SENATE BILL REPORT SB 6147

As of January 22, 2024

Title: An act relating to protecting and preserving the Puget Sound salmon purse seine fishing industry.

Brief Description: Protecting and preserving the Puget Sound salmon purse seine fishing industry.

Sponsors: Senators Shewmake, Dhingra, Holy, Lovick, Nobles, Saldaña and Warnick.

Brief History:

Committee Activity: Agriculture, Water, Natural Resources & Parks: 1/22/24.

Brief Summary of Bill

- Creates a license buyback and retirement program at the Washington Department of Fish and Wildlife (WDFW) for the purchase of Puget Sound salmon purse seine licenses.
- Directs WDFW to offer \$150,000 for the buyback of licenses to reduce the number from 71 to 40 total licenses.

SENATE COMMITTEE ON AGRICULTURE, WATER, NATURAL RESOURCES & PARKS

Staff: Jeff Olsen (786-7428)

Background: The Washington Department of Fish and Wildlife (WDFW) serves as manager of the state's fish and wildlife resources. Among other duties, WDFW must protect and manage fish and wildlife, including establishing the time, place, manner, and methods used to harvest or enjoy fish and wildlife. WDFW manages the commercial harvest of fish and shellfish and requires commercial fishers to obtain applicable licenses to participate in fisheries. In general, commercial fishing license fees are structured by species and fishing

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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 part of the legislation nor does it constitute a statement of legislative intent.

gear.

A commercial salmon fishery license is required for a license holder to use the specified gear to fish for salmon in state waters. A salmon purse seine license is required to commercially fish for salmon using a purse seine, with an annual resident fee of \$545 and a nonresident fee of \$930. After May 6, 1974, the Director of WDFW may not issue new commercial salmon fishery licenses, however, commercial salmon fishery licenses are transferrable. Currently there are 71 commercial salmon purse seine licenses issued by WDFW in Washington.

In 2022 the Washington State Legislature provided \$14.4 million for a commercial license reduction program to reduce the number of non-treaty Columbia River/Willapa Bay and Columbia River/Grays Harbor salmon gillnet fishing licenses through a voluntary buy-back program. WDFW reduced the number of licenses from 240 to 67, and purchased inactive licenses for \$25,000 and active licenses for \$90,000.

Summary of Bill: WDFW shall develop a Puget Sound salmon purse seine license buyback and retirement program. This program is in effect from December 1, 2024, to June 30, 2025, and is an open offer from WDFW to purchase Puget Sound salmon purse seine licenses for \$150,000 per license.

WDFW must rank all Puget Sound salmon purse seine licensees from one through 71. To determine the ranking WDFW shall calculate the gross income from total landings recorded on each license for all salmon species from 2018 through 2022. The ranking must be from highest to lowest total gross income from total landings.

Beginning December 1, 2024, WDFW shall make an open offer to purchase licenses. WDFW must send a firm offer to licensees ranked 1 through 31, and licensees have 30 days to accept the offer. WDFW must also send a notice to licensees ranked 32 through 71 requesting a formal letter of interest to sell their license. Any letter of interest received after 30 days is void. After the 30 day period for responding to letters of interests and firm offers has lapsed, WDFW shall purchase licenses in ranked order until a total of 31 licenses are purchased. The buyback program expires June 30, 2025.

Upon completion of the buyback program WDFW may not issue any new Puget Sound salmon purse seine commercial licenses if it would cause the total number of licenses in the fishery to exceed 40.

An appropriation of \$5 million from the State General Fund is provided for the fiscal year ending June 30, 2024, to WDFW to implement the buyback program.

Appropriation: The bill contains an appropriation totaling \$5,000,000 from the State General Fund.

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Fiscal Note: Requested on January 17, 2024.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: Due to all of the pressures on salmon populations, the Puget Sound purse seine fishery is in dire economic stress. Due to court decisions, declines in Fraser River sockeye, chinook ESA listings, and reduced opportunities for chum salmon, there are too many boats and not enough fish. The bill is a voluntary right sizing of the fishery that would reduce the fleet from 71-40 licenses. The buyback is fair and equitable with no loopholes, and is easily implemented, and results in a permanent retirement of licenses.

CON: While the bill suggests there is a conservation benefit, there is no reduced opportunity in the proposal. This is not a conservation measure, rather it is a government subsidy. If the public invests in harvest reduction, there needs to be safeguards to prevent licensees from selling their license and purchasing another license to re-enter the fishery. If this is an economic assistance effort, there also needs consideration for funding for the recreational fishing industry that has also been economically impacted.

Persons Testifying: PRO: Bob Kehoe, Purse Seine Vessel Owners' Association.

CON: Nello Picinich, Coastal Conservation Association.

Persons Signed In To Testify But Not Testifying: No one.