

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

H.B. 655
Apr 17, 2023
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40341-MHa-118

Short Title: Coastal Fisheries Licensing Reforms. (Public)

Sponsors: Representative Ross.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO AMEND THE STATUTES PERTAINING TO COASTAL FISHING TO EASE
3 REGULATORY BURDENS AND ENHANCE ACCESS TO FISHERIES FOR BONA
4 FIDE COMMERCIAL FISHERMEN.

5 The General Assembly of North Carolina enacts:

6
7 **COMMERCIAL LICENSE REFORMS**

8 **SECTION 1.1.(a)** G.S. 113-168(1) is recodified as G.S. 113-168(1a), and
9 G.S. 113-168(3a) is recodified as G.S. 113-168(3b).

10 **SECTION 1.1.(b)** Article 14A of Chapter 113 of the General Statutes, as recodified
11 by subsection (a) of this section, reads as rewritten:

12 "Article 14A.

13 "Coastal and Estuarine Commercial Fishing Licenses.

14 **"§ 113-168. Definitions.**

15 As used in this Article:

16 (1) CFCL. – A Commercial Fishing Crew License.

17 (1a) ~~"Commercial fishing operation" means any activity~~ Commercial fishing
18 operation. – Any activity preparatory to, during, or subsequent to the taking
19 of any fish, the taking of which is subject to regulation by the Commission,
20 either with the use of commercial fishing equipment or gear, or by any means
21 if the purpose of the taking is to obtain fish for sale. Commercial fishing
22 operation does not include (i) the taking of fish as part of a recreational fishing
23 tournament, unless commercial fishing equipment or gear is used, or (ii) the
24 taking of fish under a RCGL, or (iii) the taking of fish as provided in
25 G.S. 113-261.

26 (2) ~~"Commission" means the Commission. – The Marine Fisheries Commission.~~

27 (2a) Controlling interest. – With respect to a corporation, partnership, association,
28 or other legal entity, means the power to make decisions about the entity and
29 the exercise of its legal powers without the agreement of any other person or
30 legal entity.

31 (3) ~~"Division" means the Division. – The Division of Marine Fisheries in the~~
32 Department of Environmental Quality.

33 (3a) HSCFL. – A Heritage Standard Commercial Fishing License.

34 (3b) ~~"Immediate family" means the Immediate family. – The mother, father,~~
35 brothers, sisters, spouse, children, stepparents, stepbrothers, stepsisters, and
36 stepchildren of a person.



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- 1 (4) ~~"License year" means the License year.~~ – The period beginning 1 July of a
2 year and ending on 30 June of the following year.
- 3 (5) ~~"North Carolina resident" means a North Carolina resident.~~ – A person who
4 is a resident within the meaning of G.S. 113-130(4).
- 5 (5a) Person. – An individual.
- 6 ~~(6) "RCGL" means Recreational Commercial Gear License.~~
- 7 (7) ~~"RSCFL" means RSCFL.~~ – A Retired Standard Commercial Fishing License.
- 8 (8) ~~"SCFL" means SCFL.~~ – A Standard Commercial Fishing License.
- 9 (9) VCFE. – A Vessel Commercial Fishing Endorsement.

10 **"§ 113-168.1. General provisions governing licenses and endorsements.**

11 (a) Duration, Fees. – Except as provided in G.S. 113-173(f), all licenses and
12 endorsements issued under this Article expire on the last day of the license year. An applicant
13 for any license or endorsement shall pay the full annual fee at the time the applicant applies for
14 the license or endorsement regardless of when application is made.

15 (b) Licenses Required to Engage in Commercial Fishing. – It is unlawful for any person
16 to engage in a commercial fishing operation without holding a license and any endorsements
17 required by this Article. It is unlawful for anyone to command a vessel engaged in a commercial
18 fishing operation without complying with the provisions of this Article and rules adopted by the
19 Commission under this Article.

20 **(b1) It is unlawful to use commercial gear to harvest fish for personal consumption,**
21 **donation of any kind, bartering, or other non-sale purposes, except as follows:**

- 22 (1) A Standard Commercial Fishing License or Retired Standard Commercial
23 Fishing License holder who has obtained a Pre-Harvest Donation permit from
24 the Division under G.S. 113-169.1(d) may donate no more than 500 pounds
25 of fish on an annual basis to one or more charitable organizations recognized
26 under the laws of the State.
- 27 (2) A SCFL, RSCFL, or shellfish license holder may harvest the maximum
28 individual daily harvest limit prescribed by law for personal consumption.

