## CERTIFICATION OF ENROLLMENT

## HOUSE BILL 1958

Chapter 110, Laws of 2005

59th Legislature 2005 Regular Session

SEA URCHINS--SEA CUCUMBERS--LICENSE FEES--TAXES

EFFECTIVE DATE: 7/24/05

Passed by the House March 4, 2005 Yeas 96 Nays 0

#### FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 8, 2005 Yeas 47 Nays 0

#### BRAD OWEN

President of the Senate

Approved April 21, 2005.

#### CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1958** as passed by the House of Representatives and the Senate on the dates hereon set forth.

# RICHARD NAFZIGER

Chief Clerk

FILED

April 21, 2005 - 3:26 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

Secretary of State State of Washington

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### HOUSE BILL 1958

Passed Legislature - 2005 Regular Session

State of Washington 59th Legislature 2005 Regular Session

By Representatives Buck and B. Sullivan

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Read first time 02/11/2005. Referred to Committee on Natural Resources, Ecology & Parks.

- 1 AN ACT Relating to extending the buyback program for certain
- 2 limited fisheries that are set to expire at the end of 2005; and
- 3 amending RCW 77.70.150, 77.70.190, 82.27.020, and 82.27.070.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 77.70.150 and 2001 c 253 s 58 are each amended to read 6 as follows:
  - (1) A sea urchin dive fishery license is required to take sea urchins for commercial purposes. A sea urchin dive fishery license authorizes the use of only one diver in the water at any time during sea urchin harvest operations. If the same vessel has been designated on two sea urchin dive fishery licenses, two divers may be in the water. A natural person may not hold more than two sea urchin dive fishery licenses.
- (2) Except as provided in subsection (6) of this section, the director shall issue no new sea urchin dive fishery licenses. For licenses issued for the year 2000 and thereafter, the director shall renew existing licenses only to a natural person who held the license at the end of the previous year. If a sea urchin dive fishery license is not held by a natural person as of December 31, 1999, it is not

- renewable. However, if the license is not held because of revocation or suspension of licensing privileges, the director shall renew the license in the name of a natural person at the end of the revocation or suspension if the license holder applies for renewal of the license before the end of the year in which the revocation or suspension ends.
  - (3) Where a licensee failed to obtain the license during the previous year because of a license suspension or revocation by the director or the court, the licensee may qualify for a license by establishing that the person held such a license during the last year in which the person was eligible.
- (4) Surcharges as provided for in this section shall be collected and deposited into the sea urchin dive fishery account hereby created in the custody of the state treasurer. Only the director or the director's designee may authorize expenditures from the account. The sea urchin dive fishery account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures. Expenditures from the account shall only be used to retire sea urchin licenses until the number of licenses is reduced to twenty-five, and thereafter shall only be used for sea urchin management and enforcement.
- (a) A surcharge of one hundred dollars shall be charged with each sea urchin dive fishery license renewal for licenses issued in 2000 through ((2005)) 2010.
- (b) For licenses issued for the year 2000 and thereafter, a surcharge shall be charged on the sea urchin dive fishery license for designating an alternate operator. The surcharge shall be as follows: Five hundred dollars for the first year or each of the first two consecutive years after 1999 that any alternate operator is designated and two thousand five hundred dollars each year thereafter that any alternate operator is designated.
- (5) Sea urchin dive fishery licenses are transferable. After December 31, 1999, there is a surcharge to transfer a sea urchin dive fishery license. The surcharge is five hundred dollars for the first transfer of a license valid for calendar year 2000, and two thousand five hundred dollars for any subsequent transfer, whether occurring in the year 2000 or thereafter. Notwithstanding this subsection, a one-time transfer exempt from surcharge applies for a transfer from the

natural person licensed on January 1, 2000, to that person's spouse or child.

- (6) If fewer than twenty-five natural persons are eligible for sea urchin dive fishery licenses, the director may accept applications for new licenses. The additional licenses may not cause more than twenty-five natural persons to be eligible for a sea urchin dive fishery license. New licenses issued under this section shall be distributed according to rules of the department that recover the value of such licensed privilege.
- **Sec. 2.** RCW 77.70.190 and 2001 c 253 s 59 are each amended to read 11 as follows:
  - (1) A sea cucumber dive fishery license is required to take sea cucumbers for commercial purposes. A sea cucumber dive fishery license authorizes the use of only one diver in the water at any time during sea cucumber harvest operations. If the same vessel has been designated on two sea cucumber dive fishery licenses, two divers may be in the water. A natural person may not hold more than two sea cucumber dive fishery licenses.
  - (2) Except as provided in subsection (6) of this section, the director shall issue no new sea cucumber dive fishery licenses. For licenses issued for the year 2000 and thereafter, the director shall renew existing licenses only to a natural person who held the license at the end of the previous year. If a sea cucumber dive fishery license is not held by a natural person as of December 31, 1999, it is not renewable. However, if the license is not held because of revocation or suspension of licensing privileges, the director shall renew the license in the name of a natural person at the end of the revocation or suspension if the license holder applies for renewal of the license before the end of the year in which the revocation or suspension ends.
  - (3) Where a licensee failed to obtain the license during either of the previous two years because of a license suspension by the director or the court, the licensee may qualify for a license by establishing that the person held such a license during the last year in which the person was eligible.
  - (4) Surcharges as provided for in this section shall be collected and deposited into the sea cucumber dive fishery account hereby created

