

# HOUSE BILL REPORT

## HB 1770

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### As Reported By House Committee On:

Natural Resources

Finance

**Title:** An act relating to the Dungeness crab coastal fishery.

**Brief Description:** Setting the fee for the transfer of Dungeness crab--coastal fishery licenses.

**Sponsors:** Representatives Alexander, Linville, Hatfield, Anderson, Doumit, Buck, Chandler and Kessler.

### Brief History:

#### Committee Activity:

Natural Resources: 2/21/97, 2/26/97 [DPS];

Finance: 3/10/97 [DPS(NR)].

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## HOUSE COMMITTEE ON NATURAL RESOURCES

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Buck, Chairman; Sump, Vice Chairman; Thompson, Vice Chairman; Regala, Ranking Minority Member; Butler, Assistant Ranking Minority Member; Alexander; Anderson; Chandler; Hatfield; Pennington and Sheldon.

**Staff:** Rick Anderson (786-7114).

**Background:** The Legislature created limited entry coastal crab fishing licenses that became effective on January 1, 1995. Two types of licenses were created: a coastal crab license, and coastal crab class B license. Both licenses are subject to a fee and must be renewed annually. The class B license is a temporary license that expires on December 31, 1999. This license is awarded to crab fishers that had some historical participation in the coast crab fishery, but not enough to qualify for the ongoing coastal crab license.

The base fee for renewing a coastal crab fishing license is \$295 if the license holder is a state resident. This license is transferable, but transfer is subject to a fee of \$1,032.50 if transferred to a state resident and \$1,275.50 if transferred to a non-resident. In addition, a transfer of this license is subject to a 20 percent surcharge.

The coastal crab account was created in 1994. The account originally received revenue from three sources: the 20 percent surcharge on the transfer of coastal crab licenses, a temporary surcharge of \$250 on the license renewal of either of the two types of coastal crab licenses, and a \$250 fee for a delivery license. The delivery license is required of fishers who catch crab in state offshore waters, do not possess one of the two coastal crab licenses, and who deliver crab into the state. The temporary \$250 license surcharge was in effect only for licenses renewed in 1995 and 1996. The 1994 legislation specified that funds from the coastal crab account must be used to buy back class B coastal crab licenses during the 1995 and 1996 fishing seasons and to pay for the department's crab management activities. Management activities are defined as studies, negotiations, enhancement projects, and other activities determined by the department as necessary to manage the state's crab resources.

Most of the crabs caught in coastal waters are usually found in off-shore waters outside of the three-mile line of state jurisdiction. State law provides that a person with a valid Oregon or California crab license can deliver crab caught in off-shore waters from February 15 to September 15. State law also allows the director of the Department of Fish and Wildlife to make case-by-case decisions allowing crab fishers from Oregon and California to deliver crab into the state from December 1 to February 15 if a number of conditions exist.

**Summary of Substitute Bill:** A \$500 transfer fee is established. A license transferred to a non-resident is subject to an additional transfer fee equal to the difference between a resident and non-resident license renewal fee. A license renewal surcharge of \$120 is assessed on both types of coastal crab licenses. Crab license transfer fees and surcharges are deposited into the coastal crab account. The 20 percent surcharge on license transfer is deleted. Persons with a Oregon or California crab may not deliver crab into the state from February 15 to September 15. Dated language relating to the 1995 and 1996 class B license buyout is deleted.

**Substitute Bill Compared to Original Bill:** The substitute bill provides new funding sources for the coastal crab account and clarifies the fee level that is due when a license is transferred to a non-resident. The original bill reduced the transfer fee to \$50 and repealed the coastal crab account. Both versions prohibit California and Oregon crab fishers from delivering crab into the state from February 15 to September 15 and eliminate the 20 percent surcharge on license transfers.

**Appropriation:** None.

**Fiscal Note:** Requested on February 27, 1997 (substitute bill).

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

**Testimony For:** Federal crab management funds are reduced. The cost of crab management has increased. Some industry funds are needed to continue the department's crab management program. The crab industry supports the funding compromise developed by the industry and the Department of Fish and Wildlife. The crab industry has agreed to tax itself in order to pay for the department's costs of managing crab. The crab industry has been hard hit by the Rafeedie decision and by poor fishing. The value of licenses is therefore low. Oregon and California do not allow Washington crab fishers to deliver crab into these states. Washington should not grant this privilege when not receiving it in kind.

**Testimony Against:** None.

**Testified:** Ed Owens, Coalition of Coastal Fisheries; Tom Kelley, Larry Thevik, and Ernie Summers, Washington Dungeness Crab Fishery Association (all in favor).

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## HOUSE COMMITTEE ON FINANCE

**Majority Report:** The substitute bill by Committee on Natural Resources be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives B. Thomas, Chairman; Carrell, Vice Chairman; Dunshee, Ranking Minority Member; Boldt; Conway; Pennington; Schoesler and Thompson.

**Staff:** Rick Peterson (786-7150).

**Summary of Recommendation of Committee on Finance Compared to Recommendation of Committee on Natural Resources:** No new changes were recommended.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** None.

**Testimony Against:** None.

**Testified:** None.