

# HOUSE BILL REPORT

## HB 2626

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**As Reported by House Committee On:**

Fisheries, Ecology & Parks  
Appropriations

**Title:** An act relating to the department of fish and wildlife's authority to allocate certain moneys.

**Brief Description:** Allowing the department of fish and wildlife to allocate certain forfeited moneys for coastal groundfish management and research.

**Sponsors:** Representatives Hatfield, Pearson, Blake and Sump; by request of Department of Fish and Wildlife.

**Brief History:**

**Committee Activity:**

Fisheries, Ecology & Parks: 1/29/04, 2/3/04 [DP];

Appropriations: 2/6/04, 2/9/04 [DPS].

**Brief Summary of Substitute Bill**

- Creates the fish management and research account in the state treasury.
- Amounts received by the Department of Fish and Wildlife from (1) coastal groundfish forfeiture; (2) sale of herring spawn of kelp, and (3) sale of food fish or shellfish used in test fishing will be deposited in the account.

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**HOUSE COMMITTEE ON FISHERIES, ECOLOGY & PARKS**

**Majority Report:** Do pass. Signed by 9 members: Representatives Cooper, Chair; Uptegrove, Vice Chair; Sump, Ranking Minority Member; Hinkle, Assistant Ranking Minority Member; Buck, Hatfield, O'Brien, Pearson and Simpson, D.

**Staff:** Jeff Olsen (786-7157).

**Background:**

Exempted Fishing Permits (EFPs) allow experimental fisheries that are exempt from standard fishing regulations and are designed to test the ability of innovative fishing gears targeted at healthy stocks. Exempted Fishing Permits may be granted by the National Marine Fisheries Service, and Washington has conducted EFP fisheries for arrowtooth flounder, pollock, and dogfish.

Catch limits are established for each fishery and catch over the limit, or "legal overages", are forfeited to the state. The state sells the legal overages at fair market value and proceeds are deposited in the state general fund.

An appropriation is legislation that authorizes a state agency to incur a maximum expenditure. Article VIII, section 4 of the state constitution prohibits moneys in the state treasury from being spent without an appropriation. The "unanticipated receipts" process permits state agencies to spend, without an appropriation, moneys received from the federal government or from other sources. If an agency receives moneys from such sources, and the moneys were not anticipated in the budget and are designated to be spent for a specific purpose, then the agency may submit an allotment amendment request to the Governor. Before the Office of Financial Management (OFM) approves the expenditure, it must notify the legislative fiscal committees and the Joint Legislative Audit and Review Committee. The typical unanticipated receipt is a one-time occurrence that does not permanently increase agency staffing, activity, or funding levels.

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**Summary of Bill:**

Proceeds from the forfeiture of coastal groundfish overages that exceed amounts in the budget may be allocated as unanticipated receipts. Unanticipated receipts from exempted fishing permits from coastal groundfish may only be spent on coastal groundfish management and research.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** Federal disaster relief funds have been used in the past to support exempted fishing permits and provide additional fishing opportunities. These funds have been spent, and to continue the fishery the Department would like to capture the revenues from the forfeited overages, and combine them with fishing industry and additional state funds to keep the fishing opportunities open. The fishing industry supports these changes.

**Testimony Against:** None.

**Persons Testifying:** Phil Anderson, Department of Fish and Wildlife; Ed Owens, Coalition of Coastal Fisheries; and Michael Marsh, Heron Habitat Helpers and Washington Native Plant Society.

**Persons Signed In To Testify But Not Testifying:** None.

## HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 27 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Sehlin, Ranking Minority Member; Pearson, Assistant Ranking Minority Member; Alexander, Anderson, Boldt, Buck, Chandler, Clements, Cody, Conway, Cox, Dunshee, Grant, Hunter, Kagi, Kenney, Kessler, Linville, McDonald, McIntire, Miloscia, Ruderman, Schual-Berke, Sump and Talcott.

**Staff:** Alicia Paatsch (786-7178).

### **Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Fisheries, Ecology & Parks:**

Rather than being expended through the unanticipated receipts process (which is not generally used for state moneys), amounts received by the department from (1) coastal groundfish forfeiture; (2) sale of herring spawn or kelp, and (3) sale of food fish or shellfish used in test fishing will be deposited in a new non-appropriated account. The Director of Fish and Wildlife may make expenditures from the new account without an appropriation, and the moneys may only be spent for the purpose for which they were received.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** None.

**Testimony Against:** None.

**Persons Testifying:** None.

**Persons Signed In To Testify But Not Testifying:** None.