H-4648.1			

SUBSTITUTE HOUSE BILL 2999

State of Washington 56th Legislature 2000 Regular Session

By House Committee on Agriculture & Ecology (originally sponsored by Representatives G. Chandler and Linville)

Read first time 02/04/2000. Referred to Committee on .

- 1 AN ACT Relating to the Washington state beef commission; and
- 2 amending RCW 16.67.040, 16.67.090, 16.67.100, 16.67.110, 16.67.120,
- 3 16.67.122, and 16.67.130.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 16.67.040 and 1997 c 363 s 1 are each amended to read 6 as follows:
- 7 There is hereby created a Washington state beef commission to be
- 8 thus known and designated. The commission shall be composed of two
- 9 beef producers, two dairy (beef) producers, two feeders, one livestock
- 10 salesyard operator, and one meat packer. If an otherwise voting member
- 11 is elected as the chair of the commission, the member may, during the
- 12 member's term as chair of the commission, cast a vote as a member of
- 13 the commission only to break a tie vote. In addition there ((will))
- 14 may be one ex officio member without the right to vote from the
- 15 department of agriculture to be designated by the director thereof and,
- 16 if the commission so chooses, one additional nonvoting member in an
- 17 advisory capacity appointed by the voting members of the commission for
- 18 such a term as the voting members may set.

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1 A majority of voting members shall constitute a quorum for the 2 transaction of any business.

3 All appointed members as stated in RCW 16.67.060 shall be citizens 4 and residents of this state, over the age of twenty-five years, each of 5 whom is and has been actually engaged in that phase of the cattle industry he or she represents for a period of five years, and has 6 during that period derived a substantial portion of his or her income 7 8 therefrom, or have a substantial investment in cattle as an owner, 9 lessee, partner, or a stockholder owning at least ten percent of the 10 voting stock in a corporation engaged in the production of cattle or dressed beef, or a manager or executive officer of such corporation. 11 12 Producer members of the commission shall not be directly engaged in the 13 business of being a meat packer, or as a feeder, feeding cattle other than their own. Said qualifications must continue throughout each 14 15 member's term of office.

- 16 **Sec. 2.** RCW 16.67.090 and 1982 c 81 s 3 are each amended to read 17 as follows:
- The powers and duties of the commission shall include the following:
- (1) To administer and enforce the provisions of this chapter, and do all things reasonably necessary to effectuate the purposes of this chapter;
- 23 (2) To elect a chairman and such other officers as it deems 24 advisable;
- 25 (3) To employ and discharge at its discretion a manager, secretary, 26 and such other personnel, including attorneys engaged in the private 27 practice of law subject to the approval and supervision of the attorney 28 general, as the commission determines are necessary and proper to carry 29 out the purposes of this chapter, and to prescribe their duties and 30 powers and fix their compensation;
- 31 (4) To adopt, rescind, and amend rules, regulations and orders for 32 the exercise of its powers hereunder subject to the provisions of 33 chapter 34.05 RCW (Administrative Procedure Act) as now or hereafter 34 amended;
- 35 (5) To establish by resolution, a headquarters which shall continue 36 as such unless and until so changed by the commission. All records, 37 books and minutes of the commission shall be kept at such headquarters;

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1 (6) To require a bond of all commission members and employees of 2 the commission in a position of trust in the amount the commission 3 shall deem necessary. The premium for such bond or bonds shall be paid 4 by the commission from assessments collected. Such bond shall not be 5 necessary if any such commission member or employee is covered by any 6 blanket bond covering officials or employees of the state of 7 Washington.

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- (7) To establish a beef commission revolving fund, such fund to be deposited in a bank or banks or financial institution or institutions, approved for the deposit of state funds, in which all money received by the commission, except an amount of petty cash for each day's needs not to exceed one hundred dollars, shall be deposited each day or as often during the day as advisable; none of the provisions of RCW 43.01.050 as now or hereafter amended shall apply to money collected under this chapter;
- 16 (8) To prepare a budget or budgets covering anticipated income and 17 expenses to be incurred in carrying out the provisions of this chapter 18 during each fiscal year;
- 19 (9) To incur expense and enter into contracts and to create such 20 liabilities as may be reasonable for the proper administration and 21 enforcement of this chapter;
- 22 (10) To borrow money, not in excess of its estimate of its revenue 23 from the current year's contributions;
- 24 (11) To keep or cause to be kept in accordance with accepted 25 standards of good accounting practice, accurate records of all 26 assessments, expenditures, moneys and other financial transactions made and done pursuant to this chapter. Such records, books and accounts 27 28 shall be audited at least every five years subject to procedures and 29 methods lawfully prescribed by the state auditor. Such books and 30 accounts shall be closed as of the last day of each fiscal year ((of 31 the state of Washington)). A copy of such audit shall be delivered within thirty days after completion thereof to the director, the state 32 auditor and the commission. On such years and in such event the state 33 34 auditor is unable to audit the records, books and accounts within six 35 months following the close of the audit period it shall be mandatory that the commission employ a private auditor to make such audit; 36
- 37 (12) To sue and be sued as a commission, without individual 38 liability for acts of the commission within the scope of the powers 39 conferred upon it by this chapter;

