

**Agency:** 303 Department of Health  
**Decision Package Code/Title:** N5 Export Certificate for Shellfish  
**Budget Period:** 2015-17  
**Budget Level:** PL-Performance Level

**Recommendation Summary Text:**

The Department of Health requests funding authority to improve the export certification process to satisfy commercial shellfish industry needs. The export certificate turn-around time will be reduced from 48 to 24 hours and enhancements will be made to the web based export system. These improvements will benefit the commercial shellfish industry and provide greater assurance of health and safety for products that are shipped to other countries.

**Fiscal Detail**

Operating Expenditures			<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001-7	General Fund Local		112,000	112,000	224,000
<b>Total Cost</b>			<b>112,000</b>	<b>112,000</b>	<b>224,000</b>
Staffing			<u>FY 2016</u>	<u>FY 2017</u>	<u>Annual Avg</u>
FTEs			1.0	1.0	1.0
Revenue					
	<b>Fund</b>	<b>Source</b>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
	001 General Fund	0597 Reimburs P/Local	112,000	112,000	224,000
<b>Total Revenue</b>			<b>112,000</b>	<b>112,000</b>	<b>224,000</b>

**Package Description:**

The Department of Health (DOH) issues export certificates to shellfish companies who export shellfish product internationally. These certificates are a requirement for receiving countries. They indicate that shellfish are harvested from safe and approved growing areas that are monitored for toxins, pathogens and heavy metals. The department issues approximately 3,200 export certificates per year.

The shellfish industry has requested a faster export certificate processing time from the DOH. The department will need additional staffing resources of 1.0 FTE to satisfy the industry requests. Specifically, the department would improve the export certificate processing time from 48 to 24 hours or less by solely devoting an entire staff position to the export program. In addition, DOH will provide Saturday service and enhance the web based export system. These improvements will also provide greater assurance of the health and safety of the product that is shipped from the United States and in addition to the commercial and economic benefit for the Washington economy.

Funding for the DOH shellfish export certificate program comes from an export certificate fee. These fees are paid by commercial shellfish companies when they request an export certificate to ship shellfish product internationally. This proposal would increase the fee from \$20 to \$55. The substantial increase is required to achieve the amount of resources necessary to support a staff position to conduct the expected workload. The only other entity that provides a shellfish export certification

program is the National Oceanic and Atmospheric Administration (NOAA). Export certificates issued by NOAA range from \$55 to \$109 per certificate as well as a one-time certificate ranging from \$10,000 to \$30,000 to participate in the NOAA Seafood Inspection Program. The fee proposed in this decision package is still well below the cost of participating in the NOAA program.

This proposal addresses the business needs of the commercial shellfish industry. The investment will provide economic benefits to the shellfish industry and local economy. This proposal also has a concurrent public health benefit. The recent China Ban of all shellfish from the west coast has prompted the DOH to review all practices related to shipment of product overseas. There are new requirements that previously did not exist six months ago, such as the need to clear areas of heavy metal Arsenic prior to shipment. Improvements made to the export certificate process will include enhanced screening necessary to prevent another ban. This increases the ability to more comprehensively inspect shipments and to trace products as they move through the supply chain.

This proposal responds to frequent requests by the commercial shellfish industry to improve the DOH process and decrease the certificate processing time.

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Program Contact: Office of Shellfish & Water Protection, Jerrod Davis, (360) 236-3391

### **Narrative Justification and Impact Statement:**

#### ***What specific performance outcomes does the agency expect?***

Outcomes from this proposal include:

- All export certificates will be issued within 24 hours of request. This will help facilitate the shipment of shellfish out of the country.
- Traceability of shellfish product will be improved.
- Improved ability to conduct quality assurance and quality control.
- The client will receive the service requested in a timely fashion.

### **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 to implementation, this package is linked to:

Goal 4: Integrate continuous improvement and performance management systems across the agency to best serve our customers. Objective 1: Improve customer satisfaction and use of customer feedback.

Goal 5: Ensure core business services are efficient, innovative and transparent. Objective 3: Make financial and business processes transparent, always seek customer engagement and input, and respond to customers' business needs and feedback; and Objective 5: Enhance our technological capabilities to meet current and future business needs.

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

While not essential support, this package is linked to:

Goal 5: Efficient, effective and accountable government: Customer Satisfaction,  
1.2.d. Increase percentage of state employees who believe we are increasing customer value from 54 percent to 57 percent by January 2016.

Goal 5: Efficient, effective and accountable government: Customer Confidence,  
1.3.a. Increase/maintain timely delivery of several regulatory/business services TBD, such as business licensing service and unemployment payments.

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

This proposal addresses frequent comments made by members of the commercial shellfish industry and benefits those who are currently exporting product and requesting export certificates. The fee increase and shortened processing time provide an economic benefit for these companies. Simultaneously, this proposal allows DOH to improve the export certificate process, signifying that the shellfish being exported is harvested from approved growing areas and is deemed safe for human consumption.

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

Status quo is the primary alternative. Currently, the commercial shellfish industry can choose to wait 48 hours for an export certificate from DOH or request a certificate from NOAA. The NOAA certificate is much more expensive and much less comprehensive. The status quo alternative does not address the needs of the commercial shellfish industry nor does it provide greater assurance of the health and safety of the product that is shipped from the United States.

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

Not adopting this package will result in no improvement to the services provided by DOH. The department will not meet the commercial shellfish industry's business need which is related to jobs and the economy. In addition, failure to better scrutinize requests and shipments going overseas could result in another ban on northwest shellfish.

***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?***

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***Expenditure and revenue calculations and assumptions.***

Revenue:

The export certification fee will increase from \$20 to \$55 per certificate. The department issues approximately 3,200 certificates per year. The fee increase is projected to generate an additional \$112,000 of revenue per year into the GF-S Local account.

Expenditures:

The department requests funding authority for \$112,000 and 1.0 FTE Public Health Advisor 3 in fiscal year (FY) 2016 and ongoing. The PHA 3 will be devoted entirely to improving the Shellfish Export Program. Specifically, this position is necessary to improve customer service and response times, provide for weekend issuance of certificates, ensure 24 hour turnaround for all requests and allow for better tracking of product. This funding request includes the costs for issuing certificates, conducting physical shellfish lot inspections, ensuring areas are cleared for arsenic and that screening is done for biotoxins. Total estimated amounts include costs for increased division and agency workload.

(FY 2016 – 1.0 FTE, \$112,000 and FY 2017 1.0 FTE, 112,000)

***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?***

None.

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

No.

<b><u>Object Detail</u></b>		<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>Total</u></b>
A	Salaries and Wages	73,000	73,000	146,000
B	Employee Benefits	21,000	21,000	42,000
C	Personal Service Contracts			0
E	Goods and Services	14,000	14,000	28,000
G	Travel	2,000	2,000	4,000
J	Capital Outlays			0
T	Intra-Agency Reimbursements	2,000	2,000	4,000
	<b>Total Objects</b>	<b>112,000</b>	<b>112,000</b>	<b>224,000</b>