

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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SENATE BILL 1718

Short Title: Shellfish Industry Enhancements.

(Public)

Sponsors: Senator Weinstein.

Referred to: Appropriations/Base Budget.

May 23, 2006

A BILL TO BE ENTITLED

1 AN ACT TO APPROPRIATE FUNDS TO INCREASE THE SALARIES OF STAFF
2 OF THE DIVISION OF WATER QUALITY, TO ESTABLISH A
3 PROFESSORSHIP DEDICATED TO SHELLFISH RESEARCH, TO ESTABLISH
4 THREE NEW POSITIONS IN THE DIVISION OF MARINE FISHERIES, TO
5 MAP SHELLFISH RESOURCES AND HABITATS, TO ESTABLISH A
6 SHELLFISH RESOURCE GRANT PROGRAM, TO CONTINUE OPERATION
7 OF THE SEA GRANT PROGRAM, TO ESTABLISH THE ALBEMARLE
8 SOUND RIVER HERRING MANAGEMENT PROGRAM, AND TO ESTABLISH
9 TWO SHORELINE SURVEYORS AND A GIS STAFF PERSON IN THE
10 DIVISION OF ENVIRONMENTAL HEALTH.

11 The General Assembly of North Carolina enacts:

12 **SECTION 1.** There is appropriated from the General Fund to the
13 Department of Environment and Natural Resources the sum of one million one hundred
14 seventy-seven thousand dollars (\$1,177,000) in recurring funds for the 2006-2007 fiscal
15 year for a ten percent (10%) salary increase for the staff of the Division of Water
16 Quality. These funds are necessary to address vacancies and high staff turnover in the
17 Division.
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19 **SECTION 2.** There is appropriated from the General Fund to the Board of
20 Governors of The University of North Carolina the sum of five hundred thousand
21 dollars (\$500,000) in recurring funds for the 2006-2007 fiscal year to be allocated to
22 North Carolina Sea Grant to be used to establish a professorship dedicated to shellfish
23 research.

24 **SECTION 3.** There is appropriated from the General Fund to the
25 Department of Environment and Natural Resources, Division of Marine Fisheries, the
26 sum of one hundred thirty thousand dollars (\$130,000) in recurring funds for the
27 2006-2007 fiscal year to establish a new stock assessment position at pay grade 78 and
28 to upgrade two existing stock assessment positions to pay grade 76 to assist shell
29 fishermen.

1 **SECTION 4.** There is appropriated from the General Fund to the
2 Department of Environment and Natural Resources, Division of Marine Fisheries, the
3 sum of seventy-five thousand dollars (\$75,000) in recurring funds for the 2006-2007
4 fiscal year to establish a shellfish ombudsman position in the Division of Marine
5 Fisheries to assist shell fishermen.

6 **SECTION 5.** There is appropriated from the General Fund to the
7 Department of Environment and Natural Resources, Division of Marine Fisheries, the
8 sum of five hundred forty-five thousand dollars (\$545,000) in recurring funds for the
9 2006-2007 fiscal year to expand mapping of shellfish resources and habitats.

10 **SECTION 6.** Article 15 of Chapter 113 of the General Statutes is amended
11 by adding a new section to read:

12 **"§ 113-200.1 Fishery Resource Grant Program.**

13 (a) Creation. – There is created within the Sea Grant College Program at The
14 University of North Carolina, the Shellfish Resource Grant Program. The purpose of the
15 program is to work within priorities established by the Grants Committee to protect and
16 enhance the State's coastal fishery resources through individual grants in the following
17 areas:

- 18 (1) New shellfish fisheries equipment or gear.
- 19 (2) Environmental pilot studies, including water quality and shellfisheries
20 habitat.
- 21 (3) Aquaculture or mariculture of marine dependent species.
- 22 (4) Seafood technology.

23 (b) Definition; Annual Establishment of Priorities. – For purposes of this section,
24 the term "shellfishing related industry" means any of the following: (i) commercial
25 fishing; (ii) recreational fishing; (iii) aquaculture; (iv) mariculture; and (v) handling of
26 seafood products, including seafood dealing and seafood processing. The Grants
27 Committee shall, in cooperation with persons involved in fishing related industries, the
28 Division of Marine Fisheries, and the Sea Grant College Program, establish funding
29 priorities effective July 1 of each year for the grant program. In adopting priorities, the
30 Grants Committee is exempt from Article 2A of Chapter 150B of the General Statutes.
31 The Grants Committee shall provide public notice of its proposed priorities at least 30
32 days before the Grants Committee meeting prior to a final determination of its priorities
33 for the fiscal year.

