SENATE BILL REPORT SB 5632

As of February 12, 2015

Title: An act relating to increasing revenue to the state wildlife account.

Brief Description: Increasing revenue to the state wildlife account.

Sponsors: Senators Hatfield and Chase; by request of Department of Fish and Wildlife.

Brief History:

Committee Activity: Natural Resources & Parks: 2/12/15.

Brief Summary of Bill

- Increases certain recreational fishing license fees.
- Creates a master hunter deer or elk license, a damage deer or elk license, and a crewmember license.
- Adds an anadromous surcharge to the commercial fishing, harvest, sale, purchase, or processing of any anadromous species.
- Raises excise tax rates on chinook, coho, and chum salmon; anadromous game fish; pink and sockeye salmon; sea urchins; and sea cucumbers.
- Diverts enhanced food fish excise tax revenue from the general fund to the state wildlife account

SENATE COMMITTEE ON NATURAL RESOURCES & PARKS

Staff: Bonnie Kim (786-7316)

Background: Recreational Licenses and Permits. Disabled Hunter Permit. The Washington Fish and Wildlife Commission must adopt rules defining persons with a disability and governing the conduct of those persons who hunt and their designated licensed hunters. It is unlawful for any person to possess a loaded firearm in or on a motor vehicle except a person with a disability who possesses a disabled hunter permit and all appropriate hunting licenses may discharge a firearm or other legal hunting device from a nonmoving motor vehicle that has the engine turned off. A person holding a disabled hunter permit may

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be accompanied by one licensed hunter who may assist the person with a disability by killing game wounded by the disabled person.

Big Game Hunting. Generally, a big game hunting license is required to hunt for big game, e.g. forest grouse, deer, elk, bear, and cougar. Each big game license includes one transport tag for each species listed in a purchased big game combination license package. Unless authorized by rule, no hunter may purchase more than one license for each big game species.

Small Game Hunting. A small game hunting license is required to hunt for all classified and unclassified wild animals and wild birds, except big game. The fee is \$35 for residents, \$165 for nonresidents, and \$15 for youth. If purchased at the same time as a big game combination license, however, the fee is \$20 for residents, \$88 for nonresidents, and \$8 for youth.

Personal Use Fishing License. A personal use saltwater, freshwater, combination, temporary, or family fishing weekend license is required for all persons older than 15 years of age to fish for or possess fish taken for personal use from state waters or offshore waters.

Personal Use Shellfish and Seaweed License. A personal use shellfish and seaweed license is required for all persons older than 15 years of age to fish for, take, dig for, or possess seaweed or shellfish, including razor clams, for personal use from state waters or offshore waters, including national park beaches.

<u>Commercial Licenses and Permits.</u> Commercial Fishing License. Generally, a person must have a license or permit issued by the director to engage in any of the following activities:

- commercially fish for or take food fish or shellfish;
- deliver from a commercial fishing vessel food fish or shellfish taken for commercial purposes in offshore waters;
- operate a charter boat or commercial fishing vessel engaged in a fishery;
- engage in processing or wholesaling food fish or shellfish; or
- act as a food fish guide for personal use in freshwater rivers and streams, except that a charter boat license is required to operate a vessel from which a person may, for a fee, fish for food fish in certain state waters.

Commercial Fishing Without a License. A person is guilty of commercial fishing without a license in the second degree – a gross misdemeanor – if the person fishes for, takes, or delivers food fish, shellfish, or game fish while acting for commercial purposes and either:

- does not hold a fishery license or delivery license for the food fish or shellfish; or
- is not a licensed operator designated as an alternate operator on a fishery or delivery license for the food fish or shellfish.

A person is guilty of commercial fishing without a license in the first degree – a class C felony – if the person commits the acts described for commercial fishing without a license in the second degree and the violation involves taking, delivery, or possession of food fish or shellfish:

- with a value of \$250 or more; or
- from an area that was closed to the taking of such food fish or shellfish by any statute or rule.

Excise Tax. An excise tax is 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.

