
**Agriculture & Natural Resources
Committee**

HB 2737

Brief Description: Concerning commercial shellfish fees.

Sponsors: Representatives Bernbaum, Couture and Griffey.

Brief Summary of Bill

- Establishes fee maximums for annual commercial shellfish operation, biotoxin testing, and export certificate fees.
- Exempts the Department of Health's shellfish regulatory program from the requirement to be fully fee-supported.
- Makes the fee maximums retroactive to February 1, 2026, and contains an emergency clause.

Hearing Date: 2/18/26

Staff: Rebecca Lewis (786-7339).

Background:

State law requires the Department of Health (DOH) to recover its full fee-eligible costs for licensing programs. In 2023, the DOH initiated rulemaking to increase fees in the shellfish regulatory program. In 2024, the Legislature passed a proviso that paused the DOH's rulemaking process to increase fees in the shellfish regulatory program and required the DOH to contract with an independent consultant to review the program. The resulting Greene Report was published in 2025.

In July 2025, the DOH conducted new rulemaking and adopted new and increased fees that took

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effect on February 1, 2026. Under this rulemaking, a second round of fee increases will occur in year two, after July 1, 2026. The following table compares the licensing fees and biotoxin fees that were in effect in fiscal year 2025 with both the current and fully phased-in fees.

Operation	Licensing Fees			Biotoxin Fees		
	FY 2025	Adopted - Effective Feb. 1, 2026	Adopted - FY 2027	FY 2025	Adopted - Effective Feb. 1, 2026	Adopted - FY 2027
Harvester, 2 harvest sites or less	\$263	\$876	\$1,489	\$353	\$353	\$710
Harvester, 3 sites or more	\$263	\$916	\$1,569	\$535	\$535	\$1,076
Shellstock Shipper (SS) 0-49 acres, 2 sites or less	\$297	\$1,954	\$3,611	\$393	\$393	\$790
SS 0-49 acres, 3 sites or more	\$297	\$2,100	\$3,902	\$610	\$610	\$1,226
SS 50 acres or more	\$476	\$2,188	\$2,900	\$961	\$961	\$1,933
SS Wholesaler	\$297	\$1,955	\$3,613	\$198	\$198	\$790
Shucker Packer (SP) <2000 sq ft plant, 2 sites or less	\$542	\$4,398	\$8,252	\$752	\$752	\$1,512
SP <2000 sq ft plant, 3 sites or more	\$542	\$4,816	\$9,090	\$1,076	\$1,076	\$2,164
SP 2000-5000 sq ft plant, 2 sites or less	\$656	\$5,512	\$10,368	\$882	\$882	\$1,773
SP 2000-5000 sq ft plant, 3 sites or more	\$656	\$5,405	\$10,154	\$1,297	\$1,297	\$2,607
SP >5000 sq ft plant	\$1,210	\$5,105	\$9,000	\$2,412	\$2,412	\$4,848

The following table compares the use fees that were in effect in fiscal year 2025 with both the current and fully phased-in fees.

	FY 2025	Adopted - Effective Feb. 1, 2026	Adopted - FY 2027
Export Certificate	\$55	\$159	\$159
PSP Geoduck Testing	Varies by harvester	\$188	\$297
Non-Compliance (Virtual)	None	\$64	\$64
Non-Compliance (In-Person)	None	\$291	\$291
New/Expired License Inspection	None	\$323	\$323

On December 31, 2025, the DOH initiated new rulemaking to explore alternative shellfish fee structures to minimize impacts on small businesses.

Summary of Bill:

The shellfish regulatory program is exempted from the statutory requirement that the Department of Health (DOH) licensing programs must be fully fee-supported. Annual shellfish operation license fees and biotoxin testing fees for companies harvesting species other than geoduck intertidally may not exceed the following amounts:

Operation	HB 2737 - License Fee Maximums	HB 2737 - Biotoxin Fee Maximums
Harvester, 2 harvest sites or less	\$416	\$484
Harvester, 3 sites or more	\$416	\$733
Shellstock Shipper (SS) 0-49 acres, 2 sites or less	\$469	\$538
SS 0-49 acres, 3 sites or more	\$469	\$836
SS 50 acres or more	\$752	\$1,317
SS Wholesaler	\$469	\$271
Shucker Packer (SP) <2000 sq ft plant, 2 sites or less	\$856	\$1,030
SP <2000 sq ft plant, 3 sites or more	\$856	\$1,474
SP 2000-5000 sq ft plant, 2 sites or less	\$1,036	\$1,208
SP 2000-5000 sq ft plant, 3 sites or more	\$1,036	\$1,777

Operation	HB 2737 - License Fee Maximums	HB 2737 - Biotoxin Fee Maximums
SP >5000 sq ft plant	\$1,912	\$3,304

The fee for an export certificate may not exceed \$75. The fee maximums apply retroactively to all shellfish fees and surcharges established on or after February 1, 2026.

Definitions are provided for "export certificate," "harvester," "harvest site," "shellstock shipper," and "shucker-packer," that are consistent with how the terms are defined in rule. "Wholesale shellstock shipper" means dealers who perform no harvesting, have no harvest sites, and are limited to purchasing and reshipping shellfish.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect immediately.