

# SCFL Criteria





# Overview of Past Efforts to Refine the Standard Commercial Fishing License Criteria

## Background

- In 2010 and 2012, two ad hoc Marine Fisheries Commission committee meetings were held to discuss the issue of defining a professional commercial fishermen and make changes to the Standard Commercial Fishing License.
- The general consensus among attendees was that there are no significant problems with the current definition that requires fixing. The current definition and license system as devised by the Moratorium Steering Committee in 1999 is adequate. [see G.S. 113-168.2 (h) Identification as a Commercial Fisherman - The receipt of a current and valid Standard Commercial Fishing License or shellfish license issued by the division shall serve as proper identification of the licensee as a commercial fisherman].
- Although neither committee made any significant changes to the current system, there were some recommendations to investigate license transfers, license assignments, how to handle latent licenses (use it or lose it), establishing some form of apprenticeship program, and to consider eliminating the Shellfish License for N.C. residents.

## Previous Actions

- **July/August 2010 Taskforce Meetings** – chaired by Joe Smith
  - Making changes to the definition of a commercial fisherman is always a contentious issue.
  - The industry felt that:
    - The definition is fine as is.
    - There is no reason to establish landing limits or frequency of use to exclude part-timers as there are many reasons why people hold commercial licenses: investment for retirement, for later use, to pass down to future generations, or as a side-line business to their land-based employment.
    - Further limiting available licenses and limited entry fisheries are not popular concepts.
    - License transfers should be limited to family only.
    - License assignments are necessary.
    - The revenue from latent licenses is necessary to the division.
- **January 2012 Taskforce Meeting** – chaired by Rob Bizzell
  - Industry members in attendance reiterated that the problem has not been defined and if it isn't broken, then don't try to fix it.
  - Much discussion ensued about impact of less knowledgeable commercial fishermen on the industry using the striped bass trawler episode as an example.
  - Three [non-binding] motions were made and passed by the committee:
    - Require all individuals who held a Standard Commercial Fishing License during the 2010 license year that had no recorded sales transactions be required to have at least 12 days of documented fishing activity within a three-year time period in order to renew their licenses.
    - The commission shall explore the concept of developing an apprentice program/license for persons who have no history in commercial fishing, and allowing an individual with an apprentice license to qualify for a Standard Commercial Fishing License issued through the eligibility pool once the apprenticeship is completed.
    - The commission should consider eliminating the Shellfish License for N.C. residents.

## Constraints and Considerations

- The current commercial license system has been in place since 1999 and is based on recommendations by the Moratorium Steering Committee and resultant actions by the General Assembly.
- The system as implemented has many good points and is in general favor by the commercial fishing industry.
- The following is a list of the main points of discussion and constraints upon any actions:
  - The current definition of a commercial fisherman simply says one who holds a license. Most people feel this is adequate but also see problems with adolescents holding licenses, recreational fishermen holding licenses, and the large number of unused licenses. The discussion should be focused on what constitutes a “professional” commercial fishermen and could include such criteria as: relying on proceeds from commercial fishing for the bulk of their annual salary, reporting income to the IRS from commercial fishing, an individual fully licensed and permitted to operate in one or more fisheries, and an individual with the knowledge, education or experience to profit from commercial fishing. How each of these criteria is determined is currently unknown. In addition, any definition must include criteria for professional crew members who may or may not have any licenses or recorded landings.
    - Can the commission eliminate or reduce the number of available licenses? Yes, the commission has the authority to adjust the number of Standard Commercial Fishing License’s in the pool based on the amount of effort it considers appropriate in the fishery. The difference between the number of SCFLs in the pool and the number of active licenses is around 1,500. The commission cannot refuse to renew a license.
    - Can license transfers be restricted to family and transfers to non-qualified individuals prevented? This is addressed in GS 113-168.2 (g) which describes the allowable reasons for license transfers (family, upon death, or sale of vessel upon retirement). Seventy-two percent of license transfers are categorized as “Other.” This allowance was a legal interpretation due to discrepancies in the interpretation of “retirement” and because not all license holders had an accompanying vessel to sell with the license. This could be revisited.
    - Part time commercial fishermen play an important role and should not be discouraged. Traditionally, commercial fishermen in North Carolina have always held other money making jobs in order to support their families. Part time fishermen provide valuable product to dealers and to the market when conditions allow.
    - There should be no “use-it or lose-it” clause as fishermen hold licenses for a variety of reasons - investment, holding for retirement years, to assign to others, etc. Unused licenses have no impact on the resource yet contribute to the division’s operating revenue. Forcing license holders to use their license will put more pressure on the resource and more gear in the water. Standard Commercial Fishing License holders have made the decision to spend the money to renew the license each year and therefore have an investment in that license. The revenue derived from commercial licenses is critical to the division to fund the license, trip ticket and marine patrol activities. Commercial license revenue has been on the decline in recent years and there is concern that recent increases in license fees will create further reduced revenue for the division. [follow-up: the division conducted a survey of license holders in January 2015 asking about product retained for personal use and not reported on trip tickets]
    - Establishing income levels for license qualification is unpopular and unfeasible. This is similar to establishing “days used” or a “use-it or lose-it” policy. Using

income levels requires holders to substantiate their claims with tax records which in turn require someone to determine the validity of the tax records. The division does not wish to get involved in personal tax filing issues. Establishing a minimal threshold of days the license is required to be used could not only increase pressure on the resources but lead to falsified recording of catch on trip tickets in order to meet the minimal criteria.

- Establishing an Apprenticeship Program in order to get new entrants into the fishery received general support. However, the division feels as though the current Shellfish License and proper use of assignments provides most of the benefits of an apprentice program. Neither of these licenses requires any previous qualifications. A true apprenticeship program will require someone to function as the mentor, a role best fulfilled by commercial fishermen, not the division. The industry could still support this concept by hiring individuals as crew or by assigning licenses and eliminate the division from the program. The experience gained by working as crew or working under an assignment would qualify the individual for a Standard Commercial Fishing License through the Eligibility Board.
- The issue of recreational fishermen obtaining Standard Commercial Fishing Licenses on the open market and using them to sell fish to cover their fuel costs and save on taxes on tackle and equipment was also discussed extensively. This issue probably is of less importance today as the South Atlantic Fisheries Management Council has almost entirely eliminated bag limit sales of most federally managed species. Purchasing a commercial license in order to save on fuel and tackle costs is a federal and state taxing authority issue, not a division management issue.
- Should the Shellfish License be eliminated? This low cost license available only to N.C. residents was meant by the General Assembly to appease the older, traditional, clambers and oystermen who may not have qualified for a Standard Commercial Fishing License but still wanted a low cost license to gather some shellfish. It was also intended to be a license available to high school and college students to use to make some money during the summer months clamming. Eliminating this license will negatively impact applicants to the Eligibility Board and the apprenticeship program concept of entering into commercial fishing by obtaining a Shellfish License. It will have the positive benefits of reducing harvest pressure on diminishing oyster resources in the southern part of the state and reducing illegal oyster sales.

### **Summary**

- There have been previous attempts at defining a commercial fisherman and making changes to the current license system. It is a heated topic and any changes should not be considered lightly.
- Given the commission's authorities, the most logical and achievable options to look at to address certain issues are:
  - Reduce the number of available Standard Commercial Fishing Licenses in the Eligibility Pool
- Changes to the following authorities will require legislative changes to existing statutes:
  - Limiting renewals of existing Standard Commercial Fishing Licenses
  - Further increases in license fees
  - Adjustments to nonresident fees
  - Limit license transfers
  - Limit license assignments

- Address inequities in licensing costs between residents and nonresidents (especially with Land or Sell license privileges)
- Fee increases beginning in fiscal year 2016 will impact the number of licenses issued, especially those Standard Commercial Fishing Licenses that are not used. Any reductions in commercial license sales will further negatively impact division revenue and its ability to adequately implement and enforce fisheries regulations.

# Commercial Fishing License Review Taskforce

## Final Report

Submitted to the N. C. Marine Fisheries Commission



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Prepared by Don Hesselman  
Chief, License and Statistics Section  
N.C. Division of Marine Fisheries

### Taskforce Members

Joe Smith – Chairman  
Anna Beckwith – Vice Chairman  
Dr. B.J. Copeland  
David Hilton  
Tom Burgess  
Ronnie McArthur





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## **Executive Summary**

The Commercial License Review Taskforce was established at the May 2010 Marine Fisheries Commission (MFC) business meeting to address concerns about the availability and use of commercial license. Licensing issues were brought to the attention of the MFC during the public comment period at this meeting. At the forefront of the list of tasks was a request from the MFC chairman to define a commercial fisherman. The list of tasks grew into considerations of license transferability, minimum criteria to hold a commercial license, the for-hire license structure and the continuation of the Recreational Commercial Gear License. The MFC chair asked that the taskforce report its findings at the MFC's November 3-5, 2010 business meeting.

The taskforce held two meetings in July and August 2010 in Morehead City. The taskforce concluded its business with a recommendation that no changes to the current license structure are warranted at this time. The taskforce did have two recommendations for consideration by the MFC: 1) that the Division of Marine Fisheries (DMF) conduct a survey of commercial license holders who do not sell any seafood products to determine why they hold the license and 2) that the DMF organize a stakeholder meeting of for-hire industry participants to discuss changing the for-hire license structure.

## **Summary of the Taskforce Recommendations**

The taskforce made the following recommendations:

1. Make no changes to the existing definition of a commercial fisherman;
2. DMF shall seek funding and conduct a survey to determine impact on the resource of latent (unused) Standard Commercial Fishing Licenses;
3. DMF shall hold a stakeholder meeting to examine the pros and cons of a guide license, similar in cost and structure to the Standard Commercial Fishing License;  
and
4. Make no changes to the structure of the Recreational Commercial Gear License.

## Introduction

The Commercial License Review Taskforce was established as a result of public comments made to the Marine Fisheries Commission (MFC) at the May 2010 business meeting. During public comment, Mr. Ronnie McArthur, a commercial fisherman from Beaufort, stated commercial fishing licenses should not be available on the open market and there should be qualifying criteria to hold a license. MFC members discussed his comment and expanded on it to include the questions such as: What is a commercial fisherman? Should holders of commercial licenses make a minimum percentage of their income from commercial fishing to qualify for the license? Should for-hire guides and charter captains have a commercial fishing license? Should North Carolina expect an influx of commercial fishermen from the Gulf as a result of the Deep Water Horizon oil spill? MFC members realized these issues were not going to be resolved during their business meeting and elected to establish the taskforce to address these concerns.

MFC member Joe Smith of Atlantic Seafood in Hampstead was selected as chairman of the taskforce and MFC member Anna Beckwith as vice chairman. Other taskforce members were: MFC member B.J. Copeland, Mr. David Hilton, Mr. Tom Burgess and Mr. Ronnie McArthur. With the exceptions of Beckwith and Copeland, the taskforce was comprised of mostly commercial industry representatives. Copeland was selected partly based on his experience in serving on the Moratorium Steering Committee when the current DMF license structure was developed in the mid-1990s.

Public meetings of the taskforce were held at the Division of Marine Fisheries (DMF) Central District Office in Morehead City on July 12 and August 27, 2010. Members of the public and the media were in attendance along with DMF staff.

During the first meeting, taskforce members were provided background information reviewing previous MFC attempts to define a commercial fisherman, data on license sales and use, and income ranges of fishermen (Appendix I). A list of issues extracted from the minutes of the May MFC meeting was also presented.

Taskforce members received an information paper entitled "Potential Increase of Fishermen in North Carolina Coastal Waters Due to the Gulf Oil Spill" prepared by DMF staff (Appendix II). This paper summarized non-resident licensing requirements and fees and concluded that the DMF did not expect an influx. Taskforce members also stated they felt displaced fishermen were welcome since North Carolina fishermen had in the past temporarily relocated to surrounding states when conditions in North Carolina were unfavorable. This issue was then considered resolved and it was removed from further consideration.

Subsequent to this meeting and prior to the August meeting, MFC members were informally surveyed for any other issues in an effort to ensure all concerns and issues were deliberated.

During the second meeting of the taskforce, members discussed in detail each of the eleven issues remaining.

Taskforce members were made aware that almost all license requirements were written in N.C. General Statutes and thus any changes must be approved by the General Assembly. These requirements include; obtaining a license, qualifications to hold a license, transferring a license, renewing a license, license fees, for-hire license structure and the Recreational Commercial Gear License.

There are a few licensing requirements that the MFC does have the authority to change because they are established in the North Carolina Rules for Coastal Fishing Waters and not by general statute. Taskforce members were notified that the MFC has the authority to modify the number of licenses in the Eligibility Pool, but only if justified by fisheries resource management needs, such as reducing effort and/or over-capitalization. There was also some discussion on whether or not the MFC had the authority to change transfer requirements since these are in rule and statute. It was eventually determined that transfer requirements should remain status quo.

It was evident from public comment, summaries of the Moratorium Steering Committee deliberations and previous presentations to the MFC, that many, if not all, of these issues have been deliberated before. Many attendees and taskforce members felt these issues were resolved and questioned why they were resurfacing. At the same time, there was the agreement that the current commercial license structure had been in place for about 10 years and a review and possibly modifications were appropriate. Some of the issues discussed were new, such as the for-hire license structure, which changed with the implementation of the Coastal Recreational Fishing License on January 1, 2007.

### **Summary of Deliberations**

Many of the issues intertwined and overlapped but the following is a general summary of the deliberations and the resolution of each of the eleven issues.

#### *Defining a Commercial Fisherman*

The taskforce was notified that G.S.113-168.2 states “The receipt of a current and valid SCFL or shellfish license issued by the Division shall serve as proper identification of the licensee as a commercial fisherman.”

An internet search indicates North Carolina is not the first entity to attempt to define what and who a commercial fisherman is. This is a difficult undertaking because the types of activities a fishermen engages in varies so much from one fishery to the next and from one

region to the next. The MFC received a presentation on this topic from DMF staff in 2007 with no resolution (see Appendix III).

The general consensus among the group was that the statute is adequate and there was no real need to modify the definition.

#### *Restricting transfers of licenses to family members only*

This issue received extensive discussion as it did during deliberations of the Moratorium Steering Committee (NC Sea Grant, 1996). At that time, there were some MFC members who felt there should be limited restrictions on transfers and some who felt there should be restrictions to prevent unqualified fishermen from obtaining a commercial license. Current restrictions as stated in G.S. 113-168.2 (g) limit transfers to family members, upon sale of a vessel, upon retirement and sale of the vessel and gear, and upon the death of the fishermen to the executor of the estate, who in turn may transfer the license. However, current DMF policy allows transfers to any eligible candidate for three reasons:

- 1) The commercial license is a commodity because it is essentially limited entry and because there is a cap on the number of available licenses;
- 2) Not everyone has a vessel to transfer; and
- 3) Businesses and corporations do not have families to transfer the license to.

The inherent value of a license was intended from the onset so that retiring fishermen had something of value to sell. An information paper entitled "Standard Commercial Fishing License Transfers" that discusses how and why license transfers are administered was presented to the taskforce (Appendix IV).

There was discussion about applying similar criteria that the Eligibility Board applies to new applications to license transfers. For example, the Eligibility Board requires evidence of previous or current commercial fishing involvement to qualify for a license. This was thought to be too restrictive and would serve to lessen the value of existing licenses upon retirement because it would be much less expensive to acquire a license through the Eligibility Board (\$200) than to buy one from a retiring fisherman (\$1500-\$2500), given the identical qualifications.

Ultimately, the taskforce decided to not pursue changes to license transfer criteria.

#### *Adding minimum income requirements to maintain a license*

This issue involves establishing minimum income requirements to obtain or maintain a commercial license. The concept of "use it or lose it" was also discussed. The intent here, was that by requiring minimum use or income derived from fishing, would in effect lead to only "true" commercial fishermen holding licenses and exclude license holders who do not use the license

and part-timers who likely have other sources of personal income. This would have the effect of making the license more valuable and reducing competition from “weekend warriors.” It would lead to a smaller, more professional, commercial fishing industry.

The Standard Commercial Fishing License structure in North Carolina is already a form of limited entry because of the qualification criteria and cap on the number. This proposal to add minimum income requirements creates additional limits on obtaining and maintaining a commercial license. The taskforce was notified that the MFC’s authority to establish limited entry programs is restricted to species under a federal quota or to achieve sustainability under a state Fishery Management Plan. Implementing across-the-board minimum income requirements would therefore require a statutory change.

The taskforce discussed, and at times members supported, some minimum requirements such as selling seafood at least once in a three or five-year time frame, making 50 percent of income from commercial fishing or some other criteria.

Ultimately, the taskforce did not support establishing minimum criteria. There were a number of reasons for this stance. Among these reasons was how certain outside influences can affect how often an individual fishes or how much they may catch. Examples of this are the recent gill net restrictions implemented in order to minimize turtle encounters and illness, which may limit a commercial fisherman’s activity.

The taskforce realized that traditionally, commercial fishing in North Carolina has comprised only a portion of a fisherman’s total income. Because of the seasonal nature of fishing, many fishermen have always had other occupations such as carpentry, guiding and farming. Although many fishermen only fish during fall runs of fish (ex. flounder pound nets), income derived from this part time activity can supply a major proportion of their income. .

The taskforce discussed why license holders continue to renew their license yet do not ever use it to sell seafood (latent license holders). There was speculation that license holders use commercial gear to harvest seafood for personal consumption, harvest commercial limits of seafood for personal use or simply renew the license with the possibility of future use. License holders realize commercial licenses are not easy to re-acquire and for that reason continue to pay the \$200 annual renewal fee. Moreover, commercial licenses have value and can usually be sold above the annual renewal cost at any given time. The general consensus was that fishermen should be allowed to decide whether to use their license or not.

There was also general consensus among the taskforce that part time commercial fishermen play a valuable role in supplying seafood. It was also mentioned that the state of North Carolina promotes fresh, locally caught seafood and to supply this product requires commercial fishermen and a seafood dealer network. For these reasons there was little support in further reducing commercial fishing activities through license restrictions.

Hilton stated that if the state was truly interested in reducing capacity and the number of commercial licenses that it should investigate a license buy-back program. This concept was used in Virginia to reduce capacity in the blue crab fishery. It was Hilton's opinion that the state should find the funds for the buy-back, rather than implementing rules to unfairly reduce the number of available licenses.

The taskforce determined there were too many unknowns in how latent license holders impact the resource and why they continue to renew their license. The taskforce felt the DMF should conduct a survey of latent license holders to obtain answers to these questions.

*Placing unused licenses in an "inactive status," but allow holder to retain landings*

This concept was introduced to limit the number of latent commercial licenses. It would require licenses be placed in an inactive (unusable) status, but if the fisherman elected to return to commercial fishing he would still retain his landings history. This proposal was accompanied by a suggestion to reduce the annual cost for inactive licenses versus active licenses.

DMF staff notified the taskforce that unused commercial licenses were already in a de facto inactive status and that the landings history was retained by the holder. The annual renewal fee however, remains at \$200, the same as the renewal fee for active licenses. There is no category in any statute defining inactive status, nor does the DMF license administration database and policy allow for this.

The taskforce was also reminded that revenue from licenses provides staff and operations money to the DMF and that any reduction in fees or revenue could severely impact the DMF functions.

The taskforce did not recommend implementing an "inactive" license status.

*Lowering the number of licenses in the eligibility pool, making licenses harder to get from pool*

There are currently 8,896 licenses in the pool of Standard Commercial Fishing Licenses. This cap was established by the Fisheries Reform Act in 1997 based on the number of existing Endorsement to Sell licenses. In any given year since, the DMF has issued about 7,400 licenses, leaving about 1,500 licenses in the pool. There has been some discussion by the MFC about lowering the number of licenses in the pool. Theoretically, the 1,500 licenses in the pool could be reduced to zero, thereby preventing any new entries into commercial fishing. However, the taskforce was notified that although the MFC has the authority (S.L. 1998-225, Part IV) to adjust the number of licenses issued on an annual basis, this can only be done if the MFC determines the effort in the fishery is not supported by the status of the stock based on the



best available scientific evidence (ie. a Fisheries Management Plan recommendation). To date, this recommendation has not been made.

This same session law states that the MFC may not refuse to renew a license that was issued the previous year and which has not been suspended or revoked. This prevents the MFC from taking away active (or latent) licenses in an effort to reduce the number of commercial licenses available.

The taskforce was also notified that about 100 licenses are not renewed each year for various reasons. The Eligibility Board issues about 100 licenses each year, so in recent years the number of licenses has remained approximately the same (ie. there is no significant increase or decrease in the number of commercial licenses). Since 2000 however, there has been a slight decrease in the number of standard and retired commercial licenses from 7,507 to 6,827. This infers natural attrition in the industry and questions the need to reduce the number of licenses in the pool.

The taskforce also discussed the ability of license holders to obtain licenses from the pool and subsequently sell these licenses. MFC rules restrict this from occurring. First, if an individual claims retirement from fishing or transfers (sells) a license, that individual is prevented from applying to the Eligibility Pool for two years (N.C.A.C. 03O. 0402 (e)). Second, MFC rules only allow an individual to sell one license obtained from the pool and the individual cannot reapply to the pool (N.C.A.C. 03O. 0404 (3)). Third, individuals holding a license can not apply to the pool. These restrictions in effect prevent individuals from engaging in the "brokering" of licenses from the pool.

Since the MFC can only adjust the number of licenses in the pool based on an identified need to reduce effort, and because there is ongoing natural attrition, the taskforce did not elect to make any substantive recommendations on this issue.

*Develop a less expensive special permit or endorsement for specific fisheries (ie. bluefin tuna) and eliminate the commercial license requirements.*

The DMF has had species-specific vessel licenses (crab, shellfish) in the past and found they did not work well. It overcomplicated the license system and reduced the DMF's analytical capabilities. The taskforce discussed the concept of species-specific endorsements but expressed little support. There were concerns over requests for other species-specific licenses (where does it end?) and felt that there was no overriding advantage to this. In addition, any decrease in license fees would reduce revenue to the DMF and that lost revenue would need to be made up by increases in other license fees.

The taskforce did not recommend establishing special permits or endorsements for specific fisheries.

*Characterize for-hire license holders, eliminate the free for-hire permit, and require for-hire participants to have commercial liability insurance.*

These three issues were submitted as separate issues but aggregated to simplify summarizing. Beckwith brought these issues to the attention of the MFC and the taskforce as the sole member representing this segment of the industry. The primary purpose was to professionalize the for-hire industry by 1) development of a license that recognizes guides and charter captains as professionals and 2) requiring an equitable financial investment, just as commercial fishermen are required to invest into their license system. In addition, the commercial license identifies the commercial fisherman as a professional while the blanket for-hire was only implemented as a service that the for-hire operator could offer.

DMF staff briefed the taskforce on the current for-hire license structure. There is a for-hire permit that is available at no cost as long as the applicant has a valid U.S. Coast Guard captain's license. This permit was enacted to provide the DMF with a list of who was involved in the for-hire industry so the DMF could survey participants for catch and effort. At this time there was not a recreational fishing license in North Carolina. Subsequently, in 2007 the Coastal Recreational Fishing License Blanket For-Hire License was implemented for either six or fewer passengers (\$250) or more than six (\$350). The blanket license was implemented so guides and charter captains could allow anglers to fish aboard their vessel without having to purchase a recreational fishing license.

Since 2007, there has been an average of 683 blanket licenses sold and about 160 for-hire permits issued each fiscal year. These were obtained by an average of 752 participants indicating that many individuals purchase more than one permit or license.

The request to characterize the industry was made so the taskforce would have information on fishing effort and types of activities of the for-hire license and permit holders. DMF staff prepared data describing how the permit and the blanket licenses are used (Appendix V). The blanket is used more often and targets primarily offshore species, while the permit is used less and targets inshore species. This also indicates the blanket is popular with larger sportfishing boats, while the inshore guides obtain, or obtain along with a blanket, the for-hire permit.

Since the for-hire permit is in rule, the MFC has the authority to change it (N.C.A.C. 03O. 0503(k)) and could theoretically terminate the permit. There would be two considerations however; first, rules (N.C.A.C. 03O .0112 and 03O. 0503), state either the permit or the blanket license must be obtained to engage in for-hire fishing and two, the statute (G.S. 113-174.3) governing the blanket Coastal Recreational Fishing License would need to be changed since it states that individuals "may" elect to purchase the blanket license.

The characterization data supplied by the DMF indicate that many individual participants held multiple licenses or permits. During the Moratorium Steering Committee, there was not unanimous agreement whether the for-hire permit should be applied to the vessel or the

operator. The General Assembly ultimately decided the permit would apply to the vessel, not the individual. This same structure was repeated during implementation of the blanket for-hire. The small boat guide segment feels this creates an inequity and advantages the big boat offshore segment because the offshore segment generally only has one boat while the small boat guides often run multiple boats, which all must be licensed or permitted. . For this reason, guides often obtain one blanket license and may obtain other free for-hire permits for their other vessels.

Beckwith proposed the blanket license could be incorporated into a guide license with subsequent blanket licenses being less expensive. Hilton countered that the commercial license structure offers no savings when purchasing multiple licenses.

There was also a proposal that for-hire participants should maintain commercial liability insurance to qualify for a license. Commercial liability coverage can be added to personal liability insurance for a reasonable fee if less than 25 trips are made a year and for a slightly higher fee for more than 25 trips. The taskforce felt that this was certainly reasonable and responsible but outside the authority of the MFC to mandate.

The taskforce discussed implementing a guide license and it was suggested the license and associated vessel license should follow the commercial license format, i.e. a separate license for the operator and the vessel with the vessel fees according to the size of the boat.

A comment was made that the for-hire industry was represented on the taskforce by only one person and that the other members were not knowledgeable enough to make some of the necessary decisions. A motion was subsequently made to hold a stakeholder meeting of for-hire industry representatives to obtain input on any changes to the for-hire license structure.

#### *Phase out the Recreational Commercial Gear License*

There was a recommendation from the MFC that the Recreational Commercial Gear License should be discussed by the taskforce and considered for possible termination. This issue actually arose prior to establishment of the taskforce and did not actually fit in with the commercial license deliberations of the taskforce, but it was felt nonetheless to incorporate these discussions into the taskforce deliberations.

The reasoning behind the recommendation to terminate the Recreational Commercial Gear License is multi-layered: resource competition with commercial fishermen, impacts on the resource, and the license promotes additional gill net use with associated by-catch and protected species interaction issues. DMF staff developed a Recreational Commercial Gear License information paper describing the history behind development of the license, a summary of the catch and effort in the Recreational Commercial Gear License fishery, a discussion of the various issues surrounding the license, and advantages and disadvantages of terminating the license (Appendix VI).

The taskforce was informed within the information paper that the DMF conducted a Recreational Commercial Gear License survey from 2003 to 2008 to estimate catch and effort in the fishery. The survey indicated that total catch was less than 1percent of the commercial catch and therefore had minimal impact on fisheries resources. The survey also indicated landings and effort were decreasing and the Recreational Commercial Gear License population was getting older.

The taskforce concluded that since the landings were declining and the population of Recreational Commercial Gear License holders was aging out there was no need to make any changes to the license. Additionally, it was recognized that new gill net restrictions will further limit Recreational Commercial Gear License gill net use and there are no real issues with Recreational Commercial Gear License pots, trawls and seines.

## Summary of Taskforce Motions

There were two motions made during the taskforce meeting on August 27, 2010.

