. Optimum number of entry permits. Following the issuance of entry permits under AS 16.43.270, the commission may [SHALL] establish the optimum number of entry permits for each fishery based on [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. 3.** AS 16.43.300 is amended to read:

Sec. 16.43.300. Revisions of optimum number of entry permits. (a) If the commission has established the optimum number of permits for a fishery under AS 16.43.290, the [THE] commission may increase or decrease the optimum number of entry permits for the [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 that substantially alters the optimum number of entry permits permissible applying the standards set out in AS 16.43.290;

(2) an established long-term change in market conditions has occurred, directly affecting the fishery, that substantially alters the optimum number of entry permits permissible under the standards set out in AS 16.43.290.

(b) If the commission has established the optimum number of permits for a fishery under AS 16.43.290 and the commission decreases the optimum number of entry permits for the [A] fishery, the number of entry permits may be reduced only under the voluntary buy-back provisions set out in AS 16.43.310 and 16.43.320.

* **Sec. 4.** AS 16.43.310(a) is amended to read:

(a) If the commission has established the optimum number of permits for a fishery under AS 16.43.290, when [WHEN] the optimum number of entry permits is less than the number of entry permits outstanding for the [IN A] fishery, the commission may establish a buy-back program, a buy-back plan, and a buy-back fund for that fishery.

* **Sec. 5.** AS 16.43.310(c) is amended to read:

(c) If the commission has established the optimum number of permits for a fishery under AS 16.43.290, the [THE] commission shall expend money appropriated to a buy-back fund for the purpose of reducing the number of entry permits in the fishery to the optimum number, at a rate to be established by the commission. The legislature may appropriate interest accrued on the money in a buy-back fund to that fund. Except as provided in AS 16.43.320, money appropriated to a buy-back fund does not lapse.

* **Sec. 6.** AS 16.43.320 is amended to read:

Sec. 16.43.320. Administration of the buy-back program. The commission shall adopt regulations providing for the purchase of transferable entry permits with money in the buy-back fund for each fishery. For a fishery for which the commission has established the optimum number of permits under AS 16.43.290, the [THE] commission shall

(1) cease purchases of entry permits in a fishery when the number of entry permits in the fishery has been reduced to the optimum number;

(2) [. THE COMMISSION SHALL] terminate a buy-back assessment established for a fishery under AS 16.43.310(b) when the commission determines that

1 the amount of revenue collected through the assessment is sufficient to purchase the
 2 number of entry permits necessary to achieve the optimum number of entry permits in
 3 the fishery and to offset the reasonable costs of the buy-back program for the fishery,
 4 including repayment of any debt the commission was authorized to incur to capitalize
 5 the buy-back fund for the fishery. [THE UNEXPENDED BALANCE OF
 6 APPROPRIATIONS MADE TO A BUY-BACK FUND FOR A FISHERY SHALL
 7 LAPSE BACK INTO THE FUND FROM WHICH THE MONEY WAS
 8 APPROPRIATED AT THE END OF THE FISCAL YEAR IN WHICH THE BUY-
 9 BACK PROGRAM IS TERMINATED.]

10 * **Sec. 7.** AS 16.43.320 is amended by adding a new subsection to read:

11 (b) The unexpended balance of appropriations made to a buy-back fund for a
 12 fishery under (a) of this section shall lapse back into the fund from which the money
 13 was appropriated at the end of the fiscal year in which the buy-back program is
 14 terminated.

15 * **Sec. 8.** AS 16.43.330(a) is amended to read:

16 (a) **If the commission has established the optimum number of entry**
 17 **permits for a fishery under AS 16.43.290, when** [WHEN] the number of
 18 outstanding entry permits for **that** [A] fishery is less than the optimum number
 19 [ESTABLISHED UNDER AS 16.43.290], the commission shall issue new entry
 20 permits to applicants who are presently able to engage actively in the fishery until the
 21 optimum number is reached.