

HOUSE BILL REPORT

HB 1012

*As Reported By House Committee on:
Fisheries & Wildlife
Appropriations*

Title: An act relating to the loss of nets in the aquatic environment.

Brief Description: Providing a mechanism to recover lost fishing nets.

Sponsor(s): Representatives Haugen, Wilson, Spanel, Morris, Cole, Zellinsky, Basich, Miller, Orr and Wynne.

Brief History:

Reported by House Committee on:
Fisheries & Wildlife, February 5, 1991, DPS;
Appropriations, February 26, 1991, DPS(FW)-A.

**HOUSE COMMITTEE ON
FISHERIES & WILDLIFE**

Majority Report: *That Substitute House Bill No. 1012 be substituted therefor, and the substitute bill do pass.*
Signed by 8 members: Representatives R. King, Chair; Morris, Vice Chair; Wilson, Ranking Minority Member; Cole; Haugen; Hochstatter; Orr; and Spanel.

Minority Report: *Do not pass.* Signed by 2 members: Representatives Fuhrman, Assistant Ranking Minority Member and Padden.

Staff: Keitlyn Watson (786-7310).

Background: Washington's non-tribal commercial and tribal fishing industry uses an assortment of different fishing nets. Over the past several decades, the strength and durability of the nets have increased dramatically with the introduction of gear made of nylon and other types of plastic. In comparison to the previously used natural-fiber gear, plastic nets may be left in water for extended lengths of time and stored without deterioration.

When nets are abandoned or lost in the aquatic environment, the durability and effectiveness of plastic netting becomes a liability for marine organisms. These "ghost nets" can continue to catch fish, marine mammals, crabs, and marine

birds for years, depending on the type of net lost and the net's configuration in the water column or on the sea floor. The nets also can become caught in vessel propellers, which can result in considerable time and expense for the vessel owner. In recent years, several abandoned nets were found in Puget Sound in which large numbers of marine organisms were found dead or dying. While there was agreement that the nets should be recovered, responsibility for recovering the nets was not clear.

Summary of Substitute Bill: Abandoning or discarding a net in state waters is prohibited, except in cases in which the net is caught and cannot be freed, or is inadvertently lost. If nets must be left in state waters, the owner must notify the Department of Fisheries of the net's location, date of abandonment, and reason for abandoning the net.

The Department of Fisheries is responsible for recovering, or coordinating the recovery of abandoned nets that pose a threat to aquatic organisms or seabirds. The department is instructed to conduct education programs, especially targeting divers, to reduce the number of nets lost. The department is encouraged to contract out net recovery whenever possible.

A 1 percent tax on retail sales of commercial fishing nets is placed on the retailer, to be collected by the Department of Revenue and placed into the general fund. An appropriation of \$200,000 is made to support the net recovery program.

A sunset clause terminates the program on June 30, 1998.

Substitute Bill Compared to Original Bill:

- (1) The substitute places the retail tax on nets into the general fund, and appropriates \$200,000 to fund the net recovery program that is to be administered by the Department of Fisheries. The original bill placed the tax into a dedicated fund.
- (2) The substitute bill encourages the Department of Fisheries to contract out the net recovery to the greatest extent possible.
- (3) The substitute bill further clarifies the nature of the tax by placing it into the Revenue code chapter on Business and Occupation tax.
- (4) The substitute bill specifically lists the net components that are subject to the tax. These include: web, panels, lead line, and float line.
- (5) The substitute bill contains a clause that specifically authorizes the Department of Revenue to collect and enforce the tax.

(6) A sunset clause is placed into the substitute, to cause the program to terminate on June 30, 1998.

Fiscal Note: Requested January 22, 1991.

Effective Date of Substitute Bill: January 1, 1992.

Testimony For: Ghost nets kill marine life. A recovery system for these nets is needed.

Testimony Against: A volunteer program is already in place, coordinated by the Puget Sound Gillnetters Association. Paperwork involved for retailers would be substantial. Some additional detail on the type of net parts that would be taxed is needed, geared toward nets that are used within state waters.

Witnesses: Tom Pulford, recreational diver (neutral, money generated would not be enough to recover nets); Steven Phillips, Pacific Salmon Sportfishing Council (supports, would favor marking of the nets); Sheila Garber, LFS Inc. (supports with more clarification); Ed Manary, Department of Fisheries (supports with a sunset clause and with revenue to the general fund); Steve Arbaugh, Puget Sound Gillnetters Association (opposes); John Jovanovich, Jovanovich Supply (opposes); and Bill Jones, Wildcat Steelhead Club (supports).

**HOUSE COMMITTEE ON
APPROPRIATIONS**

Majority Report: *The substitute bill by Committee on Fisheries and Wildlife be substituted therefor and the substitute bill as amended by the Committee on Appropriations do pass.* Signed by 23 members: Representatives Locke, Chair; Inslee, Vice Chair; Spanel, Vice Chair; Appelwick; Belcher; Bowman; Braddock; Brekke; Dorn; Ebersole; Ferguson; Hine; Holland; McLean; Mielke; Peery; Pruitt; Rust; H. Sommers; Valle; Vance; Wang; and Wineberry.

Minority Report: *Do not pass.* Signed by 5 members: Representatives Silver, Ranking Minority Member; Morton, Assistant Ranking Minority Member; Lisk; Nealey; and Fuhrman.

Staff: Susan Nakagawa (786-7145).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Fisheries & Wildlife: The taxing provisions are changed. The 1 percent tax on retailers is replaced with a four-tenths of one percent tax on the manufacturing, wholesaling and retailing of commercial fishing nets and fishing net materials.

Fiscal Note: Requested February 20, 1991.

Appropriation: Yes.

Effective Date: January 1, 1992.

Testimony For: Abandoned nets pose a threat to marine life and seabirds. The program will help reduce risk to sea life.

Testimony Against: None.

Witnesses: Jim King, Washington State Sportsman Council; and Jeff Parsons, National Audubon Society.