**Motion by David Hilton that the Commercial Fishing License Taskforce is not knowledgeable enough to make a recommendation on the need for a for-hire license because it is primarily composed of commercial fishermen and requests the MFC hold a stakeholder meeting of guides to assess the need for a for-hire license. Seconded by Anna Beckwith – passed 4 in favor and 1 opposed.**

**Motion by B.J. Copeland that the Commercial Fishing License Taskforce recommends to the MFC:**

- **No changes are needed to the existing definition of a commercial fisherman;**
- **Ask DMF to conduct a survey to determine impact on the resource of latent Standard Commercial Fishing Licenses;**
- **Ask DMF to examine the pros and cons of a for-hire license, similar in cost and structure to the Standard Commercial Fishing License; and**
- **No changes are needed to the structure of the Recreational Commercial Gear License.**

**Motion seconded by Joe Smith – motion passed unanimously.**

## Additional Issues Discussed

Concern was expressed by Hilton regarding the fact that Recreational Commercial Gear License gill nets, or other gear, could result in interactions with sea turtles, which could close down the entire commercial fishery. Hilton suggested having a separate sea turtle interaction limit for Recreational Commercial Gear License holders. Hilton also noted the inconsistency in how recreational nets were not required to adhere to the requirements of the Large Whale Take Reduction Team for weak links and 22-lb. anchors. It is hoped that Recreational Commercial Gear License gill net use and requirements will be discussed by the MFC's newly formed Sea Turtle Advisory Committee.

During the deliberations on the for-hire license a comment was made that catch and effort data obtained from the for-hire fleet could be improved. Beckwith related how for-hire guides often get surveyed, but due to the random nature of the survey often are not asked for data on the boat they used that month, but instead another boat that was not used at all. DMF staff explained that the current for-hire survey was conducted under contract with the National Marine Fisheries Service and was standardized along the East Coast. Beckwith also stated that many guides keep personal logbooks and probably would not be adverse to a mandatory for-hire logbook. DMF staff informed the taskforce that an electronic logbook project was being tested in the Gulf. Hilton stated that the commercial industry is required to complete trip tickets and that there should be a similar program for the for-hire industry to obtain better data for stock

assessments. There was subsequent discussion and support for a logbook program for the for-hire industry in North Carolina.

### **Conclusions**

The taskforce concluded their deliberations with a motion to leave the commercial and the recreational commercial gear licenses as they are currently structured. There was no motion to implement minimum qualifications to maintain a license, restrict transfers, implement species-specific endorsements or adjust the number of licenses in the Eligibility Pool.

The taskforce recommended to the MFC that the DMF conduct a survey of commercial license holders who do not report any sales of seafood and conduct a stakeholder meeting to discuss restructuring the for-hire license system.

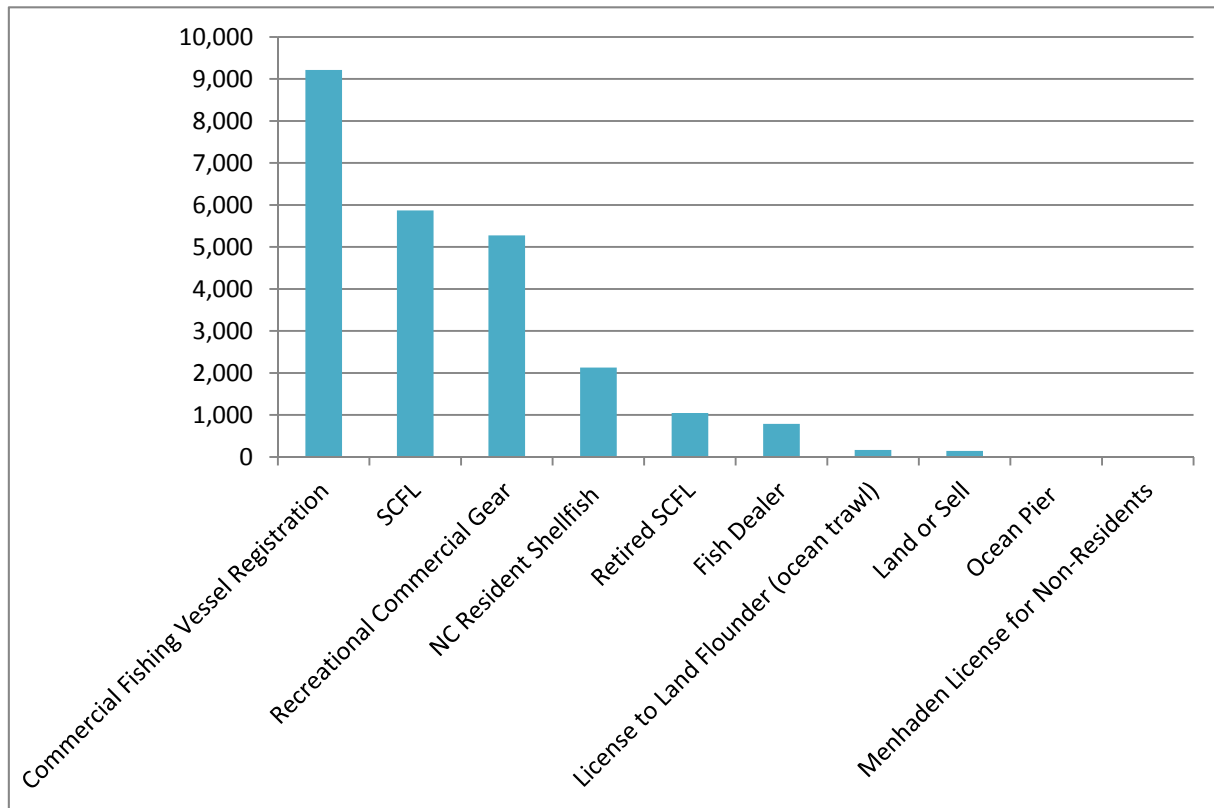
### **Literature Cited**

NC Sea Grant, 1996. Final Report of the Fisheries Moratorium Steering Committee to the Joint Legislative Commission on Seafood and Aquaculture of the North Carolina General Assembly. NC Sea Grant, UNC-SG-96-11. 154 pp.

**Appendix I**  
**BACKGROUND DATA ON COMMERCIAL LICENSE SALES AND USE**

**Table 1. Number of Commercial Licenses issued for License Year 2009.**

License	
Commercial Fishing Vessel Registration	9,215
SCFL	5,868
Recreational Commercial Gear	5,275
NC Resident Shellfish	2,130
Retired SCFL	1,046
Fish Dealer	790
License to Land Flounder (ocean trawl)	167
Land or Sell	143
Ocean Pier	22
Menhaden License for Non-Residents	10
	15,451



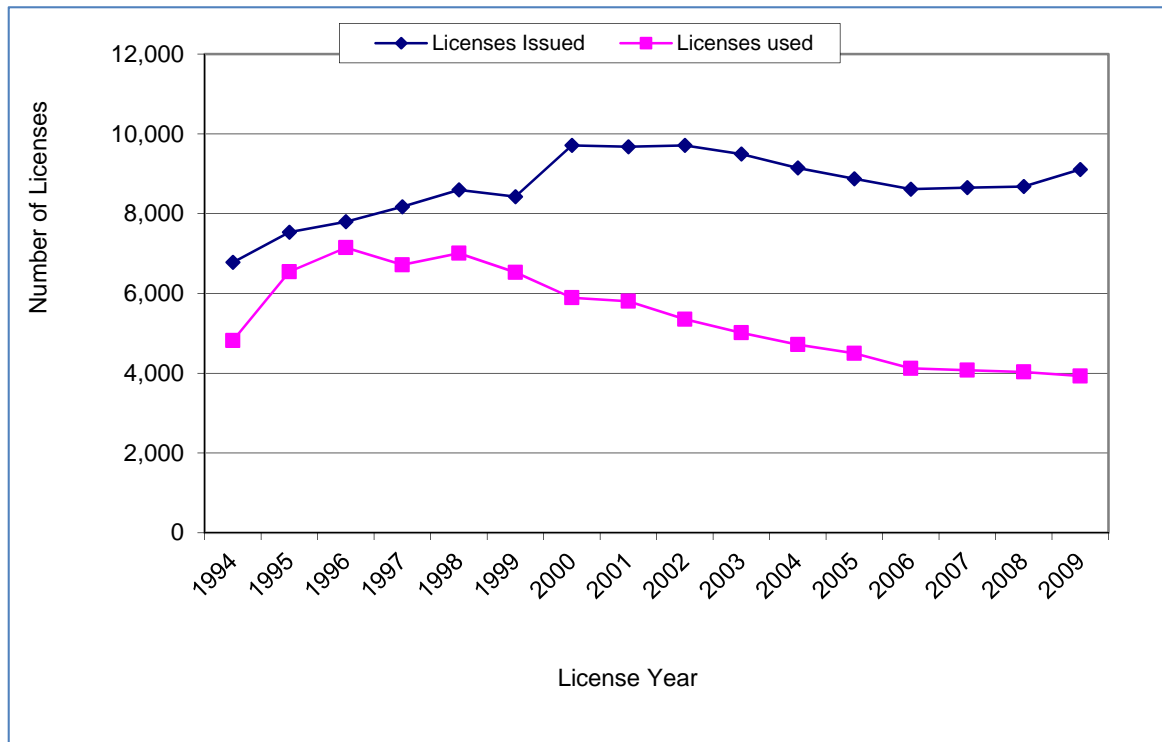
**Figure 1. Number of Commercial Licenses issued for License Year 2009.**



**Table 2. License Year and Calendar Year License and Participant Counts.**

Year	LICENSE YEAR		
	Licenses Issued	Licenses used	Participants (FY)
1994	6,779	4,819	3,890
1995	7,535	6,544	5,229
1996	7,798	7,148	5,115
1997	8,173	6,716	4,928
1998	8,595	7,008	4,910
1999	8,426	6,528	4,558
2000	9,711	5,892	4,760
2001	9,677	5,805	5,169
2002	9,712	5,353	4,891
2003	9,494	5,013	4,607
2004	9,146	4,717	4,355
2005	8,875	4,499	4,082
2006	8,615	4,122	3,639
2007	8,652	4,076	3,714
2008	8,681	4,031	3,576
2009	9,108	3,929	3,696

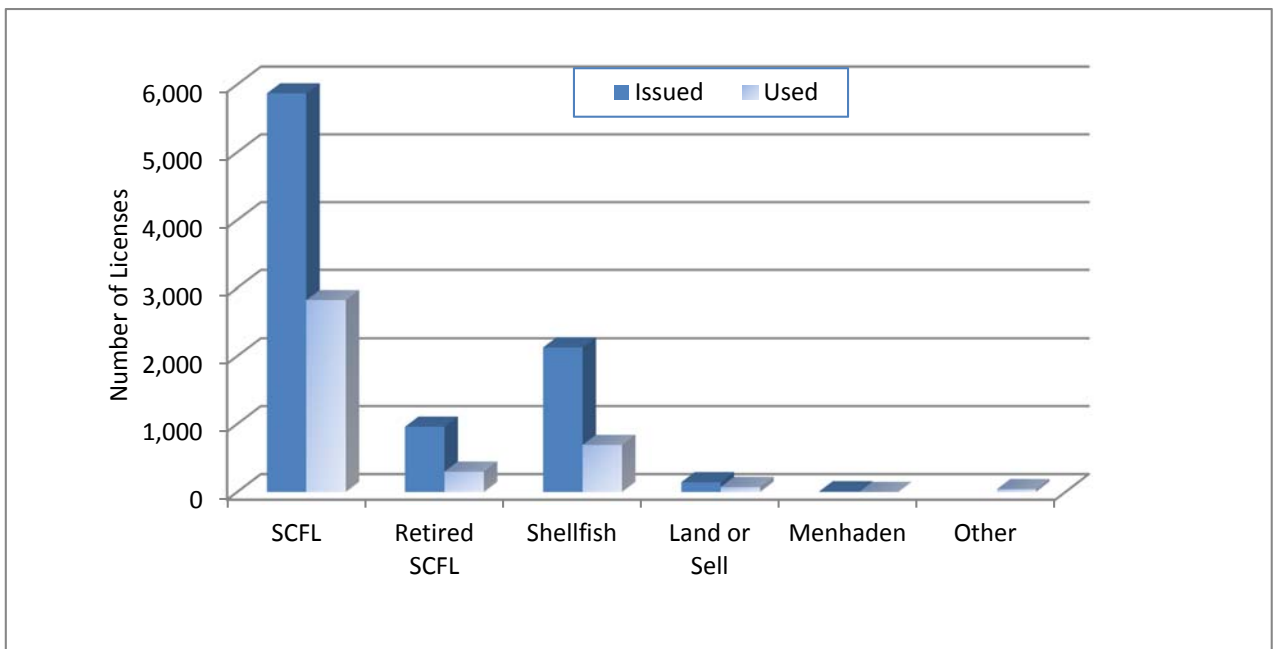
\*Licenses issued includes SCFL, Retired SCFL, Endorsement to Sell (1994-99) , Menhaden, Shellfish and Land or Sell.



**Figure 2. Trend of licenses issued versus used.**

**Table 3. License Year 2009 counts, usage and revenue from sales of licenses with ability to sell.**

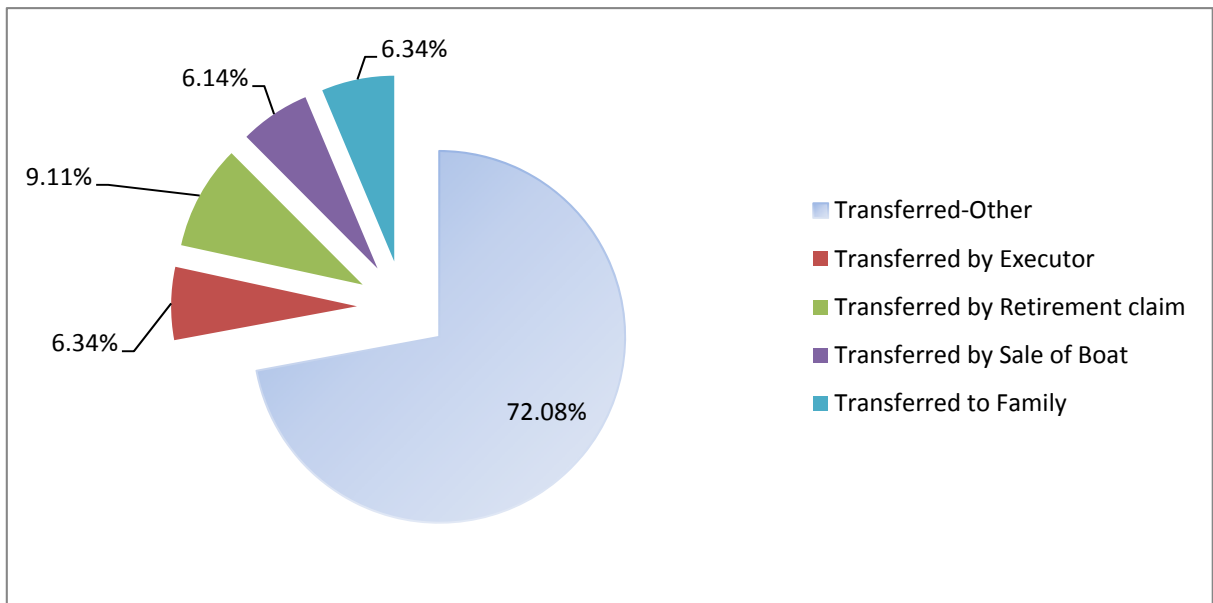
License Type	Issued	Used	% Used
SCFL	5,868	2,825	48%
Retired SCFL	959	299	31%
Shellfish	2,128	691	32%
Land or Sell	143	73	51%
Menhaden	10	0	0%
Other		41	
<b>Total</b>	<b>9,108</b>	<b>3,929</b>	<b>43%</b>



**Figure 3. Graph showing license use by type for 2009.**

**Table 4. Standard Commercial Fishing License and Retired SCFL transfers by category for license year 2009.**

Reason for Transfer	SCFL	RSCFL	Percent
Transferred-Other	318	46	72.08%
Transferred by Executor	22	10	6.34%
Transferred by Retirement claim	33	13	9.11%
Transferred by Sale of Boat	26	5	6.14%
Transferred to Family	19	13	6.34%
Total	418	87	1.00



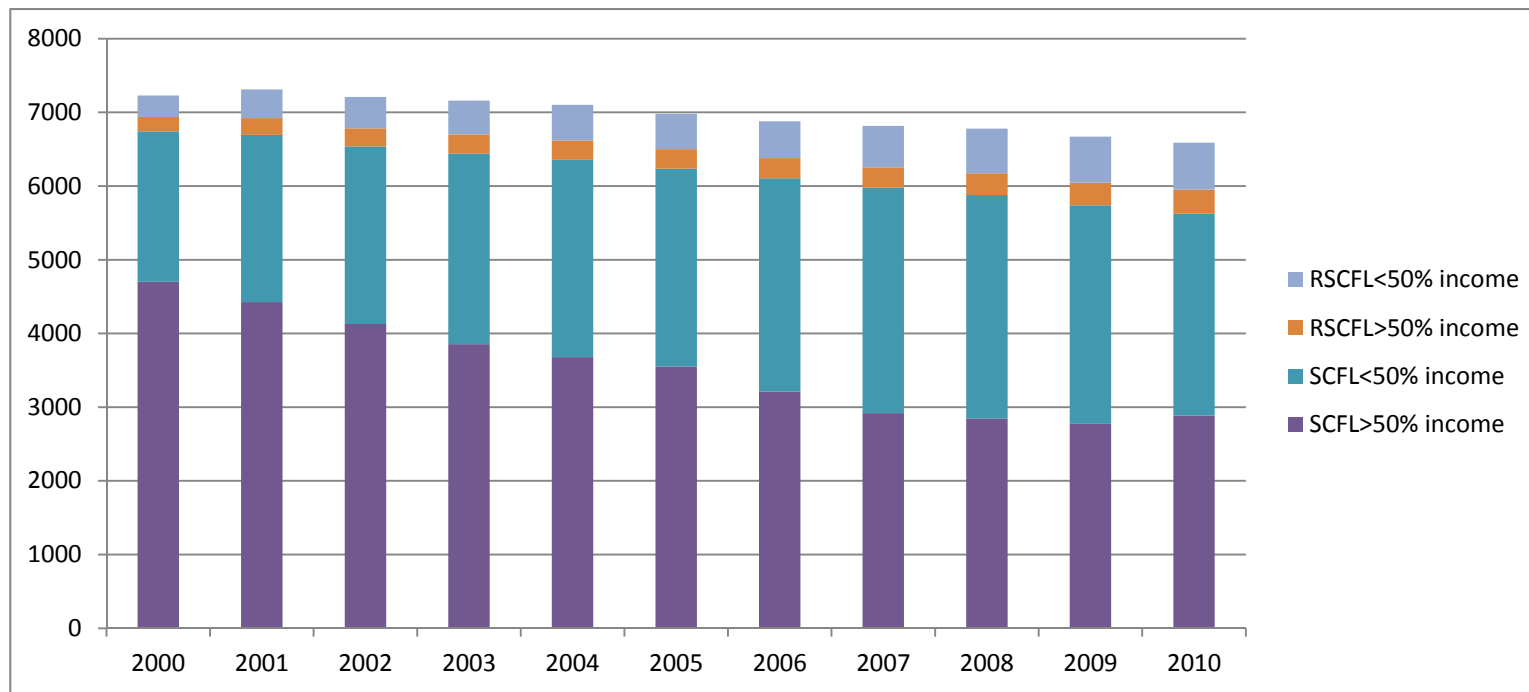
**Figure 4. Standard Commercial Fishing License and Retired SCFL license transfers by category for license year 2009.**

**Table 5. Number of commercial fishermen responding to economic survey questions about percentage of income derived from commercial fishing by year\*\*.**

Lic Type and Income	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
SCFL>50% income	4,702	4,425	4,128	3,855	3,679	3,550	3,213	2,920	2,847	2,774	2,886
SCFL<50% income	2,040	2,269	2,410	2,585	2,677	2,686	2,894	3,058	3,032	2,966	2,739
RSCFL>50% income	195	228	245	261	263	265	272	276	295	306	326
RSCFL<50% income	292	389	425	459	484	481	500	561	606	624	638
Total SCFL issued*	6,990	6,783	6,632	6,505	6,421	6,301	6,172	6,053	5,949	5,868	5,796
Total RSCFL issued*	515	630	676	727	754	754	787	853	912	959	1,018

\*totals are not additive due to unknowns. Data compiled by Larry from FIN 7/8/10.

\*\*economic survey is conducted on or during application for license.



**Figure 5. Number of commercial fishermen responding to economic survey questions about percentage of income derived from commercial fishing by year.**

**Table 6. Number of participants by various ex-vessel value ranges, pounds landed, and cumulative totals for all licenses with ability to sell.**

YEAR	Ex-Vessel Value Range	Pounds Reported	Value	# Participants	Cumulative % Total Landings	Cumulative % Total Value	Cumulative % Participants
2009	\$1-\$499	109,271	\$168,599	893	0.16%	0.22%	23.78%
2009	\$500-\$999	178,818	\$248,998	342	0.42%	0.54%	32.88%
2009	\$1,000-\$4,999	1,492,857	\$2,218,968	859	2.59%	3.42%	55.75%
2009	\$5,000-\$9,999	2,095,275	\$2,981,111	414	5.65%	7.30%	66.77%
2009	\$10,000-\$24,999	6,481,160	\$8,482,123	524	15.09%	18.31%	80.72%
2009	\$25,000-\$49,999	9,536,042	\$10,912,429	309	28.98%	32.48%	88.95%
2009	\$50,000-\$99,999	15,187,513	\$15,966,428	224	51.11%	53.22%	94.91%
2009	\$100,000-\$249,999	20,744,179	\$23,307,157	161	81.17%	83.26%	75.43%
2009	\$250,000-\$499,999	7,749,785	\$7,273,975	23	92.62%	92.93%	99.81%
2009	Over \$500,000	5,062,934	\$5,444,176	7	100.00%	100.00%	100.00%
Total		68,637,834	\$77,003,964	3,756			

## Appendix II

### POTENTIAL INCREASE OF FISHERMEN IN NORTH CAROLINA COASTAL WATERS DUE TO THE GULF OIL SPILL INFORMATION PAPER

June 23, 2010

#### I. ISSUE:

Determine if North Carolina will have an increase of non-resident fishermen obtaining fishing licenses to fish in North Carolina coastal waters as a result of fishermen being displaced in the Gulf of Mexico due to the Deepwater Horizon oil spill.

#### II. ORGINATION:

The Marine Fisheries Commission

#### III. BACKGROUND:

On April 20, 2010, BP's Deepwater Horizon oil rig, located in the Gulf of Mexico, suffered a blowout, caught fire and sank to the bottom. Since April 20, the oil well has been leaking crude oil into the Gulf of Mexico. The National Marine Fisheries Service has closed large portions of the Gulf of Mexico to commercial and recreational fishing, including catch and release in the closed area. Additionally, there are reports of oil entering the rivers and estuaries of the states bordering the Gulf.

There is concern that fishermen displaced due to the fishing closures may go to other states to fish, both commercially and recreationally, including North Carolina. This potentially can place additional fishing effort on North Carolina's fishery resources and compete with North Carolina fishermen.

#### IV. AUTHORITY:

G.S. 113-168.2 for Standard Commercial Fishing License;  
G.S. 113-168.3 for Retired Standard Commercial Fishing License;  
G.S. 113-169 for Menhaden License for Non-Residents without a Standard Commercial Fishing License;  
G.S. 113-169.5 for Land or Sell License  
G.S. 113-169.2 for Shellfish License

#### V. DISCUSSION:

##### Commercial Fishermen:

North Carolina has provisions allowing non-residents to purchase commercial fishing licenses. Eligibility, requirements, fees, etc. are governed by North Carolina General Statutes. There are three specific types of commercial fishing licenses a non-resident can purchase, 1) Non-Resident Standard Commercial Fishing License or Retired Standard Commercial Fishing License; 2) Menhaden License for Non-Residents without a Standard Commercial Fishing License; and 3) Land or Sell License. Each has specific eligibility requirements, allowances, fees, etc. limiting the number of licenses that may be issued.

Some North Carolina fishermen who hold a Standard Commercial Fishing License have indicated they are willing to assign this license to displaced fishermen who want to fish in North Carolina. Legally this is allowed, but for a resident license to be assigned to a non-resident, that non-resident must surrender any resident commercial fishing license held in another state. Dual residency cannot be claimed and operating under an assigned resident license is claiming dual residency. A non-resident license can be assigned to another non-resident without surrendering a resident commercial fishing license issued from another state. There is no claim on dual residency under this scenario.

There has been concern about commercial oyster fishermen moving to North Carolina to take advantage of the state's oyster resources. To commercially harvest shellfish, a fisherman has to establish residency in North Carolina for a least six months to be eligible to purchase a Standard Commercial Fishing License with a shellfish endorsement or a Shellfish License for NC residents.

To establish residency, a person must have resided in North Carolina for six months before purchasing a license. For these fishermen, the division requires the applicant to complete and have notarized a Certification for Eligibility for Residency/Domicile form. On this application, the fishermen certifies that he/she has established a bona fide residence and abode at a specific location and has intention to maintain such a residence within the boundaries of the State of North Carolina as the principle place of residence. It is illegal for a person to hold a license as a North Carolina resident if that person holds any currently valid resident commercial fishing license issued by another state. Doing so is considered dual residency in multiple states.

Below is a brief summary of each:

*Non-Resident Standard Commercial Fishing License (SCFL) or Retired Standard Commercial Fishing License (RSCFL)*

Allowances:

The Non-Resident SCFL or RSCFL allows the licensed fisherman to harvest and sell finfish, shrimp, crabs, or any other legally allowed commercial fish, except menhaden. To harvest and sell menhaden, the fisherman must also purchase a menhaden endorsement. To harvest and sell shellfish, the fisherman must be a resident of North Carolina and must obtain a shellfish endorsement.

This non-resident license allows the fisherman to catch fish from state waters (i.e., within 3 miles of the ocean, sounds, rivers, etc.) and to sell to licensed dealers.

Eligibility:

The person requiring this license can only renew the SCFL or RSCFL held the previous year, receive the license by being awarded through the SCFL/RSCFL Eligibility Pool, or has a SCFL or RSCFL transferred to him/her from someone who already holds an active SCFL or RSCFL.

The SCFL/RSCFL is a personal license issued to an individual or business entity, as defined by N.C. General Statute. It is not a vessel license. If the person holding the SCFL or RSCFL uses a vessel, the vessel must also have a Commercial Fishing Vessel Registration (CFVR).

The SCFL can be assigned and can be transferred. Resident licenses can only be assigned to residents. If the fisherman holds a resident commercial fishing license issued by another state, the fishermen will have to surrender that license to be eligible to hold an assigned resident license.

The RSCFL cannot be assigned but can be transferred.

Fees:

\$800 for non-residents or the amount charged to North Carolina residents in the non-resident's home state, whichever is less. In no event is it to be less than \$200.

The North Carolina Division of Marine Fisheries (NCDMF) surveys all states from Maine to Texas on cost of commercial fishing licenses for North Carolina residents to determine the fees to charge non-residents. This survey is conducted and fees updated annually (fiscal year) because states continually change license structure and fees. Attached is the 2010-2011 Non-Resident License Fees for Non-Resident SCFL and Land or Sell Licenses (see below for Land or Sell License information). Also, note there is no fee discount for a non-resident RSCFL so most only purchase the non-resident SCFL so that they can assign the license at a later date.

This license can be transferred for a \$10.00 fee.

If the person is eligible for this license and wants to engage in commercial menhaden purse seine fishing operations, the person must also purchase a menhaden endorsement for an additional fee of \$2.00 per gross ton of the mother ship.

If the person establishes residency in North Carolina and meets other SCFL eligibility requirements, the person can obtain a shellfish endorsement to harvest and sell shellfish. This endorsement is free.

If the non-resident is going to use a vessel, the person must also purchase a Commercial Fishing Vessel Registration. Fees for this registration are the same for residents and non-residents.

