

# HOUSE BILL REPORT

## SHB 1770

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### As Passed Legislature

**Title:** An act relating to the Dungeness crab coastal fishery.

**Brief Description:** Setting the fee for the transfer of Dungeness crab--coastal fishery licenses.

**Sponsors:** By House Committee on Natural Resources (originally sponsored by Representatives Alexander, Linville, Hatfield, Anderson, Doumit, Buck, Chandler and Kessler).

**Brief History:**

**Committee Activity:**

Natural Resources: 2/21/97, 2/26/97 [DPS];  
Finance: 3/10/97 [DPS(NR)].

**Floor Activity:**

Passed House: 3/18/97, 98-0.  
Senate Amended.  
House Concurred.  
Passed Legislature.

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### HOUSE COMMITTEE ON NATURAL RESOURCES

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Buck, Chairman; Sump, Vice Chairman; Thompson, Vice Chairman; Regala, Ranking Minority Member; Butler, Assistant Ranking Minority Member; Alexander; Anderson; Chandler; Hatfield; Pennington and Sheldon.

**Staff:** Rick Anderson (786-7114).

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### HOUSE COMMITTEE ON FINANCE

**Majority Report:** The substitute bill by Committee on Natural Resources be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives B. Thomas, Chairman; Carrell, Vice Chairman; Dunshee, Ranking Minority Member; Boldt; Conway; Pennington; Schoesler and Thompson.

**Staff:** Rick Peterson (786-7150).

**Background:** The Legislature created limited entry coastal crab fishing licenses that became effective on January 1, 1995. Two types of licenses were created: a coastal crab license, and coastal crab class B license. Both licenses are subject to a fee and must be renewed annually. The class B license is a temporary license that expires on December 31, 1999. This license is awarded to crab fishers that had some historical participation in the coast crab fishery, but not enough to qualify for the ongoing coastal crab license.

The base fee for renewing the coastal crab fishing license is \$295 if the license holder is a state resident. The coastal crab license and other specified commercial fishing licenses are transferable and subject to a transfer fee that is set by statute. The transfer fee for the coastal crab license is \$1,032.50 if transferred to a state resident and \$1,275.50 if transferred to a non-resident. In addition, a transfer of this license is subject to a 20 percent surcharge.

The coastal crab account was created in 1994. The account originally received revenue from three sources: the 20 percent surcharge on the transfer of coastal crab licenses, a temporary surcharge of \$250 on the license renewal of either of the two types of coastal crab licenses, and a \$250 fee for a delivery license. The temporary \$250 license surcharge was in effect only for licenses renewed in 1995 and 1996. The 1994 legislation specified that funds from the coastal crab account must be used to buy back class B coastal crab licenses during the 1995 and 1996 fishing seasons and to pay for the department's crab management activities. Management activities are defined as studies, negotiations, enhancement projects, and other activities determined by the department as necessary to manage the state's crab resources.

Most of the crabs caught in coastal waters are usually found in off-shore waters outside of the three-mile line of state jurisdiction. State law provides that a person with a valid Oregon or California crab license can deliver crab caught in off-shore waters from February 15 to September 15. State law also allows the director of the Department of Fish and Wildlife to make case-by-case decisions allowing crab fishers from Oregon and California to deliver crab into the state from December 1 to February 15 if a number of specified conditions exist.

**Summary of Bill:** A \$500 transfer fee is established for the coastal crab license. A license renewal surcharge of \$120 is assessed on both types of coastal crab licenses. Crab license transfer fees and surcharges are deposited into the coastal crab account. The 20 percent surcharge on license transfer is eliminated. Persons with a Oregon or California crab may not deliver crab into the state from February 15 to September 15. Dated language relating to the 1995 and 1996 class B license buyout is deleted. Any commercial fishing license transferred to a non-resident is subject to an additional

transfer fee equal to the difference between the resident and non-resident license renewal fees.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** (Natural Resources) Federal crab management funds are reduced. The cost of crab management has increased. Some industry funds are needed to continue the department's crab management program. The crab industry supports the funding compromise developed by the industry and the Department of Fish and Wildlife. The crab industry has agreed to tax itself in order to pay for the department's costs of managing crab. The crab industry has been hard hit by the Rafeedie decision and by poor fishing. The value of licenses is therefore low. Oregon and California do not allow Washington crab fishers to deliver crab into these states. Washington should not grant this privilege when not receiving it in kind.

(Finance) None.

**Testimony Against:** (Natural Resources) None.

(Finance) None.

**Testified:** (Natural Resources) Ed Owens, Coalition of Coastal Fisheries; Tom Kelley, Larry Thevik, and Ernie Summers, Washington Dungeness Crab Fishery Association (all in favor).

(Finance) None.