

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007**

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SENATE BILL 1494

Short Title: Shellfish Industry Enhancements.

(Public)

Sponsors: Senator Weinstein.

Referred to: Appropriations/Base Budget.

March 27, 2007

A BILL TO BE ENTITLED

1 AN ACT TO APPROPRIATE FUNDS TO ESTABLISH A PROFESSORSHIP
2 DEDICATED TO SHELLFISH RESEARCH, TO ESTABLISH A SHELLFISH
3 OMBUDSMAN, TO ESTABLISH A SHELLFISH RESOURCE GRANT
4 PROGRAM, AND TO ESTABLISH THE ALBEMARLE SOUND RIVER
5 HERRING MANAGEMENT PROGRAM.
6

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** There is appropriated from the General Fund to the Board of
9 Governors of The University of North Carolina the sum of five hundred thousand
10 dollars (\$500,000) in recurring funds for the 2007-2008 fiscal year to be allocated to
11 North Carolina Sea Grant to be used to establish a professorship dedicated to shellfish
12 research.

13 **SECTION 2.** There is appropriated from the General Fund to the
14 Department of Environment and Natural Resources, Division of Marine Fisheries, the
15 sum of seventy-five thousand dollars (\$75,000) in recurring funds for the 2007-2008
16 fiscal year to establish a shellfish ombudsman position in the Division of Marine
17 Fisheries to assist shell fishermen.

18 **SECTION 3.** There is appropriated from the General Fund to the
19 Department of Environment and Natural Resources, Division of Marine Fisheries, the
20 sum of five hundred thousand dollars (\$500,000) in recurring funds for the 2007-2008
21 fiscal year to establish a Shellfish Resource Grant Program in the Division. The purpose
22 of the program is to protect and enhance the State's coastal fishery resources through
23 individual grants pursuant to the Shellfish Resource Grant Program established in this
24 act.

25 **SECTION 4.** Article 15 of Chapter 113 of the General Statutes is amended
26 by adding a new section to read:

27 "**§ 113-200.1 Shellfish Resource Grant Program.**

28 (a) Creation. – There is created within the Sea Grant College Program at The
29 University of North Carolina, the Shellfish Resource Grant Program. The purpose of the

1 program is to work within research priorities established by the North Carolina Coastal
2 Habitat Protection Program and the Division of Marine Fisheries Oyster, Hard Clam,
3 and Scallop Fishery Management Plans supported by the Grants Committee to protect
4 and enhance the State's coastal fishery resources through individual grants in the
5 following areas:

- 6 (1) Stock assessment and enhancement.
- 7 (2) Aquaculture or mariculture development, training, and education for
8 estuarine and marine dependent species.
- 9 (3) Shellfish biology.
- 10 (4) Seafood technology and education.
- 11 (5) Environmental studies, including water quality and shellfisheries
12 habitat.

13 (b) Definitions. – For purposes of this section, the following definitions apply:

- 14 (1) Aquaculture or mariculture development, training, and education for
15 estuarine and marine dependent species. – Training and support for
16 new and existing individual, commercial, and community mariculture
17 and aquaculture operations and new and existing university and
18 community college aquaculture, mariculture, and marine technology
19 programs.
- 20 (2) Environmental studies. – Research and project implementation for the
21 protection and restoration of shellfish habitat and shellfish waters.
- 22 (3) Seafood technology and education. – Development, testing, and
23 training for marketing, production, processing, and harvest techniques
24 that support sustainable shellfisheries.
- 25 (4) Shellfish biology. – Research on shellfish biology in support of
26 enhancing and restoring North Carolina native shellfisheries.
- 27 (5) Shellfishing related industry. – Any of the following: (i) commercial
28 fishing; (ii) recreational fishing; (iii) aquaculture; (iv) mariculture; and
29 (v) handling of seafood products, including seafood dealing and
30 seafood processing.
- 31 (6) Stock assessment and enhancement. – Comprehensive assessment and
32 enhancement of existing and projected shellfish populations and
33 habitats.

34 (c) Annual Establishment of Priorities. – The Grants Committee shall, in
35 cooperation with persons involved in fishing related industries, the Division of Marine
36 Fisheries, and the Sea Grant College Program, establish funding priorities effective July
37 1 of each year for the grant program. In adopting priorities, the Grants Committee is
38 exempt from Article 2A of Chapter 150B of the General Statutes. The Grants
39 Committee shall provide public notice of its proposed priorities at least 30 days before
40 the Grants Committee meeting prior to a final determination of its priorities for the
41 fiscal year.

42 (d) Procedure to Solicit Proposals. – Following the establishment of priorities by
43 the Grants Committee, the Sea Grant College Program shall hold workshops within the
44 northern, southern, central, and Pamlico coastal regions to solicit applications and to

1 assist persons involved in fishing related industries in writing proposals. The Sea Grant
2 College Program shall encourage pre-proposal conferences among persons involved in
3 fishing related industries and those with technical or research backgrounds to work as
4 partners in developing and writing the proposals and in writing reports of final results. If
5 the grants approved by the Grants Committee do not utilize all available funds, the Sea
6 Grant College Program may advertise and solicit additional applications during the
7 applicable fiscal year.