Table 1 (attached) shows the number of Non-Resident SCFL issued by the division for the last three fiscal years.

#### *Menhaden License for Non-Residents without a Standard Commercial Fishing License (SCFL)*

##### Allowances:

This license allows the non-resident fisherman to commercially harvest menhaden from purse seine fishing operations from state waters (i.e., within 3 miles of the ocean) and to sell to licensed dealers.

##### Eligibility:

Any non-resident who wants to engage only in commercial menhaden purse seine fishing operations and is not eligible for a non-resident SCFL or RSCFL can purchase this license.

This license cannot be assigned and cannot be transferred.

##### Fees:

\$2.00 per gross ton of the mother ship.

Additional vessels that may be used in conjunction with a Menhaden License for Non-Resident without a SCFL must be registered (i.e., must purchase a Commercial Fishing Vessel Registration).

#### *Land or Sell License*

##### Allowances:

This license allows commercial fishing vessels fishing beyond state waters (greater than 3 miles in the ocean) to land the harvested catch at a North Carolina licensed fish dealer. This license does not allow commercial fishing in North Carolina state waters.

##### Eligibility:

This license is available to any vessel owner or vessel master that has a vessel with a homeport (determined by the hailing port listed on the U.S. Coast Guard Documentation) in any state other than North Carolina or has a state registration from another state who fishes beyond the state's territorial waters (greater than 3 miles in the ocean) and wishes to land harvested catch in North Carolina. Additionally, the applicant must provide proof of having a commercial fishing license issued from another state or a federal permit that allows commercial fishing.

The license must be purchased prior to offloading the catch.

##### Fees:

\$200 or an amount equal to the non-resident fee charged by the non-resident's state, whichever is greater.

The North Carolina Division of Marine Fisheries (NCDMF) surveys all states from Maine to Texas on cost of commercial fishing licenses for North Carolina residents to determine the fees to charge non-residents. This survey is conducted and fees updated annually (fiscal year) because states continually change their license structure and fees. Attached are the 2010-2011 Non-Resident License Fees for Non-Resident SCFL and Land or Sell Licenses.

Table 2 (attached) shows the number of Land or Sell Licenses issued by the division for the last three fiscal years.

#### *Shellfish License*

##### Allowances:



Allows commercial harvest of shellfish (scallops, clams, conchs, whelks, oysters, and mussels) and sale of shellfish to a licensed fish dealer.

Eligibility:

The license is only issued to individuals (no businesses) and the individual must be a North Carolina resident. There are no other eligibility requirements like the SCFL requires.

Fees:

\$25 and is not transferable

Recreational Fishermen:

North Carolina has no restrictions on non-residents obtaining Coastal Recreational Fishing Licenses. In fact, nearly half of all licenses issued are to non-residents. Non-resident fees are greater than resident fees. Some local businesses are hoping that some tourists, including recreational fishermen, who were planning on vacationing and fishing in the Gulf States, will change plans and take advantage of North Carolina's tourism and recreational fishing industries. To date, there is no evidence of this occurring. As the summer months close, DMF can review license sales data to determine if this occurred.

Some of the other south Atlantic states have informed the division of receiving inquiries from charterboats, headboats, and guideboats from the Gulf region inquiring about license requirements to relocate to these states. North Carolina has not received such inquiries, to date, and data have not shown that this has occurred. For the boats to operate in North Carolina, the vessels can either purchase blanket for-hire licenses (there is no difference in fee between residents or non-residents) or can obtain a free for-hire fishing permit and each person on the vessel must have their own Coastal Recreational Fishing License.

## **VI. Conclusion**

North Carolina does allow non-residents to purchase commercial and recreational fishing licenses, but there are many restrictions on eligibility requirements, what type of commercial fishing operation is allowed, where commercial fishing is allowed, and fees. These restrictions limit the number of non-residents who can commercially fish in state waters. If the fishermen meet these legal legislatively mandated requirements, the division cannot restrict the issuance of a license.

There may be a remote possibility that current SCFL holders will assign licenses to non-residents. Although this is a concern, there is only a finite number of SCFLs that can be assigned. These SCFL's are already eligible to fish in North Carolina waters, although many may be inactive so effort may increase. Additionally, for a non-resident to hold an assigned resident SCFL, the fishermen will have to surrender any resident commercial licenses held from another state. Some may not be willing to surrender their license because it may remove their eligibility to hold that resident license from the other state in the future.

There is information in the news media, that BP and their contractors are contracting with fishermen to assist in the clean-up (as high as \$3,000 per day) and compensating fishermen and others whose income has been negatively impacted by the oil spill. This compensation may reduce the number of displaced fishermen considering fishing in other areas.

Currently, there is no evidence that displaced Gulf fishermen (commercial or recreational) are transitioning to fish in North Carolina. There have been some inquiries on license requirements and residency requirements, but there are no data, to date, to conclude this is or will occur. The division will continue to monitor license sales to determine if this is occurring. Although, the division cannot restrict issuing a license if all eligibility requirements are met, the division can use other methods to reduce fishing effort such as limiting type of gear, limiting fishing days, time restrictions, trip limits, etc.

Prepared by: Dee Lupton  
June 23, 2010

**Table 1. Number of Non-Resident Standard Commercial Fishing Licenses**

State of Residence	FY2007-2008	FY2008-2009	FY2009-2010*
Alabama	--	--	1
California	1	1	2
Colorado	1	1	1
Delaware	1	1	2
Florida	13	11	14
Georgia	14	17	18
Maryland	5	3	3
Maine	1	1	--
Michigan	1	1	--
New Jersey	6	8	11
New York	2	2	2
North Dakota	--	1	--
Other	--	1	1
Pennsylvania	3	3	4
South Carolina	14	10	11
Tennessee	1	--	--
Texas	--	1	1
Virginia	34	36	29
West Virginia	1	--	--
<b>Total</b>	<b>98</b>	<b>98</b>	<b>100</b>

\*Incomplete information. The fiscal year will end June 30, 2010.

**Table 2. Number of Land or Sell Licenses**

State of Residence	FY2007-2008	FY2008-2009	FY2009-2010*
Alaska	1	1	1
Alabama	--	--	--
Colorado	1	1	
Connecticut	6	3	1
Delaware	1	1	1
Florida	8	11	6
Georgia	--	1	1
Massachusetts	13	17	10
Maryland	3	6	13
Maine	4	4	2
New Hampshire	--	1	--
New Jersey	26	39	32
New York	5	9	6
North Dakota	--	--	--
Other	4	7	5
Pennsylvania	5	4	6
Rhode Island	6	5	3
South Carolina	15	21	21
Tennessee	--	1	--
Texas	--	--	--
Virginia	6	11	8
West Virginia	--	--	--
<b>Total</b>	<b>104</b>	<b>143</b>	<b>116</b>

\*Incomplete information. The fiscal year will end June 30, 2010.

## 2010-11 Non-Resident License Fees

(Use this reference sheet to determine the total amount to pay the North Carolina Division of Marine Fisheries for non-resident SCFL and RSCFL and Land or Sell licenses)



Non-residents (out-of-state) are to be charged a non-resident fee for:

1. Standard Commercial Fishing License (SCFL) - \$800 or the amount charged to North Carolina residents in the non-resident state, whichever is less (see list below). In no event is it to be less than \$200.
2. Land or Sell License - \$200 or an amount equal to the non-resident fee charged by the non-resident's state, whichever is greater.

State	SCFL (\$)	Land Or Sell Fees (\$)
Alabama	503.00	<30 ft = 202 20-45 ft = 252 >45 ft = 503
Connecticut	800.00	400
Delaware	800.00	1,500
Florida	750.00	400
Georgia	236.00	200
Louisiana	800.00	2,900
Maine	418.00	418
Maryland	647.50	200
Massachusetts	800.00	Vessels 0-59 ft = 260 60-99 ft = 390 >99 ft = 520
Mississippi	800.00	200
New Hampshire	300.00	300
New Jersey	800.00	200
New York	800.00	500
Rhode Island	200.00	600
South Carolina	800.00	500
Texas	800.00	205
Virginia	800.00	200
All other states	800.00	200

## Appendix III

### VARIOUS OPTIONS FOR DEFINING A PROFESSIONAL COMMERCIAL FISHERMAN

#### INFORMATION PAPER

August 23, 2007

#### I. ISSUE

The statutory definition of a commercial fisherman in North Carolina is “any person holding a valid license from the Department to take or deal in marine fisheries resources.” Continuing pressure on marine resources, especially federally managed species, have led and will continue to lead to reduced quotas and Total Allowable Catch (TAC). This continually-shrinking pie is making it increasingly difficult for the commercial fishing industry to survive. Reallocation may help commercial fishermen to remain profitable and maintain an economic presence on the coast, while simultaneously maintaining and strengthening biological populations.

#### II. ORIGINATION

The Marine Fisheries Commission (MFC) has asked the Division of Marine Fisheries (DMF) to investigate redefining all or some portion of the commercial fishing fleet for the purpose of reallocating marine resources in permitted fisheries towards those who can best preserve the state’s commercial fishing heritage, and to report to the MFC for further instruction.

#### III. BACKGROUND

Limited entry systems restrict access to a fishery. Capping or reducing fishing participation, harvest share or effort can protect the biological viability of a species and the economic integrity of the fishery. Limited commercial fisheries to “professional” fishermen is not a new topic for fisheries management in North Carolina. During the moratorium on the sale of state commercial licenses in 1994 and the corresponding study of the entire coastal fisheries management process, several research studies were conducted that dealt with this topic (Johnson and Orbach 1996, Griffith 1996, Garrity-Blake 1996). These studies noted that characterizing North Carolina commercial fishermen is difficult because of strong regional differences, because fishermen switch gears and fisheries throughout the year, and because even among self-declared full-time fishermen one-third held some sort of shore based work during a year. Given the uncertainty of mother nature and the ever changing regulatory restrictions to ones livelihood, North Carolina fishermen have adopted an economic strategy that hedges and spreads the risk both within and outside of their fishing careers. Because limited entry adds further complications onto the business of fishing, any efforts in that direction should involve the fishing constituencies and be for the protection of the resource, and not for the benefit of one interest group over another. Goals, objectives, standards, and procedures for any system must be clearly specified. According to Johnson and Orbach (1996), there are six objectives toward which any potential limited entry or access system should be directed:

- 1) “To control, or reduce, the effort in the fisheries under consideration so that the effort more closely matches the available fishery resource;
- 2) To increase stability in the fisheries, and promote maximum net incomes for fishermen;
- 3) To promote flexibility for fishermen in their fishing operations;
- 4) To avoid conflicts among fishermen and between fishermen and other marine users;
- 5) To ensure that fishermen who have traditionally fished in the fisheries under consideration be able to continue to do so, as much as possible in their traditional fishing patterns; and
- 6) To make management of the fisheries more efficient and effective.”

Griffith (1996) used a number of criteria (fishing, percent of income, time commitment, flexibility index, number of vessel, number of others (crew) involved, relationship to marketing sector, and principal social and biological issues) to classify fishermen into one of four groupings:

- 1) Full-time Owner-Operator (~1800 fishermen who own their vessels, the study’s “Professional Fishermen”),
- 2) Full-time Fleet (fish primarily for a dealer or processor),
- 3) Part-time retired/poor, and

4) Part-time with full-time shore based work.

Based on these studies and substantial public input the Moratorium Steering Committee's License Subcommittee concluded that "vesting general authority in the Marine Fisheries Commission (MFC) to appropriately limit entry into North Carolina fisheries on a case-by-case basis and as a part of a relevant Fishery Management Plan will best serve the State's long-term management needs" (1996 Moratorium final report).

This recommendation was not formally included in the 1997 Fisheries Reform Act (FRA). However, G.S. 113-182.1 was amended and the following stipulation (g) was added in regards to recommending limited entry in state developed Fishery Management Plans (FMP):

§ 113-182.1. Fishery Management Plans.

- (g) To achieve sustainable harvest under a Fishery Management Plan, the Marine Fisheries Commission may include in the Plan a recommendation that the General Assembly limit the number of fishermen authorized to participate in the fishery. The Commission may recommend that the General Assembly limit participation in a fishery only if the Commission determines that sustainable harvest cannot otherwise be achieved. In determining whether to recommend that the General Assembly limit participation in a fishery, the Commission shall consider all of the following factors:

- (1) Current participation in and dependence on the fishery.
- (2) Past fishing practices in the fishery.
- (3) Economics of the fishery.
- (4) Capability of fishing vessels used in the fishery to engage in other fisheries.
- (5) Cultural and social factors relevant to the fishery and any affected fishing communities.
- (6) Capacity of the fishery to support biological parameters.
- (7) Equitable resolution of competing social and economic interests.
- (8) Any other relevant considerations.

G.S. 143B 289.52 also allows for the MFC to limit participation in a federal fishery that imposes a state quota:

§ 143B 289.52. Marine Fisheries Commission – powers and duties.

- (d1) The Commission may regulate participation in a fishery that is subject to a federal fishery management plan if that plan imposes a quota on the State for the harvest or landing of fish in the fishery. If the Commission regulates participation in a fishery under this subsection, the Division may issue a license to participate in the fishery to a person who:
- (1) Held a valid license issued by the Division to harvest, land, or sell fish during at least two of the three license years immediately preceding the date adopted by the Commission to determine participation in the fishery; and
  - (2) Participated in the fishery during at least two of those license years by landing in the State at least the minimum number of pounds of fish adopted by the Commission to determine participation in the fishery.

During the 2006 Legislative session and at the request of the Division and the MFC language was added to G.S. 113-169.1 that allowed for limiting participation in the Atlantic Ocean striped bass fishery:

§ 113 169.1. Permits for gear, equipment, and other specialized activities authorized.

- (a) The Commission may adopt rules to establish permits for gear, equipment, and specialized activities, including commercial fishing operations that do not involve the use of a vessel and transplanting oysters or clams.
- (b) The Commission may adopt rules to establish gear specific permits to take striped bass from the Atlantic Ocean and to limit the number and type of these permits that may be issued to a person. The Commission may establish a fee for each permit established pursuant to this subsection in an amount that compensates the Division for the administrative costs associated with the permit but that does not exceed ten dollars (\$10.00) per permit.

Other states have taken measures to limit entry to particular fisheries. Virginia divides participants in its black sea bass fishery into two permit categories. The first group falls under the Directed Fishery Permit. The qualifications for the Directed Fishery are to hold a valid state license, a valid Federal Permit for black sea bass and to have sold in Virginia at least 10,000 pounds of sea bass from July1, 1997 through December 31,2001. The second group is the Bycatch Fishery Permit for black sea bass. The qualifications for this permit is to hold a valid state license, a valid Federal Permit for black sea bass and have sold in Virginia at least one pound of black sea bass from July1,1997 through December31,2001. The Spiny Lobster Fishery in Florida limits the amount of gear in the fishery (e.g., number of pots or trawls) but allows the gear to be transferred. This type

of system allows maximum flexibility for fishermen to adjust their fishing effort and allows new entrants into the fishery at a relatively low cost(Johnson and Orbach 1996). Gear shares are transferable with upper limits imposed to prevent monopolies.

The current limited entry system gaining favor in many fisheries is the individual transferable quotas (ITQ) or Limited Access Privilege Program (LAPP), where the privilege of landing a portion of the total annual fish catch in the form of transferable quota shares (pounds or percentage) is allocated to individual operators. LAPPs are intended to reduce overcapitalization, promote conservation of stocks, improve market conditions, and leave the ultimate decision regarding whether to participate in the fishery and at what level to the individual fishermen. The NMFS has been implementing Limited Access Programs for several federally managed species for years. Some examples fisheries managed with ITQs are the Wreckfish , King Crab, Halibut, and Sablefish fisheries.

#### IV. AUTHORITY

§ G.S. 113-169.1, G.S. 113-182.1, G.S. 143B 289.52

#### V. DISCUSSION

North Carolina has always had a diverse group of commercial fishermen (full time, part time, seasonal) harvesting a diverse group of fisheries (inshore finfish, offshore finfish, shellfish). These groups are not easily delineated by the species they catch, and restricting harvests to particular sections of the commercial fleet produces an economic impact beyond the immediate confines of the fishermen's businesses. Dealers in the Southern District, for example, rely more heavily on King Mackerel catches from a large pool of seasonal fishermen who exclusively use hook-and-line and stay within the recreational bag limits. Dealers in the Wanchese area receive harvested fish primarily from larger commercial boats using trawls and gill nets, and ship much of their product out of state. Attempts to distribute shares of the quota from one group to another will produce a geographically disproportionate economic impact.

Redistributing any fishery harvest among fewer individuals will also make the industry less resilient to business cycles, as risk is spread among a smaller number of businesses. Any movement by the MFC to change the definition of a commercial fisherman or add new categories should be done in the context of an identifiable end result. The most important question to consider is as follows: does increasing the percentage of North Carolina fishermen who work full time or year-round make the industry stronger, even if the overall number of fishermen goes down?

The following standards may be of use in defining professional commercial fishermen:

1. Status quo. A commercial fisherman is the holder of a commercial fishing or shellfishing license.
  - a. Positives:
    - i. Easily defined.
    - ii. Consistent with current rules and public expectations.
    - iii. Most fishermen seem to consider it "fair"
    - iv. Would encompass the largest number of fishermen.
  - b. Negatives:
    - i. Some license holders only hold the license for investment, possible future use, or assignment.
    - ii. Many shellfish license holders are recreational harvesters who purchase the license simply to harvest more than the recreational bag limit.
    - iii. Because it encompasses the largest number of fishermen it does little to reduce fishing pressure.
2. Landings. A commercial fisherman holds a license and has used it to sell seafood to a dealer (ie. has documentation of commercial catch from a governmental entity).
  - a. Positives:
    - i. Ends speculative use of licenses
    - ii. Easy to validate through trip ticket reports.
    - iii. Would encompass a large number of fishermen
  - b. Negatives:
    - i. May encourage fishing just to keep license
    - ii. May still lead to excessive fishing pressure because of the large number of fishermen encompassed.
    - iii. NC fishermen who also fish out of state would not have all of their landings qualify (i.e. full time commercial fishermen who fish only part of the year in NC)
3. Gear use. A commercial fisherman uses commercial gear such as trawls, gill nets, and pound nets OR has a federal or state permit.
  - a. Positives:

- i. Eliminates hook-and-line recreational users from competing with commercial fishermen
  - b. Negatives:
    - i. May-exclude some commercial users who do not use appropriate gear.
    - ii. A fisherman could get around this by catching a minimal amount with a crab pot, etc
    - iii. Difficult to establish qualifying gears since trip ticket analysis shows that even our highliners may use crab pots or clam rakes at some time during the year.
    - iv. Hook & line gear used by highliners as well (snapper-grouper)
    - v. It may be difficult to predict what commercial gear will be used in the future due to regulations (fishery, habitat, or protected species specific), fishing behaviors, markets, target species, etc.
    - vi. Reduced flexibility for gear changes.
- 4. Income (fixed). A commercial fisherman earns a minimum amount of earned income from fishing in dollar terms.
  - a. Positives:
    - i. Easily defined except for out-of-state fishermen
    - ii. Group that has some demonstrated success in fishing.
  - b. Negatives:
    - i. Will differ substantially between regions of the state. Southern district has more small operators.
    - ii. Difficult to establish and justify minimum income level for qualification.
    - iii. Income could vary according to species, ie. one bluefin tuna = 3 months of clamming. Does that make the bluefin tuna fishermen more "professional" than the clammer?
- 5. Income (majority). A commercial fisherman earns a majority of his or her income from commercial fishing.
  - a. Positives:
    - i. Have a current definition from license sales, though not a verifiable one.
    - ii. Includes those fishermen who rely on commercial fishing as their primary income source.
    - iii. Excludes recreational fishermen selling bag limit fish.
  - b. Negatives:
    - i. Fluctuates based on non-fishing related activities.
    - ii. Difficult to validate (IRS records required).
- 6. Permits. A commercial fisherman possesses a permit for a federally-managed species, potentially one that is closed to new entrants.
  - a. Positives:
    - i. Easily defined. Easy to implement logistically.
    - ii. Meeting the qualifying criteria and cost of a federal permit indicates the owner is serious about commercial fishing and willing to make a substantial investment.
  - b. Negatives:
    - i. Would result in the smallest number of fishermen.
    - ii. Would exclude new entrants.
    - iii. Applies only to federally-managed species.
- 7. Frequency of trips. A commercial fisherman takes a minimum number of trips or fishes at least once in each defined window (months or seasons).
  - a. Positives:
    - i. Easily defined for in-state fishermen
  - b. Negatives:
    - i. Not necessarily indicative of full time status
    - ii. Can behavior modifying in biologically detrimental ways.
    - iii. Difficult to define for out-of-state fishermen who infrequently land in NC.
    - iv. Difficult to define some in-state fishermen who frequently land outside NC (have licenses in other states).

## VI. PROPOSED ACTIONS

At this time, the MFC should indicate which (if any) of the above standards are of interest in improving the management of certain fisheries (king mackerel, Spanish mackerel, snappers/groupers, striped bass, or summer flounder) to reduce quota overages, reduce user conflicts and improve profitability. The DMF can characterize participants in these fisheries by count, mean and median fishing incomes, species caught, and other economic characteristics.

## VII. RECOMMENDATION

Prepared by Scott Crosson, Katy West, Jack Holland, Don Hesselman, Alan Bianchi, Chris Batsavage

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November 3, 2015  
Date, Revised

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## Appendix IV

### STANDARD COMMERCIAL FISHING LICENSE TRANSFERS INFORMATION PAPER

August 27, 2010

#### I. ISSUE:

Determine if restrictions are necessary on transferring of Standard Commercial Fishing Licenses.

#### II. ORGINATION:

The Marine Fisheries Commission

#### III. BACKGROUND:

Standard Commercial Fishing Licenses (SCFL) and Retired Standard Commercial Fishing Licenses (RSCFL) can only be acquired by one of three ways:

*Note: For the purpose of this document, the term SCFL will be used synonymously for SCFL and RSCFL.*

1. A person held a valid vessel endorsement to sell fish license on June 30, 1999. Additionally any person who held a non-vessel endorsement to sell license, other than a non-vessel endorsement to sell license issued for an aquaculture operation or a fishing tournament on June 30, 1999 was eligible to receive a SCFL. If the person held more than one endorsement to sell license, the person was eligible to receive a SCFL for each endorsement to sell previously held. These licenses had to be converted to a SCFL by June 30, 2000. Since then, the SCFL has to be renewed each subsequent year. If it is not renewed, the license is eligible to become available through the SCFL Eligibility Pool.
2. The person qualifies and is awarded eligibility to purchase a SCFL from the SCFL Eligibility Pool.
3. Transfer of the license from one person to another.

SCFLs transfers can occur when the both the transferor and the transferee have no current license suspensions or revocations. General statute and Marine Fisheries Commission rules allow a SCFL to be transferred upon the request:

1. From a license holder to a member of the licensee's immediate family.
2. Upon the death of a licensee through a detailed process and ultimately to a third-party purchaser of the deceased licensee's fishing vessel.
3. Retirement from commercial fishing to a third-party purchaser of the licensee's fishing vessel.

In addition, Division of Marine Fisheries (DMF) policy allows transfer for 'other' reasons. This paper identifies issues that resulted in this policy.

A SCFL can be issued to a person. In North Carolina, a person is defined as an individual or a business. A business entity can be a corporation, partnership (DMF only accepts written partnership agreements), sole proprietorship, and limited liability companies and similar limited type of companies. Depending on the type of company, documentation must be given to the division validating the company. Examples of documentation include, Articles of Incorporation and list of current corporate holders (Certificates of Existence are not acceptable), written partnership agreements, limited liability documents, etc. For sole proprietors, the proprietor must provide an Assumed Name Statement (i.e., Doing Business As) or it must be listed in the real name of the person listing the business as a sole proprietor.

- An example of a Sole Proprietorship that needs an Assumed Name Statement: Downeast Fish Company.
- An example of a Sole Proprietorship that does not need an Assumed Name Statement because the name is in a real name: John E. Smith's Downeast Fish Company.

All businesses must list a responsible party (business agent) and that person must sign the license and be listed on the license as the overall responsible party. The responsible party (business agent) is the person who coordinates, supervises or otherwise directs operations of a business entity, such as a corporate officer or executive-level supervisor of business operations and is the person responsible for use of the issued license in compliance with applicable laws and regulations.

In addition, single vessel corporations must provide the Master of the Vessel information. By doing so, single vessel corporations do not have to assign the SCFL, but if the Master of the Vessel changes, the responsible party must notify the DMF within five days to update the license information.

At the time of license renewal, updated documents are not required unless a change has occurred since the last license issuance.

**IV. AUTHORITY:**

G.S. 113-168.2 for Standard Commercial Fishing License;  
 G.S. 113-168.3 for Retired Standard Commercial Fishing License;  
 15A NCAC 03O.0108 License Transfers

**V. DISCUSSION:**

North Carolina implemented the current license system on July 1, 1999 as part of the 1997 Fisheries Reform Act (FRA) as a component to help the state achieve sustainable harvest through development and implementation of Fishery Management Plans. The basic level of information needed to manage fisheries is to determine the number of fishermen and the amount of fish harvested from all users. The 1997 FRA established a commercial fishing license system allowing North Carolina fishery managers the ability determine the number of commercial fishermen, the number of commercial fishing vessels and landings associated with these licenses. This has become a long term data source used by the division and has proven to provide the quality of data needed for fisheries management. Tables 1 - 3 shows the number of licenses issued, transferred and actually used by the fishermen.

Table 1. Number of SCFLs, RSCFLs, total SCFLs and RSCFLs combined, and assignments issued by fiscal year.

Fiscal Year	Number of SCFLs	Number of RSCFLs	Total Number of SCFLs and RSCFLs	Assignments (SCFL only)
2000	6,990	515	7,505	547
2001	6,783	630	7,413	585
2002	6,632	676	7,308	671
2003	6,505	727	7,232	736
2004	6,421	754	7,175	734
2005	6,301	754	7,055	783
2006	6,171	787	6,958	703
2007	6,053	853	6,906	780
2008	5,947	912	6,859	805
2009	5,868	959	6,827	870

Table 2. Number of SCFL transfers, RSCFL transfers, and SCFL and RSCFL transfers combined by fiscal year.

Fiscal Year	SCFL Transfers	RSCFL Transfers	Total Number of SCFL and RSCFL Transfers
2000	788	39	827
2001	630	64	694
2002	489	43	532
2003	489	48	537
2004	494	65	559
2005	500	76	576
2006	488	69	557
2007	465	73	538
2008	443	76	519
2009	418	87	505

Table 3. Number of licenses used (i.e., have commercial landings associated with the license) for 2009.

License Type	Number issued	Number with Landings	Percent Used
SCFL	5,868	2,825	48
RSCFL	959	299	31
Total	6,827	3,124	46

### Fees

All SCFL transfers occur at the DMF offices. The person receiving the license through the transfer pays the fees.

Cost to transfer a license is \$10.00.

When the person the license is being transferred to is a non-resident, that person must pay the \$10.00 transfer fee plus the difference in fees between a North Carolina resident fee (\$100 for RSCFL and \$200 for SCFL) and the non-resident state's fees. DMF updates a list of these fees annually to use to determine the difference.

When the license to be transferred is a RSCFL and the person the license is being transferred to is less than 65 years of age, that person must pay the difference between a SCFL and RSCFL (i.e., \$100) so the total fee is \$110 or more than \$110 if the person is also a non-resident.

As law and policy exist today, there is some marketability of the SCFL. This occurs when one party 'sells' the license to another party for a fee that is only exchanged between the two parties outside of the DMF. The DMF does not have knowledge of this monetary exchange and does not gain any funds from this exchange. There is no law prohibiting this exchange. DMF has no data to substantiate exactly how much marketability a SCFL has. In fact, not all SCFLs are 'sold' between parties. Many may only pay fees required by DMF for a transfer and have no additional market value.

