

State of Washington
Decision Package

FINAL

Agency: 303 Department of Health
Decision Package Code/Title: N3 Increase Biotoxin Testing
Budget Period: 2015-17
Budget Level: PL-Performance Level

Recommendation Summary Text:

The Department of Health (DOH) requests a fee increase to recreational and commercial shellfish licenses to enable the department to expand shellfish biotoxin testing to include Diarrhetic Shellfish Poisoning, an emerging biotoxin that is new to Washington State. Diarrhetic Shellfish Poisoning (DSP) is a toxin that is poisonous to consumers as it attacks the gastrointestinal system and causes illness. Increased testing for shellfish biotoxins reduces the risk to public health and keeps shellfish beds open for recreational and commercial benefits.

Fiscal Detail

Operating Expenditures			<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
15M-1	Biotoxin Account		250,000	250,000	500,000
001-7	General Fund - Local		85,000	85,000	170,000
Total Cost			335,000	335,000	670,000
Staffing			<u>FY 2016</u>	<u>FY 2017</u>	<u>Annual Avg</u>
FTEs			2.6	2.6	2.6
Revenue					
Fund	Source		<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001 General Fund	0597 Reimburs P/Local Con		85,000	85,000	170,000
Total Revenue			85,000	85,000	170,000

Package Description:

This decision package requests both a recreational shellfish license fee increase which is collected by the Department of Fish and Wildlife, and a new commercial DSP fee collected by the DOH to expand shellfish biotoxin testing to include DSP. The DOH's State Public Health lab is currently funded to test specifically for Paralytic Shellfish Poisoning (PSP) but not DSP. Since 2011, DOH has been able to use existing fund balance in the Biotoxin Account, Fund 15M to sample and test for DSP; however, this fund balance has been exhausted and is no longer available.

The DOH monitors marine waters to detect for paralytic shellfish toxin, diarrhetic shellfish toxin, and domoic acid toxin. Diarrhetic Shellfish Poisoning (DSP) is an emerging biotoxin that is new to Washington State. DSP is caused from lipophilic shellfish toxins that comprise an extensive suite of compounds associated with the human syndromes known as DSP. Toxins associated with DSP are present in shellfish, including oysters, clams and mussels from Puget Sound and razor clams from the Washington coast. Exposure symptoms are gastrointestinal including diarrhea, vomiting, nausea,

cramps, etc. These toxins are also known tumor promoters. The first confirmed cases of human DSP in the United States occurred in 2011 when Washington residents became ill after consuming mussels from Sequim Bay in the North Puget Sound.

DOH sends marines samples for testing to the state's Public Health Lab in Shoreline. The cost for sampling and testing is paid for by revenue from the recreational shellfish license biotoxin surcharge authorized in RCW 77.32.555 and commercial license fees as identified in WAC 246-282-990 as well as the state's general fund.

Additional fee revenue will be used by DOH exclusively for biotoxin sampling and testing. The availability of additional funds will enable the department to collect and test the minimum of 3,000 samples annually to ensure public health and to keep shellfish growing areas up for harvest.

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Program Contact: Office of Shellfish & Water Protection, Jerry Borchert, (360) 236-3328

Narrative Justification and Impact Statement:

What specific performance outcomes does the agency expect?

The ability to test for DSP will allow DOH to keep shellfish harvest areas open, allowing recreational and commercial shellfishers to continue harvesting shellfish. This proposal protects shellfish consumers from exposure to DSP and allows buyers of shellfish to continue to receive product harvest for and exported out of Washington State.

Performance Measure Detail

Activity: A007 Shellfish and Food Safety

Is this Decision Package essential to implement a strategy identified in the agency's strategic plan?

While not essential support this decision package links to:

Goal 1: Protect everyone in Washington from communicable diseases and other health threats,
Objective 3: Ensure the safety of our environment as it impacts human health.

Does this decision package provide essential support to one of the Governor's Results Washington priorities?

While not essential, this package supports:

Goal 4: Healthy and Safe Communities.

What are the other important connections or impacts related to this proposal?

The recreational shellfish license biotoxin surcharge is a fee imposed in addition to the base recreational shellfish license. The base fee generates revenue for the Department of Fish and Wildlife, and the biotoxin surcharge is statutorily provided and limited to DOH and the University of Washington to conduct statewide monitoring, screening and testing of biotoxins in shellfish. Revenue for the biotoxin surcharge is deposited in the Biotoxin Account, Fund 15M.

What alternatives were explored by the agency and why was this alternative chosen?

DOH considered a funding request for General Fund State, but since this proposal is clearly linked to recreational and commercial shellfishers, the department connected the funding for this proposal to its primary beneficiaries.

The recreational shellfish biotoxin surcharge has not been increased since its initial implementation in 2003. Annual revenue has been sufficient to cover the costs of sampling and testing for PSP but insufficient to cover the additional costs for DSP.

The commercial shellfish license fee generates funds used primarily to offset the DOH's regulatory costs. The current license fee includes a charge for PSP testing. This proposal would impose a new DSP charge similar to the PSP fee.

DOH will continue to research new testing methods and sampling processes to realize efficiencies and cost savings.

What are the consequences of adopting or not adopting this package?

If this proposal is not adopted, DOH will not have sufficient funds to test for DSP. Not testing for DSP increases the risk that shellfish consumers will contract DSP. The inability to sufficiently test will also lead to more frequent and longer shellfish area closures. This will impact recreational shellfish harvesters, commercial shellfish harvesters, and buyers of shellfish who receive product exported out of Washington State.