Summary of Bill: Recreational Licenses and Permits. Disabled Hunter Permit. The disabled hunter permit is a special use permit. A licensed hunter may assist a person holding a disabled hunter permit by killing game on behalf of the disabled person.

Big Game Hunting. Unless authorized by rule, no hunter may purchase more than one tag for each big game species. If the commission authorizes a two-animal big game limit, the fee for second tag for elk is \$60 for residents, \$300 for nonresidents, and \$20 for youth. A second tag for deer is \$60 for residents, \$250 for nonresidents, and \$20 for youth.

The commission may offer a \$65 tag – formerly, a permit – to hunters to hunt deer or elk during more than one general season. Hunters are limited to one deer or elk per year. The commission may also offer a new \$20 master hunter deer or elk license and a \$20 damage deer or elk license.

Small Game Hunting. There is no fee discount when purchasing a small game hunting license at the same time as a big game combination license.

Hunting Reservation System. WDFW may develop a hunting reservation system and charge participants a fee that is no more than necessary to recover the costs for developing, operating, and maintaining the hunting reservation system.

Personal Use Fishing License Fees. The fees for annual personal use saltwater, freshwater, or combination licenses changes as follows:

- 1. combination license state and offshore waters: from \$45 to \$46 for residents, \$108 to \$113 for nonresidents, and \$5 to \$6 for youth;
- 2. saltwater license: from \$25 to \$27 for residents, \$52 to \$57 for nonresidents, and \$5 to \$7 for resident seniors;
- 3. freshwater license: from \$25 to \$27 for residents, \$75 to \$80 for nonresidents, and \$5 to \$7 for resident seniors;
- 4. temporary combination fishing license:
 - a. one day: from \$8 to \$10 for residents, and \$16 to \$21 for nonresidents;
 - b. two day: from \$12 to \$14 for residents, and \$24 to \$29 for nonresidents; and
 - c. three day: from \$15 to \$17 for residents, and \$30 to \$35 for nonresidents; and
- 5. charter stamp: from \$8 to \$10 for a one-day temporary combination fishing license for residents and nonresidents.

Promotional Pricing. The director may offer promotional pricing to increase angler, hunting, or wildlife viewing participation.

Personal Use Shellfish and Seaweed License Fees. The fees for annual personal use shellfish and seaweed licenses are changed as follows:

• residents older than 15 years of age: from \$10 to \$12;

- nonresidents older than 15 years of age: from \$27 to \$32;
- seniors: from \$5 to \$7;
- razor clam license: from \$8 to \$10 for residents, \$15 to \$20 for nonresidents, and \$8 to \$10 for seniors; and
- three-day razor clam license: from \$5 to \$7 for residents, and \$5 to \$10 for nonresidents.

Combination Fishing License Fees. The fee for a combination fishing license changes from \$5 to \$6.

<u>Commercial Licenses and Permits.</u> *Anadromous Surcharge.* An anadromous surcharge is added to the commercial fishing, harvest, sale, purchase, or processing of any anadromous species. The surcharge must be deposited into the state wildlife account. Monies received from the surcharge must be appropriated to support commercial fisheries. Specifically, the following anadromous surcharges are added:

- \$310 salmon charter license;
- \$120 salmon charter license renewal;
- \$80 salmon roe license;
- \$290 salmon gill net, reef net, and troll licenses;
- \$365 salmon purse seine license;
- \$100 salmon gill net, reef net, troll, and purse seine license renewals;
- \$290 salmon delivery license renewal;
- \$165 nontransferable emergency salmon delivery license;
- \$175 wholesale dealer license;
- \$100 fish buyer's license;
- \$110 food fish guide license;
- \$125 game fish guide license; and
- \$75 direct retail endorsement.

<u>Crewmember License.</u> A crewmember license is required for each individual who works on any commercial vessel while operating in a commercial fishery regulated by the state. This does not apply to the individual on a vessel designated as the primary or alternate operator on the commercial fishing license or an individual aboard a licensed vessel who does not participate in the operation of the vessel, the harvest, or catch processing activity.

A crewmember license purchased by an individual working as a crewmember may be used aboard any commercial fishing vessel but may not be transferred to another individual. A commercial fishing license holder may purchase crewmember licenses for each member of the holder's crew. Such licenses may be used for different individuals during different trips.