### Eligibility Requirements to Transfer:

To be eligible to transfer the SCFL or accept a SCFL transfer:

1. The transferor and the transferee have no current suspensions or revocations.
2. If transfer is due to retirement from commercial fishing, the person transferring the license must submit evidence of retirement. Examples are:
  - Evidence of the transfer of all licensee's SCFLs.
  - Sale of all the licensee's commercial fishing registered vessels.
  - Discontinuation of any active involvement in commercial fishing.
3. In case of death of the license holder, the Administrator/Executor must provide a copy of the deceased licensee's Death Certificate, a photocopy of the Certificate of Administration and a list of eligible immediate family members to DMF and can be transferred to the following:
  - To the Administrator or Executor of the estate.
  - From the Administrator or Executor of the estate to an immediate family member (mother, father, brother, sister, spouse, child, stepparent, stepbrother, stepsister, or stepchild of the deceased).
  - From the immediate family member of the deceased to a third-party purchaser of the deceased licensee's fishing vessel.
4. 'Other' reasons, the person must list why the license is being transferred.

Additionally, the person transferring the SCFL to another person is not eligible to apply to the SCFL Eligibility Pool for two years.

### Reasons for the 'Other' category

Once the commercial fishing license system was implemented in 1999, DMF and fishermen encountered issues related to transfers. The transfer provisions were too restrictive for the everyday business actions of fishermen. Below are some complications that resulted in the 'other' category for SCFL transfers:

### *Market Value*

Based on discussion with legal counsel over the years resulted in the fact that SCFLs differ from other professional licenses in that they are a commodity, not a privilege, because they are limited. SCFLs are a limited entry fishing license. The very nature of this limited license adds value to the license. There is only a finite number that will ever exist. Only 8,896 licenses can ever be available based on the legislative criteria establishing the cap. Unlike a contractor's license that is issued to all who pass the exam without a cap, SCFLs can only be obtained through a limited number of sources thus placing a type of value on the license. For some fishermen, their license is the only item of value they may have and are often passed through the family to third parties when an individual dies (i.e., is the only inheritance some fishermen leave their family). As Table 1 shows, the actual number of licenses issued, even with the approvals through the SCFL Eligibility Pool and transfers, has declined every year since implementation.

### *Lack of Link to Vessels*

One of the reasons the other category was listed is that not all SCFLs are linked to a vessel. In fact, the very nature of the license system is the ability to track fishermen via the SCFL independently of the vessel. This was a desire of fisheries managers because sometimes fishing effort is based on the number of fishermen regardless of the vessel used such as some of the smaller inshore fisheries while other fisheries management policies need to be based on the vessel such as larger vessels involved in inshore and offshore fisheries. An example of the latter is the management policy is based on the fishing power of the vessel (i.e., vessel size and capacity to hold fish) regardless of the number of licensed fishermen on board. Since these were independent of one another, the requirement to transfer to the third-party purchaser of the vessel is difficult to determine since the SCFL and vessel are not legally linked. Fishermen transfer vessels all the time, sometimes back and forth between parties. In addition, if the fisherman waits until the Commercial Fishing Vessel Registration (CFVR) expires, and then sells the vessel to a third party, a CFVR transfer is not required. That third party can purchase a new CFVR, whereas the SCFL must be renewed and transferred. This further complicates the DMF's ability to determine third-party purchasers of the vessel. Finally, another complicating fact is that some fishermen holding SCFL do not own the vessel they fish. Someone else may own the vessel with the CFVR.

### *Definition of Retirement*

What is retirement? There was an attempt to define as noted above, but there was no way to determine retirement satisfactorily. This ended up being a survey question. If DMF did not have the 'other' category, everyone would categorize the transfer as 'retirement'.

### *Businesses*

In North Carolina, a person is legally defined to include individuals, corporations, LLCs, etc. Businesses 'do not retire' and have business needs to be able to transfer licenses in, out and between business entities and individuals affiliated with that business. There are businesses that have multiple SCFLs that assign licenses to individuals and at times desire to transfer licenses to their employees and crew members who are outside the immediate family. There have been occasions when businesses dissolved in the business world for various reasons and had to transfer the license from that business to a new business or individual.

Rules could be refined to specify the category and authorization to request to additional information.

### Biological Reasons

There needs to be a biological and/or resource reason to further restrict SCFLs and the transferring of SCFLs. Section 5.2 of S.L. 1997-400(f) pertains to the SCFL Eligibility Pool but can also relate to SCFL transfers. This part of the Session Law states:

"...The Commission shall increase or decrease the number of SCFLs that are issued to reflect its determination as to the effort that the fishing can support, based on the best available scientific evidence."

Data shown in Table 3 indicates that only 46% of SCFLs are actively used. Although DMF does not know the amount of harvest from fishermen using the SCFL for personal use to exceed recreational harvest and gear limits, landings data from the Recreational Commercial Gear License proved that the entire user group landed less than one million pounds (approximately

1% of the total commercial harvest). Inactive SCFLs may have similar landings to the Recreational Commercial Gear License with many not having any landings. There has been no evidence to prove latent SCFLs have an impact fisheries in NC.

Limiting the ability to transfer a license can lead to attrition of people out of the commercial fishing industry as family members decide to not continue commercial fishing while at the same time restricting new entrants into the fishery. Reduction or restriction in SCFLs needs to be scientifically justifiable through the FMP process that was established by the FRA to ensure sustainable harvest for the fisheries on North Carolina.

## **VI. Conclusion**

The SCFL is a tool that implemented limited entry into commercial fishing in North Carolina. There are a variety of reasons SCFLs are transferred. The general business practices of fishermen necessitate some of these transfers. Not everyone who wants a license can get a license. Not everyone who wants a license qualifies through the SCFL Eligibility Pool nor can afford to 'purchase' from another license holder, even though there are licenses transferred between individuals for a fee. In fact, each year approximately 80 SCFLs are not renewed (this means they are not sold between fishermen). There already is a limit to the market value of the license which indicates some fishermen are getting out of the business through natural attrition. This is also seen in the downward trend in SCFL sales and most notably in the number of licenses actually used.

Currently, there is no biological evidence identified in the FMPs that support restricting SCFL transfers. Fishing effort can and has been managed through a variety of other tools such as reduced fishing times, restrictions on areas that can be fished, seasons, gear modification, etc. Until a biological reason is identified, it is difficult to recommend any further restrictions on transferring of licenses.

Prepared by: Dee Lupton  
August 27, 2010

**Appendix V**  
**FOR-HIRE CHARACTERIZATION DATA**

The following tables summarize the North Carolina Division of Marine Fisheries for-hire survey responses. Ten percent of the for-hire vessels are surveyed each week. The results represent actual unexpanded survey responses.

Table 1. The number of for-hire vessels by year and license/permit category.

Year	For-hire Blanket CRFL		For-hire Permit		Yearly Total	
	Number	Percent	Number	Percent	Number	Percent
2007	698	80.4	170	19.6	868	100.0
2008	673	81.1	157	18.9	830	100.0
2009	636	79.3	166	20.7	802	100.0
2010	599	79.2	157	20.8	756	100.0

Table 2. Distribution of the number of for-hire trips reported by Month and license/permit category during 2009.

Month	For-hire Blanket CRFL		For-hire Permit	
	Number of Trips	Percent	Number of Trips	Percent
January	28	1.7	4	3.4
February	20	1.2	0	0.0
March	12	0.7	3	2.5
April	69	4.1	5	4.2
May	176	10.5	9	7.6
June	318	19.0	22	18.6
July	391	23.4	19	16.1
August	323	19.3	21	17.8
September	140	8.4	10	8.5
October	114	6.8	14	11.9
November	61	3.6	9	7.6
December	20	1.2	2	1.7
Total	1,672	100.0	118	100.0

Table 3. Distribution of the number of for-hire trips reported by vessel size and license/permit category during 2009.

Vessel Size	For-hire Blanket CRFL		For-hire Permit	
	Number of Trips	Percent	Number of Trips	Percent
16 to 20 feet	51	3.1	42	40.4
20 to 25 feet	472	28.7	56	53.8
26 to 30 feet	183	11.1	4	3.8
Greater than 30 feet	939	57.1	2	1.9
All*	1,645	100.0	104	100.0

\*Vessels of an unknown length are not included.

Table 4. Distribution of the number of for-hire trips reported by vessel size and license/permit category during 2009.

Vessel Size	For-hire Blanket CRFL		For-hire Permit	
	Number of Trips	Percent	Number of Trips	Percent
Ocean (less than 3 miles)	464	28.0	21	18.6
Ocean (greater than 3 miles)	780	47.1	10	8.8
Inside coastal waters	413	24.9	82	72.6
All*	1,657	100.0	113	100.0

\*Trips where area was missing are not included.

Table 5. Distribution of the number of for-hire trips taken per week and license/permit category during 2009. Includes vessels that took more than one trip per day.

Number of trips per week	For-hire Blanket CRFL		For-hire Permit	
	Number	Percent	Number	Percent
0	1,372	69.8	415	86.5
1	217	11.0	35	7.3
2	124	6.3	17	3.5
3	85	4.3	6	1.3
4	57	2.9	4	0.8
5	41	2.1	3	0.6
6	28	1.4	-	-
7	23	1.2	-	-
8	10	0.5	-	-
9	4	0.2	-	-
10	1	0.1	-	-
11	1	0.1	-	-
12	1	0.1	-	-
13	1	0.1	-	-
14	2	0.1	-	-
All	1,967	100.0	480	100.0

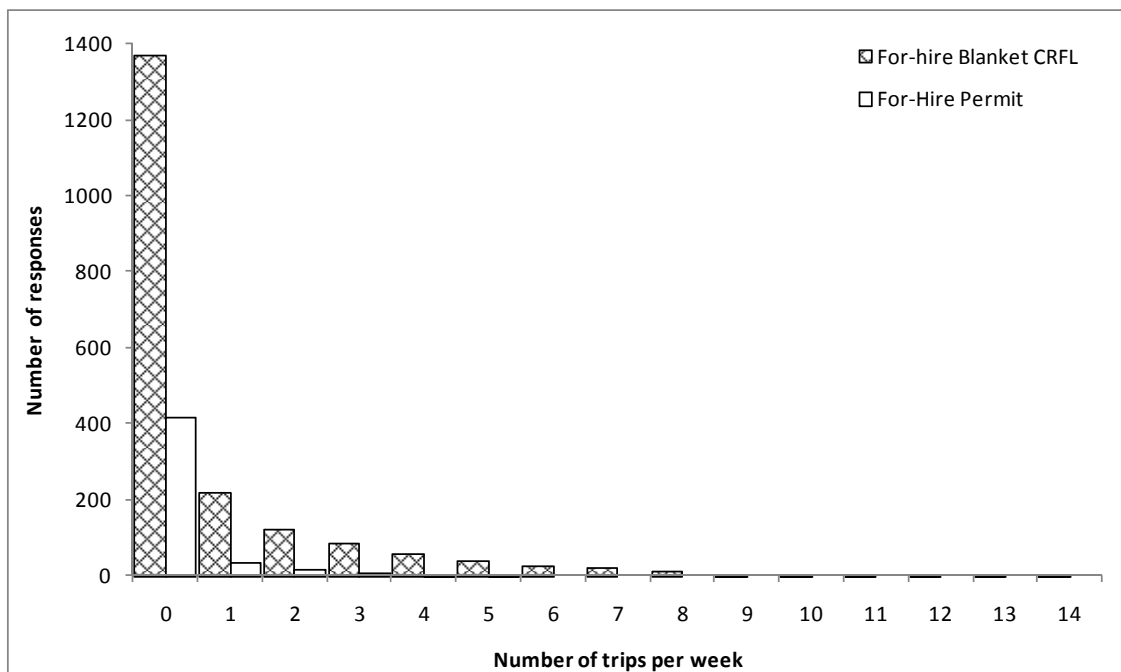


Figure 1. Distribution of the number of for-hire trips taken per week by license/permit category during 2009. Includes vessels that took more than one trip per day.



Table 6. Primary target species identified by license/permit category during 2009. Trips where target species were not provided are not included in this table.

Target Species	For-hire Blanket CRFL		For-hire Permit	
	Number of Trips	Percent	Number of Trips	Percent
Spanish mackerel	291	18.0	7	6.7
Bluefish	283	17.5	1	1.0
Dolphin	266	16.5	2	1.9
Red Drum	116	7.2	28	26.9
King mackerel	133	8.2	6	5.8
Spotted seatrout	77	4.8	37	35.6
Striped bass	57	3.5	6	5.8
Tuna	62	3.8	-	-
Flounder	57	3.5	9	8.7
Billfish	59	3.7	-	-
Black sea bass	55	3.4	1	1.0
Wahoo	41	2.5	-	-
Cobia	32	2.0	-	-
Yellowfin tuna	14	0.9	2	1.9
Amberjack	15	0.9	-	-
Bluefin tuna	9	0.6	2	1.9
Atlantic croaker	8	0.5	-	-
Weakfish	8	0.5	-	-
Black drum	5	0.3	1	1.0
Blackfin tuna	5	0.3	-	-
Sheepshead	5	0.3	-	-
Snowy grouper	4	0.2	-	-
Blue marlin	3	0.2	-	-
Vermilion snapper	2	0.1	-	-
Tarpon	2	0.1	-	-
Snapper	2	0.1	-	-
Triggerfish	2	0.1	-	-
Blueline tilefish	1	0.1	-	-
False albacore	-	-	1	1.0
Spot	-	-	1	1.0
All	1,614	100.0	104	100.0

## Appendix VI

### RECREATIONAL COMMERCIAL GEAR LICENSE INFORMATION PAPER

September 2, 2010

#### I. ISSUE:

To provide information to the Marine Fisheries Commission (MFC) characterizing the Recreational Commercial Gear License (RCGL).

#### II. ORIGINATION:

A request was made by the Marine Fisheries Commission Chairman to research the need for maintaining a RCGL in North Carolina.

#### III. BACKGROUND:

##### *License History:*

This section reviews the North Carolina Division of Marine Fisheries (-DMF-) RCGL related licenses, past and present. It refers solely to licenses pertaining to the RCGL and does not include the entire license structure.

The RCGL was recommended by the Moratorium Steering Committee (MSC) to be included in the Fisheries Reform Act (FRA) of 1997(MSC Report). The objective of creating a RCGL was to allow individuals and families who traditionally accessed the state's public trust fishery resources by fishing commercial gears to harvest fresh seafood to continue this tradition. The MSC also intended to limit the commercial effort that may be expanded by this class of fishermen both individually and as a group. A guiding principle was that all persons who harvest state public trust resources pay for the privilege by investing in coastal fisheries conservation and management.

The licensing history in North Carolina was fairly static prior to 1994. Before 1994 the Division of Marine Fisheries (division) had two major license types. The first was the Commercial Fishing Vessel License (vessel decal) that identified a commercial fishing vessel. This license was all that was required (except for shellfish) to use commercial fishing gear, abide by commercial creel limits, size limits, and allowed fishermen to sell their catch to properly licensed fish dealers. The second type, the Shellfish License, was issued to the individual. Everyone in a commercial shellfish operation was required to have the license in their possession to harvest shellfish. Also, the vessel decal for the commercial vessel was required if a commercial vessel was used in a shellfishing operation.

The North Carolina General Assembly created a new license in 1994 that was issued to individuals who intended to sell their catch. This license was called an Endorsement to Sell (ETS) and was required to sell their catch in addition to the vessel decal (if a vessel was used). If fishermen used commercial gear and followed commercial size and creel limits, but did not sell their catch, the only license required was the vessel decal.

The FRA of 1997 created a new license system that was implemented on July1, 1999. Licenses created by the FRA include the Standard Commercial Fishing License (SCFL), Retired Standard Commercial Fishing License (RSCFL), Commercial Fishing Vessel Registration (CFVR), and the RCGL. The RCGL was created for individuals who previously had vessel decals to use commercial fishing gear, commercial size and creel limits but did not have an ETS. A fisherman had to hold a valid ETS on June 30, 1999 to be eligible for a SCFL or RSCFL. These licenses were issued to the person, not the vessel. If a vessel was used, it must have a valid CFVR and someone on board must possess a valid SCFL or RSCFL. These licenses were required for fishermen to sell their catch to a licensed fish dealer.

The division identified a total of 6,348 commercial vessel decals that did not hold a valid ETS from July 1, 1997 thru June 30, 1998. These individuals were considered a group of fishermen using commercial gear for personal consumption. In 1998, the 6,348 vessel decal holders were sent a survey to collect data on the types and amount of commercial gear used. The survey and results (Attachment 1) were used as a baseline for identifying the amount of commercial gear used recreationally prior to the RCGL. The division used these data as the basis for their recommendation to the Marine Fisheries Commission (MFC) what commercial gear could be used by RCGL holders. The MFC passed 15A NCAC 03O .0302 Authorized Gear as a temporary rule in July, 1999. Permanent rules were enacted in August 2000 under the authority of G.S.113-173, Recreational

Commercial Gear License (Attachment 3). The legislature made some minor adjustments to the statutes. For example, the division had included gigs as a required gear for a RCGL but prior to rule implementation a bill was passed by the General Assembly exempting gigs from RCGL requirements. The General Assembly also increased the yardage of gillnets allowed by RCGL users per vessel. Some of the major differences between holding the former vessel decal and the RCGL were the restrictions to certain types and amounts of commercial gears, no sale of product, and fishermen must abide by the recreational creel and size limits. The RCGL was strictly designed for those license holders to harvest fish for personal consumption only.

#### *RCGL Rule History:*

The rule history of the RCGL has changed over time. RCGL holders have always been limited to the same bag and size limits of fish as recreational fishermen, and in 2007, the same as Coastal Recreational Fishing License (CRFL) holders. Implementation of five Fishery Management Plans (FMPs) resulted in a reduced bag limit for RCGL holders. The River Herring FMP prohibited the harvest of herring by all fisheries (due to dwindling stocks) including the RCGL users. The Southern Flounder FMP implemented a bag limit of eight flounder per RCGL holder in internal coastal waters. Prior to the Southern Flounder FMP there was no limit of flounders a RCGL holder could harvest or possess. The Shrimp FMP limited the RCGL holders to 48 quarts of heads on shrimp they can possess in one day greatly reducing the harvest in some areas. The MFC also allowed RCGL holders the option of retrieving shrimp trawls with mechanical gear as long as a Turtle Excluder Device (TED) was used. The shrimp pound was added as authorized RCGL gear under the Shrimp FMP. The Speckled Trout FMP is still under review. The limit prior to this FMP was ten fish per RCGL holder. The draft FMP recommends the bag limit be reduced to six spotted seatrout but only three of the six can be over 24 inches. The Red Drum FMP required that large mesh gillnets used by RCGL holders be attended at all times south of Highway 58 at Emerald Isle. The size and possession of bag limits of fish for RCGL holders will be reviewed as other FMPs are completed.

A catch and effort survey of RCGL holders started in 2002 and terminated in 2008. The survey was discontinued in the context of budget constraints due to the small resource impact of RCGL harvest. While the RCGL take has been shown to be minimal, the lack of current data may revive debate about the need for the RCGL without providing answers about its validity.

#### *RCGL Revenues:*

The fee for a RCGL is \$35 for North Carolina residents and \$250 for nonresidents. This license is issued by the Division of Marine Fisheries and the Wildlife Resources Commission (WRC) License Agents on the Point of Sale Terminal operated by WRC (there is a \$1.00 surcharge for purchases other than at DMF offices). The license expires one year from the date of purchase.

The total revenue from RCGL sales is approximately \$180,000 annually and is part of the \$2.1 million received from the sale of all DMF commercial licenses. This revenue is used to operate many DMF programs, including programs in License & Statistics, Marine Patrol, and Information Technology sections. Commercial fishing licenses receipts support 24.15 positions throughout the division.

#### **IV. AUTHORITY:**

G.S. 113-173 Recreational Commercial Gear License  
15A NCAC 03I .0101, Definitions, Sub-item (3)(c), Commercial Fishing Equipment or Gear  
15A NCAC 03M .0506, Snapper-Grouper Complex, Sub-item (a)  
15A NCAC 03O .0301, Eligibility for Recreational Commercial Licenses  
15A NCAC 03O .0302, Authorized Gear  
15A NCAC 03O .0303 Recreational Commercial Gear Limits

#### **V. DISCUSSION:**

##### *RCGL Participation:*

There has been an average of 5,815 residential and 19 non residential RCGLs sold per year from 2000 through 2008. RCGL sales have declined overall by 24% except for 2002 (increased by 1.6%) (Attachment 2, Table1). Twenty five counties

compromise 85% of RCGL sales each year. Brunswick, Carteret, New Hanover, Craven, and Columbus Counties account for an average of 38% of total sales each year (Attachment 2, Table 2).

#### *RCGL Survey:*

Prior to 2001, the impact RCGL users had on fishery management plans was unknown. Two surveys were used to collect data from RCGL users. In 2001, 2004, and 2007 a socioeconomic survey was conducted. From 2002 through 2008 a catch and effort survey was conducted monthly. The two surveys were summarized by four regions using the DMF Fisheries Management District boundaries (Attachment 2, Figure1). Details of the survey methodology can be found in the Appendix.

#### *Regional RCGL Characterization:*

The top three gears used by RCGL holders in three of the four regions were crab pot, small mesh gill net, and large mesh gill net. Shrimp trawls were the fourth most common gear used in the Pamlico, Southern, and Central Regions. In the Northern Region, crab pots, small mesh gill nets, fish pots and large mesh gill nets were the gears most commonly used (Attachment 2, Table 3).

The top ten finfish species harvested by RCGL holders from 2002 through 2008 were spot, flounder, striped mullet, bluefish, white perch, American shad, Atlantic croaker, speckled trout, hickory shad and river herring. Collectively these ten species contributed 88% of the total RCGL finfish harvest. Blue crab accounted for approximately 70% of the crustacean harvest while shrimp comprised 30% (Attachment 2, Table 4)

#### **Pamlico Region:**

The Pamlico Region averaged 15,449 RCGL trips per year from 2002 through 2008. Crab pots ranked first with 6,294 trips followed by small mesh gill nets with 3,863 trips, and large mesh gill nets with 3,526 trips per year (Attachment 2, Table 3). Blue crabs topped the landings by crab pot with an average of 22,678 pounds per year with a bycatch of flounder at 559 pounds per year. In large mesh gill nets, flounder dominated the harvest with 17,288 pounds per year and American shad following with 2,802 pounds per year. In small mesh gill nets, the other category (includes American shad, Atlantic menhaden, black drum, and miscellaneous finfish) accounted for 22,506 pounds per year with spots at 11,067 pounds per year. Shrimp trawls were the fourth most common gear used in the Pamlico Region. It accounted for 27,739 pounds of shrimp per year with a bycatch of blue crabs at 7,814 pounds per year. (Attachment 2, Tables 5, 6, 7, 8)

#### **Southern Region:**

The Southern Region averaged 14,502 RCGL trips per year from 2002 through 2008. Small mesh gill nets ranked first with 7,197 trips followed by crab pots with 4,439 trips, and large mesh gill nets with 1,972 trips per year (Attachment 2, Table 3). Spots were the most targeted species by small mesh gill nets with an average of 156,145 pounds per year followed by striped mullet with 7,339 pounds per year. Crab pots accounted for an average of 22,044 pounds of blue crabs per year with a bycatch of flounder of 828 pounds per year. Large mesh gill nets accounted for 11,063 pounds of flounder per year followed by American shad with 5,282 pounds per year. Shrimp trawls were the fourth most common gear used in the Southern Region harvesting 11,900 pounds of shrimp per year with a bycatch of blue crabs at 704 pounds per year. (Attachment 2, Tables 9, 10, 11,12)

#### **Northern Region:**

The Northern Region averaged 10,317 RCGL trips per year from 2002 through 2008. Crab pots ranked first with 5,086 trips followed by small mesh gill nets with 2,340 trips, and fish pots with 1,241 trips per year (Attachment 2, Table 3). Crab pots accounted for 31,596 pounds of blue crabs with a bycatch of flounder at 246 pounds per year. Striped mullets were the most harvested species in small mesh gill nets at an average of 8,121 pounds per year followed by hickory shad at 6,419 pounds per year. Fish pots were the third most common gear used harvesting 11,632 pounds of white perch followed by catfish at 1,106 pounds per year. The fourth most common gear used was the large mesh gill net harvesting 5,919 pounds of flounder followed by 1,602 pounds of miscellaneous finfish per year. (Attachment 2, Tables 13, 14, 15, 17)

#### **Central Region:**

The Central Region averaged 10,205 RCGL trips per year from 2000 through 2008. Crab pots ranked first with 4,948 trips followed by small mesh gill nets with 2,654 trips, and large mesh gill nets with 2,097 trips per year (Attachment 2, Table 3). Crab pots accounted for 23,655 pounds of blue crabs with a bycatch of flounder at 732 pounds per year. Spots were the most targeted species harvested by small mesh gill nets with an average of 27,926 pounds followed by striped mullet at 17,121pounds per year. Large mesh gill nets accounted for 11,529 pounds of flounder followed by red drum at 1,568 pounds

per year. The fourth most common gear used in the Central Region were shrimp trawls harvesting 7,501 pounds of shrimp with a bycatch of blue crabs at 274 pounds per year (Attachment 2, Tables 18, 19, 20, 21).

*RCGL Harvest, Comparison with Other Fisheries:*

When compared to North Carolina's commercial harvest statistics from the North Carolina Trip Ticket Program (NCTTP) and recreational angling harvest estimates from the Marine Recreational Information Program (MRIP), the average yearly RCGL harvest has been shown to contribute only minimally to the overall harvest of those species encountered using RCGL gears. The overall harvest contribution from RCGL holders varies by species from less than 0.10% for weakfish and up to 12% for hickory shad. Hickory shad landings ranged from 31,157 pounds in 2002 and declined to 756 pounds in 2008. This decrease in landings is attributed to gill net mesh size restrictions that eliminated the directed fishery (Attachment 2, Table 15). The overall finfish contribution from RCGL harvest for the period 2002 through 2008 was 0.54% while the overall crustacean contribution from RCGL harvest was 0.42% for the same period (Table 1).

Table 1. Percent contribution of RCGL harvest to the overall harvest of finfish and shellfish based on the average yearly harvest from each sector during the period 2002 though 2008.

	Recreational Angling Harvest (lb) MRIP <sup>1</sup>	RCGL Harvest (lb) RCGL Surveys	Commercial Harvest (lb), NCTTP	Percent contribution from RCGL Harvest
<b>Finfish Species</b>				
Bluefish	1,081,016	17,022	2,778,336	0.44
Catfish	-	6,864	405,198	1.67
Croaker, Atlantic	194,940	14,534	10,286,338	0.14
Drum, Black	313,684	6,101	189,932	1.20
Drum, Red	207,967	7,522	142,492	2.10
Flounder	535,996	65,059	6,086,025	0.97
Herring, River	-	10,873	132,193	7.60
Mackerel, Spanish	544,071	3,611	490,265	0.35
Menhaden, Atlantic	-	5,959	26,404,767	0.02
Mullet, Striped	-	41,197	1,788,300	2.25
Perch, White	-	15,531	272,052	5.40
Pigfish	51,777	1,263	36,327	1.41
Pinfish	121,754	268	43,224	0.16
Seatrout, Spotted	612,409	13,207	229,927	1.54
Shad, American	-	14,623	247,917	5.57
Shad, Hickory	-	12,053	91,260	11.67
Sheepshead	326,030	1,298	67,130	0.33
Spot	1,397,217	203,535	1,605,764	6.35
Striped bass	1,908,784	5,225	610,673	0.21
Weakfish (gray trout)	154,301	602	641,914	0.08
All finfish	21,656,437	453,065	62,021,830	0.54
<b>Crustacean and Shellfish</b>				
Blue Crab	-	116,797	31,392,856	0.37
Shrimp	-	60,334	6,868,230	0.87
All Crustacean	-	169,445	40,294,392	0.42

<sup>1</sup>The Marine Recreational Information Program (MRIP) is a survey of marine and estuarine finfish species. The majority of interviews conducted each year are from angling trips, therefore species such as menhaden, striped mullet, and anadromous species are not encountered frequently enough to provide precise estimates

*Enforcement:*

The DMF Marine Patrol is responsible for enforcing regulations associated with the Recreational Commercial Gear License. The state is divided into three law enforcement districts unlike the DMF Fisheries Management District boundaries that include four biological districts. Marine Patrol has been checking RCGL holders since its implementation but in 2009 they created a data base to capture details about inspections. For example, in 2009 the Marine Patrol made 433 RCGL checks in District One, 1,372 checks in District Two, and 1,303 checks in District Three. The Marine Patrol Vessel Roanoke made 19 checks and 1 check was done by Aviation. Table 2 shows the number of citations and the violation that occurred from 1999 thru 2009. In the early years Marine Patrol only recorded two major violations. The first violation was fishing with commercial gear without a RCGL and the second violation was exceeding the amount of authorized gear for use with a RCGL. Table 3 shows the number of warnings and violations that occurred from 1999 thru 2009 for the same criteria.

