

HOUSE BILL REPORT

HB 2472

As Reported by House Committee On:
Agriculture & Natural Resources
Finance

Title: An act relating to fishery license limitation programs.

Brief Description: Regarding the sea urchin and sea cucumber license limitation programs.

Sponsors: Representatives Quall, Blake and Morris; by request of Department of Fish and Wildlife.

Brief History:

Committee Activity:

Agriculture & Natural Resources: 1/12/10, 1/19/10 [DP];

Finance: 2/5/10, 2/9/10 [DP].

Brief Summary of Bill

- Extends the expiration of the fees and taxes used to retire the Sea Cucumber and Sea Urchin Dive Fishery Licenses until 2013 or until the number of licenses is reduced to 20.

HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

Majority Report: Do pass. Signed by 12 members: Representatives Blake, Chair; Ormsby, Vice Chair; Chandler, Ranking Minority Member; Smith, Assistant Ranking Minority Member; Jacks, Liias, McCoy, Nelson, Pearson, Rolfes, Van De Wege and Warnick.

Minority Report: Do not pass. Signed by 1 member: Representative Kretz.

Staff: Jaclyn Ford (786-7339).

Background:

A closed fishery is a fishery with a set number of licenses held by defined participants. The commercial sea urchin and sea cucumber fisheries have been closed since the year 2000. The Director of the Washington Department of Fish and Wildlife (WDFW) is authorized to issue

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licenses for these fisheries only to individuals who held a license for the fishery in the previous year. The issuance of a license to a new applicant has been prohibited since 2000.

Along with closing the sea urchin and sea cucumber commercial fisheries, the WDFW manages a program to buyback, or retire, licenses from qualified participants in these fisheries. The WDFW is required to retire these licenses if the license holder voluntarily agrees to not renew his or her license the following year. The WDFW must retire licenses until the number of fishers participating in either the sea cucumber or sea urchin fishery drops to 25. When that number is achieved, the money collected from the remaining licenses must be used for management and enforcement in the sea urchin or sea cucumber fishery.

Through the 2010 season, each license renewal for either fishery is assessed an annual fee of \$100. In addition, a fee of either \$500 or \$2,500 is assessed if the license holder either designates a different person, known as an alternate operator, to fish under his or her license, or if the license holder transfers the license outright to another person.

The two dive accounts also receive revenue from specific excise taxes. For sea cucumbers and sea urchins, the commercial fishers are required to pay in tax the value of their harvest multiplied by 4.6 percent, multiplied by the additional tax of 7 percent.

Summary of Bill:

The Sea Cucumber dive fishery license's surcharge is extended until 2013 or until the number of licenses is reduced to 20, whichever occurs first. The Director of the WDFW (Director), or the Director's designee, must notify the Department of Revenue within 30 days when the number of licenses is reduced to 20.

The Sea Urchin dive fishery license's surcharge is extended until 2013 or until the number of licenses is reduced to 20, whichever occurs first. The Director, or the Director's designee must notify the Department of Revenue within 30 days when the number of licenses is reduced to 20.

The excise tax on commercial possession of enhanced food fish is extended until 2013 for both sea cucumbers and sea urchins.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This is important for people in the industry. Reducing the number of licenses will allow the remaining licenses to make a living off the resource. There are currently 26 Sea Urchin Licenses and 29 Sea Cucumber Licenses.

(Opposed) None.

Persons Testifying: (In support) Representative Quall, prime sponsor; and Craig Burley, Washington Department of Fish and Wildlife.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON FINANCE

Majority Report: Do pass. Signed by 6 members: Representatives Hunter, Chair; Hasegawa, Vice Chair; Conway, Ericks, Santos and Springer.

Minority Report: Do not pass. Signed by 3 members: Representatives Orcutt, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Condotta.

Staff: Rick Peterson (786-7150).

Summary of Recommendation of Committee On Finance Compared to Recommendation of Committee On Agriculture & Natural Resources:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The sea urchin and sea cucumber harvesters requested that this program be continued and this bill continues it. By reducing the number of licenses, the people that do harvest are better off economically.

(Opposed) None.

Persons Testifying: Tom Davis, Department of Fish and Wildlife.

Persons Signed In To Testify But Not Testifying: None.