



PAT MCCRORY  
*Governor*

DONALD R. VAN DER VAART  
*Secretary*

## MEMORANDUM

TO: ENVIRONMENTAL REVIEW COMMISSION  
The Honorable Jimmy Dixon, Co-Chairman  
The Honorable Chuck McGrady, Co-Chairman  
The Honorable Trudy Wade, Co-Chairman

FROM: Brad Knott, Deputy Director of Legislative Affairs

SUBJECT: For-Hire Logbook Report

DATE: March 1, 2016

Pursuant to Session Law 2015-201, section 2, “The Division of Marine Fisheries of the Department of Environment and Natural Resources [now the Department of Environmental Quality] shall study the advisability of implementing a requirement that for-hire coastal recreational fishing license holders submit to the Division logbooks summarizing catch and effort statistical data. The study shall also include the establishment of and consultation with a stakeholder advisory group that shall only include persons who are for-hire license holders representing all major recreational fishing areas on the North Carolina coast, commercial fishing license holders on the North Carolina coast, and relevant staff to the Division.” The attached document satisfies this reporting requirement.

If you have any questions or need additional information, please contact me by phone at 919-707-9335 or via email at [Brad.Knott@ncdenr.gov](mailto:Brad.Knott@ncdenr.gov).

cc: John Evans, Chief Deputy Secretary, DEQ  
Jim Kelley, Acting Director of Marine Fisheries, DEQ  
Dee Lupton, Deputy Director of Marine Fisheries, DEQ



## **Executive Summary**

On Aug. 5, 2015, Session Law 2015-201 (Senate Bill 374) was signed into law by Governor Pat McCrory. This law required the N.C. Division of Marine Fisheries to establish a stakeholder advisory group “to study the advisability of implementing a requirement that for-hire coastal recreational fishing license (CRFL) holders submit to the Division logbooks summarizing catch and effort statistical data.” This report summarizes the results of a meeting held with members of the advisory group on Nov. 10, 2015.

Results indicate that there is general agreement that a logbook could be beneficial to the industry, but there was no agreement on how it should be implemented. Stakeholders identified various decision points, including compensation for submitting logbooks to a select group of guides and captains to ensure the accuracy of the data. A minority of attendees did not support a logbook requirement at all; all attendees suggested that any logbook be as simple to complete as possible. These comments were fully discussed and will be summarized in this report.

At this time, the Division is not pursuing legislation to authorize the implementation of the for-hire logbooks.

## **Introduction**

During a restructuring of for-hire licensing in 2011, the N.C. Division of Marine Fisheries determined that a census-based for-hire logbook was necessary to improve the accuracy of catch and release data previous methodology a subsampling of guides and charter captains. The Division felt that a logbook would improve managers’ abilities to monitor quotas and rare-event species, estimate economic impact and value of the for-hire industry, and provide users with documented personal histories in the event of future sector allocations. Beginning in 2011, the Division began outreach to the for-hire industry on implementation of a future for-hire logbook. Logbook development began in earnest in 2014 with a series of coastal stakeholder meetings, organization of industry groups to conduct pilot testing, obtaining funding, and working with other agencies to design electronic reporting applications and validation methodology. Throughout this process, the need and justification for a logbook was thoroughly described. The proposed logbook received significant opposition by the industry, primarily led by a guide association in the southern part of the state. The opposition cited numerous reasons such as government intrusion, concerns about how the data would be used, claims of fisheries mismanagement, inadequate outreach, and general mistrust.

The opposition succeeded in getting the Marine Fisheries Commission to delay a vote on the proposed for-hire logbook rule (15A NCAC 03O .0112) at the commission’s Feb. 18-20, 2015 business meeting. During the 2015 session of the N.C. General Assembly, General Statute 113-174.2 was modified by removing the statutory authority for the Division to require submission of a logbook. Additionally, Session Law 2015-201 (Senate Bill 374), which is attached, was signed into law requiring the Division to establish a stakeholder advisory group comprised of for-hire license holders representing all major recreational fishing areas along the coast and commercial fishing license holders “to study the advisability of implementing a requirement that for-hire coastal recreational fishing license holders submit to the Division logbooks summarizing catch and effort statistical data.”

A news release soliciting interested stakeholders was issued on October 12, 2015. Initial responses did not include adequate representation of commercial fishing license holders, so the N.C. Fisheries

Association was contacted to help recruit commercial fishermen. Ultimately, eight for-hire license holders and one commercial license holder were selected to be on the committee.