In addition, there have been some civil penalties assessed to RCGL holders for selling fish taken with RCGL gear. Fishermen are usually charged with selling without the proper license and therefore are not tracked as a RCGL violation.

**Table 2** Number of Citations and Violation Type by Year

YEAR	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
LICE 17	8	40	34	41	27	35	27	34	45	33	56
LICE 18	1	6	10	13	8	8	10	16	6	5	10
LICE 23									1	4	
NETG 29											21
NETG 30								1			30
RGEAR 01											8
Total	9	46	44	54	35	43	37	51	52	42	125

**Table 3** Number of Warnings and Violation Type by Year

YEAR	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
LICE 17	4	8	5	21	17	7	15	29	23	22	20
LICE18			1	6	3	1	7	3		2	3
LICE 23											1
NETG 29											36
NETG 30											6
RGEAR 01										1	1
Total	4	8	6	27	20	8	22	32	23	25	77

**Legend:**

- LICE 17- Fishing with commercial gear without a RCGL
- LICE 18- Exceeding amount of authorized gear for use with a RCGL
- LICE 23- Exceed legal catch limit permitted with a RCGL
- NETG 29- RCGL Gear without proper buoys (gillnets only)
- NETG 30- Leave RCGL gillnet unattended
- RGEAR 01- Use RCGL gear with improper buoys (all RCGL gear)

*Protected Species:*

The Endangered Species Act (ESA) states "It is unlawful for any person subject to the jurisdiction of the United States to import, export, take within the US or territorial sea of the US, take upon the high seas, possess, sell, deliver, carry, transport, ship, receive, or offer for sale, any endangered species, or to violate any regulation pertaining to such species or to a threatened species under Section 4(d) of the ESA." RCGL gear falls within the scope of the ESA and thus, just like other types of gear, the only allowed takes or interactions with endangered species would have to be covered under a Section 10 permit. Section 10 of the ESA provides for exceptions to the take prohibitions in the form of permits. Section 10 incidental take permits are for activities (such as fishing) that are otherwise lawful but are expected to incidentally take a listed species. The division is in the process of applying for a Section 10 permit for the inshore gill net fishery, and this permit, if granted, would cover RCGL gill nets.

## **VI. SUMMARY FINDINGS:**

In summary, the elimination of the Recreational Commercial Gear License could have the following impacts.

A positive impact associated with the elimination of the RCGL would be the decrease in the overall harvest of finfish by an average of 453,065 pounds per year or 0.54% of the total annual harvest of finfish. The crustacean harvest reduction would be 169,445 pounds per year or 0.42% of the total annual harvest of crustaceans. Also, the fishing effort and bycatch associated with the use of RCGL gear would be eliminated.

A negative impact associated with the elimination of the RCGL would be the loss of the general public's privilege (approximately 5,000) to fish with limited amounts of commercial gear for personal consumption. In addition, the General Statutes and MFC Rules pertaining to the RCGL would need to be altered. RCGL holders can obtain a SCFL through transfers or the Eligibility Board therefore allowing them the use of more commercial gear and harvest commercial limits of fish. An average of seventy six RCGL holders per year has obtained a SCFL from years 2000 thru 2009. Approximately \$180,000.00 would be lost in license revenue to the division.

Resource or conflict issues related to the RCGL since its implementation have been minimal. There have been instances, as with all gear, where the user was not acting responsible. Reports to the DMF have ranged from improperly marked gear, unattended gillnets, and the illegal sale of RCGL harvested fish. There are reports of gill nets left high and dry during low tide, crab pots in closed areas, and shrimpers harvesting over the legal limit. In the development of future FMPs, the data from the RCGL gear will be reviewed.

Elimination of the Recreational Commercial Gear License may have the following impacts:

### Pros:

- + Reduced Harvest
- + Reduced Bycatch
- + Reduced Effort and Gear
- + Eliminate perceived conflict issues

### Cons:

- Major Statute Changes
- Many Rule Changes
- Not a Resource Issue
- Eliminating approximately five thousand customers the privilege to fish for personal consumption using commercial gear
- The probability of RCGL holders upgrading to a SCFL.
- Loss of Revenue

Prepared by Jack Holland  
Roz Camp  
Don Hesselman  
Wanda Jacobs  
Katy West  
Chris Wilson

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Amended September 2, 2010



**Survey of Recreational Use of  
Commercial Fishing Gears in Coastal North  
Carolina - 1998**

**By  
Souleymane Diaby  
and  
Michael W. Street**

**North Carolina Department of Environment and Natural  
Resources  
Division of Marine Fisheries  
Morehead City, NC 28557**

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## Introduction

North Carolina has a long history of recreational use of commercial fishing gear (without sale of the catch), such as gill nets, crab pots, and small trawls. Recreational fishing using commercial gear is enjoyed by many coastal residents, as well as by visitors to the coast from inland areas and other states. Under current North Carolina law, persons who participate in the recreational-commercial gear fishery possess Commercial Fishing Vessel licenses, but they do not have an Endorsement to Sell license, which is required to sell one's catch. At present, no data exist that describe this segment of the fisheries, other than the number of licensees and vessel data from license applications. However, data on the fishing activities are essential for management of the fisheries.

The Fisheries Reform Act of 1997 establishes a new license, the Recreational Commercial Gear License (RCGL), effective 1 July 1999. The Act requires the North Carolina Marine Fisheries Commission (MFC) to establish limits on recreational use of commercial fishing gear by 1 July 1999. Under the new license system, anyone will be able to obtain the RCGL. This license will enable persons to use limited amounts of certain commercial fishing gear to take coastal fisheries resources, subject to recreational fishing size and possession limits on their catch.

This report summarizes the results of a state-wide mail survey of North Carolina fishermen who used commercial fishing gear recreationally during July 1997 - June 1998. The survey was designed to provide data on areas fished (water body), types of gears used (Appendix A), amount of gears used, target species, and number of days fished. Data from the survey will be provided to the MFC to aid in their decision-making process.

## Methods

### Mail Survey

A mail survey was conducted by the North Carolina Division of Marine Fisheries (DMF) to collect information on fishing patterns of recreational-commercial fishermen. The sampling universe for the survey consisted of all commercial fishing vessel licensees who did not hold an endorsement to sell (ETS) for the vessel licensed during the 1997-1998 license year. These persons were identified from the DMF license database. After eliminating headboats, charterboats (both types of vessels are commercial in nature because they take people fishing for a fee), and duplicates (eliminated by matching the first five letters of the first and last names and the date of birth), a total of 6,348 licensees was identified. This group included self-designated full-time, part-time, and pleasure fishermen.

A two-page survey instrument (Appendix B) was sent with a prepaid return envelope to the selected fishermen during late July 1998. The survey form asked for responses by 7 August 1998, but responses were accepted through 31 August 1998 to allow for late responses.

## **Fishing Areas**

North Carolina's coastal waters are divided into 31 specific waterbodies for statistical purposes, such as Pamlico Sound and Cape Fear River. For this report, fishing areas were defined as eight major waterbodies and their tributaries, including the ocean and seven estuarine areas. The full area classification system used for this study is presented in Table 1.

# **Results**

## **Response Rate**

A total of 313 surveys (5%) of the 6,348 surveys mailed was returned by the U. S. Postal Service as undeliverable. Of the remaining 6,035 surveys, 2,522 were returned, for a response rate of approximately 42%. Responses were checked for usability and completeness. A total of 515 (20%) of the respondents reported they had not fished recreationally with commercial fishing gear in the previous twelve months, leaving 2,007 (80%) licensees who had fished recreationally with commercial fishing gear during the 1997-98 license year. Of these persons, 1,988 provided at least some data on their fishing activities. Data from these fishermen provide the basis for the information discussed in this report. Many respondents provided only partial data, such as gear used, but not the water body where it was used. All data provided were utilized.

## **Gear Use**

A total of 22 different gears was listed as being used recreationally in coastal North Carolina. The primary gears were gill nets (small mesh, large mesh, drift), crab pots, shrimp trawls, clam rakes, gigs, and cast nets. Other gears reported by 10 or more individuals were seines over 12 feet long, crab trawls, fish pots, oyster dredges, scallop dredges, and tongs used to take oysters and clams. Table 2 shows the average size of all net gears used (in yards or feet) or the amounts used for other fishing gears on a coast wide basis, as well as the range of sizes or amounts used. Data are not presented for gigs, rakes, or tongs because a person can use only one at a time.

The gear used most frequently coast wide was the small mesh gill net (less than 5 inches stretched mesh), used by 82% of respondents, followed by large mesh gill nets (44%), and crab pots (35%) (Table 2). While many fishermen indicated they used only one gear, most used at least two different gears during the year. Some fishermen used a wide variety of fishing methods, with a few

listing 7 - 10 different fishing gears. Table 3 lists the most-frequently used gears on a coast-wide basis and by area relative to the entire coast. The southern area supported the most intensive overall recreational use of these gears. Very little activity occurred in the ocean.

Small mesh gill nets were used primarily from the Neuse River area southward. The primary species targeted by these nets was spot, especially in the fall in the southern area. The average size of these gill nets was about 148 yd, with a few people reporting nets up to 1,000 yd in length (Table 2). Average net lengths ranged from 118 yd in the Albemarle area to more than 200 yd in Pamlico Sound (Table 4). Eighty-five percent of the respondents using this gear used 200 yd or less (Table 5). However, there were significant regional variations in length of nets used. In the Albemarle Sound area, over 80% of the fishermen used 150 yd or less, while in Pamlico Sound, over 250 yd was used by about 35% of the survey respondents (Table 5). Approximately 80% of the fishermen in the rest of the coastal area fished 200 yd or less of small mesh gill nets (Table 5).

Large mesh gill nets were used primarily to catch flounder. Use of this gear was less concentrated than for small mesh nets. Greatest use occurred in the Pamlico River, Neuse River, Carteret, and southern areas (Table 3). While a few fishermen set up to 900 yd of large mesh nets, the average length used was 170 yd (Table 2). Almost 80% of the fishermen fished 200 yd or less (Table 6). Again, there was variation among areas. About 30% of the fishermen in the Pamlico Sound, Pamlico River, Neuse River, and New/White Oak areas set more than 250 yd of large mesh gill net at a time (Table 6). Average length of these nets varied from 106 yd in the ocean to 217 yd in Pamlico Sound (Table 4).

The heaviest use of crab pots occurred from the Pamlico River southward, with one-third of the crab potters fishing in the southern area (Table 3). The average number of pots used coast wide was seven, although some people stated they used more than 100 pots. Eight pots or less were set by about 80% of those who used this gear (Table 7). However, more pots per fishermen were used in the Albemarle Sound and Pamlico River areas than in other areas. About 80% of the respondents in these two areas used up to 12 pots (Table 7).

About 80% of the recreational clam rake fishery occurred in the Carteret and southern areas. (Table 3). These areas also support most of the commercial hard clam fishery. Overall, 21% of the survey respondents used clam rakes (Table 2).

Gigs are used by both commercial and recreational fishermen to harvest flounder. This fishery takes place at night as fishermen work in calm, shallow waters with lights to find flounder hidden in the bottom, striking them with gigs when spotted. About 20% of the fishermen answering the survey reported they used gigs. Almost half of the use of this gear occurred in the southern area, with the Carteret area ranking second (Table 3).

Shrimp trawls were used by 19% of the fishermen (Table 3). Greatest use was from the Neuse River southward. This area also reported use, on average, of the largest trawls, 28 -30 ft headrope length (Table 8). The greatest numbers of recreational shrimp trawlers fished in the southern area, followed by the Neuse River area (Table 3). The average headrope length of shrimp trawls coast wide was 26 ft (Table 2), with about 5% of survey respondents who used trawls indicating their nets exceeded 35 ft in headrope length. More than 80% of the fishermen used nets measuring 30 ft or less (Table 8).

Cast nets were used by about 18% of the fishermen (Table 3). Target species included mullet, shrimp, and menhaden, almost all of which were taken for bait. The greatest use of this gear was in the southern and Carteret areas.

About 12% of the survey respondents reported that they used drift gill nets (Table 3) to take river herring and shad. Highest drift net use was in the Albemarle Sound area, mainly in Roanoke River, and in the Neuse River area (Table 3). The average length of these nets was about 75 yd (Table 2), although about 3% of the fishermen stated that they used drift nets exceeding 200 yd in length. Over 80% of the fishermen reported using drift gill nets of 100 yd or less (Table 9).

## Target Species

The distribution of target species across fishing areas is presented in Table 10. The most popular species coast wide were spot (targeted by 62% of the fishermen) and flounder (59%), taken with small mesh and large mesh gill nets, respectively. These species were followed by blue crabs (34%), shrimp (24%), and hard clams (21%). All other species were targeted by fewer than 15% of the survey respondents. Spot and flounder were the dominant target species except in the Albemarle Sound area, where river herring and blue crabs were the most important species, and in the Pamlico River area, where blue crabs ranked second.

## Frequency of Fishing

The number of days fished varied among areas and gears. Table 11 provides coast wide data for all gears reported. The most popular gears (gill nets, crab pot, shrimp trawl, cast net, clam rake, and gig) were used, on average, 12 or more days (Table 11). The very wide ranges reflect a few more intensive fishermen. Most people were grouped around the averages. Data for the major gears in each area are provided in Table 12. Frequency of use of small mesh gill nets was similar in all areas, with averages of 14 - 19 days. Large mesh gill nets were used 15 - 23 days, on average, except in the ocean (9 days). Crab pots were used more often than other gear, with an average of 27 days (Table 11). Most frequent use was in the Albemarle Sound and Pamlico River areas, with lowest use in the New/White Oak area (Table 12). Shrimp

trawling was similar in all areas in which it was reported, with average use of 11 - 16 days in all areas except Pamlico River (6 days).

## Summary

The Division of Marine Fisheries conducted a mail survey of recreational use of commercial fishing gear in coastal North Carolina during July - August 1998 for the 1997 - 98 license year. The purpose of the survey was to obtain information for use by the North Carolina Marine Fisheries Commission for use in managing the recreational commercial gear fisheries, as required by the Fisheries Reform Act of 1997. Over 6,000 commercial fishing vessel licensees who did not possess endorsement to sell licenses were surveyed, and about 42% responded. About 20% of the respondents did not use any commercial fishing gear during the last year. Fishermen reported using a total of 22 different gears. Small mesh gill nets were used most frequently (82%), followed by large mesh gill nets (44%), crab pots (35%), cast nets (20%), and shrimp trawls (19%). The most intensive recreational commercial gear fishing occurred in the southern coastal area, followed by the Carteret and Neuse River areas. Lengths of gill nets used varied widely, with the longest nets in the Pamlico Sound and Pamlico River areas. More crab pots per person were used in the Albemarle Sound and Pamlico River areas than elsewhere. The average headrope length of shrimp trawls was smallest in the Pamlico River area (22 ft) and largest in the southern areas (26 ft). Of the most-frequently used gears, crab pots were fished most often (27 days average), followed by large mesh gill nets (20 days), cast nets (19 days), and small mesh gill nets (17 days).

Table 1. Classification of fishing areas.

Name	Waterbodies included
Atlantic Ocean	Atlantic Ocean
Albemarle Sound area	Albemarle Sound, Alligator River, Chowan River, Currituck Sound, North River (Currituck Co.), Pasquotank River, Perquimans River, Croatan Sound, Roanoke Sound, and Roanoke River
Pamlico Sound area	Pamlico Sound
Pamlico River area	Pamlico River and Pungo River
Neuse River area	Neuse River and Bay River
Carteret area	Bogue Inlet, Bogue Sound, Core Sound, Newport River, and North River (Carteret Co.)
New/White Oak area	New River and White Oak River
Southern area	Cape Fear River, Lockwood Folly River, Masonboro Sound, Shallotte River, Stump Sound, Topsail Sound, and Intracoastal Waterway south of White Oak River



Table 2. Size/amount of gear used coast wide (not including gigs, rakes, tongs, or hand).

Gear	Frequency	Average	Range
Gill net - small mesh	82%	148 yd	20 - 1,000 yd
Gill net -large mesh	44%	170 yd	19 - 900 yd
Gill net - drift	12%	75 yd	20 - 875 yd
Crab pot	35%	7	1 - 150
Cast net	20%	6 ft	? - 20 ft*
Shrimp trawl	19%	26 ft	15 - 75 ft
Seine over 12 feet	2%	52 ft	12 - 450 ft
Fish pot	2%	12	3 - 90
Crab trawl	1%	24 ft	5 - 35 ft
Channel net	less than 1%	78 ft	20 - 120 ft
Trotline	less than 1%	68 ft	5 - 150 ft
Eel pot	less than 1%	2	1 - 3
Dip net	less than 1%	5 ft	? - 12 ft*
Skimmer trawl	less than 1%	11 ft	10 ft - 12 ft
Oyster dredge	less than 1%	2	2 - 8
Scallop dredge	less than 1%	2	2 - 3
Fyke net	less than 1%	2	2

\* Respondents appear to have mixed sizes and amounts, because the number "1" was listed when a size was requested. For example, there are no 1 ft cast nets

Table 3. Primary fishing gears used coast wide and by area.

Fishing gear	Percent of fishermen using gear by area								
	Coast wide	Ocean	Albemarle Sound	Pamlico Sound	Pamlico River	Neuse River	Carteret	New/White Oak	Southern
Small mesh gill net	82%	3%	6%	4%	8%	16%	14%	7%	40%
Large mesh gill net	44%	<1%	7%	5%	16%	21%	16%	8%	22%
Crab pot	33%	<1%	7%	4%	11%	14%	21%	6%	33%
Clam rake	21%	0%	<1%	8%	1%	1%	38%	5%	41%
Gig	20%	<1	2%	3%	3%	11%	24%	5%	47%
Shrimp trawl	19%	0%	4%	6%	3%	20%	13%	12%	37%
Cast net	18%	2%	1%	5%	2%	10%	28%	7%	37%
Drift gill net	12%	<1%	40%	<1%	3%	36%	2%	<1%	15%
All others	<3%								

Table 4. Average size/number and range of gears used by area.

Fishing gear	Average size/number and range of gear used							
	Ocean	Albemarle Sound	Pamlico Sound	Pamlico River	Neuse River	Carteret	New/White Oak	Southern
Small mesh gill net	129 yd 40 - 300 yd	118 yd 29 - 500 yd	209 yd 50 - 500	170 yd 50 - 800 yd	171 yd 25 - 500 yd	154 yd 20 - 600 yd	183 yd 40 - 950	126 yd 25 - 500 yd
Large mesh gill net	106 yd 30 - 200 yd	121 yd 20 - 808 yd	217 yd 24 - 600	208 yd 50 - 800 yd	181 yd 25 - 600 yd	146 yd 25 - 600 yd	201 yd 35 - 800	140 yd 19 - 800 yd
Crab pot		11 1 - 50	8 2 - 50	13 1 - 150	7 1 - 30	5 1 - 50	3 1 - 12	5 1 - 129
Shrimp trawl		25 ft 15 - 35 ft	24 ft 18 - 38 ft	22 ft 12 - 35 ft	25 ft 18 - 50 ft	25 ft 15 - 45 ft	26 ft 18 - 60 ft	26 ft 10 - 50 ft
Drift gill net	150 yd 100 - 200 yd	64 yd 20 - 200 yd		73 yd 30 - 100 yd	76 yd 25 - 200 yd	106 yd 50 - 200 yd		92 yd 30 - 200 yd

Table 5. Proportion of fishermen using specific amounts of small mesh gill nets by area, except the ocean.

Area	Percent of fishermen using indicated amount or less				
	50 yd	100 yd	150 yd	200 yd	250 yd
Coast wide	13	58	66	85	87
Albemarle Sound	33	71	82	88	90
Pamlico Sound	16	39	42	60	65
Pamlico River	12	44	55	80	82
Neuse River	17	46	54	75	76
Carteret	13	51	60	82	87
New/White Oak	4	41	48	78	81
Southern	11	71	76	94	95

Table 6. Proportion of fishermen using specific amounts of large mesh gill nets by area, except the ocean.

Area	Percent of fishermen using indicated amount or less				
	50 yd	100 yd	150 yd	200 yd	250 yd
Coast wide	18	53	59	78	80
Albemarle Sound	37	71	80	86	89
Pamlico Sound	16	37	40	61	65
Pamlico River	9	38	46	70	71
Neuse River	20	47	51	72	76
Carteret	20	60	67	87	89
New/White Oak	6	42	45	69	70
Southern	22	65	72	87	87

Table 7. Proportion of fishermen using specific numbers of crab pots by area, except the ocean.

Area	Percent of fishermen using indicated amount or less				
	4	6	8	10	12
Coast wide	53	74	80	89	93
Albemarle Sound	15	48	52	72	78
Pamlico Sound	50	71	na*	88	92
Pamlico River	30	49	58	74	78
Neuse River	33	57	65	84	91
Carteret	62	84	91	96	97
New/White Oak	60	86	93	98	100
Southern	72	86	90	95	97

\* na = not available

Table 8. Proportion of fishermen using specific headrope lengths of shrimp trawls by area, except the ocean.

Area	Percent of fishermen using indicated amount or less				
	20 ft	24 ft	26 ft	28 ft	30 ft
Coast wide	28	37	68	72	88
Albemarle Sound	36	50	71	82	93
Pamlico Sound	29	50	na*	na	96
Pamlico River	64	na	91	na	na
Neuse River	24	37	72	79	88
Carteret	38	na	69	75	88
New/White Oak	32	36	66	68	87
Southern	23	33	62	66	84

\*na = not available

Table 9. Proportion of fishermen using specific amounts of drift gill nets by area, the ocean.

Area	Percent of fishermen using indicated amount or less				
	50 yd	75yd	100 yd	125 yd	150 yd
Coast wide	51	61	87	89	90
Albemarle Sound	63	73	93	na*	94
Pamlico Sound					
Pamlico River	50	na	100		
Neuse River	48	63	84	88	89
Carteret					
New/White Oak					
Southern	31	na	78	na	86

\*na = Not available

Table 10. Top five target species and percent of fishermen targeting them by fishing area.

Area	Rankings									
	1	%	2	%	3	%	4	%	5	%
Coast wide	Spot	62	Flounder	59	Blue crabs	34	Shrimp	24	Clams	21
Ocean	Spot	60	Flounder	11	Menhaden	6	Other edible fish	6	Baitfish	4
Albemarle	River herring	43	Blue crabs	13	Flounder	12	White perch	10	Spot	6
Pamlico Sound	Flounder	23	Spot	16	Shrimp	13	Clams	13	Blue crabs	11
Pamlico River	Flounder	39	Blue crabs	18	Spot	17	Croaker	5	Weakfish	4
Neuse River	Flounder	25	Spot	21	Blue crabs	13	River herring	10	Shrimp	10
Carteret	Flounder	24	Spot	17	Clams	16	Blue crabs	14	Shrimp	10
New/White Oak	Spot	30	Flounder	26	Shrimp	16	Blue crabs	12	Clams	8
Southern	Spot	33	Flounder	22	Blue crabs	13	Clams	11	Shrimp	10

Table 11. Number of days fished by gear type, coast wide.

Gear	Average	Range
Gill net - small	17	1 - 215
Gill net -large	20	1 - 240
Gill net - drift	12	1 - 159
Crab pot	27	1 - 200
Cast net	19	1 - 300
Shrimp trawl	14	1 - 212
Seine over 12	9	1 - 60
Fish pot	35	2 - 180
Crab trawl	10	2 - 25
Channel net	11	3 - 20
Trotline	39	5 - 90
Eel pot	19	4 - 40
Dip net	5	4 - 7
Skimmer trawl	63	35 - 90
Oyster dredge	9	2 - 25
Scallop dredge	8	2 - 31
Fyke net	21	-
Gig	14	1 - 240
Tongs	15	1 - 30
Bull rake	15	-
Clam rakes	13	1 - 180
By hand	13	2 - 28

Table 12. Frequency of use of principal gears by area.

Fishing gear	Average frequency and range of gear used (days)							
	Ocean	Albemarle Sound	Pamlico Sound	Pamlico River	Neuse River	Carteret	New/White Oak	Southern
Small mesh	15	14	18	17	19	16	14	16
gill net	1 - 80	1 - 90	1 - 100	1 - 200	1 - 200	1 - 150	1 - 104	1 - 215
Large mesh	9	19	15	23	19	19	20	19
gill net	2 - 20	2 - 120	1 - 75	1 - 200	1 - 180	1 - 130	1 - 156	1 - 240
Crab pot		40	20	37	29	20	15	27
		1 - 180	4 - 90	2 - 160	2 - 120	1 - 200	1 - 60	1 - 200
Clam rake		8	9	8	17	12	10	14
		5 - 10	1 - 60	2 - 12	5 - 30	1 - 100	2 - 40	1 - 180
Gig	42	8	7	7	13	12	12	15
	15 - 90	2 - 15	1 - 20	2 - 23	1 - 120	1 - 150	1 - 50	1 - 240
Shrimp trawl		16	11	6	15	14	16	13
		1 - 60	1 - 35	1 - 20	1 - 60	1 - 90	1 - 212	1 - 104
Cast net	14	4	15	26	17	19	14	20
	3 - 30	1 - 10	4 - 35	4 - 100	1 - 120	1 - 200	2 - 40	1 - 300
Drift gill net		10		10	14	7		12
		1 - 104		3 - 20	1 - 159	1 - 15		2 - 105

## Appendix A.

Commercial fishing gears used recreationally in coastal North Carolina.

Fishing gear	Description
Small mesh gill net	Stretched mesh size less than 5 inches
Large mesh gill net	Stretched mesh size 5 inches or more
Drift gill net	Gill net of any mesh size used to catch anadromous fishes by drifting in coastal rivers
Shrimp trawl	Small mesh (1.5 inches stretched mesh) conical net towed behind a boat intended to catch shrimp
Crab trawl	Large mesh (3 inches stretched mesh or larger) conical net towed behind a boat intended to catch blue crabs
Crab pot	A cubical trap made of wire mesh, with or without escape rings, used to capture blue crabs
Other pots	Traps of various configurations used to catch finfish, eels, and shrimp
Seine over 12 feet	Wall of net pulled through the water to entrap fish and shrimp; generally pulled from the water onto a beach
Clam rake	Small rake with curved teeth pulled by hand through the bottom to capture hard clams
Gig	A spear, generally with three or four prongs
Cast net	Circular net with weights along the outer edge, thrown by hand to land on the water and sink rapidly to the bottom, entrapping finfish and shrimp
Dredge	Rectangular steel cage with mesh bag towed behind a vessel to capture bay scallops (toothless dredge) or oysters (toothed dredge)



## Appendix B. Survey Instrument

### Survey of Recreational Fishermen Using Commercial Gears

The North Carolina Division of Marine Fisheries asks you to participate in a survey of fishermen who used commercial fishing gears recreationally in the last 12 months (July 1997 - June 1998). This information will be used to assist the Marine Fisheries Commission in evaluating future management of this segment of the fisheries in coastal North Carolina.

