

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 111\*

Short Title: Transfer Aquaculture Licenses/Agric.

(Public)

Sponsors: Representatives Redwine, Grady, James, Smith, R. Thompson; and Nichols.

Referred to: Agriculture.

February 10, 1993

A BILL TO BE ENTITLED

AN ACT TO TRANSFER AUTHORITY FROM THE WILDLIFE RESOURCES  
COMMISSION TO THE DEPARTMENT OF AGRICULTURE TO REGULATE  
THE PRODUCTION AND SALE OF COMMERCIALY RAISED  
FRESHWATER FISH AND FRESHWATER CRUSTACEAN SPECIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 106-158 reads as rewritten:

"§ 106-758. Definitions.

In addition to the definitions in G.S. 113-129, the following definitions shall apply  
as used in this Article,

- (1) 'Aquaculture' means the propagation and rearing of aquatic species in controlled or selected environments, including, but not limited to, ocean ranching;
- (2) 'Aquaculture facility' means any land, structure or other appurtenance that is used for aquaculture, including, but not limited to, any laboratory, hatchery, rearing pond, raceway, pen, incubator, or other equipment used in aquaculture;
- (3) 'Aquatic species' means any species of finfish, mollusk, crustacean, or other aquatic invertebrate, amphibian, reptile, or aquatic plant, and including, but not limited to, 'fish' and 'fishes' as defined in G.S. ~~113-129(f);~~ 113-129(7);
- (4) 'Commissioner' means the Commissioner of Agriculture;
- (5) 'Department' means the North Carolina Department of Agriculture."

1           Sec. 2. Article 63 of Chapter 106 is amended by adding the following new  
2 sections to read:

3 "§ 106-761. Aquaculture facility registration and licensing.

4       (a) Authority. The North Carolina Department of Agriculture shall regulate the  
5 production and sale of commercially raised freshwater fish and freshwater crustacean  
6 species. The Board of Agriculture shall promulgate rules for the registration of facilities  
7 for the production and sale of freshwater aquaculturally raised species. The Board may  
8 prescribe standards under which commercially reared fish may be transported,  
9 possessed, bought, and sold. The Department of Agriculture and Board of Agriculture  
10 authority shall be limited to commercially reared fish and shall not include authority  
11 over the wild fishery resource which is managed under the authority of the North  
12 Carolina Wildlife Resources Commission. The authority granted herein to regulate  
13 facilities licensed pursuant to this section does not authorize the Department of  
14 Agriculture or the Board of Agriculture to promulgate rules that (i) are inconsistent with  
15 rules adopted by any other State agency; or (ii) exempt such facilities from the rules  
16 adopted by any other State agency.

17       (b) Species subject to this section. The following species are exempt from special  
18 restrictions on introduction of exotic species promulgated by the Wildlife Resources  
19 Commission except to prevent disease. All other species are prohibited from  
20 propagation and production unless the applicant for the permit first obtains written  
21 permission from the Wildlife Resources Commission.

22           (1) Bluegill                               Lepomis macrochirus

23           (2) Redear Sunfish                   Lepomis microlophus

24           (3) Redbreast Sunfish               Lepomis auritus

25           (4) Green Sunfish                   Lepomis cyanellus

26           (5) Any hybrids using above species of the genus Lepomis

27           (6) Black Crappie                   Pomoxis nigromaculatus

28           (7) White Crappie                   Pomoxis annularis

29           (8) Largemouth Bass               Micropterus salmoides (northern strain)

