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**INCREASE FUNDING FOR DREDGING**

**SECTION 14.22.(a)** G.S. 75A-3 reads as rewritten:

**"§ 75A-3. Wildlife Resources Commission to administer Chapter; Vessel Committee; funds for administration.**

(a) The Commission shall enforce and administer the provisions of this Chapter.

(b) The chair of the Commission shall designate from among the members of the Commission three members who shall serve as the Vessel Committee of the Commission, and who shall, in their activities with the Commission, place special emphasis on the administration and enforcement of this Chapter.

(c) The Boating Account is established within the Wildlife Resources Fund created under G.S. 143-250. Interest and other investment income earned by the Account accrues to the Account. All moneys collected pursuant to the numbering and titling provisions of this Chapter shall be credited to this Account. Motor fuel excise tax revenue is credited to the Account under G.S. 105-449.126. The Commission shall use revenue in the Account, subject to the Executive Budget Act and the Personnel Act, for the administration and enforcement of this Chapter; for activities relating to boating and water safety including education and waterway marking and improvement; and for boating access area acquisition, development, and maintenance. The Commission shall use at least three dollars (\$3.00) of each one-year certificate of number fee and at least nine dollars (\$9.00) of each three-year certificate of number fee collected under the numbering provisions of G.S. 75A-5 for boating access area acquisition, development, and maintenance. The Commission shall transfer on a quarterly basis fifty percent (50%) of each one-year certificate of number fee and fifty percent (50%) of each

1 three-year certificate of number fee collected under the numbering provisions of G.S. 75A-5 to  
2 the Shallow Draft Navigation Channel and Lake Dredging Fund established by  
3 G.S. 143-215.73F."

4 **SECTION 14.22.(b)** G.S. 75A-5 reads as rewritten:

5 "**§ 75A-5. Application for certificate of ~~number and fees; number; fees; reciprocity;~~**  
6 **change of ownership; conformity with federal regulations; records; award of**  
7 **certificates; renewal of certificates; transfer of partial interest; destroyed or**  
8 **junked vessels; abandonment; change of address; duplicate certificates;**  
9 **display.**

10 (a) Application for Certificate of ~~Number and Fees~~Number. – The owner of each  
11 vessel requiring numbering by this State shall file an application for a certificate of number  
12 with the Commission. The Commission shall furnish application forms and shall prescribe the  
13 information contained in the application form. The application shall be signed by the owner of  
14 the vessel or the owner's agent and shall be accompanied by a fee. ~~The fee is fifteen dollars~~  
15 ~~(\$15.00) for a one-year period or forty dollars (\$40.00) for a three-year period.~~fee, as set out in  
16 subsection (a1) of this section. The fee does not apply to vessels owned and operated by  
17 nonprofit rescue squads if they are operated exclusively for rescue purposes, including rescue  
18 training. The owner shall have the option of selecting a one-year numbering period or a  
19 three-year numbering period. Upon receipt of the application in approved form, the  
20 Commission shall enter the application in its records and issue the owner a certificate of  
21 number stating the identification number awarded to the vessel and the name and address of the  
22 owner, and a validation decal indicating the expiration date of the certificate of number. The  
23 owner shall paint on or attach to each side of the bow of the vessel the identification number in  
24 such manner as may be prescribed by rules of the Commission in order that it may be clearly  
25 visible. The identification number shall be maintained in legible condition. The validation decal  
26 shall be displayed on the starboard bow of the vessel immediately following the number. The  
27 certificate of number shall be pocket size and shall be available for inspection on the vessel for  
28 which the certificate is issued at all times the vessel is in operation. Any person charged with  
29 failing to so carry a certificate of number shall not be convicted if the person produces in court  
30 a certificate of number previously issued to the owner that was valid at the time of the alleged  
31 violation.

32 (a1) Fees. – The fees for certificates of number are as set out in this subsection:

33 (1) The fee for a certificate of number for a one-year period is:

34 a. Thirty dollars (\$30.00) for a vessel that is less than 26 feet in length.

35 b. Fifty dollars (\$50.00) for a vessel that is 26 feet or more in length.

36 (2) The fee for a certificate of number for a three-year period is:

37 a. Ninety dollars (\$90.00) for a vessel that is less than 26 feet in length.

38 b. One hundred fifty dollars (\$150.00) for a vessel that is 26 feet or  
39 more in length.

40 ...

41 (h) **Renewal of Certificates.** – An owner of a vessel awarded a certificate of number  
42 pursuant to this Chapter shall renew the certificate on or before the first day of the month after  
43 which the certificate expires; otherwise, the certificate shall lapse and be void until such time as  
44 it may thereafter be renewed. Application for renewal shall be submitted on a form approved by  
45 the Commission and shall be accompanied by a fee in the amount set in subsection ~~(a)~~(a1)  
46 ~~this section. No fee is required for a period of one year for renewal of certificates of number~~  
47 ~~that have been previously issued to commercial fishing vessels as defined in G.S. 75A-5.1,~~  
48 ~~upon compliance with all of the requirements of that section.~~

49 ...."