**For this survey, recreational fishing is defined as fishing which does not result in sale of the catch.**

**For this survey, commercial fishing gear includes all fishing gears EXCEPT rod and reel.**

Please answer with your **best estimates** and return this survey to the North Carolina Division of Marine Fisheries by AUGUST 7, 1998 in the enclosed preaddressed envelope.

If you have any questions, please call Mike Street at 1-800-682-2632 or (252) 726-7021 in the Morehead City area. A report will be available in September, 1998.

**Thank you for your assistance.**

1. County of residence: \_\_\_\_\_
2. Did you fish recreationally (no sale of catch) with commercial fishing gear in the last 12 months?
  1.  YES
  2.  NOIF "NO", STOP and return the survey.
3. What commercial fishing gears did you use recreationally (no sale of catch) in the last 12 months? (Check all that apply)
  1.  Gillnet - small mesh (less than 5 inches stretched mesh)
  2.  Gillnet - large mesh (5 inches stretched mesh and larger)
  3.  Gillnet - drift (shad and herring)
  4.  Shrimp trawl
  5.  Crab trawl
  6.  Crab pot
  7.  Other pots
  8.  Seine over 12 ft. long
  9.  Clam rake
  10.  Gig
  11.  Cast net
  12.  Dredge
  13.  Other \_\_\_\_\_

PLEASE TURN TO QUESTION ON BACK

4. The main information needed by the Marine Fisheries Commission is a description of your fishing activities (gear use, location, frequency, target species). In the table below, please give your **best estimates** of your fishing activities **during the last 12 months for the gears checked in question #3**.

• For amount/size of gear used, please give the following information:

- ▶ for trawls, please give headrope length in feet
- ▶ for gill nets, give length in yards and **type** - **small mesh** (less than 5 inches stretched mesh); **large mesh** (5 inches stretched mesh and larger); and **drift nets**
- ▶ for pots, rakes, gigs and dredges, give number, **NOT** size, such as 5 crab pots or 3 clam rakes
- ▶ for seines and cast nets, give size in feet

• Please name the principal county where you fished this gear

• Please name the principal water body (such as Newport River or Albemarle Sound) where you used the gear

• Please name the target species (finfish or shellfish you wanted to catch) you tried to catch with this gear

• Please estimate number of days you fished with this gear.

**Please see example.**

	<i>Example</i>	Please fill in columns for each gear you used			
Gear used	<i>gill net - small mesh</i>				
Amount/ size	<i>50 yd</i>				
County	<i>New Hanover</i>				
Water body	<i>Cape Fear River</i>				
Target species	<i>spot, croaker</i>				
Number of days fished	<i>8</i>				

**IF NEEDED, PLEASE COPY BLANK TABLE AND USE ADDITIONAL SHEETS  
THANK YOU FOR HELPING**

6,350 copies of this document were printed at a cost of \$0.05 per copy

## Survey Methodology and Results:

### Socioeconomic Survey

The socioeconomic surveys included the entire population of RCGL license holders. Questions included on annual survey questionnaires address demographics, experience, opinions on pertinent topics, and typical spending on fishing trips taken by RCGL holders. Question formats varied among three general types.

- a. Questions that requested the participant to fill in a specific number (i.e., age, years of residence, spending, etc.),
- b. Scaled questions that asked the participant to select a box that most appropriately matched his/her level of agreement for a given statement (i.e., strongly disagree to strongly agree), and
- c. Multiple-choice questions that allowed the participant to indicate his/her choice by checking one or more boxes adjacent to the available choices (i.e., point of access for fishing trips, sources of information on fisheries regulations, etc.).

Questions within the first category were examined by two methods: (1) calculation of the mean from the responses given; and (2) categorizing the responses into specific groupings and calculating the percentage that each group contributes to the total sample. The five potential responses for the "level of agreement" questions are ranked from one to five with one representing strongly disagree to five representing strongly agree. Mean rank values were obtained and the percentages that each agreement level contributed to the total are calculated. Only the percent contributions for each multiple-choice category are derived from the third type of question.

The disposition of each questionnaire mailed typically result in one of four possible outcomes: (1) returned and usable, (2) returned and not usable, (3) returned by the U.S. Postal Service as non-deliverable, and (4) not returned. Returned surveys that do not contain the participant's name or contain illegible handwriting are considered unusable. Return rates are calculated by dividing the total number of questionnaires returned and deemed usable by the total number of questionnaires mailed minus the number of non-deliverable questionnaires.

### Catch and Effort Monthly RCGL Survey

The catch and effort survey questionnaires were designed to determine the number of trips taken and type and quantities of gear used during the month of survey. Participants were also requested to provide estimates for the numbers and pounds of each species caught and retained as well as the number of each species discarded.

Participants for the survey were randomly selected using two different rates of sampling. A 30.0% coverage rate by county of residence for the period May through December is used. This is the period when the bulk of RCGL holders are actively fishing and is sufficient for the gears used and majority of the species targeted. Species such as white perch, river herrings, and striped bass are targeted during the months January through April; however, the activities that target these species are localized within the Northern Region where the RCGL population is relatively sparse. Further exacerbating the ability to accurately produce landing estimates for this area and species combination, the use of fish pots, a seldom used gear in other regions, is often used to harvest catfish and white perch within the Northern Region. To provide more precise estimates for these species, gear, and area, the sampling rate was increased from 30.0% to 40.0%.

To estimate the total number of trips taken by all RCGL holders, the monthly survey data are extrapolated for each monthly sample period and gear combination by:

- Calculating the level of participation by dividing the total number of participants actively using a specific gear by the total number of returned questionnaires,
- Calculating the mean number of trips taken by the participants indicating actively using a specific gear, and
- The effort estimate was the product of the mean number of trips, level of participation, and the total number of RCGL holders for the given sample period.

Determination of the estimated catch for each species is also calculated for each sample period and gear level by:

- Summing the total catch by species, sample period, and gear combination,
- Summing the total number of trips taken by sample period and gear combination,
- Dividing total catch by the total number of trips to determine the mean catch for each species for every sample period and gear combination, and
- The catch estimate was the product of the mean catch and the estimated effort.

Quantities of Gear Used (monthly surveys)

The participants were asked to specify the average amount of gear used. Quantities were categorized into ranges of values for the yardage of gill nets, head rope length of trawls, and length of seine. Gears such as eel and crab pots were simply enumerated. Range, average, median and mode are calculated for the quantity of each gear type.

**Survey Results**

*RCGL Participation*

With the exception of 2002, the number of RCGLs sold on a fiscal basis has declined each year from 2002 through 2008 (Table 1); with 24% overall decline from the first to last year in this period. The largest single year decline occurred in 2001 (8%) followed by 2006 (5%). Twenty-five counties consistently comprise approximately 85% of the total number of RCGLs purchased each year. Southern counties such as Onslow, Pender, New Hanover, and Brunswick consistently rank in the top ten counties each year (Table 2).

Table 1. Number of Recreational Commercial Gear Licenses 2000 though 2008 by fiscal year, July1 thru June 30.

Fiscal Year	Number of Resident RCGLs Sold	Number of Non-Residents RCGLs Sold	Percent Change from Previous Sales Year
2000	6,702	19	-
2001	6,189	13	-8.00%
2002	6,282	18	1.60%
2003	6,137	20	-2.30%
2004	5,844	24	-4.70%
2005	5,639	14	-3.70%
2006	5,344	24	-5.00%
2007	5,114	20	-4.40%
2008	5,090	23	-0.40%

Table 2. Top 25 counties with RCGL holders, presented as an average percentage of the total number of RCGL holders for each year.

County	2000	2001	2002	2003	2004	2005	2006	2007	2008	Average
Brunswick	9.82	10.09	10.3	10.08	10.83	10.15	10.53	11.52	11.26	10.51
Carteret	8.72	7.54	7.04	7.09	7.16	7.51	7.84	9.55	9.59	8.00
New Hanover	7.51	7.57	7.5	6.99	6.55	7.1	7.25	6.98	6.87	7.15
Craven	6.76	6.74	6.38	6.77	6.36	6.64	6.33	6.74	6.87	6.62
Columbus	3.9	5.18	5.59	5.74	6.41	7	6.68	7.24	7.08	6.09
Onslow	6.13	5.32	5.75	5.58	5.76	5.7	5.51	5.77	5.62	5.68
Pender	5.01	5.66	5.57	5.05	5.59	5.23	4.96	5.25	5.35	5.30
Beaufort	4.62	4.69	4.72	5.47	4.41	4.36	4.96	4.2	4.5	4.66
Pitt	4.42	4.19	4.38	3.75	4.22	3.84	3.19	2.25	1.71	3.55
Pamlico	3.45	3.2	3.21	3.5	2.77	3.13	3.86	3.64	3.98	3.42
Robeson	2.05	2.56	2.72	2.41	2.36	2.21	2.22	2.21	2.5	2.36
Dare	2.43	2.3	2.07	2.65	1.91	2.32	2.56	1.81	1.71	2.20
Lenoir	2.65	2.54	2.31	1.95	2.5	2.03	1.92	1.99	1.69	2.18
Martin	2.17	2.33	2.23	2.27	2.38	2.06	2.2	1.43	1.52	2.07
County	2000	2001	2002	2003	2004	2005	2006	2007	2008	Average
Currituck	1.9	1.83	1.88	2.31	2.14	1.72	2.07	2.05	2.48	2.04
Wake	1.95	2.22	2.09	2.15	2.28	2.24	2.2	1.75	1.37	2.03

Duplin	1.72	1.75	1.92	1.9	2.01	2.01	1.87	1.73	1.87	1.86
Johnston	1.72	1.65	1.68	1.75	2.12	2.01	1.68	1.53	1.58	1.75
Cumberland	1.98	1.91	1.82	1.77	1.45	1.54	1.5	1.51	1.58	1.67
Wayne	1.32	1.37	1.6	1.59	1.84	1.79	1.7	2.01	1.64	1.65
Bladen	1.14	1.47	1.22	1.48	1.54	1.48	1.46	1.69	1.64	1.46
Sampson	0.96	1.29	1.49	1.22	1.26	1.3	1.19	1.25	1.12	1.23
Wilson	1.05	1.2	0.98	1.21	1.28	1.41	1.24	0.88	1	1.14
Guilford	0.76	0.86	0.73	0.92	0.79	0.94	0.9	0.88	0.92	0.86
Greene	0.9	0.94	0.97	0.9	0.91	0.85	0.82	0.64	0.5	0.83

### RCGL Survey

Many of the species taken by recreational users of commercial gear are included in fisheries management plans. Until 2002, the influence that RCGLs may have on these species was unknown. Two survey strategies were used to collect information from RCGL holders; a socioeconomic survey, conducted in 2001, 2004, and 2007, and catch and effort surveys conducted monthly from 2002 through 2008. Findings from the two surveys were summarized by regions, using the DMF Fisheries Management District boundaries (Figure 1).

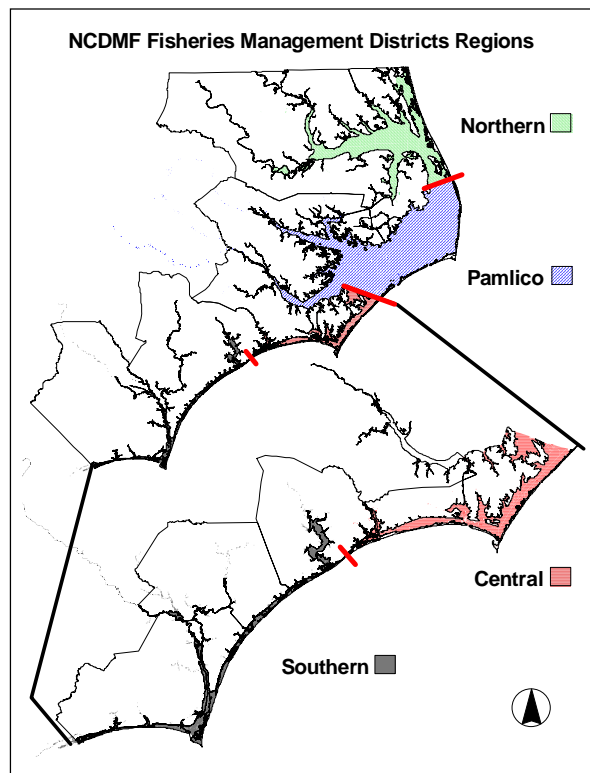


Figure 1. Regions used to summaries findings from the RCGL surveys.

Survey Results:

The majority of RCGL holders surveyed were married Caucasian males with an average age of 56. Findings from license sales statistics and the three socioeconomic surveys conducted in 2001, 2004, and 2007 indicated that coastal counties, in particular, southern coastal counties, substantially contributed to the overall number of RCGL holders (Figure 2).

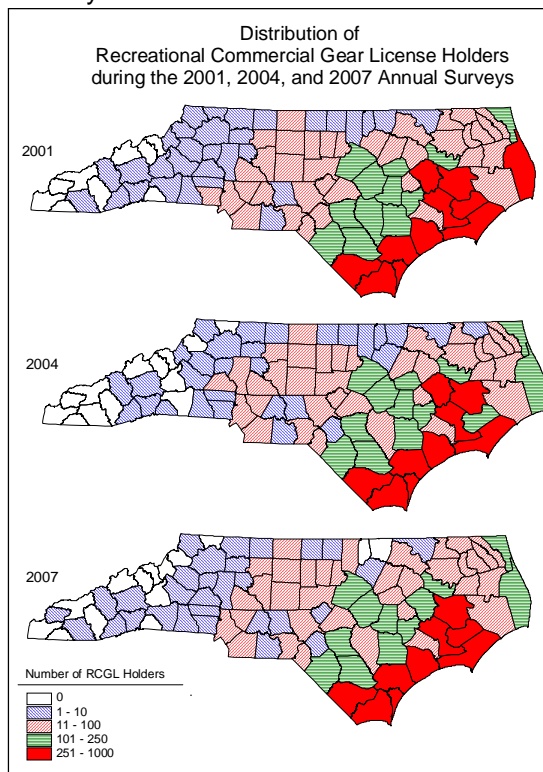


Figure 2. Distribution of active RCGL holders during 2001, 2004, and 2007 socioeconomic surveys.

The top three gears used by RCGL holders fishing in all regions were crab pot, small mesh gill net, and large mesh gill net. Shrimp trawls were the fourth most common gear used in the Pamlico, Southern, and Central Regions. In the Northern Region, crab pots, small mesh gill nets, fish pots and large mesh gill nets were the most commonly used gear (Table 3). The total number of trips taken from all regions except the Northern Region has declined.

Table 3. Number of trips by gear type and region, 2002 through 2008.

Region	Year	Crab Pot	Small Mesh Gill Nets	Large Mesh Gill Nets	Shrimp Trawl	Fish Pot	Other RCGL Gear	Total
Pamlico	2002	9,532	7,744	6,221	2,384	39	226	26,146
	2003	5,134	3,834	4,076	1,448	0	208	14,700
	2004	5,657	3,642	3,602	2,122	18	46	15,087
	2005	6,614	3,413	4,182	1,127	0	159	15,496
	2006	5,748	3,350	2,756	1,441	0	97	13,391
	2007	6,192	2,791	2,109	1,510	0	54	12,656
	2008	5,179	2,267	1,736	1,464	0	21	10,667
	Average	6,294	3,863	3,526	1,642	8	116	15,449
South	2002	3,208	9,473	3,283	1,123	572	205	17,865
	2003	5,626	9,823	2,606	711	123	145	19,034
	2004	5,225	8,716	2,831	392	10	222	17,397
	2005	4,288	6,371	1,806	553	240	185	13,443
	2006	4,477	6,605	1,353	471	107	91	13,105
	2007	4,012	4,813	1,174	355	38	82	10,474

Region	Year	Crab Pot	Small Mesh Gill Nets	Large Mesh Gill Nets	Shrimp Trawl	Fish Pot	Other RCGL Gear	Total
	2008	4,239	4,579	751	500	0	126	10,196
	Average	4,439	7,197	1,972	586	156	151	14,502
Region	Year	Crab Pot	Small Mesh Gill Nets	Large Mesh Gill Nets	Shrimp Trawl	Fish Pot	Other RCGL Gear	Total
North	2002	6,888	5,671	2,802	742	3,905	221	20,229
	2003	4,111	3,108	599	348	1,142	480	9,789
	2004	4,143	1,713	883	911	714	57	8,421
	2005	3,386	1,814	406	387	730	48	6,771
	2006	4,669	1,493	900	50	476	95	7,684
	2007	6,022	1,137	994	69	795	41	9,058
	2008	6,384	1,441	1,100	337	925	82	10,269
	Average	5,086	2,340	1,098	406	1,241	146	10,317
Central	2002	6,367	4,994	3,238	1,070	34	144	15,848
	2003	5,858	2,512	2,878	246	102	0	11,596
	2004	5,511	2,424	3,001	318	36	84	11,374
	2005	5,384	2,209	1,922	365	84	24	9,989
	2006	3,608	2,064	1,261	464	0	55	7,452
	2007	3,996	2,264	1,152	295	0	62	7,769
	2008	3,912	2,111	1,228	132	7	14	7,405
	Average	4,948	2,654	2,097	413	38	55	10,205

The top ten finfish species harvested by RCGL holders from 2002 through 2008 were spot, flounder, striped mullet, bluefish, white perch, American shad, Atlantic croaker, spotted seatrout, hickory shad and river herring. Collectively these ten species contributed 88% of the total RCGL finfish harvest. Blue crab accounted for approximately 70% of the crustacean harvest while shrimp comprised 30% (Table 4)

Table 4. Harvest (lb) of species by RCGL gear from 2002 through 2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Spot	339,704	255,060	252,726	193,769	180,342	97,753	105,392	203,535
Flounder	100,514	86,408	85,915	58,099	45,622	41,542	37,315	65,059
Mullet, Striped	64,213	24,774	35,947	36,314	37,385	40,168	51,785	41,512
Bluefish	29,849	15,156	13,565	13,431	10,263	17,338	19,554	17,022
Perch, White	13,617	34,950	11,533	4,751	6,474	14,042	23,347	15,531
Shad, American	13,699	33,947	8,703	10,185	5,756	25,833	4,235	14,623
Croaker, Atlantic	36,392	12,136	13,956	9,544	7,328	8,899	13,480	14,534
Seatrout, Spotted	21,876	11,592	7,079	9,752	12,950	14,749	14,448	13,207
Shad, Hickory	43,235	13,936	12,371	3,628	4,605	3,132	3,467	12,053
Herring, River	22,797	29,415	9,089	8,859	3,806	30	0	10,571
Drum, Red	9,922	4,582	4,620	8,089	7,781	8,767	8,896	7,522
Catfish	7,619	4,998	5,751	6,885	5,835	7,837	9,121	6,864
Drum, Black	16,101	3,821	3,651	1,518	4,496	4,450	8,670	6,101
Menhaden, Atlantic	29,238	3,826	1,997	2,749	2,107	1,510	284	5,959

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Finfish (misc.)	20,092	6,006	2,342	903	1,958	3,857	1,553	5,244
Striped bass	9,078	10,199	3,651	3,058	3,381	3,472	3,735	5,225
Mackerel, Spanish	3,987	2,185	2,007	3,152	1,614	3,817	8,517	3,611
Sharks and rays	4,024	572	434	2,467	293	538	1,020	1,335
Sheepshead	3,613	1,123	535	406	608	1,387	1,411	1,298
Pigfish	2,513	244	2,734	881	667	1,755	46	1,263
Weakfish	1,651	576	494	647	447	221	181	602
Pinfish	976	35	0	378	565	180	715	407
<b>TOTAL FINFISH</b>	<b>794,710</b>	<b>555,541</b>	<b>479,100</b>	<b>379,465</b>	<b>344,283</b>	<b>301,277</b>	<b>317,172</b>	<b>453,078</b>
<b>CRUSTACEANS</b>								
Blue crab	134,171	157,942	117,590	105,179	94,459	98,003	110,234	116,797
Shrimp	101,766	50,961	43,698	32,542	49,362	33,778	54,359	52,352
Other (misc.)	247	455	248	346	269	190	318	296
<b>TOTAL CRUSTACEANS</b>	<b>236,184</b>	<b>209,358</b>	<b>161,536</b>	<b>138,067</b>	<b>144,090</b>	<b>131,971</b>	<b>164,911</b>	<b>169,445</b>
<b>GRAND TOTAL</b>	<b>1,030,894</b>	<b>764,899</b>	<b>640,636</b>	<b>517,532</b>	<b>488,373</b>	<b>433,248</b>	<b>482,083</b>	<b>622,524</b>

*Regional RCGL Characterization:*

***Pamlico Region:***

Crab Pot

The top five species harvested by crab pots within the Pamlico Region were, blue crab, flounder Spotted seatrout, red drum and pinfish. The average poundage harvested for all species within the Pamlico Region by crab pot for the period 2002 through 2008 was 23,524 pounds per year (Table 5).

Table 5. Top five species harvested (lb) by crab pot within the Pamlico Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Blue crab	34,461	20,145	20,493	25,023	19,769	20,812	18,046	22,678
Flounder	1,554	674	505	107	403	330	342	559
Speckled trout	72	101	.	.	502	696	55	285
Drum, Red	29	37	37	.	135	68	0	51
Pinfish	0	0	0	.	.	14	80	19
Others*	53	0	45	0	24	19	34	25
<b>Total</b>	<b>36,169</b>	<b>20,957</b>	<b>21,080</b>	<b>25,130</b>	<b>20,833</b>	<b>21,939</b>	<b>18,557</b>	<b>23,524</b>

\*Others include catfish, croaker, misc. species, pigfish, sheepshead, shellfish (misc.), spot, weakfish, white perch

Large Mesh Gill Net

The top five species harvested by large mesh gill net within the Pamlico Region were, flounder, American shad, striped bass, red drum, and blue crab. The average poundage harvested for all species within the Pamlico Region by large mesh gill net for the period 2002 through 2008 was 28,325 pounds per year (Table 6).



Table 6. Top five species harvested (lb) by large mesh gill net within the Pamlico Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Flounder	30,741	20,400	18,447	22,467	12,140	8,824	7,998	17,288
American shad	4,439	2,838	1,544	2,622	2,140	5,598	435	2,802
Striped bass	3,250	2,148	1,591	1,553	1,005	956	1,088	1,656
Drum, Red	2,071	422	650	2,385	1,099	1,771	1,131	1,361
Blue crab	251	2,364	3,735	1,687	499	299	387	1,317
Other*	12,823	3,829	2,086	2,529	1,744	2,134	2,155	3,900
Total	53,575	32,001	28,053	33,243	18,627	19,582	13,194	28,325

\*Others include: Atlantic menhaden, black drum, bluefish, catfish, croaker, hickory shad, mullet, striped bass, pigfish, pinfish, river herring, sharks and rays, sheepshead, Spanish mackerel, spot, spotted seatrout, weakfish, white perch

#### Small Mesh Gill Net

The top five species harvested by small mesh gill net within the Pamlico Region were, spot, striped mullet, croaker, river herring, and spotted seatrout. The average poundage harvested for all species within the Pamlico Region by small mesh gill net for the period 2002 through 2008 was 57,713 pounds per year (Table 7).

Table 7. Top five species harvested (lb) by small mesh gill net within the Pamlico Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Spot	29,001	5,921	8,065	12,800	12,039	5,192	4,448	11,067
Striped mullet	11,968	4,295	6,571	8,643	9,161	7,428	6,629	7,814
Croaker	16,173	4,832	3,360	5,013	2,499	3,490	6,700	6,010
River herring	9,750	15,210	6,356	6,366	2,407	0	0	5,727
Spotted seatrout	10,383	5,132	1,996	2,231	3,609	5,103	3,677	4,590
Other*	40,855	37,032	21,459	14,278	11,731	17,235	14,953	22,506
Total	118,130	72,422	47,807	49,331	41,446	38,448	36,407	57,713

Others include: American shad, Atlantic menhaden, black drum, blue crab, bluefish, catfish, flounder, hickory shad, pigfish, pinfish, red drum, sharks and rays, sheepshead, Spanish mackerel, striped bass, weakfish, white perch

#### Shrimp Trawl

The top four species harvested by shrimp trawl within the Pamlico Region were shrimp, blue crab, flounder, and spot. The average poundage harvested for all species within the Pamlico Region by shrimp trawl for the period 2002 through 2008 was 33,507 pounds per year (Table 8).

Table 8. Top four species harvested (lb) by shrimp trawls within the Pamlico Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Shrimp	48,983	24,622	19,963	10,764	19,536	26,574	43,734	27,739
Blue crab	11,815	6,792	10,808	4,195	3,268	800	1,844	5,646
Flounder	283	17	18	0	110	68	0	71
Spot	0	0	48	0	137	170	0	51
Total	61,081	31,431	30,837	14,959	23,051	27,611	45,578	33,507

#### **Southern Region:**

##### Crab Pot

The top five species harvested by crab pots within the Southern Region were blue crab, flounder, miscellaneous crustaceans, red drum, and pinfish. The average poundage harvested for all species within the Southern Region by crab pot for the period 2002 through 2008 was 23,173 pounds per year (Table 9).

Table 9. Top five species harvested (lb) by crab pot within the Southern Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Blue crab	15,967	33,681	24,495	21,592	21,617	18,639	18,319	22,044
Flounder	1,380	467	830	506	920	384	1,312	828
Crustaceans (misc)	10	363	29	213	182	56	114	138
Red drum	0	0	0	350	0	188	0	77
Pinfish	9	31	0	0	46	102	0	27
Other*	0	54	0	195	18	82	59	58
Total	17,366	34,596	25,354	22,856	22,783	19,451	19,804	23,173

\*Other includes: bluefish, catfish, croaker, misc. crustacean species, pigfish, sheepshead, spot, spotted seatrout, striped mullet

#### Large Mesh Gill Net

The top five species harvested by large mesh gill net within the Southern Region were flounder, American shad, spot, red drum, and bluefish. The average poundage harvested for all species within the Southern Region by large mesh gill net for the period 2002 through 2008 was 19,192 pounds per year (Table 10).

Table 10. Top five species harvested (lb) by large mesh gill net within the Southern Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Flounder	19,805	15,057	15,601	7,998	9,782	6,083	3,112	11,063
American shad	828	6,638	5,117	5,903	1,760	14,124	2,605	5,282
Spot	1,066	2,523	658	48	377	577	726	854
Drum, Red	2,288	352	628	1,121	982	134	134	806
Bluefish	165	605	720	186	154	282	190	329
Other*	1,193	1,674	753	246	759	775	617	860
Total	25,345	26,849	23,477	15,502	13,814	21,975	7,384	19,192

\*Other includes: Atlantic menhaden, black drum, blue crab, catfish, croaker, misc. species, pigfish, pinfish, sharks and rays, sheepshead, crustaceans (misc.), Spanish mackerel, spotted seatrout, striped bass, striped mullet

#### Small Mesh Gill Net

The top five species harvested by small mesh gill net within the Southern Region were spot, striped mullet, bluefish, flounder, and spotted seatrout. The average poundage harvested for all species within the Southern Region by small mesh gill net for the period 2002 through 2008 was 197,923 pounds per year (Table 11).