Shelby White  
Charlie Schoonmaker  
Dave Timpy  
Owen Sewell  
Matt Wirt

Joe Shute  
Ron McPherson  
George Beckwith  
Chris Kimrey

The advisory group meeting was held on Nov. 10, 2015 at the Craven County Extension Service auditorium in New Bern. There were 13 attendees composed of for-hire and commercial license holders from the southern and central regions of the coast, division staff and one interested member of the public. There was no representation from the Outer Banks charter or commercial fishing fleets.

The purpose of the meeting was to discuss the future implementation of a state for-hire logbook. A short PowerPoint slide show (attached) was presented that summarized the Division's previous attempt to implement a state for-hire logbook and other fisheries data collection issues. The meeting was then opened for discussion and debate on the merits of a logbook and what would be an acceptable logbook in the future. A copy of S.L. 2015-201 (Senate Bill 374) and a draft logbook template were distributed to aid discussions.

## **Summary of Open Discussion**

### ***Data***

The first topic of discussion was a proposal from three guides affiliated with the Recreational Fishing Alliance to improve the quality of the data obtained from for-hire logbooks. The Alliance felt that certain industry members could not be trusted to provide accurate, truthful data on their logbooks and that this inaccurate data would negatively impact those who were truthful and accurate with the data that they reported.

One attendee who supports a state for-hire logbook stated that there is a need for better and more accurate data on the for-hire industry. His justification was that he felt the for-hire industry's impact on fishery resources was overestimated while there was a concomitant underestimation of the economic value of the industry to the N.C. coastal economies. Moreover, he felt that the for-hire industry provided a valuable service to the public by teaching safe fish handling techniques and other conservation practices. Being able to document the industry's value to coastal economies would give the industry more ground to stand on when lobbying for things such as dock space for charter boats and marketing for the N.C. charter fleet.

There was considerable discussion, and some frustration, on how data obtained from logbooks and surveys are used. Division staff reviewed how logbook data could be used to monitor quotas and catch limits, document harvest of rare-event species, and provide personal and industry history in the event of catch shares or sector allocations. It was clear however, that the attendees did not fully understand how the data they provide are used and would like to know more about it. Suggestions were made to hold monthly or quarterly meetings to review data, obtain training on species identification, and learn

how the data are used in stock modelling. Division staff did not describe the more technical uses of fishery-dependent data (data obtained from trip tickets and logbooks) but distributed two documents via email after the meeting which detailed how logbook and survey data are used in fisheries stock assessment models. In summary, logbook data, and other fisheries-dependent data, are used to fully describe the removals from fisheries stocks in order to more accurately estimate biomass.

Attendees asked about the current survey method and why the data obtained from the survey are insufficient. Division staff described some of the shortcomings of the current For-Hire Survey conducted under contract to the National Marine Fisheries Service and why a logbook would correct these deficiencies. Staff described how a census program, like a logbook, provides more reliable data than a survey. The group discussed how logbook data also provides release data, which in many cases can be extremely important in understanding specific stock dynamics. The main shortcoming of the current For-Hire Survey is an inability to efficiently sample the inshore guide fleet due to their use of trailerable boats and their mobile nature. Their mobility makes it hard to predict their whereabouts for random intercepts.

### ***Compensation***

The proposal from the Alliance was to have the Division subsample a select group of 50-70 N.C. guides throughout the coastal region and compensate them in some form for submitting logbooks. They considered this proposal a new model for fisheries data collection. They believed that this approach guaranteed accurate data submitted by serious and involved guides who fully supported rebuilding the fishery resources and thereby eliminated the “bad apples.” Forms of compensation that were mentioned included monetary payments, free slips at state parks, paid insurance, seats on the Marine Fisheries Commission, and/or an extra fish in the recreational bag limit for participants. The Marine Resources Fund (Coastal Recreational Fishing License fund) was mentioned as a possible source of funding for monetary compensation. A selection panel could be established to determine the participants and tenures could be limited so that all guides would have an opportunity to participate. The proposal also included the possibility of certification and training on topics such as fish identification (especially the three species of flounder) and how to properly complete a logbook. These guides stated that a significant advantage of their proposal would be a reduced amount of needed validation since data would be submitted by certified guides and therefore relatively error free.

Other attendees disagreed with this compensation approach and cited their beliefs that headboat operators who have been providing logbooks for over 25 years without compensation would begin requesting compensation. Similarly, it was mentioned that commercial fishermen are not compensated for submitting federal logbooks and commercial dealers are not compensated for submitting trip tickets, yet if this compensation model was adopted for the for-hire industry these other groups would also want to be compensated. There is a general acceptance within regulatory agencies that those who make a living off of a public trust resource should not be further compensated for providing data to help manage that resource.