What is the relationship, if any, to the state capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

The new proposed fee will need to be provided for in rule.

Expenditure and revenue calculations and assumptions

Revenue:

A \$1.00 increase to the recreational shellfish license biotoxin surcharge collected by the Department of Fish and Wildlife will generate \$350,000 in annual revenue into the Biotoxin Account, Fund 15M.

License Types	Qty Sold in FY 2014	Dept. of Fish & Wildlife Base Fee	Current Biotoxin Surcharge	Proposed Biotoxin Surcharge Increase	Total Proposed Biotoxin Surcharge	Estimated Increase (\$1.00 X Qty Sold)
Combo R	151,267	47.50	2.00	1.00	3.00	151,267
Combo N/R	2,456	110.50	2.00	1.00	3.00	2,456
Combo D/V	14,844	7.50	2.00	1.00	3.00	14,844
Combo NRD	120	47.50	2.00	1.00	3.00	120
Combo FW-Promo R	798	22.50	2.00	1.00	3.00	798
Combo SW-Promo R	106	22.00	2.00	1.00	3.00	106
Annual Shellfish R	93,758	13.00	3.00	1.00	4.00	93,758
Annual Shellfish N/R	6,481	30.00	3.00	1.00	4.00	6,481
Annual Shellfish NRD	1	13.00	3.00	1.00	4.00	1
Annual Razor Clam R	19,761	10.00	2.00	1.00	3.00	19,761
Annual Razor Clam N/R	1,532	17.00	2.00	1.00	3.00	1,532
Annual Razor Clam D/V	1,774	10.00	2.00	1.00	3.00	1,774
Annual Razor Clam NRD	-	17.00	2.00	1.00	3.00	-
Razor Clam Hot Key R	11,623	10.00	2.00	1.00	3.00	11,623
Razor Clam Hot Key NR	2,172	17.00	2.00	1.00	3.00	2,172
3-Day Razor Clam R	7,809	6.00	1.00	1.00	2.00	7,809
3-Day Razor Clam N/R	1,888	6.00	1.00	1.00	2.00	1,888
3-Day Razor Clam Y	173	6.00	1.00	1.00	2.00	173
3-Day Razor Clam S/R	282	6.00	1.00	1.00	2.00	282
3-Day Razor Clam D/V	69	6.00	1.00	1.00	2.00	69
3-Day Hot Key Razor R	21,369	6.00	1.00	1.00	2.00	21,369
3-Day Hot Key Razor NR	11,991	6.00	1.00	1.00	2.00	11,991
TOTALS:	350,274					350,274

The below proposed DSP commercial license fee collected by the Department of Health will generate an additional \$85,000 annually into the Local General Fund.

Industry	# of Sites	# of Current Companies	Current PSP Fee	Total PSP Fee Amount	Proposed DSP Fee	Total DSP Fee Amount (# of Co. X DSP fee)
Harvester						
1-2 sites	1-2	47	173	8,131	180	8,460
3 or more sites	3 or more	36	259	9,324	276	9,936
Shellstock Shipper						
Wholesale Companies		107	-	-	198	8,712
0-49 acres	1-2	64	195	12,480	198	12,672
0-49 acres	3 or more	39	292	11,388	318	12,402
50 or more acres		36	468	16,848	493	17,748
Shucker Packer						
Plants below 2000 sq ft	1-2	5	354	1,770	398	1,990
Plants below 2000 sq ft	3 or more	4	533	2,132	543	2,172
Plants 2000-5000 sq ft	1-2	2	429	858	453	906
Plants 2000-5000 sq ft	3 or more	6	644	3,864	653	3,918
Plants above 5000 sq ft		5	1,189	5,945	1,223	6,115
Total		351	4,536	72,740		85,031

The revenue generated by this fee increase proposal is sufficient to cover the costs for DOH to sample and test for DSP. This proposal also generates sufficient revenue to cover the cost of a concurrent University of Washington decision package for appropriation to fund the Olympic Region Harmful Algal Bloom program.

Expenditures:

In order to sample and test for DSP, DOH is requesting, beginning in fiscal year (FY) 2016 and ongoing, 1.0 FTE Public Health Advisor 3 for collecting samples and analyzing data, and 1.0 FTE Chemist 1 to process and analyze an estimated 3,000 DSP samples annually.

In addition, estimated total expenditures include 0.6 FTE to assist with increased division and agency workload, as well as an annual amount of \$79,000 for lab supplies, materials, and equipment (testing equipment needs to be upgraded on average every 10 years).

(FY 2016 – 2.6 FTE, 335,000 and FY 2017 – 2.6 FTE, 335,000)

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are ongoing.

For federal grants: Does this request require a maintenance of effort or state match?

Not Applicable.

For all other funding: Does this request fulfill a federal grant's maintenance of effort or match requirement?

No.

<u>Object Detail</u>		<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
A	Salaries and Wages	144,000	144,000	288,000
B	Employee Benefits	43,000	43,000	86,000
C	Personal Service Contracts			0
E	Goods and Services	114,000	114,000	228,000
G	Travel			0
J	Capital Outlays	30,000	30,000	60,000
T	Intra-Agency Reimbursements	4,000	4,000	8,000
Total Objects		335,000	335,000	670,000