SENATE BILL REPORT

SJM 8028

As Reported By Senate Committee On: Commerce & Labor, February 6, 1998

Brief Description: Petitioning for assistance to help remove the 101.1% import duty placed on apples by Mexico.

Sponsors: Senators Sellar, Rasmussen, Deccio, Newhouse, Prentice and Schow.

Brief History:

Committee Activity: Commerce & Labor: 2/5/98, 2/6/98 [DP].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass.

Signed by Senators Schow, Chair; Horn, Vice Chair; Anderson, Franklin, Fraser, Heavey and Newhouse.

Staff: Patrick Woods (786-7430)

Background: The apple industry is a vital part of Washington's economy, generating over \$1 billion in revenue annually and constituting the number one commodity by dollar value in the state. International sales make up over 34 percent of Washington's apple production. Washington producers export over \$75 million worth of apples to Mexico on an annual basis.

On September 1, 1997 Mexico imposed a 101.1 percent preliminary duty on U.S. red delicious and golden delicious apples in response to an anti-dumping petition filed by the Chihuahua Regional Agricultural Association of Fruit Producers. This duty is in addition to a 10 percent import duty that is levied on all varieties of apples under the North American Trade Agreement (NAFTA).

Representatives of the state's apple industry, the office of the Governor, along with Washington's congressional delegation, are actively seeking assistance from federal officials to help resolve this vitally important and economically serious situation.

Summary of Bill: The Washington State Legislature requests that President Clinton, Congress and the United States Trade Representative take all necessary actions to persuade Mexico to remove its current 101.1 percent preliminary duty on red and golden delicious apples, and ensure that Washington apples remain competitive in Mexican markets.

Appropriation: None.

Fiscal Note: Not requested.

Testimony For: None.

Testimony Against: None.

Testified: No one.