



LAWS OF ALASKA

2014

Source
FCCS HB 71

Chapter No.

AN ACT

Relating to a vessel-based commercial fisheries limited entry system for the Bering Sea hair crab fishery; requiring the Commercial Fisheries Entry Commission to report biennially on the vessel-based limited entry fisheries system for the Bering Sea hair crab fishery; establishing the Alaska regional economic assistance program; requiring the Department of Commerce, Community, and Economic Development to compile an annual report to the legislature regarding statewide and regional economic development projects and regional development organizations; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

AN ACT

1 Relating to a vessel-based commercial fisheries limited entry system for the Bering Sea hair
2 crab fishery; requiring the Commercial Fisheries Entry Commission to report biennially on
3 the vessel-based limited entry fisheries system for the Bering Sea hair crab fishery;
4 establishing the Alaska regional economic assistance program; requiring the Department of
5 Commerce, Community, and Economic Development to compile an annual report to the
6 legislature regarding statewide and regional economic development projects and regional
7 development organizations; and providing for an effective date.

8

9 * **Section 1.** AS 16.43.010(a) is amended to read:

10 (a) It is the purpose of this chapter to promote the conservation and the
11 sustained yield management of Alaska's fishery resource and the economic health and

1 stability of commercial fishing in Alaska by regulating and controlling entry of
2 participants and vessels into the commercial fisheries in the public interest and
3 without unjust discrimination.

4 * **Sec. 2.** AS 16.43.010(a), as amended by sec. 1 of this Act, is amended to read:

5 (a) It is the purpose of this chapter to promote the conservation and the
6 sustained yield management of Alaska's fishery resource and the economic health and
7 stability of commercial fishing in Alaska by regulating and controlling entry of
8 participants [AND VESSELS] into the commercial fisheries in the public interest and
9 without unjust discrimination.

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

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

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

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

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

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

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

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

24 (7) issue entry permits to qualified applicants;

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

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

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

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

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

6 (13) establish and administer the collection of the annual fees provided
7 for in AS 16.43.160;

8 (14) administer the issuance of commercial fishing vessel licenses
9 under AS 16.05.490;

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

12 (16) establish reasonable user fees for services;

13 (17) issue landing permits under AS 16.05.675 and regulations adopted
14 under that section;

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

18 (19) establish a moratorium on entry into commercial fisheries as
19 provided in AS 16.43.225;

20 (20) [REPEALED

21 (21)] when requested by a regional development organization formed
22 under AS 44.33.895, provide to the organization, without charge, public information
23 contained in the commission's data with respect to relevant fisheries, including limited
24 fisheries, fishery participants, and limited entry permit holders' harvests and earnings;
25 **and**

26 **(21) administer, when necessary to accomplish the purposes of this**
27 **chapter, a Bering Sea hair crab fishery vessel permit system under AS 16.43.451 -**
28 **16.43.521.**

29 * **Sec. 4.** AS 16.43 is amended by adding new sections to read:

30 **Sec. 16.43.451. Bering Sea hair crab fishery vessel permit system.** (a) The
31 commission may establish a vessel permit system under AS 16.43.451 - 16.43.521 for

1 the Bering Sea hair crab fishery if the commission determines that

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

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

6 (3) either

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

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

11 (b) If the federal government has delegated management authority in the
12 United States exclusive economic zone to the state for the Bering Sea hair crab
13 fishery, the commission may, to the extent consistent with this chapter, adopt
14 regulations to ensure that the vessel permit system is consistent with applicable federal
15 laws.

16 (c) If the commission establishes a vessel permit system for a fishery that
17 involves more than one fishery resource, type of gear, or administrative area, the
18 commission may limit, as the commission determines appropriate, the fishery
19 resources that may be harvested under the vessel permit, the types of gear that may be
20 used under the vessel permit, or the areas where fishing may occur under the vessel
21 permit. The commission shall adopt criteria, as appropriate, for determining

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

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

27 (d) The commission may, after consultation with the Department of Fish and
28 Game, regulate the fishing capacity or effort authorized under a vessel interim-use
29 permit or a vessel entry permit if the commission finds that limitations on fishing
30 capacity or effort are necessary to achieve the purposes of this chapter. The
31 commission shall adopt criteria, as appropriate, for measuring the fishing capacity or

1 effort of a vessel and for determining how restrictions on vessel fishing capacity or
2 effort are established for individual vessel interim-use permits and vessel entry
3 permits. The criteria may be based on past participation.