Table 11. Top five species harvested (lb) by small mesh gill net within the Southern Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Spot	246,010	215,187	192,258	147,544	137,142	77,398	77,478	156,145
Striped mullet	17,490	5,120	5,204	4,506	4,980	6,914	7,158	7,339
Bluefish	15,312	4,687	4,388	6,235	5,217	6,405	7,130	7,053
Flounder	4,567	12,679	7,358	6,020	8,456	5,846	3,300	6,889
Spotted seatrout	8,448	3,538	3,322	4,583	4,088	5,086	4,649	4,816
Other*	23,955	25,948	16,161	11,006	8,684	9,857	14,146	15,680
Total	315,782	267,159	228,691	179,894	168,567	111,506	113,861	197,923

\*Other includes: croaker, Spanish mackerel, black drum, blue crab, American shad, misc. species, Atlantic menhaden, hickory shad, red drum, sharks and rays, pigfish, weakfish, white perch, catfish, pinfish, sheepshead, striped bass, river herring

### Shrimp Trawl

The top four species harvested by shrimp trawl within the Southern Region were shrimp, blue crab, flounder, and spot. The average poundage harvested the top four species within the Southern Region by shrimp trawl for the period 2002 through 2008 was 13,379 pounds per year (Table 12).

Table 12. Top four species harvested (lb) by shrimp trawl within the Southern Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Shrimp	25,642	14,897	5,810	9,585	20,041	2,400	4,928	11,900
Blue crab	1,271	1,363	826	640	221	339	268	704
Flounder	603	383	365	1,151	121	15	143	397
Spot	0	29	667	65	789	256		378
Total	27,516	16,672	7,668	11,441	21,172	3,010	6,178	13,379

### **Northern Region:**

#### Crab Pot

The top five species harvested by crab pots within the Northern Region were blue crab, flounder, catfish, miscellaneous crustaceans, and spotted seatrout. The average poundage harvested for all species within the Northern Region by crab pot for the period 2002 through 2008 was 32,103 pounds per year (Table 13).

Table 13. Top five species harvested (lb) by crab pot within the Northern Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Blue crab	40,907	34,037	25,179	22,270	27,819	28,579	42,378	31,596
Flounder	731	268	111	121	131	63	295	246
Catfish	141	51	0	0	166	354	892	229
Crustaceans (misc)	0	2	1	35	7	2	54	14
Spotted seatrout	0	0	0	0	0	0	37	5
Other*	12	0	0	37	0	5	36	13
Total	41,791	34,358	25,291	22,463	28,123	29,003	43,692	32,103

\*Other includes: black drum, bluefish, pinfish, red drum, sheepshead, striped bass, weakfish, white perch

#### Large Mesh Gill Net

The top five species harvested by large mesh gill net within the Northern Region were flounder, miscellaneous finfish species, black drum, striped bass, and red drum. The average poundage harvested for all species within the Southern Region by large mesh gill net for the period 2002 through 2008 was 11,361 pounds per year (Table 14).

Table 14. Top five species harvested (lb) by large mesh gill net within the Northern Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Flounder	13,988	2,997	9,846	1,779	3,389	3,401	6,031	5,919
Misc species	10,450	659	0	0	88	14	0	1,602
Black drum	7,383	107	190	0	191	0	209	1,154
Striped bass	2,557	496	181	116	564	487	706	730
Red drum	789	276	90	43	332	855	449	405
Others*	3,961	2,521	232	331	662	1,486	1,670	1,552
Total	39,128	7,056	10,539	2,269	5,226	6,243	9,065	11,361

\*Others Include: American shad, bluefish, blue crab, Atlantic menhaden, catfish, croaker, sheepshead, spotted seatrout, sharks and rays, spot, weakfish, river herring, white perch, striped mullet

#### Small Mesh Gill Net

The top five species harvested by small mesh gill net within the Northern Region were striped mullet, hickory shad, river herring, spot, and white perch. The average poundage harvested for all species within the Northern Region by small mesh gill net for the period 2002 through 2008 was 33,774 pounds per year (Table 15).

Table 15. Top five species harvested (lb) by small mesh gill net within the Northern Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Striped mullet	14,147	3,248	6,870	5,659	7,916	4,990	14,019	8,121
Hickory shad	31,157	7,085	2,406	597	1,746	1,188	756	6,419
River herring	12,712	14,068	2,656	2,167	1,260	28	0	4,699
Spot	5,298	2,745	1,470	2,711	3,596	694	1,981	2,642
White perch	1,494	5,085	1,743	390	806	1,051	6,262	2,404
Others	15,682	11,962	4,206	4,421	6,749	9,194	14,202	9,488
Total	80,490	44,193	19,351	15,945	22,073	17,145	37,220	33,774

Others include: American shad, Atlantic menhaden, black drum, blue crab, bluefish, catfish, croaker, flounder, pigfish, pinfish, red drum, sharks and rays, sheepshead, Spanish mackerel, spotted seatrout, striped bass, weakfish.

#### Shrimp Trawl

The top four species harvested by shrimp trawl within the Northern Region were shrimp, blue crab, croaker, and flounder. The average poundage harvested for the top four species within the Northern Region by shrimp trawl for the period 2002 through 2008 was 5,334 pounds per year (Table 16).

Table 16. Top four species harvested (lb) by shrimp trawl within the Northern Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Shrimp	7,875	5,172	9,374	1,952	118	57	2,852	3,914
Blue crab	1,404	1,112	488	1,227	2	251	66	650
Croaker	0	78	2,815	65	0	0	0	423
Flounder	433	134	1,500	41	0	316	0	346
Total	9,712	6,496	14,177	3,285	120	624	2,918	5,334

#### Fish Pot

The top four species harvested by fish pot within the Northern Region were white perch, catfish, blue crab, and American shad. The average poundage harvested for all species within the Northern Region by fish pot for the period 2002 through 2008 was 12,902 pounds per year (Table 17).

Table 17. Top four species harvested (lb) by fish pot within the Northern Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
White perch	12,033	29,389	9,056	3,036	2,978	11,856	13,073	11,632
Catfish	2,715	34	379	96	383	2,661	1,475	1,106
Blue crab	34	0	0	0	0	0	1,014	150
American shad	55	0	0	0	0	0	0	8
Other*	0	0	0	0	8	0	41	7
Total	14,837	29,423	9,435	3,132	3,369	14,517	15,603	12,902

\*Other includes: finfish (misc) and shrimp

## Central Region:

### Crab Pot

The top five species harvested by crab pots within the Central Region were blue crab, flounder, miscellaneous shellfish, spotted seatrout, and red drum. The average poundage harvested for all species within the Central Region by crab pot for the period 2002 through 2008 was 24,724 pounds per year (Table 18).

Table 18. Top five species harvested (lb) by crab pot within the Central Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Blue crab	26,749	38,505	23,756	21,716	16,335	18,361	20,163	23,655
Flounder	1,002	870	1,035	1,114	320	557	228	732
Crustacean (misc)	9	86	217	97	72	58	120	94
Spotted seatrout	0	0	79	167	0	272	50	81
Red drum	0	0	52	0	86	158	107	58
Others	15	4	0	685	0	11	9	103
Total	27,775	39,465	25,139	23,779	16,813	19,417	20,677	24,724

\*Other includes: pinfish, pigfish, croaker, weakfish, catfish, sheepshead, sharks, and rays.

### Large Mesh Gill Net

The top five species harvested by large mesh gill net within the Central Region were flounder, red drum, bluefish, American shad, and sheepshead. The average poundage harvested for all species within the Central Region by large mesh gill net for the period 2002 through 2008 was 16,104 pounds per year (Table 19).

Table 19. Top five species harvested (lb) by large mesh gill net within the Central Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Flounder	19,782	17,659	16,656	8,064	4,960	7,590	5,990	11,529
Red drum	3,266	1,696	558	1,054	1,097	1,610	1,698	1,568
Bluefish	923	1,060	224	505	330	762	602	629
American shad	1,193	1,315	0	750	35	20	117	490
Sheepshead	1,531	502	367	39	28	510	282	466
Other*	3,398	2,078	935	1,201	419	854	1,066	1,422
Total	30,093	24,310	18,740	11,613	6,869	11,346	9,755	16,104

\*Other includes: Atlantic menhaden, black drum, blue crab, croaker, hickory shad, striped mullet, pigfish, pinfish, river herring, sharks and rays, spotted seatrout, spot, striped bass, and weakfish.

### Small Mesh Gill Net

The top five species harvested by small mesh gill net within the Central Region were spot, striped mullet, bluefish, flounder, and croaker. The average poundage harvested for all species within the Central Region by small mesh gill net for the period 2002 through 2008 was 62,583 pounds per year (Table 20).

Table 20. Top five species harvested (lb) by small mesh gill net within the Central Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Spot	58,267	28,497	42,994	25,249	16,038	10,073	14,363	27,926
Striped mullet	20,609	11,656	17,078	16,953	11,888	20,093	21,568	17,121
Bluefish	6,640	4,276	5,693	1,962	1,367	3,386	2,536	3,694
Flounder	2,609	7,527	5,137	2,642	1,427	3,037	1,943	3,475
Croaker	6,445	1,654	1,598	664	1,255	2,008	2,234	2,265
Others*	13,412	7,328	6,437	4,658	7,071	7,859	9,953	8,103
Total	107,982	60,938	78,937	52,128	39,046	46,456	52,597	62,583

\*Other includes: American shad, Atlantic menhaden, black drum, blue crab, hickory shad, pigfish, pinfish, red drum, river herring, sharks and rays, sheepshead, Spanish mackerel, spotted seatrout, striped bass, weakfish, white perch.

## Shrimp Trawl

The top four species harvested by shrimp trawl within the Central Region were shrimp, blue crab, flounder, and croaker. The average poundage harvested for the top four species within the Central Region by shrimp trawl for the period 2002 through 2008 was 7,845 pounds per year (Table 21).

Table 21. Top four species harvested (lb) with shrimp trawls within the Central Region, 2002-2008.

Species	2002	2003	2004	2005	2006	2007	2008	AVG.
Shrimp	19,095	4,100	6,966	7,213	9,280	3,677	2,175	7,501
Blue crab	927	189	0	581	200	7	15	274
Flounder	246	41	0	0	51	14	0	50
Croaker	0	0	0	78	61	0	0	20
Total	20,268	4,330	6,966	7,888	9,592	3,698	2,190	7,845

## Recreational Commercial Gear License General Statutes and MFC Rules

### General Statute:

#### G.S. 113-173. Recreational Commercial Gear License.

- (a) License Required. -- Except as provided in subsection (j) of this section, it is unlawful for any person to take or attempt to take fish for recreational purposes by means of commercial fishing equipment or gear in coastal fishing waters without holding a RCGL. As used in this section, fish are taken for recreational purposes if the fish are not taken for the purpose of sale. The RCGL entitles the licensee to use authorized commercial gear to take fish for personal use subject to recreational possession limits. It is unlawful for any person licensed under this section or fishing under a RCGL to possess fish in excess of recreational possession limits.
- (b) Sale of Fish Prohibited. -- It is unlawful for the holder of a RCGL or for a person who is exempt under subsection (j) of this section to sell fish taken under the RCGL or pursuant to the exemption.
- (c) Authorized Commercial Gear. --
  - (1) The Commission shall adopt rules authorizing the use of a limited amount of commercial fishing equipment or gear for recreational fishing under a RCGL. The Commission may authorize the limited use of commercial gear on a uniform basis in all coastal fishing waters or may vary the limited use of commercial gear within specified areas of the coastal fishing waters. The Commission shall periodically evaluate and revise the authorized use of commercial gear for recreational fishing. Authorized commercial gear shall be identified by visible colored tags or other means specified by the Commission in order to distinguish between commercial gear used in a commercial operation and commercial gear used for recreational purposes.
  - (2) A person who holds a RCGL may use up to 100 yards of gill net to take fish for recreational purposes. Two persons who each hold a RCGL and who are fishing from a single vessel may use up to a combined 200 yards of gill net to take fish for recreational purposes. No more than 200 yards of gill net may be used to take fish for recreational purposes from a single vessel regardless of the number of persons aboard the vessel who hold a RCGL.
- (d) Purchase; Renewal. -- A RCGL may be purchased at designated offices of the Division and from a license agent authorized under G.S. 113-172. A RCGL may be renewed by mail.
- (e) Replacement RCGL. -- The provisions of G.S. 113-168.1(h) apply to this section.
- (f) Duration; Fees. -- The RCGL shall be valid for a one-year period from the date of purchase. The fee for a RCGL for a North Carolina resident shall be thirty-five dollars (\$35.00). The fee for a RCGL for an individual who is not a North Carolina resident shall be two hundred fifty dollars (\$250.00).
- (g) RCGL Available for Inspection. -- It is unlawful for any person to engage in recreational fishing by means of restricted commercial gear in the State without having ready at hand for inspection a valid RCGL. A holder of a RCGL shall not refuse to exhibit the RCGL upon the request of an inspector or any other law enforcement officer authorized to enforce federal or State laws, regulations, or rules relating to marine fisheries.
- (h) Assignment and Transfer Prohibited. -- A RCGL is not transferable. Except as provided in subsection (j) of this section, it is unlawful to buy, sell, lend, borrow, assign, or otherwise transfer a RCGL, or to attempt to buy, sell, lend, borrow, assign, or otherwise transfer a RCGL.
- (i) Reporting Requirements. -- The holder of a RCGL shall comply with the biological data sampling and survey programs of the Commission and the Division.
- (j) Exemptions. --
  - (1) A person who is under 16 years of age may take fish for recreational purposes by means of authorized commercial gear without holding a RCGL if the person is accompanied by a parent, grandparent, or guardian who holds a valid RCGL or if the person has in the person's possession a valid RCGL issued to the person's parent, grandparent, or guardian.
  - (2) A person may take crabs for recreational purposes by means of one or more crab pots attached to the shore along privately owned land or to a privately owned pier without holding a RCGL provided that the crab pots are attached with the permission of the owner of the land or pier.
  - (3) A person who is on a vessel may take fish for recreational purposes by means of authorized commercial gear without holding a RCGL if there is another person on the vessel who holds a valid RCGL. This exemption does not authorize the use of commercial gear in excess of that authorized for use by the person who holds the valid RCGL or, if more than one person on the vessel holds a RCGL, in excess of that authorized for use by those persons.
  - (4) A person using nonmechanical means may take shellfish for personal use within the limits specified in G.S. 113-169.2(i) without holding a RCGL.
  - (5) A person may take fish for recreational purposes by means of a gig without holding a RCGL.

(1997-400, s.5.1; 1997-456, s. 55.7; 1998-225, s. 4.21; 1999-209, s. 9; 2000-139, s.1; 2001-213, s. 2; 2003-340, s. 1.2; 2004-187, s. 4; 2005-455, s. 1.18.)

**Marine Fisheries Commission Rules:**

**15A NCAC 03I .0101 DEFINITIONS**

- (c) Commercial Fishing Equipment or Gear. All fishing equipment used in coastal fishing waters except:
  - (i) Cast nets;
  - (ii) Collapsible crab traps, a trap used for taking crabs with the largest open dimension no larger than 18 inches and that by design is collapsed at all times when in the water, except when it is being retrieved from or lowered to the bottom;
  - (iii) Dip nets or scoops having a handle not more than eight feet in length and a hoop or frame to which the net is attached not exceeding 60 inches along the perimeter;
  - (iv) Gigs or other pointed implements which are propelled by hand, whether or not the implement remains in the hand;
  - (v) Hand operated rakes no more than 12 inches wide and weighing no more than six pounds and hand operated tongs;
  - (vi) Hook-and-line and bait-and-line equipment other than multiple-hook or multiple-bait trotline;
  - (vii) Landing nets used to assist in taking fish when the initial and primary method of taking is by the use of hook and line;
  - (viii) Minnow traps when no more than two are in use;
  - (ix) Seines less than 30 feet in length;
  - (x) Spears, Hawaiian slings or similar devices, which propel pointed implements by mechanical means, including elastic tubing or bands, pressurized gas or similar means.

**15A NCAC 03O .0302 AUTHORIZED GEAR**

(a) The following are the only commercial fishing gear authorized (including restrictions) for use under a valid Recreational Commercial Gear License:

- (1) One seine 30 feet or over in length but not greater than 100 feet with a mesh length less than 2 1/2 inches when deployed or retrieved without the use of a vessel or any other mechanical methods. A vessel may be used only to transport the seine;
- (2) One shrimp trawl with a headrope not exceeding 26 feet in length per vessel.
- (3) With or without a vessel, five eel, fish, shrimp, or crab pots in any combination, except only two pots of the five may be eel pots. Peeler pots are not authorized for recreational purposes;
- (4) One multiple hook or multiple bait trotline up to 100 feet in length;
- (5) Gill Nets:
  - (A) Not more than 100 yards of gill nets with a mesh length equal to or greater than 2 1/2 inches except as provided in (C) of this Subparagraph. Attendance is required at all times;
  - (B) Not more than 100 yards of gill nets with a mesh length equal to or greater than 5 1/2 inches except as provided in (C) of this Subparagraph. Attendance is required when used from one hour after sunrise through one hour before sunset in internal coastal fishing waters east and north of the Highway 58 Bridge at Emerald Isle and in the Atlantic Ocean east and north of 77° 04.0000' W. Attendance is required at all times in internal coastal fishing waters west and south of the Highway 58 Bridge at Emerald Isle and in the Atlantic Ocean west and south of 77° 04.0000' W; and
  - (C) Not more than 100 yards of gill net may be used at any one time, except that when two or more Recreational Commercial Gear License holders are on board, a maximum of 200 yards may be used from a vessel;
  - (D) It is unlawful to possess aboard a vessel more than 100 yards of gill nets with a mesh length less than 5 1/2 inches and more than 100 yards of gill nets with a mesh length equal to or greater than 5 1/2 inches identified as recreational commercial fishing equipment when only one Recreational Commercial Gear License holder is on board. It is unlawful to possess aboard a vessel more than 200 yards of gill nets with a mesh length less than 5 1/2 inches and more than 200 yards of gill nets with a mesh length equal to or greater than 5 1/2 inches identified as recreational commercial fishing equipment when two or more Recreational Commercial Gear License holders are on board;
- (6) A hand-operated device generating pulsating electrical current for the taking of catfish in the area described in 15A NCAC 03J .0304;
- (7) Skimmer trawls not exceeding 26 feet in total combined width.



- (8) One pound net used to take shrimp with each lead 10 feet or less in length and with a minimum lead net mesh of 1 1/2 inches, and enclosures constructed of net mesh of 1 1/4 inches or greater and with all dimensions being 36 inches or less. Attendance is required at all times and all gear must be removed from the water when not being fished. Gear is to be marked and set as specified in 15A NCAC 03J .0501.
- (b) It is unlawful to use more than the quantity of authorized gear specified in Subparagraphs (a)(1) through (a)(8) of this Rule, regardless of the number of individuals aboard a vessel possessing a valid Recreational Commercial Gear License.
- (c) It is unlawful for a person to violate the restrictions of or use gear other than that authorized by Paragraph (a) of this Rule.
- (d) Unless otherwise provided, this Rule does not exempt Recreational Commercial Gear License holders from the provisions of other applicable rules of the Marine Fisheries Commission or provisions of proclamations issued by the Fisheries Director as authorized by the Marine Fisheries Commission.

*History Note: Authority G.S. 113-134; 113-173;  
Temporary Adoption Eff. August 9, 1994, for a period of 180 days or until the permanent rule becomes effective, whichever is sooner;  
Eff. February 1, 1995;  
Temporary Amendment Eff. August 1, 1999; July 1, 1999;  
Amended Eff. August 1, 2000;  
Temporary Amendment Eff. August 1, 2000;  
Amended Eff. April 1, 2009; July 1, 2006; November 1, 2005; August 1, 2002.*

### **15A NCAC 03O .0303 RECREATIONAL COMMERCIAL GEAR LICENSE POSSESSION LIMITS**

- (a) It is unlawful to possess more than a single recreational possession limit when only one person aboard a vessel possesses a valid Recreational Commercial Gear License and recreational commercial fishing equipment as defined in 15A NCAC 03O .0302(a) is used, regardless of the number of persons on board.
- (b) It is unlawful to possess individual recreational possession limits in excess of the number of individuals aboard a vessel holding valid Recreational Commercial Gear Licenses except as provided in Paragraph (f) of this Rule.
- (c) It is unlawful for any person who holds both a Recreational Commercial Gear License and a Standard or Retired Standard Commercial Fishing License and who is in possession of identified recreational commercial fishing equipment as defined in 15A NCAC 03O .0302(a), to exceed the single recreational possession limit.
- (d) It is unlawful for persons aboard a vessel collectively holding only one Recreational Commercial Gear License and any Standard Commercial Fishing License or Retired Standard Commercial Fishing License and who are in possession of any identified recreational commercial fishing equipment as defined in 15A NCAC 03O .0302(a), to exceed one recreational possession limit.
- (e) It is unlawful to possess more than 48 quarts, heads on, or 30 quarts, heads off, of shrimp when only one person aboard a vessel possesses a valid Recreational Commercial Gear License and recreational commercial fishing equipment as defined in 15A NCAC 03O .0302(a) is used.
- (f) It is unlawful to possess more than 96 quarts, heads on or 60 quarts, heads off, of shrimp if more than one person aboard a vessel possesses a valid Recreational Commercial Gear License and recreational commercial fishing equipment as defined in 15A NCAC 03O .0302(a) is used.

*History Note: Authority G.S. 113-134; 113-170.4; 113-173; 143B-289.52;  
Temporary Adoption Eff. August 9, 1994, for a period of 180 days or until the permanent rule becomes effective, whichever is sooner;  
Eff. February 1, 1995;  
Temporary Amendment Eff. June 7, 1998;  
Amended Eff. April 1, 1999;  
Temporary Amendment Eff. July 1, 1999;  
Amended Eff. July 1, 2006; August 1, 2000.*



**MEMORANDUM:**

**To:** N.C. Marine Fisheries Commission  
Define a Commercial Fisherman Committee  
Louis Daniel

**From:** Nancy Fish  
Don Hesselman

**Subject:** Define a Commercial Fisherman Committee Meeting

**Date:** Jan. 19, 2012

The Define a Commercial Fisherman Committee met at the Department of Environment and Natural Resources Regional Field Office, 943 Washington Square Mall, Washington, N.C. on Jan. 11, 2012 at 10 a.m. The following attended:

**Committee:** Rob Bizzell - chair, Robbie Beasley, Sammy Corbett, Keith Bruno, Jack Cox, David Kielmeier, Ken Seigler and Billy Carl Tillett

**Commission:** Darrell Taylor

**DMF Staff:** Nancy Fish, Don Hesselman, Patricia Smith, Chris Bennett, Greg Judy, Lele Judy, Roz Camp, Jason Rock, Jon Anglemyer, Katherine Janell and Doug Mumford

**Media:** Maureen Donald, Pamlico County News

**Public:** There were approximately 25 public in attendance

Rob Bizzell chaired the meeting and opened by saying he convened the committee to examine the definition of a commercial fisherman. Chairman Bizzell explained there are no proposals at this point, and that the purpose of this meeting is to consider if the current definition needs to be refined and if so, to put a proposal together.

Bizzell told the committee anything we do here today is simply a suggestion for consideration by the Marine Fisheries Commission which will be meeting at the Crystal Coast Civic Center in Morehead City on Feb. 22-24. A report on this committee's work will be discussed at this meeting. If the commission decides the definition needs to be refined, it may have to submit a proposal to the General Assembly for consideration.

Bizzell explained whatever we decide on is not necessarily going to be acted on by the commission, but will be a guide to help them put their arms around the issue.

The committee was provided e-mails from Chris MaCaffity, Elton Parker and Ira Craft that had been sent to the commission office.

### **MODIFICATIONS TO THE AGENDA**

There were no modifications to the agenda.

### **PUBLIC COMMENT**

**Terry Pratt**, President of the Albemarle Fisherman's Association, said he'd been a fisherman for over 50 years and had watched government intervention reduce the number and ability of people to commercially fish. The definition that is in place is fine, he said. Pratt said the government was oppressive and that government intervention was not needed in our fishing business. If the commission wanted to help, he said, it could get rid of regulations. Pratt said that if a man wanted to fish and can get a license to fish from family or the eligibility pool, then let him try to fish. Some people are squeezed and cannot fish full time and have to have an outside job. We don't need to be confined by income levels or gear numbers, he said. If we have the time to go fish and the resource is there, we should be allowed to go fish without having to conform to some government standard that is concocted by the same man who defines overfishing.

**Michael Peele**, a commercial fisherman from Hatteras, said he was from a family that had been fishing for five generations. He said he thought commercial fishing meant that you could go fish for whatever you could catch. Now, he said, commercial fishing is overregulated – fishermen are told how, when, where and how much they can keep. Peele gave examples of how difficult it is to adhere to regulations in the federal shark fishery. He said people who come up with laws have to have some common sense. Peele encouraged the committee to let commercial fishermen fish and that the availability of fish mandates what they do. He closed by saying it seems like all fisheries are being made into limited entry fisheries and commercial fishermen need help.

**Jeremy Braddy**, a commercial fisherman from Beaufort, said commercial fishing is regulated to the point where hardly anybody can make a living at it. He said the rules and regulations are too strict. He said he has not commercially fished for years and now works with the state, but the state was not in good financial shape and he could lose his job and have to go back to commercial fishing and if he were able to retire from the state he would like to be able to commercially fish then. He asked if the state would compensate people for their commercial gear if their commercial licenses were taken away. Braddy said he had to take a vacation day to come to this meeting because it was being held during the day and he also said he felt the meeting was not advertised adequately and that was unethical.

**Buck Cuthrell**, a commercial fisherman from Aurora, said he had heard the committee was talking about taking back licenses that were not being used. He said it was a natural fact that the division that regulates commercial fishing is broke. He said he had heard that officers had to siphon gas from one vehicle to another just to be able to patrol. Cuthrell asked why the state is considering taking back the unused licenses when they bring raw income into the division. He said he has two grandchildren that he would like to pass his licenses on to them. He said licenses are a fisherman's property and cannot be

taken away. He asked if the state was going to reimburse people for their licenses. Cuthrell said rules and regulations are putting people out of business. He closed by saying if you define a commercial fisherman, then you also need to define a recreational fisherman.

**Sean McKeon**, Executive Director of the N.C. Fisheries Association asked the chairman to clarify if he had said that regardless of what is decided here that the MFC can do what it wants. Bizzell agreed that is what he said.

### **DISCUSSION OF ISSUES SURROUNDING EXISTING DEFINITION OF A COMMERCIAL FISHERMAN**

Bizzell then said what compelled him to form the committee was there seems to be an abuse of the system – that the Standard Commercial Fishing License (SCFL) allows its holders to buy gear that is exempted from sales tax. Also, there are some SCFL holders who are really recreational fishermen that just hold the license because it allows them to keep commercial quantities of fish. He indicated that these fish are not being sold and, therefore, not being captured by the Trip Ticket Program and that was not good for the resource. He also said some recreational fishermen that hold a SCFL do sell their catch to cover the cost of their fishing trip and he does not believe that is what the SCFL is for. Bizzell also said there were many people who hold a SCFL but they are not using it, they are called latent license holders. He then said he would like to open the floor up for discussion to see where the committee thinks it needs to go or if it needs to go anywhere with these issues.

Ken Seigler passed out a license proposal he developed and said he had talked with several people and what he was passing out was a conglomeration of comments. He said this was not an attempt to take anyone's license away, but rather an attempt to foster growth and bring people into the industry. He said the industry was suffering from death by attrition from regulations and through losing participants.

