



STATE OF WASHINGTON

DEPARTMENT OF AGRICULTURE

P.O. Box 42560 • Olympia, Washington 98504-2560 • (360) 902-1800

**NOTICE OF HEARING**

**on the**

**Small Business Economic Impact Statement (SBEIS)**

**for the Red Raspberry Rules adopted by the Washington State Department of Agriculture**

On November 14, 2000, the Joint Administrative Rules Review Committee (JARRC) reviewed documentation and heard testimony on the adoption of red raspberry rules by the Washington State Department of Agriculture (WSDA). The review was conducted in response to petitions filed with JARRC. The committee made the following three findings:

1. The WSDA has the authority to make rules regarding grades, standards, and inspection of red raspberries, including protection from adulterated products as defined in RCW 69.04.210(4).
2. The WSDA complied with Chapter 34.05 RCW, the Administrative Procedures Act.
3. The WSDA did not comply with Chapter 19.85, the Regulatory Fairness Act, in that the Small Business Economic Impact Statement (SBEIS) violated RCW 19.85.030 and 19.85.040 by not pursuing methods to reduce costs on small businesses.

In order to receive input on the SBEIS, the Department of Agriculture is holding a hearing on January 18, 2001, beginning at 6:30 p.m., at the Whatcom County Courthouse, County Council Chambers, 311 Grand Avenue, Bellingham, WA 98225.

**The Small Business Economic Impact Statement (SBEIS)**

The purpose of a Small Business Economic Impact Statement (SBEIS) is to analyze the costs of compliance with a proposed rule and to determine if the rule imposes a disproportionate impact on small business. Based upon the extent of the disproportionate impact, an agency may identify the steps taken to reduce the costs of the rule on small businesses. The steps must be legal and feasible in meeting the objectives of the statutes upon which the rule is based. Methods to reduce costs may include:

- Reducing, modifying, or eliminating substantive regulatory requirements
- Simplifying, reducing, or eliminating recordkeeping and reporting requirements
- Reducing frequency of inspections
- Delaying compliance timetables
- Any other mitigation techniques

The *Department's objectives* under the statutes on which the red raspberry rules are based are:

- To provide for the fair and orderly marketing of fruits and vegetables in the state of Washington by establishing uniform grades and standards (*Chapter 15.17 RCW*); and
- To enact state legislation which safeguards the public health and promotes the public welfare by protecting the consuming public from (a) potential injury by product use; (b) products that are adulterated; or (c) products that have been produced under unsanitary conditions, and protecting the purchasing public from injury by merchandising deceit flowing from intrastate commerce in food (*Chapter 69.04 RCW*).

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The Department identified significant costs for complying with the rule. These costs may be greater or less for each individual grower or processor. The SBEIS concluded that the costs of compliance should not result in a disproportionate impact on small businesses.

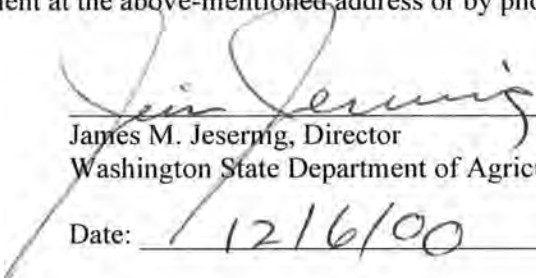
To respond to JARRC, **the Department is seeking information to answer the following questions:**

1. Does the Department's SBEIS adequately capture the economic impacts of the rules on businesses?  
*Economic impacts may include the costs of reporting, recordkeeping and other compliance requirements, including the costs of equipment, supplies, labor, increased administrative services, and professional services. Economic impacts may also include changes in sales and revenues.*
2. What, if any, legal and feasible methods can the Department undertake to reduce economic impacts and still meet the objectives of the statutes on which the rules are based?  
*Methods may include:*
  - *Reducing, modifying, or eliminating substantive regulatory requirements*
  - *Simplifying, reducing, or eliminating recordkeeping and reporting requirements*
  - *Reducing frequency of inspections*
  - *Delaying compliance timetables*
  - *Any other mitigation techniques*
3. Do the rules place a disproportionate economic impact on small businesses compared to large businesses?

Anyone who wishes to provide comment on the Department's SBEIS may do so orally at the hearing or by submitting written comments to the Department no later than January 18, 2001. Written comments may be mailed, faxed or emailed to the Department at:

Washington State Department of Agriculture  
Administrative Regulations Program  
P.O. Box 42560  
Olympia, WA 98504-2560  
**FAX:** 360-902-2092  
**Email Address:** adminregs@agr.wa.gov

For additional information or a copy of the Department's SBEIS and rules on Red Raspberry Grades and Standards, contact the Department at the above-mentioned address or by phone at (360) 902-1806.

  
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James M. Jesernig, Director  
Washington State Department of Agriculture

Date: 12/6/00