

11. Commercial Sea Cucumbers/Sea Urchins (Briefing/Public Hearing)

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Summary

Meeting dates: June 7-8, 2013

Agenda item #11: Commercial Sea Cucumbers/Sea Urchins (Briefing/Public Hearing)

Presenter(s): Rich Childers, Puget Sound Shellfish Manager, Fish Program

Background summary:

To meet the objective of RCW 77.70.150 and 77.70.190, the department maintains an industry funded commercial license buy-back program for the sea cucumber and sea urchin fishery. The goal of the program is to reduce the number of sea urchin and sea cucumber permits to 20 each by 2013. As per RCW 77.70.150 and 77.70.190 both buy-back programs expire on December 31, 2013. To maximize the use of all funds collected and deposited into the buy-back account prior to the December 31 sunset, department staff are recommending the following modifications to WACs 220-95-100 and 220-95-110:

- I. Change the date that license holders can offer their license for buy-back from August 1 to December 1 and the purchase date to January 31;
- II. Allow the Department Director to establish the maximum bid price for both sea cucumber and sea urchin licenses based on industry recommendations and implement the bid price through the emergency rule process.

These rule changes will promote sales of licenses back to the department to meet the license reduction goals.

Policy issue(s) you are bringing to the Commission for consideration:

These rule changes will modify the dates for the process of soliciting bids and purchasing commercial sea cucumber and sea urchin licenses and provide authority to the Director for setting the maximum bid price for buy-back program.

Public involvement process used and what you learned:

The department solicited input from industry stakeholders and advisory groups. Stakeholders support these rule changes.

Action requested:

Briefing and public comment only

Draft motion language:

None

Justification for Commission action:

This action is justified under RCW 77.12.047.

Communications Plan:

Department staff have communicated with Industry advisory groups and will continue to meet and brief the advisors on the progress of these rule changes.

AMENDATORY SECTION (Amending Order 12-140, filed 7/10/12, effective 8/10/12)

WAC 220-95-100 Sea urchin license reduction program. In order to provide for economic stability in the commercial sea urchin fishery, and in accordance with RCW 77.70.150, the department establishes the sea urchin license reduction program (program).

(1) Eligibility: All persons who currently hold a sea urchin commercial fishery license are eligible to offer their license(s) for purchase by the department.

(2) Offer process: The department will accept sales offers beginning (~~(August)~~) December 1st of each year and will purchase licenses based on the funds that are available on (~~(September 30th)~~) January 31st of (~~(that same)~~) the following year.

(3) Selection process: The department will rank sales offers from the lowest offer to the highest. It will purchase the lowest-cost licenses first, then the next lowest, and continue until there are insufficient funds to complete a purchase on an offer. If two or more licenses are offered at the same price, selection will be by random draw. To purchase licenses, the department will use the funds made available under RCW 77.70.150, with a maximum purchase price (~~(of twenty thousand dollars per license)~~) set by the director or his or her designee. The director or his or her designee must seek the advice of commercial sea urchin fishery license holders prior to setting or revising the maximum purchase price. Once the director or his or her designee establishes or revises the maximum bid price, he or she will convey the price via emergency rule by November 1st of each year.

(4) License reduction process: When the department purchases a license, it will issue a warrant (a check from the department) in the amount of the offer to the license holder. On the date that the department mails the warrant to the license holder's mailing address on file with the department, it will void the license. When the license holder receives the warrant, he or she must return his or her commercial sea urchin license cards to the department.

(5) No prohibition on reentry: License holders who sell a license under the program may reenter the sea urchin commercial fishery if they purchase a license.

(6) Program termination: This program terminates when the number of sea urchin commercial fishery licensees is reduced to twenty.

WAC 220-95-110 Sea cucumber license reduction program. In order to provide for economic stability in the commercial sea cucumber fishery, and in accordance with RCW 77.70.190, the department establishes the sea cucumber license reduction program (program).

(1) Eligibility: All persons who currently hold a sea cucumber commercial fishery license are eligible to offer their license(s) for purchase by the department.

(2) Offer process: The department will accept sales offers beginning (~~(August)~~) December 1st of each year and will purchase licenses based on the funds that are available on (~~(September 30th)~~) January 31st of (~~(that same)~~) the following year.

(3) Selection process: The department will rank sales offers from the lowest offer to the highest. It will purchase the lowest-cost licenses first, then the next lowest, and continue until there are insufficient funds to complete a purchase on an offer. If two or more licenses are offered at the same price, selection will be by random draw. To purchase licenses, the department will use the funds made available under RCW 77.70.190, with a maximum purchase price (~~(of sixty thousand dollars per license)~~) set by the director or his or her designee. The director or his or her designee must seek the advice of commercial sea cucumber fishery license holders prior to setting or revising the maximum purchase price. Once the director or his or her designee establishes or revises the maximum bid price, he or she will convey the price via emergency rule by November 1st of each year.

(4) License reduction process: When the department purchases a license, it will issue a warrant (a check from the department) in the amount of the offer to the license holder. On the date that the department mails the warrant to the license holder's mailing address on file with the department, it will void the license. When the license holder receives the warrant, he or she must return his or her commercial sea cucumber license cards to the department.

(5) No prohibition on reentry: License holders who sell a license under the program may reenter the sea cucumber commercial fishery if they purchase a license.

(6) Program termination: This program terminates when the number of sea cucumber commercial fishery licensees is reduced to twenty.