Seigler said to induce participation the state should develop a Coastal Waters Endorsement to Sell (apprentice license) by putting the Recreational Commercial Gear Licenses into the SCFL Eligibility Pool. He said that would put about 5,000 licenses into the pool. He said the current eligibility pool had 1,800 licenses in it, but that it was difficult for the public to get them. He said he was proposing a mechanism to let new people use limited amounts of commercial gear and get experience in landing and selling fish and then, once they have proven themselves and have completed an apprenticeship, they can go to the eligibility pool and get a SCFL because they have experience. He reiterated that his suggestion was not about taking anybody's license away, but it is about telling people if you go through the apprenticeship program you can get a license. He also said the committee could set minimum requirements that if a person got an apprentice license they would have to have at least 50 trip tickets with at least 50 pounds of fish on each ticket, or some other range of numbers, and that would qualify that person to become a SCFL holder and a commercial fisherman. Seigler said this would foster new entrants into the industry.

Bizzell reviewed with Seigler about how his proposal would work, using himself as a hypothetical apprentice license recipient and Seigler said he would have to prove himself with a limited amount of gear and then he could be turned loose to use the full complement of gear that a SCFL allows. Bizzell pointed out that right now, because he holds a SCFL, that he can legally set nets, but that he has no business doing so because he does not know what he is doing with that gear.

Jack Cox asked Seigler to clarify what he meant by apprenticeship program and Seigler said you take someone off the street that does not know anything about commercial fishing but that wants a job. The apprenticeship program would give them some mechanism to get into the industry. Seigler said the apprentice could take a course or fish with an experienced fisherman and capture that effort on the trip ticket or the apprentice license for documentation. Cox said he could support that.

Keith Bruno said we have jumped right into having to fix something, but have not defined that there is really a problem. Bruno said the commission had put together a taskforce to look at licensing issues and that taskforce had reported back to the commission 14 months ago. He questioned why the issue was being revisited and said he agreed with that taskforce's findings that said no change was needed to the Recreational Commercial Gear License or the SCFL. Bruno said most of the people in the room were against making any changes to the SCFL, but he also offered that most commercial fishermen did not like change. He asked about the taskforce's recommendation to study latent effort. He said he wondered if there was a solution that someone was seeking a problem for here and he worries if the same argument that is being used for game fish is going to be used to get rid of the last of the commercial fishermen – get rid of the half that don't really matter now (latent license holders) and then get rid of the other half later.

Bruno said he does not see a problem with the latent licenses. He said the tax break was a tax problem and let someone else figure that out and it should not be a concern of this committee. He said there are unethical people out there and changing the definition of a commercial fisherman will not change that – he said that was a law enforcement problem. If you sell fish you are a commercial fisherman, if you keep your fish for personal consumption, you are not a commercial fisherman – a commercial fisherman sells fish. If someone doesn't sell fish, only let them keep a recreational limit. He said we didn't determine if there was a problem before we jumped into Ken Seigler's fix. Bruno said he did not see a problem with the current definition and a lot of other people don't see a problem either.

Bizzell responded to the question about what was different between this committee and the previous license taskforce. He said the process the taskforce considered was a cumbersome process to define a commercial fisherman based on dollars and looking at setting income levels to determine if you were a commercial fisherman. That was hard for people to put their arms around and they were uncomfortable with that.

But then, Bizzell said, it was mentioned by some people to look at effort, how much effort that they put into commercial fishing. If someone goes out and has 30 to 40 trips a year, then maybe they are a commercial fisherman. But in 2010, he said, there were 1,100

license holders who only made between one and 10 trips. Bizzell asked Division of Marine Fisheries License and Statistics Section Chief Don Hesselman how many SCFL holders had no trips in 2010 and Hesselman responded that approximately half, or 3,500 SCFL holders, had no trips reported and were considered latent license holders. Bizzell said he wondered why people would pay \$200 every year to have the license and then not use it.

Keith Bruno said his wife had a license and he had a son that will want to fish one day. Bizzell responded that there was an eligibility pool that issued licenses if you could demonstrate a family history in fishing. Bruno indicated he did not have confidence that the pool would always be there, but if he had a license in hand he knew it was there if needed. He said he did not have confidence that the license pool would be there in the future.

Bizzell responded that Bruno had previously said that a commercial fisherman was someone who sells fish, but Bizzell said he had a recreational license and a SCFL – what am I? Bruno responded that he also had both licenses and why do we have to further define the SCFL? Bizzell said because we have 3,500 people who have a SCFL and are not using it.

Sammy Corbett said to Bruno, you say a commercial fisherman is someone who sells fish, how do you qualify those 3,500 SCFL holders who do not sell fish as commercial fishermen?

Bruno said North Carolina was a right-to-work state and by state law he did not know if we had the right to take someone's SCFL away. Bizzell responded that holding a SCFL was a privilege granted by the state – not a right.

Corbett said that the state probably did not want the latent SCFLs to go away because they were generating income for the state.

Robbie Beasley said he had received an e-mail from Elton Parker from Snead's Ferry who has held a SCFL for over 25 years so he would be able to fish when he retired. Beasley said we are weighing potential abuses against the potential for people to work in the future. Beasley said he was leaning towards letting people keep the SCFL, regardless of whether they were using it or not.

Billy Carl Tillett said he was old school and the system we have in place is not broken; so if it is not broken, don't fix it. Tillett asked what is the problem. He said back in the early 1990s, the General Assembly formed the Moratorium Steering Committee to look at fisheries issues. It was a lot of very hard work by some very qualified people and they came up with the system we have today. There were some hot arguments about who was a commercial fisherman and who wasn't. He said the issues were thoroughly vetted and the system that is in place now is working well. He asked if the Recreational Commercial Gear License was a problem and Bizzell responded that the committee was not talking about that license. Tillett said he ran a trawl boat for 20 years, but never had a license because the boat was licensed at that time. So when it came time for him to get a

license after the Fisheries Reform Act restructured the license system, he had to go through the license eligibility pool, but he has only used that license a few times. He said he feared we are trying to fix something that is not broken. He said he understood what Bizzell was saying about recreational people only holding the license so they could keep more than the commercial limit, but that is a completely different issue that needs to be looked at by itself.

Bizzell questioned how he would approach that problem and Tillett responded that Marine Patrol could help him address the issue.

Bizzell then asked the committee if recreational fishermen who hold SCFLs should be able to sell their catch to cover the cost of their fishing trip and was that not taking money out of the commercial fisherman's pocket? Is that not flooding the market with product and lowering the price? Tillett responded not necessarily, but that you would have to find out how much of that was going on if you can.

Bizzell said there are 3,500 people out there paying \$200 a year for this license and not using it to sell fish. Tillett responded that is good, they are not catching fish. Bizzell pointed out that they are not turning in trip tickets, but you can't say they are not catching fish – we don't know that.

Bizzell then said there are also 1,000 fishermen that made 10 trips or less in 2010. Seigler pointed out that there could have been 25,000 pounds of fish in each of those 10 or less trips. Tillett said he was one of those, he just came in from a trip on a trawl boat and caught 17,000 pounds of flounder, but his license was not used. Tillett said the Moratorium Steering Committee designed a system that gave people what they needed and this committee needs to leave this issue alone. Tillett said that there was not a problem on the commercial end, but it sounded like there was a problem on the recreational end. He said he did not want to take away the system we have now to resolve a recreational problem.

Bizzell said if a recreational fisherman was selling fish to cover the cost of a trip or to save on fuel tax, but they held a SCFL, then it was a commercial problem. Tillett said it was a Division of Marine Fisheries problem and Bizzell responded then tell me how to address it.

Bizzell said it reminded him of a member of Congress several years ago that said he could not define pornography, but he knew it when he saw it. He said I can't define the problem, but when you have 3,500 people holding a SCFL and not using it then it makes me say what in the world are they doing with that. He said what if I suddenly show up after having my SCFL for 12 years and decide to start fishing commercially and I buy and set gill nets and I make a mess I will put a black eye on the commercial industry because I don't know what I'm doing and that is not right. It will create a problem for commercial fishermen as a whole. Bizzell said whenever you hear about one of these run around netters for speckled trout going into where some recreational fishermen are, they are not talking about that one netter when they complain, and they are talking about all commercial fishermen. That one netter has given the whole commercial industry a black



eye. The accident that happened with the trawler last year has given the whole striped bass trawl industry a black eye. If you get somebody out there that does not know what they are doing it is going to hurt the whole commercial fishing community and I do not want that.

Tillett responded you could have something like that happen with the recreational community just as easily, and Bizzell agreed, but said it tends to get more press with the commercial guys.

Corbett said his fear was not what would happen with this committee or the Marine Fisheries Commission, but what would happen in the General Assembly when they convened and they start talking about recreational game fish status. When you talk to legislators they say they need to know what a commercial fisherman is because they support the game fish bill. So if they hear that a commercial fisherman is someone who sells fish, then they are going to say if these 3,500 people are not selling fish, then their licenses need to go away. My fear is that all of this is going to come out of the General Assembly if we don't do something. Corbett said, we could do something like what Ken Seigler says, but we need to put a definition of some kind in place and I don't want it to just be a man that sells fish because they are going to use that against every license out there that is not working right now. And if you don't think they won't do it, he said, you call them and ask them - they are not on our side.

Bizzell said he was not looking at taking away licenses of real commercial fishermen. He said he did not think that was anyone's intent. But, he said, he had some concerns about it and there were recreational and commercial folks who had concerns about this. Do we want to leave it alone? Do we want to say you have to do more than 10 trip tickets a year? Something as low as 10 trip tickets a year will not hurt a real or part time commercial fisherman, but it will get rid of some of those out there that are causing problems, some of those out there that are abusing the system and he said he thought it would help the commercial industry as a whole.

Seigler asked how the state calculated how much gill net was used. Division of Marine Fisheries License and Statistics Section Chief Don Hesselman explained those numbers were calculated using the average yardage our biologist determined through the fish house sampling, multiplied by the number of commercial trips. The division also uses the gear information that fishermen provide in the gear surveys.

Cox asked how many license are retired. Hesselman responded there is a cap of 8,896 on SCFLs. Of that, there are roughly 7,400 that are purchased each year, leaving 1,450 in the Eligibility Pool. He said about 100 SCFLs are not renewed each year and about 100 SCFLs are issued by the Eligibility Board each year.

Bizzell said there was no real growth in the industry and that is where Ken Seigler's recommendation could come into play to bring more people in – not with the SCFL, but with an apprentice program. Seigler said you have to foster growth in business and Bizzell agreed.

Hesselman said we have always looked at the Shellfish License as an apprentice-type license that provided people with experience fishing, and that could be used to show experience in the fishing industry when applying for a SCFL from the Eligibility Pool. Hesselman also pointed out that the requirements to get a license from the pool are not overly strict – family history, experience as a crew member.

Tillett said that regulations have driven a lot of people out of fishing full time. You have to be careful. Go back to Moratorium Steering Committee's hard work – look at those 3,500 that you are worried about. Look at who those people are. Sounds like we are trying to create a problem to solve a problem and I am not comfortable with this.

Bizzell said he was not trying to create a problem and if this committee doesn't think there is a problem with me keeping my license and let me go out there and give you all a black eye and then five or six times a year sell the fish that I can sell to pay for the gas for my boat and reduce the price on commercial fisherman's fish – if ya'll think that is okay, then it is fine with me, he said. This is about you all.

Tillett asked has this situation hurt us. Bizzell said that the 1,100 fishermen that had one through 10 trips in 2010 sold over 3 million pounds of fish. Average that out and it is 300 pounds per trip - is that causing a problem with the price of your goods, Bizzell asked? Keith Bruno said you are talking about trips and not days and a croaker boat leaves out of Wanchese and catches 300,000 pounds of croaker; that boat could go out and fish 10 times that winter can bring in large catches, so the number of trips may appear low, but the catch can be substantial.

Bizzell reiterated that those 1,100 SCFL holders that had one through 10 trips in 2010 brought in about 3 million pounds of seafood.

Seigler said if a fisherman sold fish then he felt they were a commercial fisherman.

Corbett said if the 3,500 SCFL holders who did not have sales - if those licenses went away, then fees would increase for the SCFL holders that were left to make up for the revenue shortfall. Seigler said you are not considering what will come through the door if you open the pool up with the apprentice program.

Corbett then said if you want to look at actions that are hurting stuff, down in the southeast area of the state Marine Patrol has written 25 or 30 tickets in the last two weeks for people illegally selling oysters out of their yard. These people collect unemployment, and then get a \$25 Shellfish License and post on the internet that they are selling oysters for \$20 a bushel out of their yard. That hurts the legitimate dealers. Corbett said he had more heartburn with the \$25 Shellfish License than he did with the SCFL, but that was probably a discussion for another day.

Bruno said the \$25 Shellfish License was something that should be discussed.

Corbett said again, he did not have a problem with the SCFL, except for the issue of the 3,500 SCFLs that did not have sales and that legislators keep mentioning that to him.

Bizzell said if you want to get out in front of it now is the time to do so. Corbett said he had talked with Marine Fisheries Commissioners Joe Smith and Bradley Styron and said they were fine with setting a threshold of 12 trip tickets to retain a SCFL, but then listening to Keith Bruno talking about croaker boats he wasn't so sure.

Bizzell said the committee could consider either trip tickets or poundage thresholds.

Cox said with almost any type of license you get you have to show you have been through an apprenticeship program that teaches people how to do the right thing. Cox then said that it was the part timers that were keeping dealers in business because the regulations have beaten them down so bad.

Bizzell asked how many trip tickets would a part timer do a year – 20 or 30? Cox responded that this past year he had made 26 fishing trips snapper-grouper fishing.

Bizzell then asked if 12 trip tickets would be a good threshold. Cox responded that snapper-grouper boats stay out four days at a time in this area and others can stay out five to eight days at sea, so you have to be careful.

Corbett said we could look at days instead of trip tickets as a qualifier. Bizzell said it would be the same concept. Bruno said a shrimp boat may only make eight trips, but they are multi-day trips. Tillett said a flounder boat may only go out seven or eight times a year and that is a full time, bonafide commercial boat.

Bizzell said maybe we need to look at days instead of trip tickets.

Seigler said that the 50 trip ticket threshold he had used in his proposal was arbitrary, but he also included 30 days at sea as the same equivalent. He said maybe days-at-sea was a better way of looking at it.

Tillett questioned what was being considered – that if a person does not have a certain number of trip tickets or a certain number of days at sea that they can no longer be considered a commercial fisherman?

Bizzell said let's pick the number 12 and say if a SCFL holder does not spend 12 days on the water commercially fishing, then he is not a commercial fisherman. We could count either 12 trip tickets or 12 days fishing as the standard, he said.

Corbett said it is easy to get a license from the eligibility pool and if you have a history with commercial fishing you should not have to go through an apprenticeship program.

David Keilmeier said the threshold should be an either/or option; either a 12 day or 12 trip ticket limit that could be verified on the trip ticket or through federal tax statements. He said you could produce your 1099 that showed you were a crewman on a boat.

Bizzell said that whenever a SCFL holder were to reapply for that license and they didn't have the data with the state to back up the 12 days at sea then they would have to provide that documentation. He then talked about if a corporate boat was out fishing then there would have to be some way to document all the crew members on that vessel.

Corbett asked if there could be extra boxes on the trip ticket that would document crew participation.

Tillett said let me give you my scenario again, here are my credentials – I am a fish dealer, I am an ex-fisherman, but sometimes my boat captain is not available. Some years I don't fish and some years I may only make a trip or two. But I still have a SCFL and I grew up fishing. So I would lose my license under the proposal being discussed.

Bizzell said if you lost your license you could apply back through the Eligibility Pool. Bizzell asked Tillett what is the big deal in keeping that license and Tillett responded, because I earned it - I have fished all of my life like a lot of other people have and I earned that right. Bizzell responded I did not earn mine and Tillett said maybe you don't need it. Bizzell agreed that he did not need his SCFL, but the thing is he said, that you don't earn the license, you pay for the license and if you stop paying for the license you lose the license. In five years you see that you need to get back into fishing then you apply to the Eligibility Pool and there should be no problem for someone like you getting another license.

Cox asked what if his boat captain gets sick and Tillett has to take the boat out and does not have time to go through the pool process. Bizzell responded that if he has a corporate boat there should not be a problem.

Keilmeier said licenses can be assigned to another person and that gives someone a chance at a job. That would document participation and help with unemployment. But that can be a double edged sword because you want to help people go back to work but you also want to protect the resource, he said.

Bizzell said you also want to protect the commercial industry and if your numbers keep decreasing then you will be overlooked and will not be considered on anything. So it is important to keep active people in the industry. What Ken Seigler suggested is a good way and the apprenticeship is a good way too. An apprentice would have more knowledge of commercial fishing than I do, even though I have had a license longer.

Cox said he knows a bunch of Coastal Conservation Association people that hold a commercial license and to him that is a problem. Bizzell said then let's get it out of their hands.

Tillett said if we get rid of the 3,500 that hold SCFLs but are not selling, that will reduce revenue to the division by \$700,000 – I don't think the state will like that. Bizzell said that will have to be addressed somewhere along the way.

Tillett said the system is taking care of itself and if it is not, prove it. He said he did not think the burden of proof is there, that the committee has not proven that the recreational people we have been talking about are as good a fisherman as he is. Tillett said to Bizzell - I am picking on you.

Bizzell said I know, but doggone it I am going to go out there and set my nets and I might set them in the middle of the ICW and get a ticket, but in the meantime the press is going to come down there and say look what those commercial fishermen are doing.

Tillett said you will probably figure out you are in the wrong business and quit. Bizzell responded I might, but in the meantime, I am going to cause you and the rest of the commercial fisherman harm.

Bruno said, but you are not a true commercial fisherman and Bizzell responded, but how are you going to define me? Bizzell asked what is the difference between a part timer and a full-timer?

Bruno said maybe we should call you a dit dot or a ding batter. Bizzell laughed and said the problem is that we do not have any real definitions here. What's a part-timer? What's a full-timer? Bizzell said all a commercial fisherman is at this point in time, is somebody who can pay \$200 for a license, or buy a license on the open market for \$2,000. Are you commercial fishermen happy with that as a definition?

Seigler said for \$2,000 you can put an unlimited amount of gear in a person's hands that knows absolutely nothing about it. Seigler talked about complaints about people new to the industry that string nets clear across waterways, blocking navigation and creating bad situations.

Tillett said even the most experienced people can screw up at times. Sometime those experienced people can get desperate and hungry and they take a chance to go do what they have to do. Bizzell said that can be true of many people and he said I know where you are coming from, desperate times result in desperate measures, but that is something we cannot predict. Tillett said I know, and that is why we can't predict that someone inexperienced is going to get a license and screw it up for everybody else.

Bizzell responded if I get out there I'm going to screw it up because I don't know what I am doing.

Tillett said I am going to tell you it will take care of itself because you will figure out your not suppose to be there. Bizzell said, but in the meantime I'm going to cause you all problems and right now commercial fishing does not need any problems. What Sammy Corbett was suggesting about getting out in front of this with some level of definition about what is a commercial fisherman is real appropriate. I'm seeing some stuff in Raleigh right now that I do not like and it is going to be a battle and I've got my little speech lined up to speak against game fish status.

Tillett asked what did they want at the General Assembly and Bizzell responded he did not know. Tillett asked how can we tell them anything if they don't know.

Bizzell said are there any other thoughts on this or what direction the committee wants to go with this, if any. We have heard some things about having to have 12 days on the water, which I don't think would impact the part-timer. We have heard about the apprentice program to develop a pathway for people who do not know anything about fishing to get into the industry. We don't have to develop that pathway right now, but could develop the concept. What does the committee want to do right now? If someone wants to make a motion they can do that.

Bruno said he would be very reluctant to change anything or anybody that has a license currently. If you got it, got it though the laws in place, you renew it, you pay money, it is yours. If you wanted to develop an avenue for new people to enter the industry through an apprenticeship program but still maintain the free trade of allowing someone to buy a license from someone. For example, if I want to buy Billy Carl's license and would need to go work with him for a certain number of days before I am qualified to buy that license as an apprentice. He talked about other states that have different types of apprenticeship programs. Bruno said he could get behind something like that but could not support messing with people who currently have the license. They will eventually go away, die off, or fix themselves.

Bizzell said unless they sell them. If I was on my deathbed and no one in my family wanted the license and I could get \$100 for it, I'd sell it. Bruno responded that Bizzell couldn't because the buyer would have to go through an apprenticeship.

Bruno said as he was talking he realized the apprenticeship program would hurt people who buy licenses as an investment. Bruno said we are hurting somebody with anything we do.

Bizzell said, so what you are suggesting is that anytime a new individual enters into the commercial fishing realm and they get a brand new license, not any type of a renewal, they need to go through an apprenticeship program. Bruno said the apprenticeship should not be under the seller of the license because that individual will simply sign off that the apprenticeship was complete in order to sell the license.

Bizzell said we were talking about these 12 days, what if this was not something that would be enacted right now. We could say you have 2 years to show you are going to be a 12-day-a-year commercial fisherman. At the end of that 2 years if you haven't shown that 12 days of fishing, then we are not renewing your license.

Bruno asked Bizzell if he was going to run out tomorrow and buy some net and give the industry a black eye faster than you would if waited until you retired. Bizzell said no, but you have to think am I going to go out and commercially fish for 12 days a year. Bruno asked would you fish for 12 days and Bizzell replied I doubt it.

Corbett said he had one problem with that, because you are going to go over to your buddy and say write me out a trip ticket that says I landed fish every now and then so that I can get enough trip tickets that I can keep my license and then those fish are recorded on that trip ticket and they will count against the commercial quota and if you multiply that by the other 3,500 people who need to get trip tickets recorded, that could have a big impact.

Bizzell said that people would have to pay income tax on that so he did not think it was likely. It was pointed out there was not price on the trip ticket so that was not really accurate.

Tillett said there was one more problem, if the 3,500 latent license holders are not catching fish; they are leaving fish for the active commercial fishermen. If you put in a requirement that people have to fish 10 days to keep their license, you will make them catch fish they would not have caught in the first place.

Bizzell responded that they also might say it is not worth it. Tillett said then don't you give the state your \$200 dollars.

Bizzell said even though I don't do it anymore, I don't have to pay sales tax and if I screw up and catch too many fish under the recreational bag limits then I can say here's my commercial license, I've got a get-out-of-jail-free card.

Division of Marine Fisheries License and Statistics Section Chief Don Hesselman said he wanted to speak to the apprenticeship program – it is a good idea, but I think we already have one. We have the Shellfish License for \$25 and we have assignments and that is how people are getting into the industry now. We can track assignments on the trip tickets. So I think we are in good shape there. Hesselman also said the committee needed to separate the definition of a commercial fisherman from limited entry. I think we can define a commercial fisherman – it may not be one thing, but a suite of things that define who are the professional commercial fishermen, Hesselman said. But when you bring in the limited entry aspect of it and you remove licenses from people who currently hold them, that is what is scaring people.

Bizzell asked if the division didn't already have limited entry. Hesselman responded that yes, there was only a certain number of SCFLs available.

Bizzell told the committee, this is about you. Yes I am a commercial fisherman, but I'm not a commercial fisherman. So this is about what direction ya'll want to take with your profession. I would not want to hire a pharmacist from China that did not have a N.C. Board of Pharmacy license, even though they have a license in China. They are going to come over here and kill people and give the profession a black eye. That is what I am thinking about when I compare myself to you. Myself and the other 3,499 people who hold SFCLs and do not sell can really give your industry a black eye if given the opportunity. It is about whatever direction you all want to proceed with your profession and that is what it is all about.

Tillett asked about going to the legislature and bragging about what we have got and being proud of what we have accomplished. We have the best trip ticket program in the country so if the legislature is worried about what a commercial fishermen is, right there is it. Use what we have got. The Moratorium Steering Committee put a lot of work in the license restructure and did a heck of a job and it has come to help us. I wasn't a fan of it, Tillett said, in fact I was scared to death of it. But we have a lot to be proud of. At this point, however, you are not going to get me to agree to any changes.

Bizzell said look at perception versus reality. One of the laundry list of items this study committee is looking at is a trawler ban and that has come in because of that one accident last year. That is what it took to get it on the General Assembly's agenda to see about getting rid of it – one person, one time. They are looking at that, they are looking at a net ban. They are looking at game fish status. They are looking at a lot of anti-commercial legislation. That is the reality and I can't tell you what they are going to do – no one in this room can tell you, Bizzell said. But the thought of getting out in front of this a little bit is not a bad idea. But once again, it is your profession and this committee needs to tell me what direction you want to take with your profession.

Cox said that on the federal level there were 60 guys that participated in the back sea bass pot fishery and the South Atlantic Fishery Management Council decided there were too many people sea bass potting and the quota was being caught too fast so they decided to limit participation and fishermen who caught less than 2,500-pounds-a-year were booted out. I just don't want to do anything that stringent, Cox said. Some people might be relying on what appears to us to be a small amount of fish.

Bizzell responded that is a concern and what the General Assembly is looking at are things that will put people out of work and it will be hurtful and I have no desire to hurt anybody. I have a desire to help the resource first, and then help the fishermen, be it commercial or recreational. But again, this is your profession, he said. If you want to make a motion to do nothing or to do something let's go ahead and bring one forward and see where we take it.

### **PROPOSED MODIFICATIONS TO THE COMMERCIAL FISHERMAN DEFINITION**

**Motion by Ken Seigler that the Marine Fisheries Commission create an apprentice program that opens the eligibility pool to the general public with endorsements-to-sell (apprentice license) to create an avenue for a person to get a SCFL and set a 12-fishing-days-per-year standard to qualify for a SCFL – motion died for lack of a second.**

**Motion by David Kielmeier to require all individuals who held a SCFL during the 2010 license year that had no recorded sales transactions be required to have at least 12 days of documented fishing activity within a three-year time period in order to renew their licenses, seconded by Ken Seigler – motion carries 5-2.**



Kielmeier said that he felt some people held the SCFL for speculation and maybe some people even think they will be able to sell their licenses back to the state, like they did in Virginia and Maryland, but he doesn't think that will happen. But, he said, for the sake of the industry, maybe it would be good for some of those licenses to go to people who would be active. Kielmeier said getting some younger people in the system may benefit the industry and three years gives people plenty of time to become compliant and it shows the commission is trying to address this problem. All of this legislation that is coming up, along with the striped bass trawl issue that happened last year, is stirring up a lot of dynamics and we should probably do something, Kielmeier said.

In discussing the above motion, Corbett said he wanted to make sure that crew could be captured on trip tickets, so the division could document fishing effort.

Tillett had concerns about being able to keep up with the crew. He said he saw a lot of problems with the motion.

Tillett said he was in a family business and his son had two licenses, but does not fish. He has bought two \$200 licenses every year for 10 years at a cost of \$4,000 and now you want to tell him you are taking his license because he has not gone fishing?

Bizzell questioned why he would buy two licenses if he does not use them. Tillett responded maybe we wanted to buy another trawl boat some day. Regardless, that is our right and something we have paid for.

Tillett asked Bizzell why he had a SCFL and Bizzell responded that he got a SCFL to harvest blue fin tuna.

Bizzell asked Tillett if his son commercially fished and Tillett said he did not, but he was in the commercial fishing business. Then Tillett asked why are we doing this, to prove a point? Bizzell responded we are not proving a point; we are trying to do something for the profession. If you think your profession is fine the way it is, I'm fine with that.

**Motion by Ken Seigler that the Marine Fisheries Commission explore the concept of developing an apprentice program/license for persons who have no history in commercial fishing, and allowing an individual with an apprentice license to qualify for a SCFL to be issued through the eligibility pool once the apprenticeship is completed, seconded by David Kielmeier – motion carries 5-2.**

Bizzell asked if there were any other issues and Corbett said the \$25 Shellfish License was a problem because it undercuts dealers, and fishermen who use that license do not harvest a quality product and damage the oyster rock.

**Motion by Sammy Corbett for the Marine Fisheries Commission to consider eliminating the \$25 Shellfish License, seconded by Keith Bruno – motion carries 5-1, with 1 abstention.**

Chairman Bizzell thanked the committee for their work and adjourned the meeting at approximately 12:15 p.m.

DRAFT