
**Agriculture & Natural Resources
Committee**

HB 1948

Brief Description: Providing increased revenue to the state wildlife account without directing any changes to resource allocation outcomes.

Sponsors: Representatives Blake and Kretz.

Brief Summary of Bill

- Creates a new anadromous surcharge applicable to the purchase or renewal of commercial fishing licenses.
- Redirects revenues from the Enhanced Food Fish Excise Tax from the General Fund to the State Wildlife Account.

Hearing Date: 2/18/15

Staff: Jason Callahan (786-7117).

Background:

State Wildlife Account.

The State Wildlife Account (Wildlife Account) receives various revenues collected by the Washington Department of Fish and Wildlife (WDFW). This revenue includes, among many items, the sales of most WDFW-issued licenses and tags, administrative penalties, compensation for damages, advertisement sales, and a game fish excise tax. Monies in the Wildlife Account are used to primarily to support the activities of the WDFW.

Commercial Fishing Licenses.

Generally, a person must have a license or permit issued by the WDFW before engaging in most commercial fishing activities. Examples of activities that required a license or permit from the WDFW include:

- commercially fishing for or taking food fish or shellfish;

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- delivering from a commercial fishing vessel food fish or shellfish taken for commercial purposes in offshore waters;
- operating a charter boat or commercial fishing vessel engaged in a fishery;
- engaging in processing or wholesaling food fish or shellfish; or
- acting as a food fish guide for personal use in freshwater rivers and streams.

The purchase of most commercial fishing licenses require the payment of an annual license fee and an application fee. The final price of some licenses also include other fees, such as a fee to support the Rockfish Research Account or to support regional fisheries enhancement groups. The total price of a commercial fishing license depends on the individual license, and for some licenses, depends on whether or not the purchaser is a resident of the state of Washington. The revenue generated from license sales is dedicated to the Wildlife Account.

In addition to the cost of licenses, successful commercial fishers are also required to pay the Enhanced Food Fish Excise Tax (excise tax). The excise tax is a tax levied on the commercial possession of enhanced food fish. The taxable event is the first possession in the state by an owner after the enhanced food fish has been landed. The measure of the tax is the value of the enhanced food fish at the point of landing and there are six different multipliers to the measure that apply to different fish species. The excise tax has two components: the excise tax itself and an additional tax. The additional tax is an additional 7 percent of the tax measure multiplier for the species. Except for the excise tax on anadromous game fish, all revenues collected through the excise tax are deposited into the General Fund.

Summary of Bill:

New Surcharge.

A new anadromous surcharge is created. The surcharge is required of any person to commercially fish, harvest, sell, purchase, or process any anadromous species. The surcharge is in addition to any other required commercial license. All proceeds from the sale of the anadromous surcharge must be deposited in the Wildlife Account and used by the WDFW to support commercial fisheries. This may include fishery monitoring, sampling and permitting activities, hatchery production and maintenance, and enforcement of commercial fisheries.

In all, 24 commercial licenses are effected. The price of the anadromous surcharge depends on the underlying license type that it is connected with and ranges from \$75 to \$735. The following are examples of the surcharge prices:

- \$310 for a salmon charter license.
- \$95 for a salmon roe license.
- \$585 for a Willapa Bay salmon gill net license.
- \$120 for a salmon charter license.
- \$100 for a seine fishery license.
- \$485 for a salmon delivery license.
- \$355 for a wholesale fish dealer's license.
- \$75 for a direct retail endorsement.

Enhanced Food Fish Excise Tax.

All revenues from the excise tax are redirected from the General Fund to the Wildlife Account. The one exception is for the additional 7 percent tax that is applied to most commercial harvests. That 7 percent is retained by the General Fund.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on July 1, 2015.