4 (e) The commission shall adopt regulations limiting the number of vessel
5 permits that may be held by a permit holder or group of related permit holders if the
6 commission finds that limiting the number of vessel permits that may be held by a
7 permit holder or group of related permit holders is necessary to prevent the excessive
8 concentration of ownership of vessel permits in the fishery.

9 (f) By February 1 of the filing year, the commission shall submit a biennial
10 report to the governor and the legislature concerning the harvest and earnings of the
11 vessel-based limited entry fisheries system for the Bering Sea hair crab during the
12 preceding two years. The commission shall notify the legislature that the report is
13 available.

14 **Sec. 16.43.461. Initial issuance of vessel permits.** (a) For the fishery that the
15 commission establishes a vessel permit system for under AS 16.43.451, the
16 commission shall establish qualifications for vessel interim-use permits and vessel
17 entry permits. The qualifications may include a qualification date, eligibility period,
18 recent and past participation requirements, minimum requirements for the nature and
19 degree of ownership interest that a permit holder must have in a vessel in order to
20 receive a vessel permit for the vessel, and criteria for receiving transferable and
21 nontransferable vessel entry permits. In adopting qualifications for transferable and
22 nontransferable vessel entry permits, the commission shall consider

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

26 (2) the level of recent and past participation and harvest in the fishery,
27 the nature of the fishery, and the need to ensure the manageability of the fishery and
28 conservation of the fishery resource.

29 (b) If the commission establishes a vessel permit system under AS 16.43.451
30 for a fishery that was subject to a moratorium on entry of new vessels under former
31 AS 16.43.901, the commission shall incorporate some or all of the vessel eligibility

1 criteria established for the moratorium into the eligibility criteria for vessel permits
2 issued under the vessel permit system.

3 (c) Pending the issuance of vessel entry permits for a fishery for which the
4 commission has established a vessel permit system under AS 16.43.451, the
5 commission shall issue a vessel interim-use permit to the owner of each vessel that the
6 commission finds is potentially eligible to receive a vessel entry permit. A vessel
7 interim-use permit is renewable from year to year; however, a vessel interim-use
8 permit expires at the end of the period for which the permit was issued and may not be
9 renewed after a final determination by the commission that the vessel is or is not
10 eligible for a vessel entry permit.

11 (d) The commission shall issue vessel entry permits for a fishery, subject to
12 conditions established by the commission under AS 16.43.451 - 16.43.521, to the
13 owner of each vessel that the commission finds is eligible to receive a vessel entry
14 permit for that fishery.

15 (e) The commission shall adopt regulations regarding

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

19 (2) the substitution of another vessel by the applicant for a vessel
20 interim-use permit or a vessel entry permit if the vessel or vessels used to establish
21 eligibility for a vessel entry permit are lost, or are retired from the fishery by the vessel
22 owner, before the initial issuance of a vessel entry permit for the vessel.

23 **Sec. 16.43.471. Optimum number range of vessel permits.** (a) If, after the
24 initial issuance of vessel entry permits for the Bering Sea hair crab fishery, the
25 commission determines that a long-term biological or economic change has occurred
26 in the fishery, the commission, in consultation with the Department of Fish and Game,
27 shall establish the optimum number range of vessel entry permits for the fishery.

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

30 (1) facilitate sound management of the fishery;

31 (2) promote

- (A) the economic health and stability of the fishery;
- (B) broad access to the fishery;
- (C) conservation of the fish resources taken in the fishery;
- (D) quality seafood products; and

(3) discourage waste of harvested fish.

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

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

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

Sec. 16.43.481. Transfer and expiration of vessel entry permits. (a) The commission may adopt regulations authorizing the transfer of a transferable vessel entry permit to an eligible transferee and establishing the terms and conditions under which vessel entry permits may be transferred. The commission may require that the transferee of a vessel entry permit must have a legal ownership interest in the vessel identified on the vessel entry permit. The commission may establish by regulation minimum requirements for the nature and degree of ownership interest that the transferee must have in the vessel.

1 (b) The commission may adopt regulations authorizing the simultaneous
2 transfer of a transferable vessel entry permit to an eligible transferee and the
3 substitution of another vessel for the vessel identified on the permit under
4 AS 16.43.491.