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- 1 (13) To cooperate with any other local, state, or national commission, organization or agency, whether voluntary or established by state or federal law, including recognized livestock groups, engaged in work or activities similar to the work and activities of the commission created by this chapter and make contracts and agreements with such organizations or agencies for carrying on joint programs beneficial to the beef industry;
- 8 (14) To accept grants, donations, contributions or gifts from any 9 governmental agency or private source for expenditures for any purpose 10 consistent with the provisions of this chapter;
- 11 (15) To operate jointly with beef commissions or similar agencies 12 established by state laws in adjoining states.
- 13 **Sec. 3.** RCW 16.67.100 and 1969 c 133 s 9 are each amended to read 14 as follows:
- The commission shall hold regular meetings, at least quarterly, with the time and date thereof to be fixed by resolution of the commission.
- The commission shall hold an annual meeting((, at which time an annual report will be presented)). The proposed budget shall be presented for discussion at the meeting. Notice of the annual meeting shall be given by the commission at least ten days prior to the meeting by public notice of such meeting published in newspapers of general circulation in the state of Washington, by radio and press releases and through trade publications.
- The commission shall establish by resolution, the time, place and manner of calling special meetings of the commission with reasonable notice to the members: PROVIDED, That, the notice of any special meeting may be waived by a waiver thereof by each member of the commission.
- 30 **Sec. 4.** RCW 16.67.110 and 1969 c 133 s 10 are each amended to read 31 as follows:
- The commission shall provide for programs designed to increase the consumption of beef; develop more efficient methods for the production, processing, handling and marketing of beef; eliminate transportation rate inequalities on feed grains and supplements and other production
- 36 supplies adversely affecting Washington producers; properly identify

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- 1 beef and beef products for consumers as to quality and origin. For
 2 these purposes the commission may:
- 3 (1) Provide for programs for advertising, sales promotion and 4 education, locally, nationally or internationally, for maintaining 5 present markets and/or creating new or larger markets for beef. Such 6 programs shall be directed toward increasing the sale of beef ((without 7 reference to any particular brand or trademark)) and shall neither make 8 use of false or unwarranted claims in behalf of beef nor disparage the 9 quality, value, sale or use of any other agricultural commodity;
- 10 (2) Provide for research to develop and discover the health, food, 11 therapeutic and dietetic value of beef and beef products thereof;
- 12 (3) Make grants to research agencies for financing studies, 13 including funds for the purchase or acquisition of equipments and 14 facilities, in problems of beef production, processing, handling and 15 marketing;
- 16 (4) Disseminate reliable information founded upon the research 17 undertaken under this chapter or otherwise available;
- 18 (5) Provide for rate studies and participate in rate hearings 19 connected with problems of beef production, processing, handling or 20 marketing; and
- (6) Provide for proper labeling of beef and beef products so that the purchaser and the consuming public of the state will be readily apprised of the quality of the product and how and where it was processed.
- 25 **Sec. 5.** RCW 16.67.120 and 1987 c 393 s 11 are each amended to read 26 as follows:
- (1) ((Except as provided in subsection (2) of this section,)) There 27 is hereby levied an assessment of ((fifty cents)) one dollar per head 28 29 on all Washington cattle sold in this state or elsewhere to be paid by 30 the seller at the time of sale: ((PROVIDED, That if the assessment levied pursuant to this section is greater than one percent of the 31 sales price, the animal is exempt from the assessment unless the 32 33 federal order implementing the national beef promotion and research 34 program establishes an assessment on these animals:)) PROVIDED ((FURTHER)), That if such sale is accompanied by a brand inspection by 35 36 the department such assessment ((shall)) may be collected at the same time, place and in the same manner as brand inspection fees. Such fees 37 ((shall)) may be collected by the livestock services division of the 38

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- 1 department and transmitted to the commission: PROVIDED FURTHER, That,
- 2 if such sale is made without a brand inspection by the department the
- 3 assessment shall be paid by the seller and transmitted directly to the
- 4 commission ((not later than thirty days following the sale)) by the
- 5 <u>fifteenth day of the month following the month the transaction</u>
- 6 <u>occurred</u>.
- 7 (2) ((While the federal order implementing the national beef
- 8 promotion and research program is in effect, the assessment to be
- 9 levied and)) The procedures for ((its collection)) collecting all state
- 10 and federal assessments under this chapter shall be as required by the
- 11 federal order and as described by rules adopted by the commission.
- 12 **Sec. 6.** RCW 16.67.122 and 1986 c 190 s 1 are each amended to read 13 as follows:
- In addition to the assessment authorized pursuant to RCW 16.67.120,
- 15 the commission ((shall have)) has the authority to collect an
- 16 additional assessment of fifty cents per head for cattle subject to
- 17 assessment by federal order for the purpose of providing funds for a
- 18 national beef promotion and research program. The manner in which this
- 19 assessment will be levied and collected shall be established by rule.
- 20 The authority to collect this assessment shall be contingent upon the
- 21 implementation of federal legislation providing for a national beef
- 22 promotion and research program and the establishment of the assessment
- 23 requirement to fund its activities.
- 24 **Sec. 7.** RCW 16.67.130 and 1969 c 133 s 12 are each amended to read
- 25 as follows:
- 26 Any due and payable assessment levied under the provisions of this
- 27 chapter shall constitute a personal debt of every person so assessed or
- 28 who otherwise owes the same and shall be due and payable ((within
- 29 thirty days from the date it becomes first due the commission)) on the
- 30 <u>fifteenth day of the month following the month the transaction</u>
- 31 occurred. In the event any such person fails to pay the full amount
- 32 within such ((thirty days)) time, the commission shall add to such
- 33 unpaid assessment an amount of ten percent of the unpaid assessment to
- 34 defray the cost of collecting the same. In the event of failure of
- 35 such person to pay such due and payable assessment, the commission may
- 36 bring civil action against such person in a state court of competent
- 37 jurisdiction for the collection thereof, together with the above

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- 1 specified ten percent thereon and any other additional necessary
- 2 reasonable costs including attorneys' fees. Such action shall be tried
- 3 and judgment rendered as in any other cause of action for debt due and
- 4 payable.

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