29 **(b2) It is unlawful for any person who harvests and lands fish taken from coastal waters**
30 **using commercial gear to fail to report that harvest to the Division, except that SCFL, RSCFL,**
31 **CFCL, or shellfish license holders are not required to report maximum individual daily harvest**
32 **limits taken under their licenses for personal use. Landings of fish that are sold shall be reported**
33 **to the Division by the fish dealer as required by G.S. 113-168.2(i) and G.S. 113-168.4. Landings**
34 **of fish donated to a charity by a SCFL, RSCFL, or shellfish license holder shall be recorded by**
35 **the license holder on a non-sale reporting form provided by the Division. The non-sale reporting**
36 **form shall include the information on the applicable license, the time and place of landing, the**
37 **quantity of the fish, and other information as the Division deems necessary to accomplish the**
38 **purposes of this Subchapter. The license holder shall provide a completed copy of the non-sale**
39 **reporting form to the Division by transmitting the form to the Division on or before the tenth day**
40 **of the month following the harvest.**

41 **(b3) The organizer of a public angler fishing tournament shall (i) notify the Division of the**
42 **dates of the tournament at least 90 days before the tournament is to be held and (ii) keep a record**
43 **of all fish harvested during the tournament and report those landings to the Division on a non-sale**
44 **reporting form provided by the Division. For purposes of this subsection, a public angler fishing**
45 **tournament is defined as any organized fishing event where participants pay an entry fee to**
46 **participate in the tournament. The harvest recording and reporting requirements of this subsection**
47 **do not apply to public angler tournaments where fish are caught and released but are not landed.**

48 **(b4) In lieu of a paper non-sale reporting form, the Division may make available a**
49 **downloadable software application to allow electronic transmittal of the reporting forms required**
50 **under subsections (b2) and (b3) of this section.**

1 (c) Licenses, Assignments, and Endorsements Available for Inspection. – It is unlawful
2 for any person to engage in a commercial fishing operation in the State without having ready at
3 hand for inspection all valid licenses, assignments, and endorsements required under this Article.
4 To comply with this subsection, a person must have any required endorsements and either a
5 currently valid (i) license issued in the person's true name and bearing the person's current address
6 or (ii) SCFL and an assignment of the SCFL authorized under this Article. It is unlawful for a
7 person to refuse to exhibit any license, assignment, or endorsement required by this Article upon
8 the request of an inspector or other law enforcement officer authorized to enforce federal or State
9 laws, regulations, or rules relating to marine fisheries.

10 (d) No Dual Residency. – It is unlawful for any person to hold any currently valid license
11 issued under this Article to the person as a North Carolina resident if that person holds any
12 currently valid commercial or recreational fishing license issued by another state to the person as
13 a resident of that state.

14 (d1) It is unlawful for any person to hold more than one of each type of license issued
15 under this Article. For purposes of this subsection, any corporation or other legal entity in which
16 a person holds a controlling interest shall count toward the limit imposed by this subsection.

17 (d2) Notwithstanding the prohibition set forth in G.S. 113-168.2(a1), any person who held
18 more than one SCFL on January 1, 2024, and who is also the owner of more than one vessel used
19 in a commercial fishing operation in the coastal fishing waters of the State, registered with the
20 Division under G.S. 113-168.6(b), shall be eligible to purchase a VCFE for each additional
21 vessel, subject to the following conditions:

22 (1) The number of VCFEs for which a SCFL holder is eligible at any time shall
23 be limited to no more than the total number of SCFLs held by a person holding
24 multiple SCFLs on January 1, 2024.

25 (2) Each VCFE shall be permanently associated by the Division with the vessel
26 registration number of the vessel for which it is held and with the SCFL
27 number of the VCFE holder.

28 (3) The Commission shall adopt rules providing for transfer of an existing VCFE
29 to a new vessel upon an affected SCFL holder showing proof that an endorsed
30 vessel has been sold and replaced with a similar vessel.

31 (4) The VCFE shall be assignable by the SCFL holder to a vessel captain other
32 than the SCFL holder for the purpose of carrying on a commercial fishing
33 operation.

34 (5) All landings from the vessel on which the VCFE is held shall be subject to the
35 reporting requirements set forth in G.S. 113-168.2(b2), and landings shall be
36 reported under the SCFL with which the VCFE is associated.

37 (6) The annual cost of each VCFE shall be seven hundred fifty dollars (\$750.00).

