



STANDARD COMMERCIAL FISHING LICENSE ELIGIBILITY



ROY COOPER
Governor

MICHAEL S. REGAN
Secretary

STEPHEN W. MURPHEY
Director

July 31, 2020

MEMORANDUM

TO: N.C. Marine Fisheries Commission
FROM: Captain Garland Yopp, Marine Patrol, Eligibility Board Chair
SUBJECT: Standard Commercial Fishing License Eligibility Pool Determination

Issue

Determine number of licenses available to the Standard Commercial Fishing License (SCFL) Eligibility Pool.

Overview

An individual who does not hold a Standard Commercial Fishing License but wants to purchase a license through the Division of Marine Fisheries can apply to receive the license through the Eligibility Pool process. The application goes before a board which determines if the applicant is qualified based on criteria set out in rule. The number of licenses available in this pool is set annually by the commission.

Session Law 1998-225, Section 4.24(f) states that “the number of SCFLs in the pool of available SCFLs in license years beginning with the 2000-01 license year is the temporary cap less the number of SCFLs that were issued and renewed during the previous license year.” The temporary cap was set at the number of valid Endorsements to Sell as of June 30, 1999 (8,396 licenses), plus an extra 500 licenses to be included in the Eligibility Pool (8,896 total licenses).

For the 2020-2021 license year, the number of licenses available through the Eligibility Board is 3,064. This number accounts for licenses issued in the 2019-2020 license year and the number of approvals from the Eligibility Board from 2019-2020 that still have the option to purchase a license before June 30, 2021. Individuals approved in the fall (September/October) must purchase their license by June 30 of the same license year, but those approved in the spring (March) have until June 30 of the following license year to purchase their license.

Session Law 1998-225, Section 4.24(f) also states “the Commission may increase or decrease the number of SCFLs that are issued from the pool of available SCFLs. The

Commission may increase the number of SCFLs that are issued from the pool of available SCFLs up to the temporary cap. The Commission may decrease the number of SCFLs that are issued from the pool of available SCFLs but may not refuse to renew a SCFL that is issued during the previous license year and that has not been suspended or revoked. The Commission shall increase or decrease the number of SCFLs that are issued to reflect its determination as to the effort that the fishery can support, based on the best available scientific evidence.”

From July 1, 2019 to June 30, 2020, the Board received 52 applications and approved 41. This was a 46% increase in applications received compared to FY2019. So far, there are 7 pending applications for review at the fall Eligibility Board meeting. The deadline for renewing commercial licenses for FY2020 was extended to July 31, 2020 due to COVID-19 so the numbers in this memo may not represent all SCFLs that will be renewed for FY2020. Therefore, the total number of licenses available in the Eligibility Pool may be lower than the number presented.

Over the past three years, the commission has voted to make the number of available licenses in the Eligibility Pool different from the total number of licenses left in the cap. Below is a summary of the licenses made available to the pool by the commission over the last 10 years (Table 1).

Table 1. Number of licenses available and number of licenses approved by the commission in the SCFL Eligibility Pool, FY2011–2021.

License Year (FY)	Number of Licenses Available	Number of Licenses Approved by MFC
2010–2011	1,420	1,420
2011–2012	1,375	1,375
2012–2013	1,358	1,358
2013–2014	1,368	1,368
2014–2015	1,257	1,257
2015–2016	1,238	1,238
2016–2017*	2,417	100
2017–2018	2,592	1,500
2018–2019	2,723	500
2019–2020	2,973	500
2020–2021	3,064	

*Calculation to determine number of available licenses changed

In summary, there are 3,064 licenses available to the Eligibility Pool for the 2020–2021 license year. The commission needs to determine the number of licenses it wants to place in the pool for the upcoming year.

Action Needed

A vote by the commission is needed to set the number of available licenses in the Eligibility Pool.

Eligibility Pool Commission Report for 2020–2021 August 20, 2020

How the Pool Number is Determined:

Session Law 1998-225, Section 4.24(f).