30           (9) Smallmouth Bass               Micropterus dolomieu

31           (10) White Catfish                   Ictalurus catus

32           (11) Channel Catfish               Ictalurus punctatus

33           (12) Golden Shiner               Notemigonus crysoleucas

34           (13) Fathead Minnow               Pimephales promelas

35           (14) Goldfish                       Carassius auratus

36           (15) Rainbow Trout               Oncorhynchus mykiss

37           (16) Brown Trout                   Salmo trutta

38           (17) Brook Trout                   Salvelinus fontinalis

39           (18) Common Carp               Cyprinus carpio

40           (19) Crayfish                   Procambarus species

41       (c) Hybrid striped bass. The hybrid striped bass shall be subject to rules adopted  
42 by the Board of Agriculture in all river basins of the State except for the Neuse,  
43 Roanoke, and Tar/Pamlico River basins. In these basins production, propagation, and

1 holding facilities shall comply with additional escapement prevention measures as  
2 prescribed by the Wildlife Resources Commission.

3 (d) Aquaculture Propagation and Production Facility License. The Board of  
4 Agriculture may, by rule, authorize and license the operation of fish hatcheries and  
5 production facilities for species of fish listed in subsection (b) of this section. The  
6 Board may prescribe standards of operation, qualifications of operators, and the  
7 conditions under which fish may be commercially reared, transported, possessed,  
8 bought, and sold. Aquaculture Propagation and Production Licenses issued by the  
9 North Carolina Department of Agriculture shall be valid for a period of five years.

10 (e) Commercial Catchout Facility License.

11 (1) Commercial catchout facilities must be stocked exclusively with  
12 hatchery reared fish obtained from hatcheries approved by the  
13 Department of Agriculture to prevent the introduction of diseases. The  
14 Board of Agriculture may, by rule, prescribe standards of operation  
15 and conditions under which fish from such ponds may be taken,  
16 transported, possessed, bought, and sold.

17 (2) The Commercial Catchout Facility License shall be valid for a period  
18 of five years. A pond owner or operator licensed under this subsection  
19 shall be authorized to sell fish taken by fishermen from the pond to  
20 such fishermen. Fish sold at such facilities shall be limited to those  
21 fish covered under this section.

22 (3) The holder of the Catchout Facility License shall provide receipts to  
23 the purchasers of fish. The receipt shall describe the species, number,  
24 total weight, and the location of the catchout facility.

25 (4) No fish taken from a commercial catchout facility may be resold by  
26 the purchasing angler for any purpose.

27 (5) No fishing, special trout, or other license shall be required of anglers  
28 fishing in licensed commercial catchout facilities.

29 (f) Holding Pond/Tank Permit. All facilities holding live food or bait species for  
30 sale must obtain a Holding Pond/Tank Permit. Permits shall be valid for a period of two  
31 years and shall only authorize possession of fish specified in this section. All fish held  
32 live for sale shall be kept in accordance with rules promulgated by the Board of  
33 Agriculture. Possession of an Aquaculture Propagation and Production Facility or  
34 Commercial Catchout Facility License shall serve in lieu of a Holding Pond/Tank  
35 Permit for possession both on and off their facilities premises. No permit shall be  
36 required for holding lobsters for sale.

37 (g) Possession of species other than those listed in subsection (b) of this section  
38 or as authorized in writing by the Wildlife Resources Commission shall be a violation  
39 which shall result in the revocation of the Aquaculture Propagation and Production  
40 Facility or Commercial Catchout Facility License until such time that proper  
41 authorization is received from the Wildlife Resources Commission or the unauthorized  
42 species is removed from the facility. In the event of possession of unauthorized fish  
43 species, the Wildlife Resources Commission may take further regulatory action. The  
44 Department of Agriculture and the Wildlife Resources Commission shall have authority

1 to enter the premises of such facilities to inspect for the possession of a species other  
2 than those authorized in subsection (b) of this section or authorized by written  
3 permission of the Wildlife Resources Commission.

4 (h) Nothing in this act shall apply to the aquarium or ornamental trade in fish.  
5 The Wildlife Resources Commission may by rule identify species for which possession  
6 in the State is prohibited.

