



# *Latent Commercial Fishing Licenses*

DEPARTMENT OF ENVIRONMENTAL QUALITY



Marine Fisheries

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# Latent Commercial Fishing Licenses

## Introduction and Outline:

- Background and Requirements
- Latent License Definition with Scenarios
- Discussion and Data
- Potential Solutions



*Disclaimer: For the purpose of this presentation, the focus is solely on Standard Commercial Fishing Licenses and Retired Standard Commercial Fishing Licenses. Shellfish and Land or Sell licenses also allow a person to sell.*

*Department of Environmental Quality*



# Latent Commercial Fishing Licenses



## Background and Requirements

- To commercially fish in North Carolina coastal fishing waters, a person must have a Standard Commercial Fishing License (SCFL) or a Retired Standard Commercial Fishing License (RSCFL).
  - These licenses allow a person to use commercial gear and keep commercial quantities during the commercial season.
  - Currently, these are not open access licenses and have to be renewed the year after the license expires to be maintained by the license holder. If not renewed, the license reverts to the SCFL Eligibility Pool.
- Fish that are sold, must go through a North Carolina licensed fish dealer and the landings must be reported on trip tickets.
- Fishermen who take the fish home for personal consumption have no requirement that the landing be recorded on trip tickets.
  - This is a data gap.
  - No data to support how much of this occurs nor quantity of fish not reported.
- The law does not require SCFL or RSCFL holders to go through a fish dealer to record landings unless there is a transaction with the fish dealer.





# Latent Commercial Fishing Licenses



## Requirements

- G.S. 113-168.2 Standard Commercial Fishing License
  - (i) “Record-Keeping Requirements - The fish dealer shall record each transaction at the time and place of landing on a form...”
- G.S. 113-168.4. Sale of Fish.
  - (a) “... it is unlawful for any person who take or lands any species of fish under the authority of the Commission from coastal fishing waters by any means whatever, including mariculture operations, to sell, offer for sale, barter or exchange these fish for anything of value without holding a license required to sell the type of fish being offered.”
- G.S. 113-169.3 Licenses for Fish Dealers
  - (i)(3) “The dealer records the transaction consistent with the record-keeping requirements of G.S. 113-168.2(i)”
- MFC Rule 15A NCAC 031.0101 Definitions
  - (5)(m) Transaction. Act of doing business such that fish are sold, offered for sale, exchanged, bartered, distributed, or landed.