50 **SECTION 14.22.(c)** G.S. 75A-5.1 is repealed.

51 **SECTION 14.22.(d)** G.S. 75A-7 reads as rewritten:

**"§ 75A-7. Exemption from numbering requirements.**

(a) A vessel shall not be required to be numbered under this Chapter if it is:

- (1) A vessel that is required to be awarded an identification number pursuant to federal law or a federally approved numbering system of another state, and for which an identification number has been so awarded: Provided, that any such vessel shall not have been within this State for a period in excess of 90 consecutive days.
- (2) A vessel from a country other than the United States temporarily using the waters of this State.
- (3) A vessel whose owner is the United States, a state or a subdivision thereof.
- (4) A ship's lifeboat.
- ~~(5) A vessel that has a valid marine document issued by the federal Bureau of Customs or any federal agency successor thereto.~~
- (6) A sailboat of not more than 14 feet on the load water line (LWL).
- (7) A vessel with no means of propulsion other than drifting or manual paddling, poling, or rowing.

(b) The Commission is hereby empowered to permit the voluntary numbering of vessels owned by the United States, a state or a subdivision thereof.

(c) Those vessels owned by the United States, a state or a subdivision thereof and those owned by nonprofit rescue squads may be assigned a certificate of number bearing no expiration date but which shall be stamped with the word "permanent" and shall not be renewable so long as the vessel remains the property of the governmental entity or nonprofit rescue squad. If the ownership of any such vessel is transferred from one governmental entity to another or to a nonprofit rescue squad or if a vessel owned by a nonprofit rescue squad is transferred to another nonprofit rescue squad or governmental entity, the Commission shall issue a new permanent certificate of number, displaying the same identification number, without charge to the successor entity. When any such vessel is sold to a private owner or is otherwise transferred to private ownership, the applicable certificate of number shall be deemed to have expired immediately prior to the transfer. Prior to further use on the waters of this State, the new owner shall obtain a certificate of number pursuant to the provisions of this Chapter. The provisions of this subsection applicable to a vessel owned by a nonprofit rescue squad apply only to a vessel operated exclusively for rescue purposes, including rescue training."

**SECTION 14.22.(e)** G.S. 75A-34 reads as rewritten:

**"§ 75A-34. Who may apply for certificate of title; authority of employees of Commission.**

(a) Any owner of a motorized vessel or sailboat 14 feet or longer or any personal watercraft, as defined in G.S. 75A-13.3(a), that is applying for a certificate of number for the first time in this State pursuant to G.S. 75A-5(a), and any new owner of a motorized vessel or sailboat 14 feet or longer or any personal watercraft to whom ownership is being transferred under G.S. 75A-5(c) shall apply to the Commission for a certificate of title for that vessel. Any other vessel may be titled in this State at the owner's option. A vessel may not be titled in this State if it is titled in another state, unless the current title is surrendered along with the application for a certificate of title in this State. The Commission shall issue a certificate of title upon reasonable evidence of ownership, which may be established by affidavit, bill of sale, manufacturer's statement of origin, certificate of title in this State, certificate of number or title from another state, or other document satisfactory to the Commission. Only one certificate of title may be issued for any vessel in this State. A vessel may not be titled in this State if it is documented with the United States Coast Guard-Guard, unless the documentation has expired or been deleted by the United States Coast Guard. The Commission shall issue a certificate of title upon receipt of a completed application, along with the appropriate fee and reasonable evidence of ownership. The Commission shall require a manufacturer's statement of origin for all new vessels being issued a certificate of number and a certificate of title for the first time.

1 The Commission may request a pencil tracing of the hull identification number (serial number)  
2 for vessels being transferred, in order to positively identify the vessel before issuance of a  
3 certificate of title for that vessel.

4 (b) Employees of the Commission are vested with the power to administer oaths and to  
5 take acknowledgements and affidavits incidental to the administration and enforcement of this  
6 section. They shall receive no compensation for these services."

7 **SECTION 14.22.(f)** G.S. 75A-38 reads as rewritten:

8 "**§ 75A-38. Commission's records; fees.**

9 (a) The Commission shall maintain a record of any title it issues.

10 (b) The Commission shall charge a fee of ~~twenty dollars (\$20.00)~~ thirty dollars (\$30.00)  
11 to issue a new or transfer certificate of title. The Commission shall transfer on a quarterly basis  
12 at least ten dollars (\$10.00) of each new or transfer certificate of title to the Shallow Draft  
13 Navigation Channel and Lake Dredging Fund established by G.S. 143-215.73F. The  
14 Commission shall charge a fee of ten dollars (\$10.00) for each duplicate title it issues and for  
15 the recording of a supplemental lien."