7 **"§ 106-762. Fish disease management.**

8 (a) The North Carolina Department of Agriculture shall, with the assistance of  
9 the Wildlife Resources Commission, develop and implement a fish disease management  
10 plan to prevent the introduction of fish diseases through aquaculture facilities subject to  
11 the provisions and duly adopted rules of this section into the State.

12 (b) Release of fish. It shall be unlawful to willfully release domestically raised  
13 fish into the waters of the State, other than in private ponds as defined by G.S. 113-129,  
14 without written permission of the Wildlife Resources Commission, or the Division of  
15 Marine Fisheries of the Department of Environment, Health, and Natural Resources.

16 **"§ 106-763. Fish passage and residual stream flow.**

17 (a) Natural watercourses as designated by law or regulation shall not be blocked  
18 with a stand, dam, weir, hedge, or other water diversion structure to supply an  
19 aquaculture facility that in any way prevents or fails to maintain the free passage of  
20 anadromous or indigenous fish.

21 (b) Residual flow in a natural watercourse below the point of water withdrawal  
22 supplying an aquaculture operation shall be sufficient to prevent destruction or serious  
23 diminution of downstream fishery habitat and shall be consistent with rules adopted by  
24 the Environmental Management Commission.

25 **"§ 106-764. Violation. A person who violates this act or a rule of the Board of**  
26 **Agriculture adopted hereunder is guilty of a misdemeanor punishable by**  
27 **a fine not to exceed five hundred dollars (\$500.00) or imprisonment for**  
28 **not more than 30 days, or both."**

29 Sec. 3. G.S. 113-273 reads as rewritten:

30 **"§ 113-273. Dealer licenses.**

31 (a) 'Dealer' Defined; All Licenses Annual. – As used in this section, the word  
32 'dealer' includes all persons or individuals required to be licensed under the terms of this  
33 section. Except when indicated otherwise, dealer licenses are annual licenses issued  
34 beginning January 1 each year running until the following December 31.

35 (b) License Required; Rules Governing Licensee. – Except as otherwise  
36 provided, no person may engage in any activity for which a dealer license is provided  
37 under this section without first having procured a current and valid dealer license for  
38 that activity. In implementing the provisions of this section, the Wildlife Resources  
39 Commission may by rule govern every aspect of the licensee's dealings in wildlife  
40 resources. Specifically, these rules may require dealers to:

- 41 (1) Implement a system of tagging or otherwise identifying and  
42 controlling species regulated under the license and pay a reasonable  
43 fee, not to exceed two dollars and twenty-five cents (\$2.25), for each  
44 tag furnished by the Wildlife Resources Commission;