### ***Revenue***

The amount of revenue and how revenue in the Marine Resources Fund is used was also described by Division staff to clarify a comment that the revenue collected from the sale of Coastal Recreational Fishing Licenses is not used to aid the recreational fishing industry. Staff described how these funds are

indeed used to benefit the recreational angler by building and renovating boat ramps, piers, educational venues, and funding research on popular recreational species via the Coastal Recreational Fishing License Grant Program. It might be possible for a for-hire group to align with a university or government agency and submit a proposal to the grant program to fund their concept if they so desire.

### ***Different Version of Logbook***

One member proposed a monthly logbook that did not require recording of pinfish, lizardfish and other “trash” fish and “days not fished.” This logbook would be similar to the federal dolphin/wahoo logbook which is required to be submitted on a monthly basis. He stated that 50-60 guides in the southern part of the state supported this option but admitted that some guides just don’t want any logbook. One attendee mentioned that the National Marine Fisheries Service has recently stopped requiring days not fished in their Greater Atlantic Region Vessel Trip Report program. Reporting days not fished is universally adopted in fisheries data collection programs to aid in compliance. Elimination of days not fished is only manageable because the National Marine Fisheries Service has other compliance tools available to them.

### ***Guide License Caps***

One member also suggested a cap on the number of guide licenses similar to the commercial fishing license system. This would make the license more difficult to obtain and ensure only qualified guides and captains are active in the industry. In some states guide and charter licenses are limited entry licenses. This is done as a means to reduce effort on fishery stocks and reduce competition. This concept did not receive much support among other attendees. Most attendees felt that the industry is self-regulating with regard to the total number of participants.

There was also some discussion about the future implementation of limited entry for federally permitted for-hire operations. Staff described how the number of federal for-hire permittees is growing yet there is a limited biomass of fish available. Although not really pertinent to implementing a state logbook, the concept of federal sector allocations and limited entry licenses are of interest to many industry members in North Carolina.

### ***Study Group Concerns***

Of considerable concern was the level of mistrust that arose from the Division’s initial effort to implement a state logbook. Some industry members reported that the regulation was forced on them with little opportunity to comment before the statute was adopted. Some of this was due to confusion between statutes and rules and the processes that are followed in adopting and formulating both. Some members felt the Class 2 misdemeanor for non-reporting was too harsh. Some of this mistrust was due to miscommunication and the continued rehashing of false statements and assumptions via social media and online forums. Continual repeating of these misstatements had a significant impact on the buy-in from the industry and increased the level of mistrust between the Division and the industry. One take home message was that any effort to implement a future logbook must be preceded by adequate outreach to the industry.

### ***Explanation of Logbook Opposition***

Most of the opposition to a logbook was based on the burden of reporting. The industry believed that the logbooks had to be completed for each trip prior to entering port which was never proposed. Division staff clarified that it was designed as a weekly logbook, to capture each trip, but submitted only once a week on the Tuesday following each Sunday through Saturday fishing week. Some industry members also thought that the Division was asking for all species to be reported, but in reality the agency negotiated with industry members during development and removed the requirement to report pinfish, lizardfish, and other “trash” fish. Industry members also claimed that the Division was requiring exact counts of bait fish caught, but the Division was only asking for general estimates of the number of bait fish caught. Industry members had expressed concerns that they were too busy while fishing and attending to their charter to be filling out paperwork. Staff attempted to correct misstatements about when the proposed logbook was to be completed and when it was to be submitted to the Division. Weekly reporting, rather than monthly as suggested by one attendee, was determined as necessary to reduce recall error and to make the data more useful to monitor quotas and annual catch limits. In an effort to reduce the reporting burden as much as possible, Division staff intended to allow for paper logs, mobile apps, and internet reporting applications according to the preference of the user.

### **Federal Perspective**

In 2012, the South Atlantic Fishery Management Council, which oversees federally-regulated species in the North Carolina, South Carolina, Georgia and the east coast of Florida, began work on a regulation to require electronic logbook reporting for all federally-permitted charter boats operating in the South Atlantic. The regulation is expected to be finalized in 2016 with full implementation beginning January 2017. Although this amendment will not ensure that all for-hire operators in North Carolina will be contributing catch and release data, it will require logbooks from the entire offshore sportfishing fleet targeting dolphin and wahoo, and a good portion of N.C.’s guide fleet that fishes both nearshore and offshore for other federally-managed species such as Spanish mackerel, king mackerel, cobia, black sea bass, and several species of jacks. The upcoming South Atlantic charter logbook will be in addition to the current National Marine Fisheries Service Southeast Headboat Survey, which obtains logbooks from the headboat fleet. These two programs will provide usable catch and effort data for most federally-managed fish stocks. In addition, the Division intends to continue conducting the National Marine Fisheries Service For-Hire Survey to obtain for-hire fishing data on both federal and state-managed fish stocks that can be used to provide adequate estimates of catch and release data from the fleet.