(f) Adjustment of Number of SCFLs. The number of SCFLs in the pool of available SCFLs in license years beginning with the 2000–01 license year is the temporary cap less the number of SCFLs that were issued and renewed during the previous license year. . .

Role of the Marine Fisheries Commission:

Session Law 1998-225, Section 4.24(f).

(f) . . . The Commission may increase or decrease the number of SCFLs that are issued from the pool of available SCFLs. The Commission may increase the number of SCFLs that are issued from the pool of available SCFLs up to the temporary cap. The Commission may decrease the number of SCFLs that are issued from the pool of available SCFLs but may not refuse to renew a SCFL that is issued during the previous license year and that has not been suspended or revoked. The Commission shall increase or decrease the number of SCFLs that are issued to reflect its determination as to the effort that the fishery can support, based on the best available scientific evidence.

Temporary Cap:

The maximum number of SCFLs that can be issued is the number of valid Endorsements to Sell as of June 30, 1999 plus 500 for the first eligibility pool, for a total of 8,896.

Eligibility Board Pool Determination 2020–2021:

There are 3,064 SCFLs available through the Eligibility Board for the 2020–2021 license year.

Attachments:

2020–2021 Eligibility Pool Determination Calculations

FY2020 License Sales Report

Summary of Licenses Available and Temporary Cap as Approved by the Commission

Eligibility Board Meeting Summaries

Eligibility Board Open Files

Eligibility Pool Determination Calculations For 2020–2021 License Year

Below is the current calculation used to determine the number of licenses available in the Eligibility Pool. Corrections were made to this calculation in August 2016 to prevent licenses already existing in the cap from being double counted and removed from the number of licenses remaining.

Licenses removed from the cap in this calculation include the number of SCFLs and RSCFLs issued and renewed in the 2019–2020 license year as well as any Eligibility Board approvals from the spring meeting. Those approved by the Eligibility Board in the spring have until the following license year to purchase their SCFL. These licenses are subtracted from the pool because they represent potential licenses available for purchase.

Current calculation:

Total Number of SCFLs Available in 2020–2021 License Year (Data run date: 7/9/2020)

1) Total original SCFLs available (Cap).....	8,896
2) Less total number of SCFLs issued and renewed in 2019–2020.....	– 5,823
<hr/>	
3) Total number of SCFLs available in the pool for 2020–2021.....	3,073
4) Less total number of 2019–2020 approvals through Eligibility Pool not yet issued ¹	-9
<hr/>	
5) Total SCFLs available for the 2020–2021 license year.....	3,064

¹ Individuals approved in the spring (March 2020) have until June 30 of the following license year (2021) to purchase their SCFL.

**North Carolina Division of Marine Fisheries
Commercial Licenses Sold by License Type
FY2020 License Year**

Data Run Date: 7/9/2020

Blanket For-Hire Captain's Coastal Recreational Fishing License:	131
Blanket For-Hire Vessel Coastal Recreational Fishing License:	597
Commercial Fishing Vessel Registration:	6,506
Fish Dealer License:	672
Land or Sell License:	134
License to Land Flounder from Atlantic Ocean:	157
NC Resident Shellfish License without SCFL:	571
Non-Blanket For-Hire Vessel License:	106
Ocean Pier License:	20
Recreational Fishing Tournament License:	26
Retired Standard Commercial Fishing License:	1,402
Standard Commercial Fishing License:	4,421
 TOTAL LICENSES FOR ALL LICENSE TYPES:	 14,743