38 **"§ 113-168.2. Standard Commercial Fishing License.**

39 (a) Requirement. – Except as otherwise provided in this Article, it is unlawful for any
40 person to engage in a commercial fishing operation in the coastal fishing waters without holding
41 a SCFL issued by the Division. A person who works as a member of the crew of a vessel engaged
42 in a commercial fishing operation under the direction of a person who holds a valid SCFL is not
43 required to hold a SCFL. A person who holds a SCFL is not authorized to take shellfish unless
44 the SCFL is endorsed as provided in G.S. 113-168.5.

45 (a1) Use of Vessels. – The holder of a SCFL is authorized to use only one vessel in a
46 commercial fishing operation at any given time. The Commission may adopt a rule to exempt
47 from this requirement a person in command of a vessel that is auxiliary to a vessel engaged in a
48 pound net operation, long-haul operation, or beach seine operation. A person who works as a
49 member of the crew of a vessel engaged in a mechanical shellfish operation under the direction
50 of a person who holds a valid SCFL with a shellfish endorsement is not required to hold a
51 shellfish license.

1 (a2) SCFL Renewal. – In order to be eligible to renew a SCFL, the holder must
2 demonstrate a minimum level of participation in fisheries of the State by demonstrating any of
3 the following in a form and manner satisfactory to the Division for at least two of the five fiscal
4 years immediately preceding the expiration date of the SCFL:

5 (1) Landings of at least 1,000 pounds of seafood products during the year from
6 coastal fishing waters.

7 (2) Fifteen trips for which a trip ticket was completed during the year.

8 ...

9 (e) Fees. – The annual SCFL fee for a resident of this State shall be ~~four-eight~~ hundred
10 dollars ~~(\$400.00).~~ (\$800.00). The annual SCFL fee for a person who is not a resident of this State
11 shall be the amount charged to a resident of this State in the nonresident's state. In no event,
12 however, may the fee be less than ~~four-eight~~ hundred dollars ~~(\$400.00).~~ (\$800.00). For purposes
13 of this subsection, a "resident of this State" is a person who is a resident within the meaning of:

14 (1) Sub-subdivisions a. through d. of G.S. 113-130(4) and who filed a State
15 income tax return as a resident of North Carolina for the previous calendar or
16 tax year, or

17 (2) G.S. 113-130(4)e.

18 (f) Assignment. – The holder of a SCFL may assign the SCFL ~~to any individual who is~~
19 ~~eligible to hold a SCFL under this Article.~~ only to a member of the SCFL holder's immediate
20 family or to a corporation or other legal entity in which the SCFL holder, together with members
21 of the SCFL holder's immediate family, holds a controlling interest. All SCFL assignments made
22 under this subsection shall be subject to the reporting requirements of G.S. 113-168.1(b2),
23 regardless of the residency of the assignee or where the fish taken under the assigned SCFL are
24 landed. It is unlawful for the holder of an SCFL to assign a shellfish endorsement of an SCFL to
25 any individual who is not a resident of this State. The assignment shall be in writing on a form
26 provided by the Division and shall include the name of the licensee, the license number, any
27 endorsements, the assignee's name, mailing address, physical or residence address, and the
28 duration of the assignment. If a notarized copy of an assignment is not filed with the Morehead
29 City office of the Division within five days of the date of the assignment, the assignment shall
30 expire. It is unlawful for the assignee of a SCFL to assign the SCFL. The assignment shall
31 terminate:

32 (1) Upon written notification by the assignor to the assignee and the Division that
33 the assignment has been terminated.

34 (2) Upon written notification by the estate of the assignor to the assignee and the
35 Division that the assignment has been terminated.

36 (3) If the Division determines that the assignee is operating in violation of the
37 terms and conditions applicable to the assignment.

38 (4) If the assignee becomes ineligible to hold a license under this Article.

39 (5) Upon the death of the assignee.

40 (6) If the Division suspends or revokes the assigned SCFL.

41 (7) At the end of the license year.

42 (g) Transfer. – A SCFL may be transferred only by the Division. A SCFL may be
43 transferred pursuant to rules adopted by the Commission or upon the request of:

44 (1) A licensee, from the licensee to a member of the licensee's immediate family
45 who is eligible to hold a SCFL under this ~~Article.~~ Article or to a corporation in
46 which the SCFL holder, together with members of the SCFL holder's
47 immediate family, holds a majority interest.

