

HOUSE BILL REPORT

HB 2053

As Reported By House Committee On:

Agriculture & Ecology

Title: An act relating to referenda on commodity assessments.

Brief Description: Requiring referenda on commodity assessments.

Sponsors: Representatives Chandler and Clements.

Brief History:

Committee Activity:

Agriculture & Ecology: 2/24/97, 2/27/97 [DPS].

HOUSE COMMITTEE ON AGRICULTURE & ECOLOGY

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Chandler, Chairman; Parlette, Vice Chairman; Schoesler, Vice Chairman; Linville, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; Cooper; Delvin; Koster; Mastin; Regala and Sump.

Staff: Kenneth Hirst (786-7105).

Background: The Fruit Commission was created by statute to establish classifications of soft tree fruits, conduct scientific research and develop the healthful, therapeutic and dietetic value of these fruits, promote the general welfare of the state's soft tree fruit industry, conduct advertising and educational campaigns and increase the production, and develop and expand the markets and improve the handling and quality of soft tree fruits. Although the statutes creating the commission provide means for growers to recommend increases in the commission's assessment on a particular fruit, only those for pears must be approved by a referendum by Bartlett pear growers before they may take effect. The commission determines the method and procedure for conducting the referendum.

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 increase in any fiscal year by a percentage in excess of the fiscal growth factor for that fiscal year without prior legislative approval. 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.

Summary of Substitute Bill: No assessment levied by the Fruit Commission may be increased in excess of the fiscal growth factor unless it is submitted by referendum to the growers who are subject to the assessment and the increase is approved by a majority of those voting on the referendum. The commission determines the method and procedure for conducting the referendum.

Substitute Bill Compared to Original Bill: For an assessment of the Fruit Commission to be increased greater than the fiscal growth factor, under the original bill, it must be approved by a majority of those who are subject to the assessment; the substitute bill requires the approval to be by a majority of those voting on the assessment.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: No one thought that Initiative 601 would apply to the assessments of agricultural commodity commissions. The bill is necessary to allow growers to assess themselves.

Testimony Against: None.

Testified: Jim Halstrom, Washington State Horticulture Association (in favor).