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

7 **Sec. 16.43.491. Substitution of vessels.** (a) The commission shall adopt
8 regulations providing for the permanent or temporary substitution, after the initial
9 issuance of vessel entry permits, of another vessel for the vessel that is identified on a
10 vessel entry permit. The commission may specify by regulation the nature and degree
11 of legal ownership interest that a permit holder must have in the vessel that is
12 permanently or temporarily substituted for the vessel identified on the permit. Upon
13 the approval of a permanent substitution of a vessel, the commission shall issue a new
14 vessel entry permit for the substituted vessel.

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

18 **Sec. 16.43.501. Renewal of vessel permits.** (a) A vessel interim-use permit or
19 vessel entry permit is issued for one year and must be renewed annually.

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

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

28 **Sec. 16.43.511. Vessel permit fees.** (a) The commission shall establish fees for
29 the issuance and annual renewal of vessel interim-use permits and vessel entry
30 permits. Annual fees established under this subsection may not exceed \$2,500 and
31 shall reasonably reflect the rate of economic return for the fishery.

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

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

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

11 **Sec. 16.43.521. General Bering Sea hair crab vessel permit provisions.** (a)
12 A person or entity may not operate a vessel or use a vessel to take fish in the Bering
13 Sea hair crab commercial fishery for which a vessel interim-use permit or vessel entry
14 permit is required unless the appropriate vessel permit has been issued for the vessel
15 and is posted in a prominent location on the vessel.

16 (b) A person or entity may not hold more than one vessel entry permit for the
17 Bering Sea hair crab fishery unless

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

21 (2) either

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

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

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

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

1 (e) A vessel entry permit may not be
2 (1) pledged, mortgaged, leased, or encumbered in any way;
3 (2) transferred with any retained right of repossession or foreclosure,
4 or on any condition requiring a subsequent transfer; or
5 (3) attached, distrained, or sold on execution of judgment or under any
6 other process or order of any court.

7 (f) Unless the person who holds a vessel entry permit has expressed a contrary
8 intent in a will that is probated, the commission shall, upon the death of the person,
9 transfer the vessel entry permit by right of survivorship directly to the person's
10 surviving spouse or, if no spouse survives, to another person designated by the vessel
11 permit holder on a form provided by the commission. If no spouse survives and if the
12 person designated on the form, if any, does not survive, the permit passes as part of the
13 vessel permit holder's estate. A designation under this subsection must be
14 acknowledged before a person authorized to administer an oath under AS 09.63.010 or
15 must be witnessed by two persons who are qualified under AS 13.12.505 to witness
16 the will of the vessel permit holder. A vessel entry permit is exempt from the claims of
17 creditors of the estate.

18 (g) AS 16.43.451 - 16.43.521 do not alter the requirement for an interim-use
19 permit or entry permit under AS 16.43.140 or a vessel license under AS 16.05.490 -
20 16.05.520.

21 (h) Nothing in AS 16.43.451 - 16.43.521 limits the powers of the Board of
22 Fisheries or the Department of Fish and Game.

23 (i) Notwithstanding AS 16.05.815 and AS 16.43.975, the commission may
24 release to the owner of a vessel information on the vessel's history of harvests in a
25 fishery that is necessary to apply for a vessel interim-use permit or vessel entry permit
26 under AS 16.43.451 - 16.43.521.

27 * **Sec. 5.** AS 16.43.960(a) is amended to read:

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

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

11 * **Sec. 6.** AS 16.43.960(a), as amended by sec. 5 of this Act, is amended to read:

12 (a) The commission may revoke, suspend, or transfer all entry or interim-use
13 permits [, VESSEL ENTRY PERMITS, OR VESSEL INTERIM-USE PERMITS]
14 held by a person [OR ENTITY] who knowingly provides or assists in providing false
15 information, or fails to correct false information provided to the commission for the
16 purpose of obtaining a benefit for self or another, including the issuance, renewal,
17 duplication, or transfer of an entry or interim-use permit or [,] vessel license [,
18 VESSEL ENTRY PERMIT, OR VESSEL INTERIM-USE PERMIT]. The
19 commission may suspend [, AS APPROPRIATE,] that person's [OR ENTITY'S]
20 eligibility to hold an entry or interim-use permit [, VESSEL ENTRY PERMIT, OR
21 VESSEL INTERIM-USE PERMIT] for a period not to exceed three years, and may
22 impose an administrative fine of not more than \$5,000 on the person. The commission
23 may also impose an administrative fine of not more than \$5,000 on an [OR] entity
24 whose officers, employees, representatives, or agents knowingly provide or assist in
25 providing false information, or fail to correct false information provided, to the
26 commission for the purpose of obtaining a benefit.