48 (2) The administrator or executor of the estate of a deceased licensee, to the
49 administrator or executor of the estate if a surviving member of the deceased
50 licensee's immediate family is eligible to hold a SCFL under this Article. The
51 administrator or executor must request a transfer under this subdivision within

1 six months after the administrator or executor qualifies under Chapter 28A of
2 the General Statutes. An administrator or executor who holds a SCFL under
3 this subdivision may, for the benefit of the estate of the deceased licensee:

- 4 a. Engage in a commercial fishing operation under the SCFL if the
5 administrator or executor is eligible to hold a SCFL under this Article.
- 6 b. Assign the SCFL as provided in subsection (f) of this section.
- 7 c. Renew the SCFL as provided in G.S. 113-168.1.

8 (3) An administrator or executor to whom a SCFL was transferred pursuant to
9 subdivision (2) of this subsection, to a surviving member of the deceased
10 licensee's immediate family who is eligible to hold a SCFL under this Article.

11 ~~(4) The surviving member of the deceased licensee's immediate family to whom
12 a SCFL was transferred pursuant to subdivision (3) of this subsection, to a
13 third party purchaser of the deceased licensee's fishing vessel.~~

14 ~~(5) A licensee who is retiring from commercial fishing, to a third party purchaser
15 of the licensee's fishing vessel.~~

16 (h) Identification as Commercial Fisherman. – The receipt of a current and valid SCFL
17 or shellfish license issued by the Division shall serve as proper identification of the licensee as a
18 commercial fisherman.

19 (i) Record-Keeping Requirements. – The fish dealer shall record each transaction at the
20 time and place of landing on a form provided by the Division. The transaction form shall include
21 the information on the SCFL or shellfish license, the quantity of the fish, the identity of the fish
22 dealer, and other information as the Division deems necessary to accomplish the purposes of this
23 Subchapter. The person who records the transaction shall provide a completed copy of the
24 transaction form to the Division and to the other party of the transaction. The Division's copy of
25 each transaction form shall be transmitted to the Division by the fish dealer on or before the tenth
26 day of the month following the transaction.

27 (j) Conversion to Heritage Standard Commercial Fishing License. – A person holding a
28 SCFL or an administrator or executor to whom a SCFL was transferred pursuant to subsection
29 (g) of this section may, upon filing notice and such other information as the Division may require,
30 request that a SCFL be converted to an HSCFL. The Division shall classify an HSCFL as a
31 separate class of inactive SCFL that the Division shall maintain and account for separately from
32 the pool of inactive licenses managed by the Division. It shall be unlawful to harvest fish under
33 an HSCFL. The annual fee for an HSCFL is one hundred dollars (\$100.00). The Division will
34 terminate the HSCFL and the right to reconvert the HSCFL to a SCFL if the HSCFL is not timely
35 renewed or 10 years after the original issuance of the HSCFL was originally converted from a
36 SCFL if it has not been reconverted under subsection (k) of this section.

37 (k) Reconversion of HSCFL to SCFL. – The HSCFL may be reconverted as a SCFL by
38 a member of the immediate family of the person holding the SCFL at the time it was converted
39 to an HSCFL. The reconverted SCFL issued under this subsection shall not be subject to
40 procedures adopted by the Commission and the Division for issuance of SCFLs from the pool of
41 inactive licenses. The reconverted SCFL shall not be subject to any eligibility requirements for
42 renewal of a SCFL other than payment of the renewal fee for a period of five years following
43 reconversion.

44 "**§ 113-168.3. Retired Standard Commercial Fishing License.**

45 (a) SCFL Provisions Applicable. – Except as provided in this section, the provisions set
46 forth in this Article concerning the SCFL shall apply to the RSCFL.

47 (b) Eligibility; Fees. – Any individual who is 65 years of age or older and who is eligible
48 for a SCFL under G.S. 113-168.2 may apply for either a SCFL or RSCFL. An applicant for a
49 RSCFL shall provide proof of age at the time the application is made. The annual fee for a RSCFL
50 for a resident of this State shall be ~~two hundred dollars (\$200.00).~~ four hundred dollars (\$400.00).
51 The annual fee for a RSCFL for a person who is not a resident of this State shall be ~~two hundred~~

1 ~~sixty dollars (\$260.00)~~ five hundred twenty dollars (\$520.00). For purposes of this subsection,
2 a "resident of this State" is a person who is a resident within the meaning of:

- 3 (1) Sub-subdivisions a. through d. of G.S. 113-130(4) and who filed a State
4 income tax return as a resident of North Carolina for the previous calendar or
5 tax year, or
6 (2) G.S. 113-130(4)e.
7 (c) Transfer. – The holder of a RSCFL may transfer the RSCFL as provided in
8 G.S. 113-168.2.
9 (1) If the transferee is less than 65 years of age, the transferee holds a SCFL.
10 When the transferee renews the SCFL, the transferee shall pay the fee set out
11 in G.S. 113-168.2.
12 (2) If the transferee is 65 years of age or older, the transferee may elect to hold
13 either a SCFL or RSCFL. If the transferee elects to hold a SCFL, the transferee
14 shall pay the fee set out in G.S. 113-168.2. If the transferee elects to hold a
15 RSCFL, the transferee shall pay the fee set out in this section.
16 (d) Assignment. – The RSCFL shall not be assignable.