### **Conclusion**

The Division currently has no intention of implementing a state logbook for the for-hire industry, although it could be reconsidered in the future if the industry requests it. To do so, the Division would have to request the General Assembly to reinstate the statutory authority contained in the previous version of G.S. 113-174.3 and to again submit a proposed rule to the Marine Fisheries Commission for adoption.

Based on comments made at the stakeholders meeting there is a segment of the for-hire industry that understands the benefits and would support a mandatory logbook. These supporters felt that a logbook was in the best long-term interest of the industry to show the economic importance of the industry to the coastal economy, as well as aid in providing actual catch and release data in the event of sector allocations, catch shares and limited entry. Perhaps more importantly, logbook data could be used to

estimate economic impacts of changing regulations on an individual basis, as well as to coastal communities.

There have been suggestions about instituting a voluntary for-hire logbook. The problem with a voluntary logbook is determining how the data can be used. It is highly inaccurate to extrapolate catch and release rates from a nonrandom contributing group to the entire population in order to obtain data for stock assessment modeling or quota monitoring. There may be some minimal uses for anecdotal information supplied in a voluntary program. If anglers or for-hire operators wish to provide catch and release data on a voluntary basis, they can do so on a currently available website that was developed by the Division just for that purpose ([www.ncrecfish.com](http://www.ncrecfish.com)).

From a Division perspective, it is evident that there is a split in the industry about whether or not a logbook is a good thing. The split at the meeting was nearly 50:50, which may be an indicator of the general for-hire population or may not be, depending on attendance. If the Division were to pursue a state logbook in the future, it is crucial that early outreach and involvement with the industry is necessary for successful implementation.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015**

**SESSION LAW 2015-201  
SENATE BILL 374**

AN ACT TO REPEAL THE REQUIREMENT THAT A HOLDER OF A FOR-HIRE COASTAL RECREATIONAL FISHING LICENSE SUBMIT A LOGBOOK SUMMARIZING CATCH AND EFFORT STATISTICAL DATA, TO DIRECT THE DIVISION OF MARINE FISHERIES TO STUDY THE ADVISABILITY OF REQUIRING THE SUBMISSION OF CATCH AND EFFORT STATISTICAL DATA; TO FORBID THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES FROM ENTERING INTO A JOINT ENFORCEMENT AGREEMENT WITH THE NATIONAL MARINE FISHERIES SERVICE; AND TO DIRECT THE DIVISION OF MARINE FISHERIES TO STUDY THE JOINT ENFORCEMENT AGREEMENT.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 113-174.3(e), as enacted by subsection 14.8(o) of S.L. 2013-360, is repealed.

**SECTION 2.** The Division of Marine Fisheries of the Department of Environment and Natural Resources shall study the advisability of implementing a requirement that for-hire coastal recreational fishing license holders submit to the Division logbooks summarizing catch and effort statistical data. The study shall also include the establishment of and consultation with a stakeholder advisory group that shall only include persons who are for-hire license holders representing all major recreational fishing areas on the North Carolina coast, commercial fishing license holders on the North Carolina coast, and relevant staff to the Division. The Division shall submit its report to the Environmental Review Commission no later than January 15, 2016.

**SECTION 3.(a)** G.S. 113-224 reads as rewritten:

**"§ 113-224. Cooperative agreements by Department.**

(a) ~~The~~ Except as otherwise provided in this section, the Department is empowered to enter into cooperative agreements with public and private agencies and individuals respecting the matters governed in this Subchapter. Pursuant to such agreements the Department may expend funds, assign employees to additional duties within or without the State, assume additional responsibilities, and take other actions that may be required by virtue of such agreements, in the overall best interests of the conservation of marine and estuarine resources.

(b) The Fisheries Director or a designee of the Fisheries Director ~~may~~ shall not enter into an agreement with the National Marine Fisheries Service of the United States Department of Commerce allowing Division of Marine Fisheries inspectors to accept delegation of law enforcement powers over matters within the jurisdiction of the National Marine Fisheries Service."

