

SENATE BILL REPORT

SB 6414

As Passed Senate, February 17, 2016

Title: An act relating to hatchery management agreements.

Brief Description: Concerning hatchery management agreements.

Sponsors: Senators Rolfes, Pearson, Warnick and Angel.

Brief History:

Committee Activity: Natural Resources & Parks: 1/27/16, 2/04/16 [DP].
Passed Senate: 2/17/16, 46-1.

SENATE COMMITTEE ON NATURAL RESOURCES & PARKS

Majority Report: Do pass.

Signed by Senators Pearson, Chair; Dansel, Vice Chair; Jayapal, Ranking Member; Chase, Fraser, Hewitt and Warnick.

Staff: Bonnie Kim (786-7316)

Background: Fish hatcheries have operated in Washington for more than a century, beginning with one hatchery on the Kalama River in 1895. The Washington Department of Fish and Wildlife (WDFW) operates hatcheries throughout the state.

WDFW may enter into agreements with partners for the continued operation and management of state-owned salmonid hatcheries located in the Hood Canal basin. WDFW must accept and review applications from potential partners to manage and operate selected salmonid hatcheries. The application process must be accelerated for any hatchery currently in operation to ensure ongoing salmon production.

WDFW must apply criteria identifying the appropriateness of a potential partner. The criteria must attempt to ensure the partner has a long-range business plan, which may include the sale of hatchery surplus salmon, including eggs and carcasses, to ensure the long-range future solvency of the partnership. Partners must be: (1) qualified under section 501(c)(3) of the Internal Revenue Code; (2) a for-profit private entity; or (3) a federally recognized tribe.

All partnership agreements must adhere to the following requirements:

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- be consistent with existing state laws, agency rules, collective bargaining agreements, hatchery management policy involving species listed under the Federal Endangered Species Act, or, in the case of a tribal partner, any applicable tribal hatchery management policy or recreational and commercial harvest policy;
- require that partners conducting hatchery operations maintain staff with comparable qualifications to those identified in the class specifications for WDFW's fish hatchery personnel;
- contain a provision requiring the partner to hold WDFW and the state harmless from any civil liability arising from the partner's participation in the agreement; and
- identify any maintenance or improvements to be made to the hatchery facility, as well as the source of funding for such maintenance or improvements. If the funding is derived from state funds or revenue sources previously received by the WDFW, the work must be performed either by employees in the classified service or in compliance with state contracting procedures.

Summary of Bill: The limitation requiring nonprofit partners to qualify under section 501(c)(3) of the internal revenue code is amended to require qualification under section 501(c) of the internal revenue code.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: There have been just a handful hatcheries that have been supported by partnerships. This bill will make it easier to enter into public-private partnerships to support our hatcheries. WDFW has received over \$800,000 since 2010 from commercial fishermen in the Puget Sound. The bill simply expands the types of nonprofit organizations able to partner with WDFW. Five years ago, there were 11 hatcheries threatening to close, but we cannot afford to lose hatcheries. We rely on these hatcheries for our economic well-being.

Persons Testifying: PRO: Senator Rolfes, prime sponsor; Daniel Luzzo, Salmon Seiners of Puget Sound; Paul Troka, Salmon Seiners of Puget Sound.

Persons Signed In To Testify But Not Testifying: No one.