27 * **Sec. 7.** AS 16.43.970(a) is amended to read:

28 (a) A person who violates a provision of this chapter or a regulation adopted
29 under this chapter or an entity that violates a provision of AS 16.43.451 - 16.43.521
30 or a regulation adopted under AS 16.43.451 - 16.43.521 is, upon conviction, guilty
31 of a class B misdemeanor and is punishable by a fine of not more than \$5,000 for a

1 first conviction, and a fine of not more than \$10,000 for a second or third conviction.
2 Upon a first or second conviction under this subsection, the court may in its discretion
3 also order the commission to suspend the commercial fishing privileges of the person
4 or entity for a period of not more than three years and to revoke one or more or all
5 commercial fishing permits held by the person or entity. Upon a third or subsequent
6 conviction under this subsection, the person or entity is also subject to a loss of
7 commercial fishing privileges as provided under (i) of this section. This subsection
8 does not apply to violations of AS 16.43.140(a).

9 * **Sec. 8.** AS 16.43.970(a), as amended by sec. 7 of this Act, is amended to read:

10 (a) A person who violates a provision of this chapter or a regulation adopted
11 under this chapter [OR AN ENTITY THAT VIOLATES A PROVISION OF
12 AS 16.43.451 - 16.43.521 OR A REGULATION ADOPTED UNDER AS 16.43.451 -
13 16.43.521] is, upon conviction, guilty of a class B misdemeanor and is punishable by a
14 fine of not more than \$5,000 for a first conviction, and a fine of not more than \$10,000
15 for a second or third conviction. Upon a first or second conviction under this
16 subsection, the court may in its discretion also order the commission to suspend the
17 commercial fishing privileges of the person [OR ENTITY] for a period of not more
18 than three years and to revoke one or more or all commercial fishing permits held by
19 the person [OR ENTITY]. Upon a third or subsequent conviction under this
20 subsection, the person [OR ENTITY] is also subject to a loss of commercial fishing
21 privileges as provided under (i) of this section. This subsection does not apply to
22 violations of AS 16.43.140(a).

23 * **Sec. 9.** 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 in the second degree
30 as set out in AS 11.56.210. Upon conviction, the person or entity is also subject to
31 suspension of commercial fishing privileges and revocation of commercial fishing

1 permits under (i) of this section.

2 * **Sec. 10.** AS 16.43.970(b), as amended by sec. 9 of this Act, is amended to read:

3 (b) A person [OR ENTITY] who knowingly makes a false statement to the
4 commission for the purpose of obtaining a benefit, including the issuance, renewal,
5 duplication, or transfer of an entry or interim-use permit **or** [,] vessel license [,
6 VESSEL INTERIM-USE PERMIT, OR VESSEL ENTRY PERMIT,] or a person who
7 assists another by knowingly making a false statement to the commission for the
8 purpose of obtaining a benefit for another, is guilty of the crime of unsworn
9 falsification in the second degree as set out in AS 11.56.210. Upon conviction, the
10 person [OR ENTITY] is also subject to suspension of commercial fishing privileges
11 and revocation of commercial fishing permits under (i) of this section.

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

13 (d) If a permit holder is charged by the state with violating a provision of this
14 chapter or a regulation adopted under this chapter, the holder may not transfer any
15 interim-use or entry permit under AS 16.43.170 **or any transferable vessel entry**
16 **permit under AS 16.43.451 - 16.43.521** until after the final adjudication or dismissal
17 of the charges.

18 * **Sec. 12.** AS 16.43.970(d), as amended by sec. 11 of this Act, is amended to read:

19 (d) If a permit holder is charged by the state with violating a provision of this
20 chapter or a regulation adopted under this chapter, the holder may not transfer any
21 interim-use or entry permit under AS 16.43.170 [OR ANY TRANSFERABLE
22 VESSEL ENTRY PERMIT UNDER AS 16.43.451 - 16.43.521] until after the final
23 adjudication or dismissal of the charges.

