

**GENERAL ASSEMBLY OF NORTH CAROLINA**



**Session 2009**

**Legislative Fiscal Note**

**BILL NUMBER:** House Bill 1343 (First Edition)

**SHORT TITLE:** Federal Enforcement by Marine Inspectors.

**SPONSOR(S):** Representatives Harrell and Jackson

<b>FISCAL IMPACT</b>					
	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 2009-10</u></b>	<b><u>FY 2010-11</u></b>	<b><u>FY 2011-12</u></b>	<b><u>FY 2012-13</u></b>	<b><u>FY 2013-14</u></b>
<b>REVENUES</b>					
Dept. of Environment & Natural Resources	<b>Federal funds of up to \$600,000 annually could be available depending upon the terms of the Joint Enforcement Agreement</b>				
<b>EXPENDITURES</b>					
Dept. of Environment & Natural Resources	<b>See Assumptions and Methodology</b>				
<b>POSITIONS (cumulative):</b>					
Dept. of Environment & Natural Resources	0	0	0	0	0
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b>					
Dept. of Environment & Natural Resources – Division of Marine Fisheries					
<b>EFFECTIVE DATE:</b> When H.B. 1343 becomes law					

**BILL SUMMARY:**

H.B.1343 amends G.S. 113-134.1 to allow marine fisheries inspectors to accept the delegation of law enforcement powers from the National Marine Fisheries Service (NMFS). The State Fisheries Director or the Director’s designee must authorize the delegation of authority in order for it to be accepted by a marine fisheries inspector. In addition, the bill allows the office of marine fisheries inspector to be held concurrently with any other elected or appointed office.

**ASSUMPTIONS AND METHODOLOGY:**

Marine Fisheries Inspectors (Inspectors) patrol state and federal waters enforcing fisheries rules and regulations. Many of North Carolina’s rules mirror federal rules and can be enforced by

Inspectors on North Carolina vessels in both state and federal waters. However, when in federal waters on vessels from other states, North Carolina's Inspectors cannot enforce most of these rules. H.B. 1343 will give Inspectors the ability to enforce rules regardless of vessel. This delegation of authority will also allow Inspectors to enforce federal rules that they do not currently enforce.

Authority is delegated through a Cooperative Enforcement Agreement (CEA) with NMFS. This agreement deputizes North Carolina's Inspectors to enforce federal rules. The CEA is a written, planned agreement in which both the State and NMFS agree to a list of priorities or activities to be enforced by the Inspectors. The federal *Magnuson-Stevens Fishery Conservation and Management Reauthorization Act of 2006* authorizes the Secretary of the U.S. Department of Commerce to enter into a CEA with the NMFS. The CEA will allow the State to enter into a Joint Enforcement Agreement (JEA) with NMFS. This agreement will provide federal funds to the State for any duties performed under the agreement.

North Carolina is the only Atlantic coastal state that is not currently utilizing this program. According to DENR's Division of Marine Fisheries (DMF), this agreement benefits both North Carolina and NMFS; it provides for better enforcement of federal law in North Carolina waters and provides additional enforcement capacity for NMFS, which has limited manpower. According to the NMFS, DMF would have received \$600,000 in FY 2008-09 if a JEA had been in place. The funding provided by the JEA is granted at the time the agreement is signed and does not require DMF to wait for reimbursement.

#### Revenue Impact

The amount provided to the State by the JEA fluctuates and is dependent upon the duties outlined in the agreement as well as the federal budget for joint agreements. Despite anticipated funds of \$600,000 annually, DMF maintains that positions and operating expenses cannot be fund-shifted to these federal funds due to the volatility of the funding for JEA and the need for these funds to pay for the additional operating expenses incurred while carrying out the JEA.

#### Operating Expenses Impact

Inspectors' current duties are already included as part of the budget for DMF. Any new or additional duties performed as a result of the CEA, as well as any equipment needed to perform these duties, will be funded by the JEA. DMF anticipates that these federal funds would be used to pay for overtime, training, equipment (boats, planes, etc), and other supporting costs such as gas. While the JEA will increase DMF operating expenditures, those additional costs will be covered by federal funds, meaning there will be no need for additional General Fund appropriations.

Thus, H.B. 1343 is anticipated to have a neutral fiscal impact on DMF. However, future one-time appropriations for new equipment as well as certain operating budget increases could potentially be forgone if the federal funding is used for the purchases of replacement equipment or if the funding stabilizes and positions and operating can be fund-shifted.

#### **SOURCES OF DATA:**

Department of Environment and Natural Resources

#### **TECHNICAL CONSIDERATIONS:** None

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**DATE:** April 24th, 2009



**Signed Copy Located in the NCGA Principal Clerk's Offices**