- 1 (2) Keep records and statistics in record books furnished by the Wildlife  
2 Resources Commission, and pay a reasonable charge to defray the cost  
3 of furnishing the books;
- 4 (3) Be subject to inspection at reasonable hours and audit of wildlife  
5 resources and pertinent records and equipment;
- 6 (4) Make periodic reports;
- 7 (5) Post performance bonds payable to the Wildlife Resources  
8 Commission conditioned upon faithful compliance with provisions of  
9 law; and
- 10 (6) Otherwise comply with reasonable rules and administrative  
11 requirements that may be imposed under the authority of this section.
- 12 (e) ~~Commercial Trout Pond License.—As used in this subsection, a "commercial~~  
13 ~~trout pond" is a fish tank meeting standards set by the Wildlife Resources Commission~~  
14 ~~or an artificial impoundment of three acres or less lying on private land and not on a~~  
15 ~~natural stream, but which may be supplied through screened and regulated supply lines.~~  
16 ~~A commercial trout pond must be stocked exclusively with hatchery-reared mountain~~  
17 ~~trout obtained from hatcheries approved by the Wildlife Resources Commission. The~~  
18 ~~Wildlife Resources Commission may by rule prescribe qualifications of operators of~~  
19 ~~commercial trout ponds, standards of operation, and the conditions under which trout~~  
20 ~~from such ponds may be taken, transported, possessed, bought, and sold. Commercial~~  
21 ~~trout pond licenses issued by the Wildlife Resources Commission are as follows:~~
- 22 (1) ~~Commercial trout fishing pond license, twenty five dollars (\$25.00).~~  
23 ~~Authorizes the responsible licensed pond owner or operator to sell~~  
24 ~~trout taken by fishermen from the pond to such fishermen.~~
- 25 (2) ~~Commercial trout holding pond license, five dollars (\$5.00).~~  
26 ~~Authorizes the responsible licensed pond owner or operator to hold~~  
27 ~~live trout for sale under conditions prescribed by the Wildlife~~  
28 ~~Resources Commission. No person holding a fish propagation license~~  
29 ~~for trout under subsection (e) need also procure this license.~~
- 30 (d) Repealed by Session Laws 1979, c. 830, s. 1.
- 31 (e) ~~Fish Propagation License.—The Wildlife Resources Commission may by rule~~  
32 ~~authorize and license the operation of fish hatcheries for species of fish which may be~~  
33 ~~found in inland fishing waters. The Wildlife Resources Commission may prescribe~~  
34 ~~standards of operation, qualifications of operators, and the conditions under which fish~~  
35 ~~may be taken, transported, possessed, bought, and sold. Fish propagation licenses issued~~  
36 ~~by the Wildlife Resources Commission are as follows:~~
- 37 (1) ~~Trout propagation license, twenty five dollars (\$25.00). Authorizes~~  
38 ~~artificial propagation and sale of all species of freshwater trout~~  
39 ~~permitted under the rules of the Wildlife Resources Commission in~~  
40 ~~accordance with those rules.~~
- 41 (2) ~~Restricted propagation license, twenty five dollars (\$25.00).~~  
42 ~~Authorizes artificial propagation and sale of species of fish other than~~  
43 ~~trout designated in the license, in accordance with governing rules of~~  
44 ~~the Wildlife Resources Commission.~~

1 (f) Fur-Dealer License. – Except as otherwise provided in this subsection, any  
2 individual in this State who deals in furs must obtain an appropriate fur-dealer license.  
3 For the purposes of this subsection, 'dealing in furs' is engaging in the business of  
4 buying or selling fur-bearing animals or other wild animals that may lawfully be sold,  
5 the raw furs, pelts, or skins of those animals, or the furs, pelts, or skins of wild animals  
6 which may not themselves be sold but whose fur, pelt, or skin may lawfully be sold. A  
7 hunter or trapper who has lawfully taken wild animals whose fur, pelt, or skin is  
8 permitted to be sold under this subsection is not considered a fur dealer if he exclusively  
9 sells the animals or the furs, pelts, and skins, as appropriate, to licensed fur dealers. All  
10 fur-dealer licenses are annual licenses issued beginning July 1 each year running until  
11 the following June 30. Fur-dealer licenses issued by the Wildlife Resources  
12 Commission are as follows:

- 13 (1) Resident fur-dealer license, sixty dollars (\$60.00). Authorizes an  
14 individual resident of the State to deal in furs in accordance with the  
15 rules of the Wildlife Resources Commission.
- 16 (2) Nonresident fur-dealer license, three hundred dollars (\$300.00).  
17 Authorizes an individual within the State to deal in furs in accordance  
18 with the rules of the Wildlife Resources Commission.
- 19 (3) Fur-dealer station license, one hundred twenty dollars (\$120.00).  
20 Authorizes a person or individual to deal in furs at an established  
21 location where fur dealings occur under the supervision of a  
22 responsible individual manager named in the license. Individual  
23 employees of the business dealing in furs solely at the established  
24 location under the supervision of the manager need not acquire an  
25 individual license. Any employee who also deals in furs outside the  
26 established location must obtain the appropriate individual license.  
27 Individuals dealing in furs at an established location may elect to do so  
28 under their individual licenses.