34 (c) Procedure to Solicit Proposals. – Following the establishment of priorities by
35 the Grants Committee, the Sea Grant College Program shall hold workshops within the
36 northern, southern, central, and Pamlico coastal regions to solicit applications and to
37 assist persons involved in fishing related industries in writing proposals. The Sea Grant
38 College Program shall encourage preproposal conferences among persons involved in
39 fishing related industries and those with technical or research backgrounds to work as
40 partners in developing and writing the proposals and in writing reports of final results. If
41 the grants approved by the Grants Committee do not utilize all available funds, the Sea
42 Grant College Program may advertise and solicit additional applications during the
43 applicable fiscal year.

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

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

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

11 (3) A description of the project.

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

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

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

17 (7) Any other information necessary to make a recommendation on the
18 application.

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

29 (e1) Grants Committee. – The Grants Committee shall consist of 11 members as
30 follows:

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

33 (2) Two employees of the Division of Marine Fisheries, appointed by the
34 Fisheries Director.

35 (3) Two members of the Marine Fisheries Commission, appointed by the
36 Chair of the Marine Fisheries Commission.

37 (4) One member of the Northeast Regional Advisory Committee
38 established pursuant to G.S. 143B-289.57(e), appointed by the
39 Northeast Regional Advisory Committee.

40 (5) One member of the Central Regional Advisory Committee established
41 pursuant to G.S. 143B-289.57(e), appointed by the Central Regional
42 Advisory Committee.

1 (6) One member of the Southeast Regional Advisory Committee
2 established pursuant to G.S. 143B-289.57(e), appointed by the
3 Southeast Regional Advisory Committee.

4 (7) One member of the Inland Regional Advisory Committee established
5 pursuant to G.S. 143B-289.57(e), appointed by the Inland Regional
6 Advisory Committee.

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

16 (g) Restrictions on Grants. – No member of the Grants Committee may benefit
17 financially from a grant. If a grant recipient from a prior year has failed to perform a
18 grant project to the satisfaction of the Sea Grant College Program or the Grants
19 Committee, the Grants Committee may decline to fund any new application involving
20 the principal applicant.

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

27 (i) Report on Grant Program. – The Sea Grant College Program shall report on
28 the Fishery Resource Grant Program to the Marine Fisheries Commission and the Joint
29 Legislative Commission on Seafood and Aquaculture no later than January 1 of each
30 year."

31 **SECTION 7.** There is appropriated from the General Fund to the
32 Department of Environment and Natural Resources, Division of Marine Fisheries, the
33 sum of five hundred thousand dollars (\$500,000) in recurring funds for the 2006-2007
34 fiscal year to establish the Shellfish Resource Grant Program.

35 **SECTION 8.** There is appropriated from the General Fund to the Board of
36 Governors of The University of North Carolina the sum of two hundred thousand
37 dollars (\$200,000) in recurring funds for the 2006-2007 fiscal year to be allocated to
38 North Carolina Sea Grant to offset federal budget cuts for the programs and operations
39 of the Sea Grant Program.

40 **SECTION 9.** There is appropriated from the General Fund to the
41 Department of Environment and Natural Resources, Division of Marine Fisheries, the
42 sum of three hundred sixty-two thousand dollars (\$362,000) in recurring funds for the
43 2006-2007 fiscal year to establish the Albemarle Sound River Herring Management
44 Program.

1 **SECTION 10.** There is appropriated from the General Fund to the
2 Department of Environment and Natural Resources the sum of one hundred
3 seventy-nine thousand dollars (\$179,000) in recurring funds for the 2006-2007 fiscal
4 year to be allocated to the Shellfish Sanitation and Recreational Water Quality Section
5 in the Division of Environmental Health as follows:

6 (1) Of the funds appropriated by this section, the sum of sixty-two
7 thousand dollars (\$62,000) shall be used each fiscal year to support a
8 position for a GIS staff person.

9 (2) Of the funds appropriated by this section, the sum of one hundred
10 seventeen thousand dollars (\$117,000) shall be used each fiscal year to
11 support two positions for shoreline surveyors to expand the pilot
12 program that examines the sources of pollution that affect shellfish
13 growing areas to all shellfish growing areas in the coastal region.

14 **SECTION 11.** This act becomes effective July 1, 2006.