The crewmember license fee is \$100 for both residents and nonresidents. A five consecutive-day crewmember license may be purchased for \$25. Monies received from the sale of a crewmember license must be deposited into the state wildlife account and be appropriated to support commercial fisheries.

Commercial Fishing License. Unless a person holds a crewmember license, a commercial fishing license is required to work as a crewmember on any commercial vessel operating in a

commercial fishery regulated by the state, including crews of tenders, processors, catcher processors, or other floating craft while used in catching or transporting fish or shellfish.

Commercial Fishing Without a License in the Second Degree. A person may be found guilty of commercial fishing without a license in the second degree if the person fishes for, takes, or delivers food fish, shellfish, or game fish while acting for commercial purposes and does not hold a crewmember license when required.

Excise Tax. The following changes are made to the excise tax rates levied on enhanced food fish:

- chinook, coho, and chum salmon and anadromous game fish: from 5.25 to 8.4 percent;
- pink and sockeye salmon: from 3.15 to 5.04 percent;
- sea urchins: from 4.6 percent or until there are only 20 licenses, to 2.1 percent; and
- sea cucumbers: from 4.6 percent or until there are only 20 licenses, to 2.1 percent.

The enhanced food fish excise taxes collected by the Department of Revenue are diverted from the state general fund to the state wildlife account. The revenue must be appropriated to support commercial fisheries.

<u>The State Wildlife Account.</u> Generally, the state wildlife account consists of monies received from the following:

- rentals or concessions of the Washington Department of Fish and Wildlife (WDFW);
- sale of real or personal property held for WDFW purposes;
- assessment of administrative penalties;
- sale of licenses, permits, tags, stamps, and application fees;
- fees for informational materials published by WDFW;
- fees for personalized vehicle license plates;
- articles or wildlife sold by the director;
- compensation for damage to WDFW property or wildlife losses or contributions, gifts, or grants;
- excise tax on game fish;
- WDFW's share of revenues from auctions and raffles:
- sale of watchable wildlife decals;
- monies received from the recreation access pass account; and
- donations received by the director.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2015.

Staff Summary of Public Testimony: PRO: WDFW's top priority is to restore fishing opportunities. WDFW is facing rising costs. Without increased funding, WDFW will be

forced to shut down six to eight more hatcheries. Fish license fee increases were allocated between recreational and commercial use of hatchery resources. The funds set aside to support commercial hatcheries is not a supplement to the Governor's 15 percent budget reduction. The Hoodsport hatcheries were considering eliminating production because of poor management and funding shortages. The sport fishers take over 80 percent from our waters. Commercial and recreational fishers need to stop bickering. The bill will require amendments.

OTHER: This bill once again puts the majority of the burden on sport fishers and other recreational fishers to fund the commercial side. This increase follows a trend where WDFW is funded less and less from the general fund and user fees increase. Recreational fishers pay a federal excise tax that is sent back to the state. With general fund reductions to the agency, WDFW worries it will return to the Legislature every biennium to request user fee increases. We need fishing opportunities to be clear and predictable. WDFW's budget should be designed to encourage predictable seasons and increase participation by the recreational fishing community. WDFW should set salmon seasons with recreational priority. WDFW should use economic reports when setting fishing seasons. We would support a fee increase as long as the increased revenue is earmarked to support commercial hatcheries. There is too much inequality in fee increases and opportunities. Recreational fishers take 10 percent of our fish.

Persons Testifying: PRO: David Giglio, James Scott, Owen Rowe, WDFW; John Jovanovich, Peter Cannon, citizens

OTHER: Jim Tuggle, Puget Sound Anglers, State Board Vice President; Dale Scott, Heath Heikkila, Dale Scott, Coastal Conservation Assn.; Gabe Miller, Farwest Sports, NW Sportfishing Industry Assn.; Curt Smitch, Fish NW; Mike Burns, Smokercraft, NW Marine Trade Assn.; Carl Rienstra, Ross P. Barkhurst, citizens.

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