8 (e) Application for Grant Program. – An applicant may apply for grant funds to
9 the Sea Grant College Program. For purposes of this subsection, every proposal shall
10 include substantial involvement of residents of North Carolina who are actively
11 involved in a fishing related industry. A proposal generated by a person not involved in
12 a fishing related industry may be eligible for funding only if the proposal includes
13 written endorsements supporting the project from persons or organizations representing
14 fishing related industries. An application shall include:

15 (1) Name and address of the primary applicant.

16 (2) List of marine fishing licenses issued under Chapter 113 of the General
17 Statutes to the applicant by the State of North Carolina.

18 (3) A description of the project.

19 (4) A detailed statement of the projected costs of the project including the
20 cost to plan and design the project.

21 (5) An explanation of how the project will enhance the fishery resource.

22 (6) List of names and addresses of any other persons who will participate
23 in the project.

24 (7) Any other information necessary to make a recommendation on the
25 application.

26 (f) Review Process. – The Sea Grant College Program shall conduct an
27 anonymous peer review of all applications for fisheries grants. At least one of the peer
28 reviewers shall be a person involved in a fishing related industry. An application is
29 confidential and is not a public record under G.S. 132-1 until after the closing date for
30 submission of applications. Following the review of all proposals, the Sea Grant College
31 Program shall rank proposals in order of priority and shall present the recommendations
32 to the Grants Committee. The Sea Grant College Program may adopt criteria to rank
33 proposals. In adopting criteria, the Sea Grant College Program is exempt from Article
34 2A of Chapter 150B of the General Statutes. Criteria adopted pursuant to this subsection
35 are public records within the meaning of G.S. 132-1.

36 (g) Grants Committee. – The Grants Committee shall consist of 11 members as
37 follows:

38 (1) Three employees of the Sea Grant College Program, appointed by the
39 Director of the Sea Grant College Program.

40 (2) Two employees of the Division of Marine Fisheries, appointed by the
41 Fisheries Director.

42 (3) Two members of the Marine Fisheries Commission, appointed by the
43 Chair of the Marine Fisheries Commission.

- 1 (4) One member of the Northeast Regional Advisory Committee
2 established pursuant to G.S. 143B-289.57(e), appointed by the
3 Northeast Regional Advisory Committee.
- 4 (5) One member of the Central Regional Advisory Committee established
5 pursuant to G.S. 143B-289.57(e), appointed by the Central Regional
6 Advisory Committee.
- 7 (6) One member of the Southeast Regional Advisory Committee
8 established pursuant to G.S. 143B-289.57(e), appointed by the
9 Southeast Regional Advisory Committee.
- 10 (7) One member of the Inland Regional Advisory Committee established
11 pursuant to G.S. 143B-289.57(e), appointed by the Inland Regional
12 Advisory Committee.

13 (h) Award Process. – The Grants Committee shall evaluate all grant proposals
14 and the results of the peer review and ranking conducted pursuant to subsection (f) of
15 this section. On the basis of this evaluation, the Grants Committee shall determine the
16 amount of funding, if any, to be awarded to each grant applicant. To the extent
17 practicable, the Grants Committee shall distribute grant funding among the northern,
18 southern, central, and Pamlico coastal regions. Proposals for projects that include
19 involvement of persons involved in a fishing related industry shall be accorded a
20 priority in funding by the Grants Committee. Following approval by the Grants
21 Committee, the Sea Grant College Program shall award the grants.

22 (i) Restrictions on Grants. – No member of the Grants Committee may benefit
23 financially from a grant. If a grant recipient from a prior year has failed to perform a
24 grant project to the satisfaction of the Sea Grant College Program or the Grants
25 Committee, the Grants Committee may decline to fund any new application involving
26 the principal applicant.

27 (j) Grant Reports and Funding. – Grant recipients shall provide quarterly
28 progress reports to the Sea Grant College Program and shall submit invoices for
29 expenditures for each quarter. Twenty-five percent (25%) of the total grant award shall
30 be held until the grant recipient has completed the project and submitted a final written
31 report. The remainder of the grant award shall be distributed upon approval of each
32 quarterly report and upon verification of the expenditures.

33 (k) Report on Grant Program. – The Sea Grant College Program shall report on
34 the Fishery Resource Grant Program to the Marine Fisheries Commission and the Joint
35 Legislative Commission on Seafood and Aquaculture no later than January 1 of each
36 year."

37 **SECTION 5.** There is appropriated from the General Fund to the
38 Department of Environment and Natural Resources, Division of Marine Fisheries, the
39 sum of three hundred sixty-two thousand dollars (\$362,000) in recurring funds for the
40 2007-2008 fiscal year and the sum of one hundred ninety-nine thousand nine hundred
41 forty-eight dollars (\$199,948) in recurring funds for the 2008-2009 fiscal year to
42 establish the Albemarle Sound River Herring Management Program. The funds shall be
43 used for three new positions in the Division of Marine Fisheries and for operating
44 expenses of the Program. The Program shall monitor river herring in the Albemarle

1 Sound by surveying the spawning and nursery areas of herring and by sampling adult
2 and juvenile herring to obtain data.

3 **SECTION 6.** This act becomes effective July 1, 2007.