16 **SECTION 14.22.(g)** G.S. 105-449.126 reads as rewritten:

17 "**§ 105-449.126. Distribution of part of Highway Fund allocation to Wildlife Resources**  
18 **Fund, Fund and Shallow Draft Navigation Channel and Lake Dredging Fund.**

19 (a) The Secretary shall credit to the Wildlife Resources Fund one-sixth of one percent  
20 (1/6 of 1%) of the amount that is allocated to the Highway Fund under G.S. 105-449.125 and is  
21 from the excise tax on motor fuel. Revenue credited to the Wildlife Resources Fund under this  
22 section may be used only for the boating and water safety activities described in G.S. 75A-3(c).  
23 The Secretary must credit revenue to the Wildlife Resources Fund on an annual basis.

24 (b) The Secretary shall credit to the Shallow Draft Navigation Channel and Lake  
25 Dredging Fund one-sixth of one percent (1/6 of 1%) of the amount that is allocated to the  
26 Highway Fund under G.S. 105-449.125 and is from the excise tax on motor fuel. Revenue  
27 credited to the Shallow Draft Navigation Channel and Lake Dredging Fund under this section  
28 may be used only for the dredging activities described in G.S. 143-215.73F. The Secretary shall  
29 credit revenue to the Shallow Draft Navigation Channel and Lake Dredging Fund on an annual  
30 basis."

31 **SECTION 14.22.(h)** Article 21 of Chapter 143 of the General Statutes is amended  
32 by adding a new Part to read:

33 "Part 8B. Shallow Draft Navigation Channel and Lake Dredging Fund.

34 "**§ 143-215.73F. Shallow Draft Navigation Channel and Lake Dredging Fund.**

35 The Shallow Draft Navigation Channel and Lake Dredging Fund is established as a special  
36 revenue fund. The Fund consists of fees credited to it under G.S. 75A-3, 75A-38, and  
37 105-449.126. Revenue in the Fund may only be used to provide the State's share of the costs  
38 associated with any dredging project designed to keep shallow draft navigation channels  
39 located in State waters or waters of the state located within lakes navigable and safe. Any  
40 project funded by revenue from the Fund must be cost-shared with non-State dollars on a  
41 one-to-one basis. For purposes of this section, "shallow draft navigation channel" means (i) a  
42 waterway connection with a maximum depth of 16 feet between the Atlantic Ocean and a bay  
43 or the Atlantic Intracoastal Waterway, (ii) a river entrance to the Atlantic Ocean through which  
44 tidal and other currents flow, or (iii) other interior coastal waterways. "Shallow draft navigation  
45 channel" includes the Atlantic Intracoastal Waterway and its side channels, Beaufort Harbor,  
46 Bogue Inlet, Carolina Beach Inlet, the channel from Back Sound to Lookout Back, channels  
47 connected to federal navigation channels, Lockwoods Folly River, Manteo/Shallowbag Bay,  
48 including Oregon Inlet, Masonboro Inlet, New River, New Topsail Inlet, Rodanthe, Rollinson,  
49 Shallotte River, Silver Lake Harbor, and the waterway connecting Pamlico Sound and Beaufort  
50 Harbor."

1           **SECTION 14.22.(i)** Nothing in this section shall affect the validity, term, or cost of  
2 any certificate of number or certificate of title issued prior to October 1, 2013.

3           **SECTION 14.22.(j)** This section authorizes a Long Term Dredging Memorandum  
4 of Agreement with the U.S. Army Corps of Engineers which may last beyond the current fiscal  
5 biennium and which shall provide for all of the following:

- 6           (1)     Prioritization of projects through joint consultation with the State, applicable  
7                   units of local government, and the U.S. Army Corps of Engineers.
- 8           (2)     Compliance with G.S. 143-215.73F. Funds in the Shallow Draft Navigation  
9                   Channel Dredging Fund shall be used in accordance with that section.
- 10          (3)     Annual reporting by the Department on the use of funds provided to the U.S.  
11                   Army Corps of Engineers under the Long Term Dredging Memorandum of  
12                   Agreement. These reports shall be made to the Joint Legislative Commission  
13                   on Governmental Operations, the Fiscal Research Division, and the Office of  
14                   State Budget and Management and shall include all of the following:
  - 15                   a.     A list of all projects commenced.
  - 16                   b.     The estimated cost of each project.
  - 17                   c.     The date that work on each project commenced or is expected to  
18                           commence.
  - 19                   d.     The date that work on each project was completed or is expected to  
20                           be completed.
  - 21                   e.     The actual cost of each project.

22           **SECTION 14.22.(k)** The Department of Environment and Natural Resources may  
23 use available funds for the 2013-2014 fiscal year and the 2014-2015 fiscal year in the Shallow  
24 Draft Navigation Channel and Lake Dredging Fund established in G.S. 143-215.73F, as  
25 enacted by subsection (h) of this section, to provide the State's share of costs associated with  
26 projects that comply with that section. These funds are hereby appropriated for that purpose,  
27 but the Department of Environment and Natural Resources shall approve a project before it is  
28 eligible to receive any funds under this section.

29           **SECTION 14.22.(l)** Subsection (b) of this section becomes effective October 1,  
30 2013, and applies to applications submitted on or after that date. Subsection (f) of this section  
31 becomes effective October 1, 2013, and applies to new or transfer certificates of title issued on  
32 or after that date. The remainder of this section becomes effective October 1, 2013.