

SENATE BILL REPORT

2SHB 1951

As of March 18, 2009

Title: An act relating to creating a program for public-private partnerships for the operation and management of salmonid hatcheries now closed or scheduled for closure by the department of fish and wildlife during the 2009-2011 biennium.

Brief Description: Regarding the operation and management of salmonid hatcheries.

Sponsors: House Committee on General Government Appropriations (originally sponsored by Representatives Finn, Short, Takko, Walsh, Blake, Johnson, McCune, Pearson, Williams and Van De Wege).

Brief History: Passed House: 3/06/09, 96-0.

Committee Activity: Natural Resources, Ocean & Recreation: 3/18/09.

SENATE COMMITTEE ON NATURAL RESOURCES, OCEAN & RECREATION

Staff: Curt Gavigan (786-7437)

Background: The Department of Fish and Wildlife (DFW) serves as manager of the state's fish and wildlife resources. Among other duties, DFW must classify wildlife and establish the basic rules and regulations governing the time, place, manner, and methods used to harvest or enjoy fish and wildlife.

DFW operates approximately 90 hatchery facilities, with about 70 facilities dedicated to salmon or steelhead production and 20 dedicated to trout and other game fish. The Governor's 2009-2011 proposed operating budget identifies seven hatcheries for closure. The seven hatcheries are the Colville, Omak, Arlington, Mossyrock, McKernan, Bellingham, and Palmer Ponds.

Summary of Bill: DFW must establish a public-private partnership program for the operation of state-owned salmonid hatcheries. The scope of the partnership program extends to hatcheries currently closed or scheduled for closure during the 2009-2011 biennium.

In implementing the partnership program, DFW must accept applications to determine appropriate private sector partners. A private-sector partner must:

- be recognized as a nonprofit organization under section 501(c)(3) of the IRS code;
- meet an equivalent level of organizational legitimacy; or

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- be a federally-recognized tribe.

DFW must develop and apply criteria in order to identify appropriate private-sector partners. The criteria must attempt to ensure that the private-sector partner has a long-range business plan, which may include a special harvest of hatchery salmon to ensure the solvency of the public-private partnership. DFW must prioritize public-private applications that provide for the maximum resumption or continuation of hatchery production.

DFW must maintain full authority and oversight of a hatchery operating under a public-private partnership. A partnership agreement must contain a provision where the private-sector partner agrees to hold the state harmless for civil liability arising from the private-sector partner's activities.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Fish hatcheries are a valuable resource to the state, and public-private partnerships may provide a way to keep some from closing in the current economic crisis. These agreements may be a useful tool in the future, particularly in light of the existing funding challenges. DFW has the authority to enter into these partnerships currently, but this would prioritize such partnerships for hatcheries slated to close. The goal of the bill is to see greater salmon returns, and to provide new tools for and participants in hatchery management. Private entities could leverage funds to keep these hatcheries open, which may help provide for their seamless operation. The bill should ensure that for-profit entities can cooperate with DFW to operate hatcheries.

CON: The intent of the bill is good, but the Legislature should not close the hatcheries in the first place. They provide the state fish, revenue, and are an important source of employment.

OTHER: The term "special harvest" is ambiguous, raising questions about whether fisheries will continue to be open access. If DFW can already enter into cooperative agreements, why is this bill necessary?

Persons Testifying: PRO: Representative Finn, prime sponsor; Ezra Eickmeyer, Shannon Moore, Fish PAC; Ron Warren, DFW; Paul Ancich, Regional Fisheries Enhancement Groups; Ed Owens, Rob Zuanich, Purse Seine Vessel Owners Association, Coalition of Coastal Fisheries; Jack Field, Washington Fish Growers, Trout Lodge, Inc.

CON: Matt Zurich, Washington Federation of State Employees.

OTHER: Ray Honea, Puget Sound Harvesters Association.