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# BILL ANALYSIS

## **Natural Resources Committee**

### HB 2323

**Brief Description:** Creating the direct retail license for commercial fishers.

**Sponsors:** Representatives Hatfield, Buck, Doumit and Linville.

### **Brief Summary of Bill**

- Establishes a Direct Retail Licence that serves as a single license allowing a commercial fisher to sell his or her harvest at retail.
- · Authorizes the Department of Health to establish health-based standards for the holder of a Direct Retail License to abide by.
- · Removes the requirement that a commercial fisher must have as wholesale license in order to sell his or her catch directly at retail.
- · Prohibits local governments from requiring additional licenses or permits from the holder of a Direct Retail License.

**Hearing Date:** 1/23/02

Staff: Jason Callahan (786-7117).

#### **Background:**

Individuals possessing a Washington commercial fishing license are only allowed to sell their catch or harvest to a licensed wholesale fish dealer. Commercial fishers wishing to sell their catch to someone other than a licensed wholesale fish dealer must obtain a wholesale fish dealer's license from the Department of Fish and Wildlife (department).

A wholesale license is required for any business engaging in the commercial processing of food fish or shellfish, any business engaging in the buying, selling, or brokering of food fish or shellfish, any business commercially manufacturing byproducts of food fish or shellfish, and any commercial fisher selling his or her catch or harvest to someone other than a licensed wholesale dealer. Wholesale dealers are responsible for documenting the commercial harvest of food fish and shellfish.

The department is required by statue to charge \$250 for an annual wholesale fish dealers license, and to require that the applicant execute a surety bond for between \$2,000 and

\$50,000. The bond must be executed in favor of the department, and is conditioned upon compliance with the rules of the department relating to accounting for the commercial harvest of food fish and shellfish.

In addition to the wholesale fish dealers license, any commercial fisher wishing to sell his or her catch directly to the retail market must also comply with all local health permitting and licensing requirements.

#### **Summary of Bill:**

The Department of Fish and Wildlife (department) is required to offer the direct retail license. This license serves as the single license necessary to permit the holder of a commercial fishing license to process and sell his or her catch or harvest directly to the retail market. The direct retail license is offered as an addition to an underlying commercial fishing license, but it may not be transferred or assigned with the underlying license. Only one direct retail license is necessary even for fishers owning multiple commercial fishing licenses. The holder of the license is responsible for documenting the commercial harvest of food fish and shellfish pursuant to wholesale fish dealer rules. The department may charge a reasonable fee to administer the program.

The Department of Health is authorized to develop health-based standards for the retail sale of seafood by the holders of a direct retail license. Prior to issuing a direct retail license, the department must receive from the applicant a letter from a local health department that the individual is in compliance with the heath standards of that community, that the individual makes ice from a certified water source, that the individual has access to sufficient temperature control, and that the individual is in compliance with any standards developed by the Department of Health. The applicant must also confirm with the department that he or she is in possession of a valid food handlers card. Counties and cities are prohibited from passing ordinances that require licenses or permits in addition to the direct retail license for the retail sale of food fish and shellfish by licenced commercial fishers. If an applicant is approved, the department must issue with the license a pamphlet outlining the labeling requirements for the sale of seafood.

The direct retail and underlying licenses are conditioned upon compliance with the requirements for the accounting of food fish and shellfish and the payment of any fines. If the owner of a direct retail license violates these rules, the department or a county prosecuting attorney may bring an action in superior court to seek suspension of the direct retail and underlying licenses for up to five years. Suspension may not be sought for a direct retail license holder who executes a surety bond in accordance with the requirements for a wholesale fish dealer.

Fish and Wildlife Code violations are updated to reflect the creation of the direct retail license.

**Appropriation:** None.

**Fiscal Note:** Requested on January 14, 2002.

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