

# SENATE BILL REPORT

## SHB 2676

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As Reported By Senate Committee On:  
Water, Energy & Telecommunications, February 26, 2008

**Title:** An act relating to dairy farm nutrient management.

**Brief Description:** Exempting dairy farms subject to the national pollutant discharge elimination system from shellfish protection district charges.

**Sponsors:** House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Morris, Quall, Linville and Pearson).

**Brief History:** Passed House: 2/14/08, 93-1.

**Committee Activity:** Water, Energy & Telecommunications: 2/26/08 [DP].

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### SENATE COMMITTEE ON WATER, ENERGY & TELECOMMUNICATIONS

**Majority Report:** Do pass.

Signed by Senators Rockefeller, Chair; Murray, Vice Chair; Honeyford, Ranking Minority Member; Delvin, Hatfield, Holmquist, Morton, Oemig and Regala.

**Staff:** Karen Epps (786-7424)

**Background:** County legislative authorities may create a shellfish protection district and adopt shellfish protection programs to address water quality issues affecting growing and harvesting shellfish. Counties must coordinate and cooperate with cities, towns, and water-related special districts within their boundaries in establishing shellfish protection districts and carrying out shellfish protection programs. Counties must also consult with the Departments of Health, Ecology, Agriculture, or the Conservation Commission about the elements of the shellfish protection program. To date, 12 districts exist, and eight have resulted in classification upgrades and re-openings.

Counties may finance a shellfish protection program through county tax revenues, inspection fees and other fees for provided services, rates specified in the protection program, or with federal, state, or private grants. Fees, rates or charges must not be imposed by districts on the following: (1) confined animal feeding operations subject to the National Pollutant Discharge Elimination System (NPDES); (2) other facilities permitted and assessed fees under the NPDES system; and (3) timberlands classified under state timber and open space tax laws.

All dairy animal feeding operations are required to adopt a dairy nutrient management plan to assure the dairy does not discharge into state waters. These plans must be approved and certified by the local conservation district.

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*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.*

**Summary of Bill:** A shellfish protection district that charges rates or fees through county tax revenues, inspection fees, or reasonable charges must include sufficient detail of the expenditures of the revenue in its annual report. The exemption of a confined animal feeding operation subject to the national pollutant discharge elimination system from fees, rates, or charges by a shellfish protection district is removed. Dairy animal feeding operations with certified dairy nutrient management plans submitted to the local conservation district are subject to fees, rates, or charges by a shellfish protection district of not more than \$500 in a calendar year.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

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

**Staff Summary of Public Testimony:** PRO: This is a huge issue to the dairy industry. Once a dairy farm obtains a dairy nutrient management plan, they have no discharge at that point. The shellfish protection district assessment in Skagit County is a new assessment that came out this year. Some dairy farms have been hit with a new assessment of up to \$2,500 when they had been exempt from these assessments that used to be required to obtain an NPDES permit. The way the statute currently works is that dairy farmers with a plan, who do not have any discharge, are being hit with a large assessment, and those dairy farmers, who have had to take the next step and get an NPDES permit, are exempt from that assessment. There is an equity issue here that cannot be ignored.

CON: This bill creates more problems than it solves. Any situation establishing preference of one group over another creates problems for the other groups. By establishing limits on the dairy farms, the fees to other groups will increase. The solution lies at the county level, not at a mandated state level. It is important to keep shellfish protection districts flourishing and robust.

**Persons Testifying:** PRO: Representative Jeff Morris, prime sponsor; Chris Cheney, Washington Dairy Federation; Jim Jesernig, Pacific Coast Shellfish Growers; Bruce Wishart, People for Puget Sound.

CON: Bill Garvin, Washington State Association of Counties.