

# ANALYSIS OF HB 2052

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*House Agriculture & Ecology Committee  
1997*

*February 24,*

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## **BACKGROUND:**

*Commodity Boards & Commissions.* Some agricultural commodity commissions, such as the Fruit Commission, Tree Fruit Research Commission, Apple Advertising Commission, Beef Commission, and Dairy Products Commission, have been created by statute. (Chapters 15.28, 15.24, 15.26, 15.44, and 16.67 RCW.) Some of the statutes, such as those for the Apple Advertising, Tree Fruit Research, and Dairy Products Commissions, require increases in assessments to be approved by a referendum of the growers who are subject to the assessment. (RCW 15.24.090, 15.26.140&.150, and 15.44.080.)

*The state's Agricultural Enabling Acts of 1955 and 1961 provide procedures under which the producers of agricultural commodities may prepare marketing agreements and orders to create, by referenda, agricultural commodity boards and commissions for the commodities without further statutory authority. (Chapters 15.65 and 15.66 RCW.) The Acts require a marketing order adopted under either of them to specify the assessment as part of the marketing order. (RCW 15.65.400 and 15.66.100.) The order may be amended only by a referendum approved by affected producers or producers and handlers or by the written agreement by the affected parties. (RCW 15.65.160 and 15.66.090.)*

*Initiative 601.* Initiative 601 was approved by the voters at the November 1993 general election. Section 8 of the initiative states that no fee may be increased in any fiscal year by a percentage in excess of the fiscal growth factor year without prior legislative approval. (RCW 43.135.055.) The fiscal growth factor for a fiscal year is the average of the sum of inflation and population change for each of the prior three fiscal years. (RCW 43.135.025(6).)

## **SUMMARY:**

*Initiative 601's prohibition against fees being increased in a fiscal year in excess of the fiscal growth factor for the fiscal year does not apply to referendum approved assessments of an agricultural commodity commission or board. This exemption applies to commodity commissions or boards created directly by statute and to those created under the Agricultural Enabling Acts of 1955 and 1961 as long as the assessment is approved by referendum in accordance with the statutes governing the commission or board.*