

# House Bill Analysis

## SSB 6720

HOUSE AGRICULTURE AND ECOLOGY COMMITTEE

February  
17, 2000

- Increases the Beef Commission's assessment to \$1 per head of cattle (rather than 50 cents per head) at the sale of the cattle and repeals exemptions from the assessment.
- Authorizes a change in the commission's non-voting membership.

### **BACKGROUND:**

The Washington State Beef Commission has been created by statute. It is composed of two beef producers, two dairy-beef producers, two feeders, one livestock sales-yard operator, and one meat packer. A representative of the Department of Agriculture is a non-voting member of the commission. (RCW 16.67.040.)

A state assessment of 50 cents per head of Washington cattle is levied at the sale of the cattle for the commission. In addition, the commission may collect an additional assessment of 50 cents per head for cattle that are subject to assessment under a federal order for providing funds for a national beef promotion and assessment program. (RCW 16.67.120 and 16.67.122.) Exempted from assessment, unless subject to assessment under the federal order, are animals sold for milk production and sales where the assessment exceeds one percent of the sale price of the animal. (RCW 16.67.120 and 16.67.150.)

Article VIII, Section 5 of the state's Constitution prohibits the credit of the state from being given or loaned in the aid of any individual, association, company, or corporation. One of the exceptions to this prohibition is provided by Article VIII, Section 11 which allows the use of agricultural commodity assessments by a commodity commission for agricultural development or trade promotion and promotional hosting. Expenditures under this exception must be made as prescribed by the Legislature. By statute, the Legislature requires such expenditures of a commodity commission, including the Beef Commission, that are made for agricultural development or trade promotion and promotional hosting to be made pursuant to specific budget items approved by the commission at annual public hearings on the commission's budget. (RCW 15.04.200(1).)

## **SUMMARY:**

The state assessment for the Beef Commission is now \$1 per head of cattle (rather than 50 cents per head). Provisions are repealed that currently exempt from assessment animals sold for milk production and sales of animals where the assessment exceeds one percent of the sale price of the animal, unless the national program assesses such animals. (Sections 5(1) and 8.)

The assessments for sales made without brand inspections conducted by the Department of Agriculture are now due by the 15 day of the month following the month in which the transactions occurred. The department is no longer required to collect and remit assessments for sales that are accompanied by a brand inspection. Collections are to be made as prescribed in the federal order and the rules of the commission. (Section 5.)

The voting members of the commission may now add one non-voting member to the commission and set the term for such an advisory member. Representation of the Department of Agriculture on the commission without vote is no longer required; it is now optional. (Section 1.) An annual report need no longer be presented at the commission's annual meeting. (Section 3.)

The commission's programs for advertising, sales promotion, and marketing are no longer expressly prohibited by statute from referring to a particular brand or trademark. (Section 4.)