

HOUSE BILL REPORT

2ESHB 1147

As Passed House:

January 28, 2008

Title: An act relating to damage to livestock caused by wildlife.

Brief Description: Concerning damage to livestock.

Sponsors: By House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Kretz, B. Sullivan, Hinkle, Pettigrew, Linville, Kristiansen, Blake, Takko, Newhouse, Warnick, Hailey, Grant, Armstrong, Kessler, Wallace, Haigh, Moeller, Haler and Condotta).

Brief History:

Committee Activity:

Agriculture & Natural Resources: 1/22/07, 1/31/07 [DPS].

Floor Activity:

Passed House: 1/28/08, 93-0.

Brief Summary of Second Engrossed Substitute Bill

- Expands the wildlife damage crop compensation program to include damage done to livestock by cougars, wolves and bears.
- Creates the Commercial Livestock Valuation and Appeals Committee to determine the fair market value of killed or damaged livestock.

HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives B. Sullivan, Chair; Blake, Vice Chair; Kretz, Ranking Minority Member; Warnick, Assistant Ranking Minority Member; Eickmeyer, Grant, Hailey, Newhouse, Orcutt, Strow and VanDeWege.

Minority Report: Do not pass. Signed by 4 members: Representatives Dickerson, Kagi, Lantz and McCoy.

Staff: Jason Callahan (786-7117).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Background:

The owners of a commercial agricultural or horticultural crop may apply to the Department of Fish and Wildlife (WDFW) for payment of damages caused by the browsing of wild deer or elk. Payments are limited to the value of the crop, but are generally capped at \$10,000 per claim. Claims valued over \$10,000 must be filed with the Office of Financial Management, which will forward a recommendation on the claim to the Legislature. Only a landowner that opens his or her land to public hunting is eligible for compensation caused by deer or elk damage.

It is the responsibility of the WDFW to examine and assess the damage upon notification from the claimant, although the WDFW and the claimant can agree to have the damage assessed by a third party. The owner of the damaged crops must report the loss within 10 days of discovery. Any damage payments accepted by the owner represents the exclusive remedy against the state for wildlife-caused damages.

Summary of Second Engrossed Substitute Bill:

The wildlife damage crop compensation program is expanded to include damage done to livestock by cougars, wolves, and bears. The term "livestock" is defined as cattle, sheep, and horses. The owner of the livestock may receive the fair market value of an animal that is killed by predatory wildlife, or that is injured to such a degree that the commercial value of the animal is diminished, if the owner receives at least \$10,000 annually from the sale of livestock.

The responsibility for determining whether or not an animal was killed or injured by a bear, wolf, or cougar belongs to the WDFW. Once a cow, sheep, or horse is found to have been killed or injured by a bear, cougar, or wolf, then the fair market value must be determined. If the owner of the livestock and the WDFW agree on a fair compensation value with the help of a neutrally-accepted assessor, then the WDFW will provide the owner with the amount. However, if the WDFW and the livestock owner fail to agree, then the question of market value will be forwarded to the Commercial Livestock Valuation and Appeals Committee (Valuation Committee). The Valuation Committee is a group of seven livestock professionals.

The Valuation Committee members are appointed by the Fish and Wildlife Commission, and must represent a mix of sheep, horse, and cattle producers. The Valuation Committee may request any necessary information and documentation relating to a claim. At least four members of the Valuation Committee must vote to affirm a market value, and the resulting market value determination becomes the final amount awarded to the owner of the killed or damaged livestock.

In order to qualify for a claim, the owner of the killed or injured livestock must notify the WDFW within 72 hours of discovering the attack on his or her animal. The owner of the

livestock is not required to open his or her land for public hunting in order to be eligible for compensation.

The funding limitations, exclusive remedy provisions, and other administrative functions of the crop damage compensation program also apply to claims for livestock loss. However, only one-half of the money available to pay compensation claims may be used for livestock claims.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) Voter's initiatives have taken from the WDFW certain tools that are necessary for the proper management of wildlife. As a result, the population of wild predators has increased. The increase in predator population has resulted in increased losses to the livestock industry. The level and equitable approach to take would be for the general public to pay for the costs inflicted when a public resource like wildlife damages private property.

Predation is a huge issue for livestock producers, and having a third party like the USDA involved ensures accountability. The cost of reimbursements on the fiscal note underscores how significant the losses are to the livestock industry.

Ideally this bill would also reimburse sheep producers for coyote damage, but the bill is necessarily limited in effect to reduce the fiscal impact to the state. The bill is also limited to commercial livestock producers to likewise reduce the cost of the bill.

(Concerns) Having the USDA involved as the sole arbitrator of damage causation increases the expense to the state for administration and causes duplicating efforts.

Persons Testifying: (In support) Representative Kretz, prime sponsor; Jack Field, Washington Cattlemen's Association; and John Stuhlmiller, Washington Farm Bureau.

(Concerns) Bruce Bjork, Washington Department of Fish and Wildlife.

Persons Signed In To Testify But Not Testifying: None.