24 * **Sec. 13.** AS 16.43.970(e) is amended to read:

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

28 * **Sec. 14.** AS 16.43.970(e), as amended by sec. 13 of this Act, is amended to read:

29 (e) Notwithstanding any other provision of this section, an interim-use or entry
30 permit [OR TRANSFERABLE VESSEL ENTRY PERMIT] may not be transferred
31 while under suspension, without the consent of the commission.

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

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

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

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

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

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

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

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

28 * **Sec. 16.** AS 16.43.970(i), as amended by sec. 15 of this Act, is amended to read:

29 (i) Upon the conviction of a person [OR ENTITY] for an offense described
30 under (a), (b), or (g) of this section, the court shall immediately notify the commission
31 of the conviction. The notice provided by the court shall be accompanied by an order

1 suspending commercial fishing privileges and revoking commercial fishing permits
2 under (a) of this section, as appropriate. The commission shall, upon receipt of

3 (1) an order from the court under (a) of this section, suspend the
4 commercial fishing privileges of a person [OR ENTITY] for the period set by the
5 court and revoke commercial fishing permits held by the person [OR ENTITY] as
6 directed by the court;

7 (2) a notice from the court that a person [OR ENTITY] has been
8 convicted of a third or subsequent violation of (a) of this section, suspend all
9 commercial fishing privileges of the person [OR ENTITY] for a period of three years
10 from the date of conviction and revoke all commercial fishing permits held by the
11 person [OR ENTITY];

12 (3) a notice from the court that a person [OR ENTITY] has been
13 convicted of a violation described under (b) of this section, suspend all commercial
14 fishing privileges of the person [OR ENTITY] for a period of three years from the date
15 of conviction and revoke all commercial fishing permits held by the person [OR
16 ENTITY];

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

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

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

26 * **Sec. 17.** AS 16.43.970(j)(1) is amended to read:

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

30 * **Sec. 18.** AS 16.43.970(j)(1), as amended by sec. 17 of this Act, is amended to read:

31 (1) "commercial fishing permit" means an entry permit **or** [,] an

1 interim-use permit [, A VESSEL ENTRY PERMIT, OR A VESSEL INTERIM-USE
2 PERMIT] issued under this chapter;

3 * **Sec. 19.** AS 43.33 is amended by adding a new section to article 14 to read:

4 **Sec. 44.33.896. Alaska regional economic assistance program.** (a) The
5 department shall

6 (1) encourage the formation of regional development organizations by
7 providing assistance in forming organizations to interested individuals, including
8 information on how to qualify and apply for regional development grants and federal
9 funding under 42 U.S.C. 3121 - 3246 (Public Works and Economic Development Act
10 of 1965), as amended;

11 (2) assist an interested individual in establishing boundaries for a
12 proposed organization to ensure that the region

13 (A) is of sufficient geographic size and contains a large enough
14 population to form an economically viable unit with shared interests,
15 resources, traditions, and goals;

16 (B) contains at least one municipality that serves as a regional
17 center; and

18 (C) contains the entire area of each municipality included in the
19 region;

20 (3) gather information about regional economic issues, international
21 trade, and tourism from organizations;

22 (4) serve as liaison between organizations and other state agencies and
23 encourage other agencies to make resources available to help accomplish goals of the
24 organizations;

25 (5) assist each organization to

26 (A) provide services designed to encourage economic
27 development to local communities and businesses;

28 (B) collect and distribute economic information relevant to the
29 region;

30 (C) participate in state marketing campaigns and join state
31 trade missions that are relevant to the region; and

1 (D) develop and implement strategies to attract new industry,
2 expand international trade opportunities, and encourage tourism within the
3 region.

4 (b) Subject to (c) of this section, the department may make regional
5 development grants to organizations for projects the department determines will be of
6 value in encouraging economic development. During a fiscal year, the department may
7 make no more than 15 grants and may only make grants to one organization from a
8 particular region. An organization that is designated an economic development district
9 under 42 U.S.C. 3171 qualifies for grants under this subsection. The department shall
10 by regulation adopt procedures for applying for regional development grants,
11 including application deadlines. The department may by regulation establish
12 additional grant eligibility requirements.