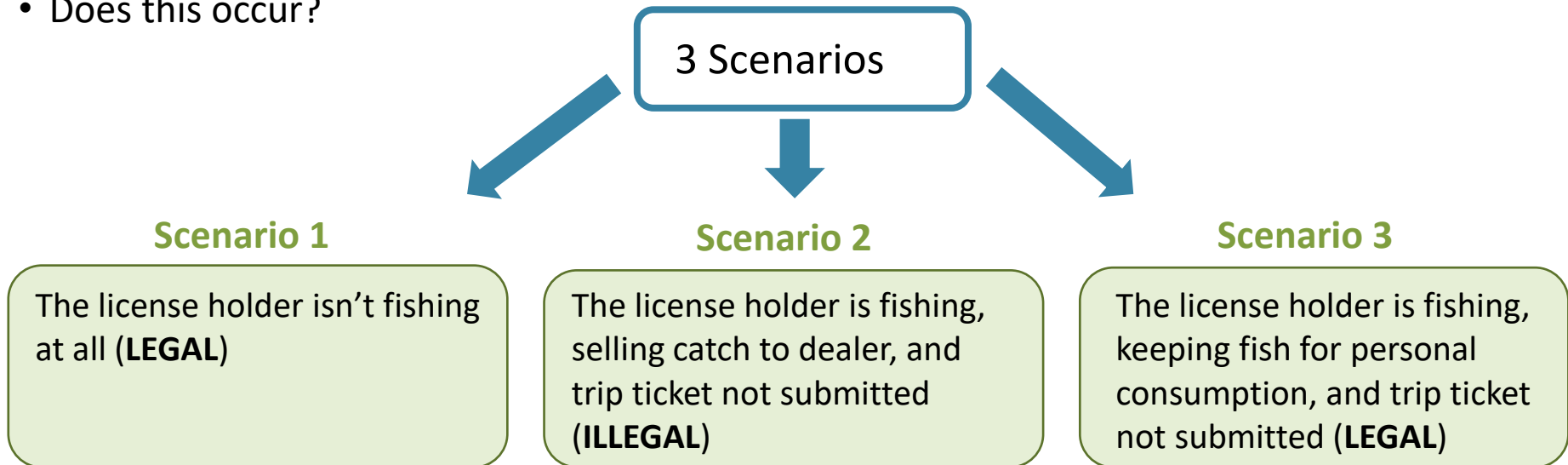


# Latent Commercial Fishing Licenses



## Latent License Definition:

- Latent commercial fishing licenses are Standard Commercial Fishing Licenses or Retired Standard Commercial Fishing Licenses held by a person who has not reported landings on trip tickets.
- Does this occur?



- Is it a concern?
  - Yes, unreported landings are always a concern and there are data gaps in all fishing stakeholder groups.
- The goal is to close these data gaps, but the data we have are the best available.



# Latent Commercial Fishing Licenses

## Discussion and Data:

- Landings for personal consumption can be recorded on trip tickets and designated as such.
- Trip tickets and codes were modified in 2017 to capture this information.
- Last year, 4,144 pounds were recorded for personal consumption.

North Carolina Trip Ticket System - ver. 7.0.32 - [Trip Ticket]

Close New Pay Print Add Fisherman

Ticket Num: 0000042 | Fisherman's Name: LAST NAME - 999999 | Vessel: VESSEL | CFVR #: 999999

Purchased Only | Start Date: 1/31/2022 | Unload Date: 1/31/2022 | # Crew: 2 | Tracking #: | Trans #: 1 | Total Paid: \$0.00 | Total Purchases: \$2.25

Packed Out Only

Payable:  Cash |  Check | Chk #: | VTR#/Logbook ID: | Port: BEAUFORT, NC | Deductions: \$0.00

Fisher Lic #: 999999 | Vessel #: 555555

Save Update

Gear: Gill Net Set < 5 inch mesh | Area Fished: BOGUE SOUND | State: North Carolina

Species Code: 1950 | Spec Description: Croaker | Condition: Whole | Count/Size: Mixed | Unit: Pounds

Quantity: 3 | Price: \$0.75 | Disposition: Personal Use

Personal Use

Save Update Clear Delete

Spec Code	Species	Condition	Size	Units	Qty	Price	Sub Total
1950	Croaker	Whole	Mixed	Pounds	3	\$0.75	\$2.25

- New rules were implemented for SCFL/RSCFL transfer process to clearly authorize who can receive a transferred license.
- Assignments – SCFLs can be assigned. Landings are awarded to the license owner, not the assignee.

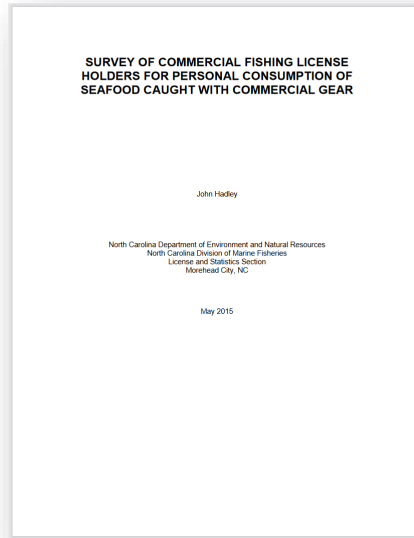


# Latent Commercial Fishing Licenses



## Discussion and Data:

2015 Hadley report on “Survey of Commercial Fishing License Holders for Personal Consumption of Seafood Caught with Commercial Gear”



The report was a quick mail-based pilot survey consisting of five questions sent to a total of 2,000 SCFL, RSCFL and Shellfish license holders.