17 **§ 113-168.3A. Commercial Fishing Crew License.**

18 (a) Eligibility. – A person serving on the crew of a vessel engaged in a commercial fishing
19 operation under the direction of a person who holds a valid SCFL may apply for a CFCL.

20 (b) Fee. – The annual fee for a CFCL for a resident of this State shall be one hundred
21 dollars (\$100.00). The annual fee for a CFCL for a person who is not a resident of this State shall
22 be two hundred dollars (\$200.00).

23 (c) Eligibility for SCFL. – After maintaining a CFCL for three consecutive years, a
24 person holding a CFCL shall be eligible to apply for a SCFL upon submitting tax documentation
25 or similar proof of income derived from actual participation in a commercial fishery during each
26 of the three years the applicant held a CFCL. An applicant for a SCFL under this subsection shall
27 be exempt from any other eligibility requirements set by the Commission for a new SCFL.

28 (d) Subject to License Cap. – Issuance of a SCFL under this section shall be subject to
29 availability of a SCFL from the Availability Pool established by G.S. 113-168.7.

30 **§ 113-168.4. Sale of fish.**

31 (a) Except as otherwise provided in this section, it is unlawful for any person who takes
32 or lands any species of fish under the authority of the Commission from coastal fishing waters
33 by any means whatever, including mariculture operations, to sell, offer for sale, barter or
34 exchange these fish for anything of value without holding a license required to sell the type of
35 fish being offered.

36 (b) Except as otherwise provided in this section, it is unlawful for any person licensed
37 under this Article to sell fish taken outside the territorial waters of the State or to sell fish taken
38 from coastal fishing waters. A person licensed under this Article may sell fish taken outside the
39 territorial waters of the State or sell fish taken from coastal fishing waters under any of the
40 following circumstances:

- 41 (1) The sale is to a fish dealer licensed under G.S. 113-169.3.
42 (2) The sale is to the public and the seller is a licensed fish dealer under
43 G.S. 113-169.3.
44 (3) The sale is of oysters or clams from a hatchery or aquaculture operation to the
45 holder of an Aquaculture Operation Permit, an Under Dock Culture Permit,
46 or a shellfish cultivation lease for further grow out.

47 (c) A person who organizes a recreational fishing tournament may sell fish taken in
48 connection with the tournament pursuant to a recreational fishing tournament license to sell fish.
49 A person who organizes a recreational fishing tournament may obtain a recreational fishing
50 tournament license to sell fish upon application to the Division and payment of a fee of one
51 hundred twenty-five dollars (\$125.00). It is unlawful for any person licensed under this

1 subsection to sell fish to any person other than a fish dealer licensed under G.S. 113-169.3 unless
 2 the seller is also a licensed fish dealer. ~~A~~ For purposes of this subsection, a recreational fishing
 3 tournament is an organized fishing competition occurring within a specified time period not to
 4 exceed one week and that is not a commercial fishing operation. Gross proceeds from the sale of
 5 fish may be used only for charitable, religious, educational, civic, or conservation purposes and
 6 shall not be used to pay tournament expenses. A recreational fishing tournament license holder
 7 shall comply with the reporting requirements set forth in G.S. 168.1(b3) with respect to fish
 8 harvested during the tournament.

9 ...

10 **"§ 113-169.1. Permits for gear, equipment, and other specialized activities authorized.**

11 (a) The Commission may adopt rules to establish permits for gear, equipment, and
 12 specialized activities, including commercial fishing operations that do not involve the use of a
 13 vessel and transplanting oysters or clams. The Commission may establish a fee for each permit
 14 established pursuant to this subsection in an amount that compensates the Division for the
 15 administrative costs associated with the permit but that does not exceed one hundred dollars
 16 (\$100.00) per permit.

17 (b) The Commission may adopt rules to establish gear specific permits to take striped
 18 bass from the Atlantic Ocean and to limit the number and type of these permits that may be issued
 19 to a person. The Commission may establish a fee for each permit established pursuant to this
 20 subsection in an amount that compensates the Division for the administrative costs associated
 21 with the permit but that does not exceed thirty dollars (\$30.00) per permit.