29 The Executive Director may administratively provide for  
30 reissuance of a station license without charge for the remainder of the  
31 year when either a business continues at an established location under  
32 a new supervising manager or the business changes to a new location.  
33 Before reissuing the license, however, the Executive Director must  
34 satisfy himself that there is a continuation of essentially the same  
35 business previously licensed and that any new supervising manager  
36 meets the qualifications imposed by rules of the Wildlife Resources  
37 Commission. The supervising manager must file the names of all  
38 employees of the business covered by a fur-dealer station license,  
39 whether temporary or permanent, including employees who process or  
40 skin the animals.

41 The Executive Director must furnish supervising managers and individual licensees  
42 with forms or record books for recording required information as to purchase, sale,  
43 importation, exportation, and other dealings, and make a reasonable charge to cover the

1 costs of any record books furnished. It is unlawful for anyone dealing in furs to fail to  
2 submit reports required by rules or reasonable administrative directives.

3 (g) Controlled Hunting Preserve Operator License. – The Wildlife Resources  
4 Commission is authorized by rule to set standards for and to license the operation of  
5 controlled hunting preserves operated by private persons. Controlled hunting preserves  
6 are of two types: one is an area marked with appropriate signs along the outside  
7 boundaries on which only domestically raised game birds other than wild turkeys are  
8 taken; the other is an area enclosed with a dog-proof fence on which foxes may be  
9 hunted with dogs only. A controlled fox hunting preserve operated for private use may  
10 be of any size; a controlled hunting preserve operated for commercial purposes shall be  
11 an area of not less than 500 acres or of such size as set by regulation of the Wildlife  
12 Resources Commission, which shall take into account differences in terrain and  
13 topography, as well as the welfare of the foxes.

14 Operators of controlled fox hunting preserves may purchase live foxes from licensed  
15 trappers who live-trap foxes during any open season for trapping them and may, at any  
16 time, take live foxes from their preserves for sale to other licensed operators. The  
17 controlled hunting preserve operator license may be purchased for a fee of fifty dollars  
18 (\$50.00), and is an annual license issued beginning August 1 each year running until the  
19 following July 1.

20 (h) Game Bird Propagation License. – No person may propagate game birds in  
21 captivity or possess game birds for propagation without first procuring a license under  
22 this subsection. The Wildlife Resources Commission may by rule prescribe the  
23 activities to be covered by the propagation license, which species of game birds may be  
24 propagated, and the manner of keeping and raising the birds, in accordance with the  
25 overall objectives of conservation of wildlife resources. Except as limited by this  
26 subsection, propagated game birds may be raised and sold for purposes of propagation,  
27 stocking, food, or taking in connection with dog training as authorized in G.S. 113-  
28 291.1(d). Migratory game bird operations authorized under this subsection must also  
29 comply with any applicable provisions of federal law and rules. The Wildlife Resources  
30 Commission may impose requirements as to shipping, marking packages, banding,  
31 tagging, or wrapping the propagated birds and other restrictions designed to reduce the  
32 change of illicit game birds being disposed of under the cover of licensed operations.  
33 The Wildlife Resources Commission may make a reasonable charge for any bands, tags,  
34 or wrappers furnished propagators. The game bird propagation license is issued by the  
35 Wildlife Resources Commission upon payment of a fee of five dollars (\$5.00). It  
36 authorizes a person or individual to propagate and sell game birds designated in the  
37 license, in accordance with the rules of the Wildlife Resources Commission, except:

38 (1) Wild turkey and ruffed grouse may not be sold for food.

39 (2) Production and sale of pen-raised quail for food purposes is under the  
40 exclusive control of the Department of Agriculture. The Wildlife  
41 Resources Commission, however, may regulate the possession,  
42 propagation, and transportation of live pen-raised quail.

