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HOUSE BILL 2773

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State of Washington

57th Legislature

2002 Regular Session

By Representatives Clements, Linville, Chandler and Grant

Read first time 01/28/2002. Referred to Committee on Agriculture & Ecology.

1 AN ACT Relating to sales of fruit; amending RCW 20.01.440; and  
2 adding a new section to chapter 15.17 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 15.17 RCW  
5 to read as follows:

6 (1) To provide uniformity in the marketplace and to protect  
7 consignors of apples, the director shall revise state standards for  
8 grades and packs of apples and require reports of the consignment sales  
9 of apples sold under the revised standards.

10 (2) The director shall adopt revisions to the standards for grades  
11 and packs of apples that will clarify the standards in such a way that  
12 they will be applied consistently among warehouses and commission  
13 merchants. That is, these revisions must provide a level of uniformity  
14 that will ensure that the apples of a particular variety, grade, and  
15 pack sold from one warehouse will be the same as the apples of the same  
16 variety, grade, and pack sold from any other warehouse. For this  
17 purpose, the director shall invite a grades and packs committee that is  
18 widely recognized within the horticultural industry as representing the  
19 interests of the industry regarding grades and packs of apples to

1 recommend by consensus revisions to the standards that it believes will  
2 provide that uniformity. If the industry committee recommends such  
3 revisions by committee consensus by January 1, 2004, the director shall  
4 immediately initiate rule making and give great weight to proposing and  
5 adopting the recommendations of the committee. If the committee does  
6 not make the recommendations by committee consensus by January 1, 2004,  
7 the director shall adopt revisions to the standards the director  
8 believes will provide such uniformity by January 1, 2005.

9 (3) The director shall adopt by rule a system for reporting the  
10 sales of apples by variety, grade, and pack. For this purpose, the  
11 director shall invite an organization of growers that tracks and  
12 distributes information to its members regarding the sale prices of  
13 apples sold on consignment, to design by consensus within its  
14 organization a sales reporting system. To provide an open and fair  
15 assessment of the market and of the performance of commission merchants  
16 in the market, the system must provide accurate reporting to apple  
17 growers and the apple industry on the sale prices of apples as those  
18 sales and prices are segregated by the variety, grade, and pack of  
19 apples sold under the revised standards adopted under subsection (2) of  
20 this section and by the commission merchant making the sales. If such  
21 a consensus-derived system is designed by the organization by January  
22 1, 2004, the director shall immediately initiate rule making and give  
23 great weight to proposing and adopting the system designed by the  
24 organization. If the organization does not make the recommendations by  
25 consensus by January 1, 2004, the director shall adopt rules  
26 establishing such a system by January 1, 2005.

27 **Sec. 2.** RCW 20.01.440 and 1991 c 109 s 23 are each amended to read  
28 as follows:

29 (1) Every commission merchant shall retain a copy of all records  
30 covering each transaction for a period of three years from the date  
31 thereof, which copy shall at all times be available for, and open to,  
32 the confidential inspection of the director and the consignor, or  
33 authorized representative of either. In the event of any dispute or  
34 disagreement between a consignor and a commission merchant arising at  
35 the time of delivery as to condition, quality, grade, pack, quantity,  
36 or weight of any lot, shipment or consignment of agricultural products,  
37 the department shall furnish, upon the payment of a reasonable fee  
38 therefor by the requesting party, a certificate establishing the

1 condition, quality, grade, pack, quantity, or weight of such lot,  
2 shipment, or consignment. Such certificate shall be prima facie  
3 evidence in all courts of this state as to the recitals thereof. The  
4 burden of proof shall be upon the commission merchant to prove the  
5 correctness of his or her accounting as to any transaction which may be  
6 questioned.

7 (2) Nothing in this chapter may be construed as preventing the  
8 reporting of sales and prices described in section 1 of this act.

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