22 (c) To ensure an orderly transition from one permit year to the next, the Division may
 23 issue a permit prior to July 1 of the permit year for which the permit is valid. Revenue that the
 24 Division receives for the issuance of a permit prior to the beginning of a permit year shall not
 25 revert at the end of the fiscal year in which the revenue is received and shall be credited and
 26 available to the Division for the permit year in which the permit is valid.

27 (d) Pre-Harvest Donation Permit. – The Division may issue a Pre-Harvest Donation
 28 Permit to any SCFL, RSCFL, or shellfish license holder allowing the use of commercial gears to
 29 take limited quantities of fish intended for charitable donation. Such donations are limited to 500
 30 pounds of fish annually by any license holder. For the donation to be lawful, the Pre-Harvest
 31 Donation Permit must be obtained prior to the harvest that results in the donation, the permit
 32 holder must personally harvest the fish to be donated, and the Pre-Harvest Donation Permit must
 33 be in the possession of the harvester at the time of harvest. All fish taken under a Pre-Harvest
 34 Donation Permit shall be reported to the Division as provided by G.S. 113-168.1(b2).

35"

36 **SECTION 1.1.(c)** The Commission shall adopt temporary and permanent rules to
 37 implement the requirements of this section.

38 **SECTION 1.1.(d)** This section becomes effective October 1, 2023.

39
 40 **LICENSE ELIGIBILITY POOL REFORMS**

41 **SECTION 2.1.(a)** Section 5.2 of S.L. 1997-400, as amended by Section 4.24 of S.L.
 42 1998-225, is codified as G.S. 113-168.7, entitled "SCFL Availability Pool," and reads as
 43 rewritten:

44 **"§ 113-168.7. SCFL Availability Pool.**

45 (a) **Definitions; Citations.** The definitions set out in G.S. 113-168 apply to this section.
 46 A citation to a provision of the General Statutes in this section means that provision of the
 47 General Statutes as enacted by this act.

48 (b) ~~Transitional Provisions. In order to effect an orderly implementation of this Part and~~
 49 ~~the transition from the moratorium imposed by subsection (a) of Section 3 of Chapter 576 of the~~
 50 ~~1993 Session Laws, Regular Session 1994, as amended by Section 3 of Chapter 675 of the 1993~~
 51 ~~Session Laws, Regular Session 1994; subsection (a) of Section 26.5 of Chapter 507 of the 1995~~

1 Session Laws; Section 7 of S.L. 1997-256; Section 3 of S.L. 1997-347; and Section 6.1 of this
2 act, to the licensing provision of Article 14A of Chapter 113 of the General Statutes, the
3 Applicability. – The provisions of this section shall apply to the issuance of licenses under Article
4 14A of Chapter 113 of the General Statutes until all Fishery Management Plans have been
5 adopted as required by G.S. 113-182.1 and G.S. 143B-289.22. this Article.

6 (c) ~~Temporary Cap.~~ There is hereby imposed a ~~temporary cap~~ on the total number of
7 SCFLs that the Division may issue. The ~~temporary cap~~ equals the ~~total number of endorsements~~
8 ~~to sell fish that establish eligibility for a SCFL under subsection (g) of this section~~ number of
9 SCFLs active on June 30, 2023, plus 500-100 additional SCFLs, authorized by subsection (d) of
10 this section. ~~SCFLs.~~

11 (d) ~~1999-2000 License Year.~~ For the ~~1999-2000 license year~~, the Commission is
12 authorized to issue SCFLs as provided in subsection (g) of this section ~~plus an additional 500~~
13 ~~SCFLs using the procedure set out in subsection (h) of this section.~~

14 (e)(d) ~~Subsequent License Years.~~ For license years beginning with the ~~2000-01-2023-2024~~
15 license year, the Commission is authorized to issue SCFLs from the pool of available SCFLs as
16 provided in subsection (f)(e) of this section using the procedure set out in subsection (h)(f) of
17 this section.