43 Wild turkey acquired or raised under a game bird propagation license shall be confined  
44 in a cage or pen approved by the Wildlife Resources Commission and no such wild

1 turkey shall be released for any purpose or allowed to range free. It is a misdemeanor  
2 punishable by a fine of not less than one hundred dollars (\$100.00) in addition to such  
3 other punishment the court may impose in its discretion to sell wild turkey or ruffed  
4 grouse for food purposes, to sell quail other than lawfully acquired pen-raised quail for  
5 food purposes, or to release or allow wild turkey to range free.

6 (i) Furbearer Propagation License. – No person may engage in propagation in  
7 captivity or possess any species of furbearers for propagation for the purpose of selling  
8 the animals or their pelts for use as fur without first procuring a license under this  
9 subsection. The furbearer propagation license is issued by the Wildlife Resources  
10 Commission upon payment of a fee of twenty-five dollars (\$25.00). It authorizes the  
11 propagation or sale of the pelts or carcasses of the species of furbearing animals named  
12 therein, including bobcats, opossums and raccoons, or red and silver foxes (*Vulpes*  
13 *vulpes*), for use as fur. The Wildlife Resources Commission may by rule prescribe the  
14 activities covered by the license, the manner of keeping and raising the animals and the  
15 manner of killing them prior to sale, in accordance with overall objectives of  
16 conservation of wildlife resources and humane treatment of wild animals raised in  
17 captivity. The Wildlife Resources Commission may require tagging of the pelts or  
18 carcasses of the animals prior to sale in accordance with the provisions of G.S. 113-  
19 276.1(5) and G.S. 113-291.4(g). It is unlawful for any person licensed under this  
20 subsection to sell any pelt or carcass of any furbearing animal or fox to any other person  
21 who is not lawfully authorized to buy and possess the same, or to sell or deliver a live  
22 specimen of any such animal to any person who is not authorized to buy or receive and  
23 to hold the animal in captivity.

24 (j) [Reserved.]

25 (k) Taxidermy License. – Any individual who engages in taxidermy involving  
26 wildlife for any compensation, including reimbursement for the cost of materials, must  
27 first procure a taxidermy license. This license is an annual license issued by the Wildlife  
28 Resources Commission for ten dollars (\$10.00). The Wildlife Resources Commission  
29 must require a licensee to keep records concerning any wildlife taken or possessed by  
30 him; to keep records of the names and addresses of persons bringing him wildlife, the  
31 names and addresses of persons taking the wildlife if different, and other information  
32 concerning the origin of the wildlife; to inspect any applicable licenses or permits  
33 pertaining to the taking and possession of wildlife brought to him; to restrict him to  
34 taxidermy upon lawfully acquired wildlife; and to keep other pertinent records. No  
35 taxidermist subject to license requirements may sell any game or game fish in which he  
36 deals except that a taxidermist may acquire a valid possessory lien upon game or game  
37 fish under the terms of Chapter 44A of the General Statutes and, with a permit from the  
38 Executive Director, may sell the game or game fish under the procedure authorized in  
39 Chapter 44A. Wildlife acquired by a taxidermist is deemed 'personal property' for the  
40 purposes of Chapter 44A."

41 Sec. 4. G.S. 113-274(c)(3b) reads as rewritten:

42 ~~"(3b) Trout Sale Permit. — Authorizes the sale at wholesale or retail of dead~~  
43 ~~artificially propagated mountain trout for food purposes if the trout~~  
44 ~~have been lawfully acquired from a hatchery approved by the Wildlife~~



1                   ~~Resources Commission and are appropriately wrapped or otherwise~~  
2                   ~~identified as hatchery-reared trout as required by governing rules. No~~  
3                   ~~person who holds a license that authorizes the sale of trout need~~  
4                   ~~purchase this permit."~~

5                   Sec. 4.1. The Revisor of Statutes shall codify the material shown with double  
6 underlining in G.S. 105-761(b) as enacted by Section 2 of this act with single  
7 underlining.

8                   Sec. 5. This act becomes effective January 1, 1994.