4,421	SCFL	
<u>+ 1,402</u>	RSCFL	
5,823	Total Number of SCFLs issued for FY2020	

Licenses Available from the Eligibility Pool – Annual Summary

License Year	Number of Licenses Available	Number of Licenses Approved by MFC
1999–2000	500	N/A
2000–2001	1,314	1,314
2001–2002	1,423	1,423
2002–2003	1,458	1,458
2003–2004	1,421	1,421
2004–2005	1,423	1,423
2005–2006	1,536	1,536
2006–2007	1,596	1,596
2007–2008	1,562	1,562
2008–2009	1,557	1,557
2009–2010	1,507	1,507
2010–2011	1,420	1,420
2011–2012	1,375	1,375
2012–2013	1,358	1,358
2013–2014	1,368	1,368
2014–2015	1,257	1,257
2015–2016	1,238	1,238
2016–2017*	2,417	100
2017–2018	2,592	1,500
2018–2019	2,723	500
2019–2020	2,973	500
2020–2021	3,064	TBD

*Calculation to determine number of available licenses changed

Licenses Approved and Denied by the Eligibility Pool Board – Annual Summary

License Year	Approved	Denied
1999–2000	166	133
2000–2001	110	75
2001–2002	46	37
2002–2003	38	23
2003–2004	56	11
2004–2005	35	13
2005–2006	31	9
2006–2007	32	4
2007–2008	49	7
2008–2009	83	5
2009–2010	109	11
2010–2011	63	2
2011–2012	68	17
2012–2013	99	9
2013–2014	96	14
2014–2015	61	13
2015–2016	45	6
2016–2017	32	6
2017–2018	84	13
2018–2019	28	6
2019–2020	41	10
Totals	1,372	424

Eligibility Pool Board Meeting Summary

HEARING DATE	APPRVLS	DENIALS	TABLED **	TOTAL REVIEWED	INCOMP. ***	NON-RESIDENTS		
						TABLED	APPRV'D	DENIED
5/5/1999	2	0	2	4		0	0	0
5/19/1999	5	0	1	6		0	1	0
6/17/1999	2	5	3	10		0	0	0
7/1/98-6/30/99	9	5	6	20		0	1	0
7/7/1999	12	10	0	22		0	3	0
7/8/1999	23	25	0	48		0	7	0
07/15/1999 MFC	N/A	N/A	N/A	N/A		N/A	N/A	N/A
8/11/1999	18	20	4	42		0	3	0
8/27/1999	17	33	0	50		0	0	1
09/09/1999 MFC	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9/29/1999	18	11	1	30		0	0	0
11/3/1999	13	12	4	29		1	2	0
11/08/1999 MFC	N/A	N/A	N/A	N/A		N/A	N/A	N/A
1/26/2000	9	5	5	19		1	1	0
02/18/2000 MFC	N/A	N/A	N/A	N/A		N/A	N/A	N/A
4/19/2000	19	6	8	33		2	1	0
5/18/2000	18	3	9	30		2	0	1
6/7/2000	10	3	2	15		1	0	0
7/1/99-6/30/00	157	128	33	318		7	17	2
7/12/2000	11	1	4	16		0	2	0
7/21/2000 MFC	N/A	N/A	N/A	N/A		N/A	N/A	N/A
9/20/2000	24	15	7	46		0	1	0
10/27/2000	16	8	3	27		0	1	0
12/1/2000	5	16	2	23		0	0	0
1/24/2001	10	14	3	27		0	0	2
3/9/2001	12	12	8	32		0	0	0
4/4/2001	32	9	1	42		0	0	1
7/1/00-6/30/01	110	75	28	213		0	4	3
7/26/2001	18	10	2	30		1	3	0
08/21/2002 MFC	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11/14/2002	12	15	3	30		0	2	1
2/21/2002	16	12	2	30		0	1	0
7/1/01-6/30/02	46	37	7	90		1	6	1
9/11/2002	28	14	6	48		1	2	0
08/19/2003 MFC	N/A	N/A	N/A	N/A		N/A	N/A	N/A
3/5/2003	10	9	1	20		0	2	0
7/1/02-6/30/03	38	23	7	68		1	4	0
08/19/2003 MFC	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7/9/2003	16	3	1	20		0	2	0
11/4/2003	17	2	0	19		0	3	0
3/19/2004	22	6	0	28		0	2	0
6/22/2004	1	0	0	1		0	0	0
7/1/03-6/30/04	56	11	1	68		0	7	0
11/1/2004	22	4	1	27		0	0	0
2/28/2005	11	2	0	13		0	0	1
4/18/2005	2	7	0	9		0	0	0
7/1/04-6/30/05	35	13	1	49		0	0	1
9/27/2005	17	7	1	25		0	1	0
3/15/2006	14	2	2	18		0	1	0
7/1/05-6/30/06	31	9	3	43		0	2	0
HEARING DATE	APPRVLS	DENIALS	TABLED	TOTAL	INCOMP.	NON-RESIDENTS		