18 (f)(e) ~~Adjustment of Number of SCFLs.~~ The number of SCFLs in the pool of available
19 SCFLs in license years beginning with the ~~2000-01-2023-2024~~ license year is the ~~temporary cap~~
20 ~~set under subsection (c) of this section~~ less the number of SCFLs that were issued and renewed
21 during the previous license year. Licenses that are not renewed will go into a pool of inactive
22 SCFLs (the Inactive Pool). Licenses that are suspended or revoked, as well as the additional 100
23 SCFLs authorized under subsection (c) of this section, will go into the pool of available SCFLs
24 (the Availability Pool). SCFLs in the Inactive Pool may be reactivated for a period of two years
25 after nonrenewal and transfer into the Inactive Pool by the person that held the SCFL prior to it
26 becoming inactive. If the SCFL has not been reactivated within two years, the Division will
27 transfer it into the Availability Pool. The Commission may ~~increase or decrease~~ determine the
28 number of SCFLs that are issued from the ~~pool of available SCFLs.~~ Availability Pool. The
29 Commission may increase the number of SCFLs that are issued from the ~~pool of available SCFLs~~
30 Availability Pool up to the ~~temporary cap.~~ cap set under subsection (c) of this section. The
31 Commission may decrease the number of SCFLs that are issued from the pool of available SCFLs
32 but may not refuse to renew a SCFL that is issued during the previous license year and that has
33 not been suspended or revoked. The Commission shall increase or decrease the number of SCFLs
34 that are issued to reflect its determination as to the effort that the fishery can support, based on
35 the best available scientific evidence.

36 (g) ~~Eligibility for SCFL.~~ Any person who holds a valid endorsement to sell fish of a vessel
37 license on 30 June 1999 is eligible to receive a SCFL. Any person who holds a valid nonvessel
38 endorsement to sell fish, other than a nonvessel endorsement to sell fish issued for an aquaculture
39 operation or a fishing tournament, on 30 June 1999 is eligible to receive a SCFL. The Division
40 shall issue a SCFL to any person who is eligible under this subsection upon receipt of an
41 application and required fees. If the person held more than one endorsement to sell fish, the
42 person is eligible to receive a SCFL for each endorsement to sell previously held. Eligibility to
43 receive a SCFL under this subsection shall expire 30 June 2000.

44 (h)(f) ~~Procedure for Issuing Additional SCFLs.~~ The Commission shall ~~determine a adopt~~
45 rules implementing a procedure for issuing the 500 additional SCFLs authorized by subsection
46 (d) of this section for the 1999-2000 license year and for issuing SCFLs from the pool of available
47 SCFLs authorized by subsection (e) of this section. Availability Pool. The procedure shall set a
48 date on which the Division will begin receiving applications and a date on which the
49 determination by lot of which applicants will receive a SCFL will be made. The Commission
50 shall develop criteria to be used by the SCFL Eligibility Board in determining eligibility for a
51 SCFL under this subsection. the remaining SCFLs in the Availability Pool. Criteria shall include

1 the past involvement of the applicant and the applicant's family in commercial fishing; the extent
2 to which the applicant has relied on commercial fishing for the applicant's livelihood; the extent
3 to which the applicant has complied with federal and State laws, regulations, and rules relating
4 to coastal fishing and protection of the environment; and any other factors the Commission
5 determines to be relevant. The SCFL Eligibility Board shall review each application for a SCFL
6 that the Division receives during the application period to determine whether the applicant is
7 eligible for a SCFL under the eligibility criteria established by the Commission. The Division
8 shall issue SCFLs under this subsection by lot. All applicants who are determined to be eligible
9 shall have an equal chance of being issued a SCFL.

10 (g) SCFL Apprentice Program. – The Commission shall set aside 100 licenses from the
11 Availability Pool for an apprenticeship program. This program will allow persons completing a
12 commercial fishing program offered by a community college in the North Carolina Community
13 College System or a program in another state that the Division determines to be equivalent to the
14 programs offered in this State to obtain a SCFL and be temporarily exempt from other criteria
15 imposed under this subsection for a time period determined by the Commission.

16 (i)(h) SCFL Eligibility Board. There is established a SCFL Eligibility Board. The Board
17 shall apply the eligibility criteria adopted by the Commission to determine whether an applicant
18 for a SCFL is eligible for a SCFL under subsection (h)(f) of this section. The Board shall consist
19 of the Secretary of ~~Environment and Natural Resources~~ Environmental Quality or the Secretary's
20 designee, the Fisheries Director or the Director's designee, and the Chair of the Commission or
21 the Chair's designee. The Secretary shall designate one member of the Board to serve as Chair of
22 the Board. The Commission shall adopt rules to govern the operation of the Board. The Board is
23 exempt from the provisions of Article 3 of Chapter 150B of the General Statutes. Decisions of
24 the Board shall be subject to judicial review under the provisions of Article 4 of Chapter 150B
25 of the General Statutes."

26 **SECTION 2.1.(b)** This section becomes effective June 30, 2024.