# Latent Commercial Fishing Licenses



## Discussion and Data:

The purpose of the report was never to quantify unreported landings but rather used to determine why the person did not use the license. The report had the following disclaimer:

“Nevertheless, there are some causes for concern in the study’s application and computation of results. Due to the “pilot nature” and limited budget for this survey, there were no efforts to follow up with licenses holders selected to participate in the survey. This could have led to some level of non-response bias among the surveyed population. Also, there may have been some response bias where survey participants may have purposely inflated or deflated estimates of harvest or provided inaccurate responses due to apprehension over how study results may be used. Additionally, there was likely recall bias involved in the provided harvest estimates, as participants were asked to estimate 12 months of fishing activity. Some participants likely were not able to accurately remember all harvest due to the time lapse between being questioned and when the harvest took place.”





# Latent Commercial Fishing Licenses



## Discussion and Data:

The number of SCFL/RSCFLs issued and the number that had landings reported on a trip ticket have decreased over time.

License Year*	Number of Licenses Issued	Number of Licenses with Reported Landings
2001	7,416	4,588
2006	6,962	3,306
2011	6,821	2,993
2016	6,468	2,637
2021	5,709	2,170

\*License Year = July 1 – June 30

For 2021, there were 2,178 Estuarine Gill Net Permits issued that were associated with a SCFL/RSCFL. These are the only SCFL/RSCFL fishermen who could fish gill nets during the open southern flounder season.

Cannot assume that the latent licenses are actively fishing and that all are fishing in a single fishery, such as Southern Flounder for personal consumption.



# Latent Commercial Fishing Licenses



## Discussion and Data:

- The difference between the number of licenses sold and the number of licenses used cannot be uniformly applied as the same number throughout the year.
- Some purchase the license the last quarter and even the last day that a license can be renewed (i.e., expired the previous June 30) to keep the ability to maintain the license before the license reverts to the Eligibility Pool.
- For example, for license year 2021 (July 1, 2020 – June 30, 2021), 5,709 licenses were issued throughout the year.

Timeframe License was Issued and Active Until Expired on June 30, 2021	Percent of Licenses Issued
Sold April-June 2020 (all sold before becoming active on July 1)	51%
July 1, 2020 – November 30, 2020	33%
December 1, 2020 – March 31, 2021	4%
April 1, 2021 – June 30, 2021	12%

**58** SCFLs/RSCFLs were renewed on June 30, 2021, the last day the license could be renewed before reverting to the Eligibility Pool. These 58 expired at midnight on the same day of sale.



# Latent Commercial Fishing Licenses

## Discussion and Data:

- The number of SCFL/RSCFLs reverting to the SCFL Eligibility Pool has been increasing.
  - This is another indication that people may not be actively using licenses, even for personal consumption.

License Year (July 1 – June 30)	Number of SCFL/RSCFL Reverting back to the Eligibility Pool
2001	1,314
2006	1,536
2011	1,375
2016	2,417
2021	3,198

- The primary incentive for renewing a license is to use it to sell fish.



# Latent Commercial Fishing Licenses



## Potential Solution:

- To address gaps in reporting of commercial fishery landings and to address other data gaps, current general statutes will need to be amended.
- Division plans on recommending changes to the General Statutes to:

Require reporting of commercially harvested fish that are kept for personal consumption to be reported on a trip ticket through a fish dealer.

Make a clear delineation between commercial fishing activity and for-hire fishing activity to ensure landed/harvested fish are being reported to one of the DMF's data collection programs.

Allow for more frequent submittal of commercial landings data, as needed based on monitoring requirements.





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## Questions?