			**	REVIEWED	***	TABLED	APPRV'D	DENIED
10/4/2006	16	3	2	21		0	1	0
3/14/2007	16	1	2	19		0	1	0
7/1/06-6/30/07	32	4	4	40		0	2	0
9/10/2007	26	2	4	32		0	0	0
3/19/2008	23	5	3	31		0	0	0
7/1/07-6/30/08	49	7	7	63		0	0	0
9/30/2008	39	0	3	42		0	4	0
3/24/2009	44	5	1	50		0	3	0
7/1/08-6/30/09	83	5	4	92		0	7	0
10/6/2009	52	6	1	59		0	2	1
3/10/2010	36	2	1	39		0	1	0
6/2/2010	21	3	0	24		0	0	0
7/1/09-6/30/10	109	11	2	122		0	3	1
9/21/2010	40	2	1	43		0	2	0
3/24/2011	23	0	0	23		0	4	0
7/1/10-6/30/11	63	2	1	66		0	6	0
10/4/2011	39	7	0	46		0	2	0
3/15/2012	28	10	0	38		0	2	0
1/13/2012	1	0	0	1		0	0	0
7/1/11-6/30/12	68	17	0	85		0	4	0
9/12/2012	53	7	3	63		0	1	1
3/19/2013	46	2	4	52		0	2	0
7/1/12-6/30/13	99	9	7	115		0	3	1
9/18/2013	56	7	0	63		0	2	0
3/19/2014	40	7	1	48		0	0	0
7/1/13-6/30/14	96	14	1	111		0	2	0
9/17/2014	32	9	0	41		0	1	0
3/18/2015	25	3	5	33		1	0	0
5/12/2015	4	1	0	5		0	1	0
7/1/14-6/30/15	61	13	5	79		1	1	0
10/21/2015	16	4	1	21		0	3	0
3/23/2016	29	2	2	33		0	0	0
7/1/15-6/30/16	45	6	3	54		0	3	0
9/28/2016	17	3	2	22		0	0	0
3/16/2017	15	3	0	18		0	0	0
7/1/16-6/30/17	32	6	2	40		0	0	0
9/28/2017	44	9	0	53		0	1	0
11/1/2017	11	3	0	14		0	1	0
3/28/2018	29	1	0	30		0	3	0
7/1/17-6/30/18	84	13	0	97		0	5	0
10/30/2018	15	5	0	22*		0	1	1
4/11/2019	13	1	0	14		0	1	0
7/1/18-6/30/19	28	6	0	36		0	2	1
9/24/2019	25	6	1	32		0	1	1
3/26/2020	16	4	0	20		0	2	0
7/1/19-6/30/20	41	10	1	52		0	3	1
TOTALS ALL	1,372	424	123	1,921		10	82	11

*Two applications were withdrawn.

**TABLED files are presented again at the next Board meeting for a final decision of approval or denial and are then accounted for in the Approved or Denied categories. TOTAL REVIEWED does not equal total approved or denied because some files are reviewed in multiple meetings (tabled, etc.).

**Standard Commercial Fishing License Eligibility Pool Office
Summary of Open Files beginning July 1, 2020**

File Description	Total Number of Files
To be researched/ready for the next board meeting	7
New/being processed	0
Pending responses to letters mailed requesting more information	0
Incomplete – no response to letters	0
Total Open/Pending Applications	7