27 **REPEAL RCGL AND ADJUST CRFL ALLOWABLE GEAR**

28 **SECTION 3.1.(a)** G.S. 113-173, 113-168(6), 113-173.1(a)(6), and 113-174(4)c. are
29 repealed.
30

31 **SECTION 3.1.(b)** G.S. 113-168.1(a) reads as rewritten:

32 "(a) Duration, Fees. – ~~Except as provided in G.S. 113-173(f), all~~ All licenses and
33 endorsements issued under this Article expire on the last day of the license year. An applicant
34 for any license or endorsement shall pay the full annual fee at the time the applicant applies for
35 the license or endorsement regardless of when application is made."

36 **SECTION 3.1.(c)** This section becomes effective June 30, 2024.

37 **SECTION 3.2.(a)** G.S. 113-174.2 is amended by adding a new subsection to read:

38 "(e) Authorized Gear. – The Commission shall adopt rules allowing persons holding a
39 CRFL to use (i) up to five crab pots to take crabs for personal use, (ii) up to five shrimp pots, or
40 a channel net, to take shrimp for personal use, and (iii) seines to take fish for bait."

41 **SECTION 3.2.(b)** The Marine Fisheries Commission may adopt temporary rules to
42 implement the requirements of this section.
43

44 **ALIGN CRFL AND WRC INLAND FISHING LICENSE FEES**

45 **SECTION 4.1.(a)** G.S. 113-174.2(c) reads as rewritten:

46 "(c) Types of CRFLs; Fees; Duration. – The Wildlife Resources Commission shall issue
47 the following CRFLs:

48 (1) Annual Resident CRFL. – ~~\$15.00.~~ \$20.00. This license is valid from the date
49 of issue for a period of 12 months as defined by G.S. 113-270.1B(b) and
50 G.S. 113-270.1B(c). This license shall be issued only to an individual who is
51 a resident of the State.

- 1 (1a) Annual Nonresident CRFL. – ~~\$30.00~~–\$36.00. This license is valid from the
- 2 date of issue for a period of 12 months as defined by G.S. 113-270.1B(b) and
- 3 G.S. 113-270.1B(c). This license shall be issued only to an individual who is
- 4 not a resident of the State.
- 5 (4) Ten-Day Resident CRFL. – ~~\$5.00~~–\$7.00. This license is valid for a period of
- 6 10 consecutive days, as indicated on the license. This license shall be issued
- 7 only to an individual who is a resident of the State.
- 8 (4a) Ten-Day Nonresident CRFL. – ~~\$10.00~~–\$18.00. This license is valid for a
- 9 period of 10 consecutive days, as indicated on the license. This license shall
- 10 be issued only to an individual who is not a resident of the State.

11"

12 **SECTION 4.1.(b)** This section becomes effective October 1, 2024.

13
14 **JOBS AND INVESTMENTS TO SUPPORT COMMERCIAL FISHERIES**

15 **SECTION 5.1.(a)** There is appropriated from the General Fund to the Division of
16 Marine Fisheries of the Department of Environmental Quality the sum of seven hundred fifty
17 thousand dollars (\$750,000) in recurring funds for the 2023-2024 fiscal year to be used for the
18 following purposes:

- 19 (1) To offset any loss of revenue from licensing fees that result from the adoption
- 20 of this act.
- 21 (2) For the extension and expansion of programs to remove crab pots and other
- 22 derelict fishing gear from northeastern, eastern, and southeastern North
- 23 Carolina waters, with preference for program participants granted to
- 24 transitioning commercial license holders.
- 25 (3) For the expansion of aquaculture and shellfish leasing programs, including
- 26 training and start-up funding for new participants in those programs, with
- 27 preference given to commercial license holders that may be affected by the
- 28 adoption of this act.

29 **SECTION 5.1.(b)** There is appropriated from the General Fund to the North Carolina
30 Collaboratory established in Article 31A of Chapter 116 of the General Statutes the sum of two
31 hundred fifty thousand dollars (\$250,000) for the purpose of performing a study on the design
32 and implementation of a fisheries license buyback and retirement program for commercial
33 license holders that may be impacted by this act.

34
35 **DIVISION OF MARINE FISHERIES DATA COLLECTION**

36 **SECTION 6.1.** G.S. 113-174.3(e) is reenacted as it existed immediately before its
37 repeal.

38
39 **SEVERABILITY CLAUSE AND EFFECTIVE DATE**

40 **SECTION 7.1.(a)** If any section or provision of this act is declared unconstitutional
41 or invalid by the courts, it does not affect the validity of this act as a whole or any part other than
42 the part declared to be unconstitutional or invalid.

43 **SECTION 7.1.(b)** Except as otherwise provided, this act is effective when it
44 becomes law.