**SECTION 3.(b)** G.S. 128-1.1(c2) is repealed.

**SECTION 4.** The Division of Marine Fisheries of the Department of Environment and Natural Resources shall conduct a 12-month process to seek input from stakeholders on the impacts, costs, and benefits of a joint enforcement agreement with the National Marine Fisheries Service of the United States Department of Commerce and whether the authorization to enter into such an agreement should be reenacted. The study shall also include the establishment of and consultation with a stakeholder advisory group that shall only include persons who are for-hire license holders representing all major recreational fishing areas on the North Carolina coast, commercial fishing license holders on the North Carolina coast, and relevant staff to the Division. The Division shall submit its report to the Environmental Review Commission no later than October 15, 2016.





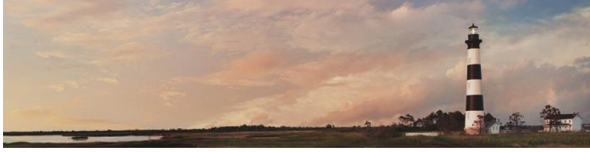
**SECTION 5.** This act is effective when it becomes law.  
In the General Assembly read three times and ratified this the 30<sup>th</sup> day of July, 2015.

s/ Louis M. Pate, Jr.  
Deputy President Pro Tempore of the Senate

s/ David R. Lewis  
Presiding Officer of the House of Representatives

s/ Pat McCrory  
Governor

Approved 3:35 p.m. this 5<sup>th</sup> day of August, 2015



November 10, 2015  
 Department of Environmental Quality



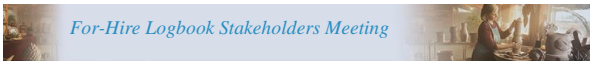
*For-Hire Logbook Stakeholders Meeting*

**Purpose**

To obtain feedback on the advisability of implementing a requirement for for-hire logbooks as required in Senate Bill 374.



Department of Environmental Quality



*For-Hire Logbook Stakeholders Meeting*

Summary and Timeline

- 2011** – Stakeholder meetings for feedback on proposed for-hire licensing changes and introduced our intentions to require a for-hire logbook.
- 2012** – Focused on licensing changes.
- 2013** – General Assembly provided authority for the license changes and logbook.
- 2014** – Outreach to the industry about the logbook and requested feedback on logbook design, and reporting methods.  
 Designed template, internet reporting applications, mobile apps, established advisory panel to work on validation, secured federal funding to assist with implementation.  
 Stakeholder meetings, public hearings on rule, MFC presentations
- 2015** – Met with guide association. Significant opposition to logbooks at MFC meetings, MFC delayed vote on logbook rule.  
 General Assembly removed statutory authority to mandate logbooks due to opposition, adopts Senate Bill 374 requiring us to study the need for a logbook. READ BILL

Department of Environmental Quality



*For-Hire Logbook Stakeholders Meeting*

Benefits of a for-hire logbook – Census versus Survey

DMF perspective

- Better, more accurate, data for management purposes
- Better, more accurate, data to show the economic value of the industry to NC
- Better, more accurate, data for monitoring quotas and ACL's.
- Better, more accurate, data on rare event species harvest and discards
- Data that can be used by members of the industry to document personal catch history

Department of Environmental Quality





How for-hire catch and discard data are currently obtained

- For-Hire Survey – conducted by DMF under contract with NMFS, these are the random calls you get from us asking about **activity**.
    - Dockside validation conducted as part of that survey to validate the phone survey. MRIP intercepts to determine **catch**.
    - This program will continue
  - Southeast Headboat Survey – NMFS conducts this logbook reporting program throughout the south Atlantic. All electronic. NMFS and DMF staff routinely ride on headboats to validate catch and obtain biological information.
  - NMFS Vessel Monitoring Survey in the northeast. This is a logbook program for commercial and charter vessels with certain permits operating north of Cape Hatteras. Electronic and paper.
  - Voluntary logbook at NCRECFISH.COM
- **In 2017 NMFS will require electronic reporting from charter vessels with federal permits operating in the south Atlantic.**

Department of Environmental Quality

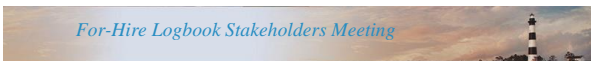


**\*\*\*End of Introduction\*\*\***

Meeting is being recorded. A report will be compiled based on any comments and discussions that follow. The report will be submitted to my bosses for review by December 15 and to the Environmental Review Commission by January 15, 2016.

A copy of the report can be emailed to those of you in attendance.

Department of Environmental Quality



Topics that could be addressed:

- Need or desire for a logbook
- Impact of a logbook on business operations
- Costs
- Data elements
- Reporting discards
- Reporting fishing location
- Logbook reporting methods – paper, electronic
- Submittal frequency



Department of Environmental Quality

