



RULE-MAKING ORDER

(RCW 34.05.360)

CR-103 (7/22/01)

Agency: Agriculture

- Permanent Rule
- Emergency Rule
- Expedited Rule Making

(1) Date of adoption: August 1, 2002

(2) Purpose: WSDA procedural rules for funding 1/2 FTE by all Commodity Commissions.

(3) Citation of existing rules affected by this order:

Repealed:
Amended:
Suspended:

(4) Statutory authority for adoption: RCW 15.65, 15.66, 15.24, 16.67, 15.44, 15.28, 15.26, 15.88 and 43.23.

Other Authority:

PERMANENT RULE ONLY (Including Expedited Rule Making)

Adopted under notice filed as WSR 02-13-132 on June 19, 2002 (date).

Describe any changes other than editing from proposed to adopted version: None

EMERGENCY RULE ONLY

Under RCW 34.05.350 the agency for good cause finds:

- (a) That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest.
- (b) That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule.

Reasons for this finding:

(5.3) Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?:

- Yes No If Yes, explain:

(6) Effective date of rule:

Permanent Rules

- 31 days after filing
- Other (specify) _____*

*(If less than 31 days after filing, specific finding in 5.3 under RCW 34.05.380(3) is required)

Emergency Rules

- Immediately
- Later (specify) _____

CODE REVISER USE ONLY

Name (Type or Print)
Valoria H. Loveland

Signature
Valoria H. Loveland

Title: Director Date: August 1, 2002

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02-16-045

WSR

(COMPLETE REVERSE SIDE)

**Note: If any category is left blank, it will be calculated as zero.
No descriptive text.**

Count by whole WAC sections only, from the WAC number through the history note.
A section may be counted in more than one category.

The number of sections adopted in order to comply with:

Federal statute:	New	_____	Amended	_____	Repealed	_____
Federal rules or standards:	New	_____	Amended	_____	Repealed	_____
Recently enacted state statutes:	New	<u>3</u>	Amended	_____	Repealed	_____

The number of sections adopted at the request of a nongovernmental entity:

New	_____	Amended	_____	Repealed	_____
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The number of sections adopted in the agency's own initiative:

New	_____	Amended	_____	Repealed	_____
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The number of sections adopted in order to clarify, streamline, or reform agency procedures:

New	_____	Amended	_____	Repealed	_____
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The number of sections adopted using:

Negotiated rule making:	New	_____	Amended	_____	Repealed	_____
Pilot rule making:	New	_____	Amended	_____	Repealed	_____
Other alternative rule making:	New	<u>3</u>	Amended	_____	Repealed	_____

CHAPTER 16-501 WAC
WSDA PROCEDURAL RULES – COMMODITY BOARDS OR COMMISSIONS

NEW SECTION

WAC 16-501-005 Definitions. Unless the context clearly requires otherwise, the definitions in this section apply throughout the chapter:

“**Assessment level**” means the total annual assessment collected by an agricultural commodity board or commission under the provisions of its marketing order or authorizing statute.

“**Department**” means the Washington State Department of Agriculture (WSDA).

“**Total financial contribution**” means the contributions from all agricultural commodity boards and commissions to cover one-half the annual salary and benefits of the department’s commodity commission coordinator for commodity boards and commissions plus the annual costs for goods and services, travel, training and equipment necessary to support the commodity commission coordinator.

NEW SECTION

WAC 16-501-010 Commodity Commission financial contribution.

(1) Under the provisions of RCW 43.23, the director may establish, by rule, a method to fund staff support for all commodity boards and commissions.

(2) Before July 1 of each fiscal year, the department will determine the total financial contribution required from all commodity boards or commissions and calculate, according to the provisions of WAC 16-501-015, each board or commission’s share of that total contribution. The board or commission’s contribution shall be based on the previous fiscal year’s assessment level.

(3) On or around July 1 of each fiscal year, the department will bill each commodity board or commission for its portion of the total financial contribution. The board or commission shall remit to the department the amount billed within thirty days of the billing date.

(4) The department will provide each commodity board or commission with an annual report regarding the department’s activities on behalf of the boards or commissions.

NEW SECTION

WAC 16-501-015 Calculation of a commodity board or commission's contribution. The total financial contribution for each commodity board or commission shall be calculated using the following steps:

(1) Step 1 - Using a board or commission's assessment level, the base assessment portion of a commodity board or commission's share of the total financial contribution is established-as follows:

Contribution Categories

Assessment Level	Base Assessment
> \$100,000	\$ 250.00
100,001 - 250,000	500.00
250,001 - 500,000	750.00
500,001 - 1,000,000	1,000.00
1,000,001 - 5,000,000	2,000.00
5,000,001 - 10,000,000	3,000.00
10,000,001 and above	4,000.00

A percentage is calculated for each board or commission by dividing the board or commission's base assessment by the total base assessment for all boards and commissions.

For example, assuming Commission A's Base Assessment is \$4,000 divided by an assumed Total Base Assessment of \$80,000 results in 5% (.05)

(2) Step 2 - The difference between the total financial contribution and the total base assessment is apportioned to each board or commission using the percentage calculated in subsection (1) subject to a \$7,500 cap on any one board or commission;

For example, assuming a Total Financial Contribution of \$105,000 minus the assumed Total Base Assessment of \$80,000 results in a difference of \$25,000. \$25,000 multiplied by Commission A's .05 equals \$1,250. This is Commission A's portion of the difference.

(3) Step 3 - If any commission reaches the \$7,500 cap in Step 2, the difference between the amount calculated for that board or commission in subsection (2) and \$7,500 would be recalculated among the remaining commissions or boards using a percentage of each commission's base assessment to the total base assessment less the base assessment of the commission that reached the cap.

For example, assume that Commission A's percentage remains 5% but that the difference between the Total Financial Contribution and the Total Base Assessment is \$180,000. \$180,000 multiplied by .05 equals \$9,000. \$9,000 exceeds the \$7,500 cap for Commission A by \$1,500. This \$1,500 would be apportioned between the other boards and commissions excluding Commission A.

For example, assume that Commission B's base assessment is \$3,000. The Total Base Assessment excluding Commission A is now \$76,000 (\$80,000 less Commission A's \$4,000). Commission B's base assessment of \$3,000 divided by \$76,000 results in .04 rounded (4%). \$1,500 (the excess over the cap for Commission A) multiplied by .04 equals \$60, which is Commission B's share of the excess.

(4) Step 4 - A commodity commission or board's contribution is the sum of the base assessment from subsection (1) and the calculations in subsections (2) or (3) whichever is applicable.

For example, using the calculations in subsection (2), Commission A's contribution is \$5,250 (\$4,000 base assessment plus \$1,250 apportioned share).

Using the calculations in subsection (3), Commission A's contribution is \$11,500 (\$4,000 base assessment plus the \$7,500 cap).