

# HOUSE BILL REPORT

## HB 1564

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### As Reported By House Committee On:

Agriculture & Ecology

**Title:** An act relating to international marketing of agricultural products.

**Brief Description:** Promoting the export of Washington agricultural products.

**Sponsors:** Representatives Morris, Linville, Stensen, G. Chandler, Grant, Wood, Anderson, Cooper, Sump, Doumit, Ogden, Rockefeller, Kenney, Conway, O'Brien, Murray, Hurst and Regala.

### Brief History:

#### Committee Activity:

Agriculture & Ecology: 2/12/99, 2/25/99 [DPS].

#### Brief Summary of Substitute Bill

- The Department of Agriculture may enter into contracts for the purpose of promoting the export of Washington agricultural products.
- The sum of \$250,000 is appropriated for each year of the 1999-01 biennium for the purposes of this act.

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### HOUSE COMMITTEE ON AGRICULTURE & ECOLOGY

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 14 members: Representatives G. Chandler, Republican Co-Chair; Linville, Democratic Co-Chair; Cooper, Democratic Vice Chair; Koster, Republican Vice Chair; Anderson; B. Chandler; Delvin; Fortunato; Grant; Reardon; Schoesler; Stensen; Sump and Wood.

**Staff:** Carole Richmond (786-7114).

### Background:

In 1991, the Legislature enacted legislation creating and committing to Washington's participation in the Pacific Northwest Economic Region (PNWER). The PNWER is

comprised of Alaska, Idaho, Montana, Oregon, and Washington and the Canadian provinces of Alberta and British Columbia.

The PNWER was established to improve competitiveness and provide economic benefits to the participating states and provinces. Among other things, the PNWER agreement encourages collaboration and cooperative arrangements between the participating states and provinces in the area of trade, economic development, human resources, the environment and natural resources, energy, and education.

The Department of Agriculture is involved in international marketing with the Department of Community, Trade and Economic Development, and with the Fruit and Apple Commission.

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**Summary of Substitute Bill:**

The Department of Agriculture is authorized to enter into contracts with members of the Pacific Northwest Economic Region, port districts, and commodity commissions in order to establish foreign trade offices to promote the export of Washington agriculture, or to contract with overseas contractors to promote the export of Washington agriculture.

Up to \$250,000 is appropriated for each of the fiscal years in the 1999-01 biennium to fund this effort. The funds are appropriated to the Department of Agriculture from the general fund and must be matched on a dollar-for-dollar basis with funds from other members of the Pacific Northwest economic region. No more than 5 percent of any appropriation may be provided to the Department of Agriculture for administrative costs.

**Substitute Bill Compared to Original Bill:**

The substitute bill allows the Department of Agriculture to enter into contracts with port districts or commodity commissions. The bill also allows not more than 5 percent of any appropriation to be expended by the department for administrative expenses.

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**Appropriation:** \$250,000.

**Fiscal Note:** Not requested.

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

**Testimony For:** Most marketing efforts are occurring in Asia. Washington needs to diversify its efforts and to develop new markets. The bill provides the opportunity to leverage funds.

**Testimony For with Concerns:** We don't partner with other states. The agriculture industry is worried about competition. Flexibility should be provided to negotiate partnerships.

**Testified:** Mary Beth Lang, Washington Department of Agriculture; Janet Leister, Washington Department of Agriculture; and Pat Jones, Washington Public Ports Association.