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- in the custody of the state treasurer. Only the director or the director's designee may authorize expenditures from the account. sea cucumber dive fishery account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures. Expenditures from the account shall only be used to retire sea cucumber licenses until the number of licenses is reduced to twenty-five, and thereafter shall only be used for sea cucumber management and enforcement.
- 9 (a) A surcharge of one hundred dollars shall be charged with each sea cucumber dive fishery license renewal for licenses issued in 2000 through ((2005)) 2010.
  - (b) For licenses issued for the year 2000 and thereafter, a surcharge shall be charged on the sea cucumber dive fishery license for designating an alternate operator. The surcharge shall be as follows: Five hundred dollars for the first year or each of the first two consecutive years after 1999 that any alternate operator is designated and two thousand five hundred dollars each year thereafter that any alternate operator is designated.
  - (5) Sea cucumber dive fishery licenses are transferable. After December 31, 1999, there is a surcharge to transfer a sea cucumber dive fishery license. The surcharge is five hundred dollars for the first transfer of a license valid for calendar year 2000 and two thousand five hundred dollars for any subsequent transfer whether occurring in the year 2000 or thereafter. Notwithstanding this subsection, a one-time transfer exempt from surcharge applies for a transfer from the natural person licensed on January 1, 2000, to that person's spouse or child.
  - (6) If fewer than twenty-five persons are eligible for sea cucumber dive fishery licenses, the director may accept applications for new licenses. The additional licenses may not cause more than twenty-five natural persons to be eligible for a sea cucumber dive fishery license. New licenses issued under this section shall be distributed according to rules of the department that recover the value of such licensed privilege.
- **Sec. 3.** RCW 82.27.020 and 2001 c 320 s 9 are each amended to read as follows:
- 37 (1) In addition to all other taxes, licenses, or fees provided by

- law there is established an excise tax on the commercial possession of 1 2 enhanced food fish as provided in this chapter. The tax is levied upon and shall be collected from the owner of the enhanced food fish whose 3 possession constitutes the taxable event. The taxable event is the 4 5 first possession in Washington by an owner after the enhanced food fish has been landed. Processing and handling of enhanced food fish by a 6 7 person who is not the owner is not a taxable event to the processor or 8 handler.
  - (2) A person in possession of enhanced food fish and liable to this tax may deduct from the price paid to the person from which the enhanced food fish (except oysters) are purchased an amount equal to a tax at one-half the rate levied in this section upon these products.
- 13 (3) The measure of the tax is the value of the enhanced food fish at the point of landing.
- 15 (4) The tax shall be equal to the measure of the tax multiplied by 16 the rates for enhanced food fish as follows:
- 17 (a) Chinook, coho, and chum salmon and anadromous game fish: Five 18 and twenty-five one-hundredths percent;
- 19 (b) Pink and sockeye salmon: Three and fifteen one-hundredths 20 percent;
- 21 (c) Other food fish and shellfish, except oysters, sea urchins, and 22 sea cucumbers: Two and one-tenth percent;
  - (d) Oysters: Eight one-hundredths of one percent;

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- 24 (e) Sea urchins: Four and six-tenths percent through December 31, ((2005)) 2010, and two and one-tenth percent thereafter; and
- 26 (f) Sea cucumbers: Four and six-tenths percent through December 27 31,  $((\frac{2005}{}))$  2010, and two and one-tenth percent thereafter.
- 28 (5) An additional tax is imposed equal to the rate specified in RCW 82.02.030 multiplied by the tax payable under subsection (4) of this section.
- 31 **Sec. 4.** RCW 82.27.070 and 2003 c 39 s 46 are each amended to read 32 as follows:
- All taxes collected by the department of revenue under this chapter shall be deposited in the state general fund except for the excise tax on anadromous game fish, which shall be deposited in the wildlife fund, and, during the period January 1, 2000, to December 31, ((2005)) 2010, twenty-five forty-sixths of the revenues derived from the excise tax on

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- 1 sea urchins collected under RCW 82.27.020 shall be deposited into the
- 2 sea urchin dive fishery account created in RCW 77.70.150, and twenty-
- 3 five forty-sixths of the revenues derived from the excise tax on sea
- 4 cucumbers collected under RCW 82.27.020 shall be deposited into the sea
- 5 cucumber dive fishery account created in RCW 77.70.190.

Passed by the House March 4, 2005. Passed by the Senate April 8, 2005. Approved by the Governor April 21, 2005. Filed in Office of Secretary of State April 21, 2005.