13 (c) To qualify for a grant, a regional development organization must match the
14 grant by providing an amount of money from nonstate sources. The department shall
15 establish by regulation a formula that determines the amount of the match required
16 under this subsection based on the capability of each organization to generate money
17 from nonstate sources. The amount of match required may not exceed the amount of
18 grant money and may not be less than 20 percent of the grant. The total amount of
19 grant money provided to an organization during a fiscal year may not exceed
20 \$100,000.

21 (d) There is established in the department the regional development fund
22 consisting of appropriations to the fund. Money from the fund may be used only for
23 regional development grants.

24 (e) Not later than February 1 of each year, the department shall compile a
25 report on statewide and regional economic development projects and on the activities
26 of regional development organizations that have received assistance under (a) of this
27 section or a grant under (b) of this section. The department shall notify the legislature
28 that the report is available. The report must include the information listed in (1) - (3)
29 of this subsection. To compile the report, the department shall require each regional
30 development organization to provide the following information to the department on
31 or before a date set by the department:

1 (1) an assistance and funding summary for the previous fiscal year that
2 includes

3 (A) the assistance provided to the organization by the
4 department, the amount and purposes of grants made to the organization by the
5 department, and a statement of any other funding received by the organization
6 from the state;

7 (B) the amount of federal funding and grants received by the
8 organization; and

9 (C) the amounts and sources of private sector sponsorships;

10 (2) an activity summary that includes

11 (A) a summary of the meetings of the board of the regional
12 development organization held during the past year, including the number of
13 meetings and the date, location, and a brief description of the agenda of each
14 meeting;

15 (B) a summary of economic development initiatives being
16 undertaken and services being provided by the regional development
17 organization at the time of the report;

18 (C) a work plan containing goals, objectives, and strategies for
19 addressing regional economic needs;

20 (D) a summary of any comprehensive economic development
21 strategy being implemented by the board at the time of the report; and

22 (E) the status of projects funded by grants from the state or the
23 federal government; and

24 (3) an economic development summary that includes

25 (A) potential projects identified by the board that may enhance
26 economic development; and

27 (B) challenges to regional economic development identified by
28 the board.

29 (f) In this section,

30 (1) "department" means the Department of Commerce, Community,
31 and Economic Development;

1 (2) "regional development organization" or "organization" means a
2 nonprofit organization or nonprofit corporation formed to encourage economic
3 development within a particular region of the state that includes the entire area of each
4 municipality within that region and that has a board of directors that represents the
5 region's economic, political, and social interests.

6 * **Sec. 20.** AS 16.43.100(a)(21), 16.43.451, 16.43.461, 16.43.471, 16.43.481, 16.43.491,
7 16.43.501, 16.43.511, and 16.43.521 are repealed.

8 * **Sec. 21.** AS 44.33.896 is repealed July 1, 2016.

9 * **Sec. 22.** The uncodified law of the State of Alaska is amended by adding a new section to
10 read:

11 INITIAL REPORT FILED UNDER AS 44.33.896(e). In addition to the requirements
12 of AS 44.33.896(e), enacted by sec. 19 of this Act, the Department of Commerce,
13 Community, and Economic Development shall include, in the first report compiled after the
14 effective date of sec. 19 of this Act, a funding summary for the previous three fiscal years.

15 * **Sec. 23.** The uncodified law of the State of Alaska is amended by adding a new section to
16 read:

17 TRANSITION: REGULATIONS. Notwithstanding AS 44.62.190, the Department of
18 Commerce, Community, and Economic Development may continue to use and enforce
19 regulations previously adopted to administer the former Alaska regional economic assistance
20 program to the extent those regulations do not conflict with AS 44.33.896, added by sec. 19 of
21 this Act. The Department of Commerce, Community, and Economic Development shall
22 update and readopt those regulations in accordance with AS 44.62 to conform to the
23 provisions of this Act.

24 * **Sec. 24.** The uncodified law of the State of Alaska is amended by adding a new section to
25 read:

26 RETROACTIVITY. AS 44.33.896, enacted by sec. 19 of this Act, is retroactive to
27 July 1, 2013.

28 * **Sec. 25.** Sections 2, 6, 8, 10, 12, 14, 16, 18, and 20 of this Act take effect December 30,
29 2018.

30 * **Sec. 26.** AS 16.43.451(f), enacted by sec. 4 of this Act, takes effect January 1, 2015.

31 * **Sec. 27.** Except as provided in secs. 25 and 26 of this Act, this Act takes effect

1 immediately under AS 01.10.070(c).