

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

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**SENATE DRS75370-LT-117 (03/13)**

Short Title: Shellfish Industry Enhancements.

(Public)

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Sponsors: Senator Weinstein.

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Referred to:

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A BILL TO BE ENTITLED

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

The General Assembly of North Carolina enacts:

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

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

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

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

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

1       (a) Creation. – There is created within the Sea Grant College Program at The  
2 University of North Carolina, the Shellfish Resource Grant Program. The purpose of the  
3 program is to work within research priorities established by the North Carolina Coastal  
4 Habitat Protection Program and the Division of Marine Fisheries Oyster, Hard Clam,  
5 and Scallop Fishery Management Plans supported by the Grants Committee to protect  
6 and enhance the State's coastal fishery resources through individual grants in the  
7 following areas:

8           (1) Stock assessment and enhancement.

9           (2) Aquaculture or mariculture development, training, and education for  
10 estuarine and marine dependent species.

11           (3) Shellfish biology.

12           (4) Seafood technology and education.

13           (5) Environmental studies, including water quality and shellfisheries  
14 habitat.

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

16           (1) Aquaculture or mariculture development, training, and education for  
17 estuarine and marine dependent species. – Training and support for  
18 new and existing individual, commercial, and community mariculture  
19 and aquaculture operations and new and existing university and  
20 community college aquaculture, mariculture, and marine technology  
21 programs.

22           (2) Environmental studies. – Research and project implementation for the  
23 protection and restoration of shellfish habitat and shellfish waters.

24           (3) Seafood technology and education. – Development, testing, and  
25 training for marketing, production, processing, and harvest techniques  
26 that support sustainable shellfisheries.

27           (4) Shellfish biology. – Research on shellfish biology in support of  
28 enhancing and restoring North Carolina native shellfisheries.

29           (5) Shellfishing related industry. – Any of the following: (i) commercial  
30 fishing; (ii) recreational fishing; (iii) aquaculture; (iv) mariculture; and  
31 (v) handling of seafood products, including seafood dealing and  
32 seafood processing.

33           (6) Stock assessment and enhancement. – Comprehensive assessment and  
34 enhancement of existing and projected shellfish populations and  
35 habitats.

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

1       (d) Procedure to Solicit Proposals. – Following the establishment of priorities by  
2 the Grants Committee, the Sea Grant College Program shall hold workshops within the  
3 northern, southern, central, and Pamlico coastal regions to solicit applications and to  
4 assist persons involved in fishing related industries in writing proposals. The Sea Grant  
5 College Program shall encourage pre-proposal conferences among persons involved in  
6 fishing related industries and those with technical or research backgrounds to work as  
7 partners in developing and writing the proposals and in writing reports of final results. If  
8 the grants approved by the Grants Committee do not utilize all available funds, the Sea  
9 Grant College Program may advertise and solicit additional applications during the  
10 applicable fiscal year.

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

- 18           (1) Name and address of the primary applicant.
- 19           (2) List of marine fishing licenses issued under Chapter 113 of the General  
20 Statutes to the applicant by the State of North Carolina.
- 21           (3) A description of the project.
- 22           (4) A detailed statement of the projected costs of the project including the  
23 cost to plan and design the project.
- 24           (5) An explanation of how the project will enhance the fishery resource.
- 25           (6) List of names and addresses of any other persons who will participate  
26 in the project.
- 27           (7) Any other information necessary to make a recommendation on the  
28 application.

29       (f) Review Process. – The Sea Grant College Program shall conduct an  
30 anonymous peer review of all applications for fisheries grants. At least one of the peer  
31 reviewers shall be a person involved in a fishing related industry. An application is  
32 confidential and is not a public record under G.S. 132-1 until after the closing date for  
33 submission of applications. Following the review of all proposals, the Sea Grant College  
34 Program shall rank proposals in order of priority and shall present the recommendations  
35 to the Grants Committee. The Sea Grant College Program may adopt criteria to rank  
36 proposals. In adopting criteria, the Sea Grant College Program is exempt from Article  
37 2A of Chapter 150B of the General Statutes. Criteria adopted pursuant to this subsection  
38 are public records within the meaning of G.S. 132-1.

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

- 41           (1) Three employees of the Sea Grant College Program, appointed by the  
42 Director of the Sea Grant College Program.
- 43           (2) Two employees of the Division of Marine Fisheries, appointed by the  
44 Fisheries Director.

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

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

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

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

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

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

1 used for three new positions in the Division of Marine Fisheries and for operating  
2 expenses of the Program. The Program shall monitor river herring in the Albemarle  
3 Sound by surveying the spawning and nursery areas of herring and by sampling adult  
4 and juvenile herring to obtain data.

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