



RULE-MAKING ORDER

CR-103 (7/10/97)

(RCW 34.05.360)

Agency: Department of Agriculture	<input checked="" type="checkbox"/> Permanent Rule <input type="checkbox"/> Emergency Rule
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(1) Date of adoption: August 20, 1997	<input type="checkbox"/> Expedited Adoption <input type="checkbox"/> Expedited Repeal
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(2) Purpose: Amend chapter 16-532 WAC to change the assessment and collection procedures of the Hop Board and add new hop varieties to labeling requirements

(3) Citation of existing rules affected by this order:
 Repealed:
 Amended: WAC 16-532-010, -040, -110, -120,
 Suspended:

(4) Statutory authority for adoption: WAC 15.65.050
 Other Authority:

PERMANENT RULE ONLY (Including EXPEDITED ADOPTION)
 Adopted under notice filed as WSR 97-09-095 on April 23, 1997 (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:

EXPEDITED REPEAL ONLY
 Under Preproposal Statement of Inquiry filed as WSR _____ on _____ (date)

(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 or Expedited Repeal	Emergency Rules
<input checked="" type="checkbox"/> 31 days after filing <input type="checkbox"/> Other (specify) _____*	<input type="checkbox"/> Immediately <input type="checkbox"/> Later (specify) _____

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

Name (Type or Print) Jim Jesernig	
Signature 	
Title Director	Date August 20, 1997

CODE REVISER USE ONLY

CODE REVISER'S OFFICE
STATE OF WASHINGTON
FILED

AUG 20 1997

944

TIME _____ (AM/PM) _____

WSR 97-17-096

**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	Amended	Repealed

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

New	Amended	<u>4</u>	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	Amended	<u>4</u> Repealed

AMENDATORY SECTION (Amending WSR 96-15-139, filed 7/24/96, effective 8/24/96)

WAC 16-532-010 Definitions. For the purpose of this marketing order:

(1) "Director" means the director of agriculture of the state of Washington or his duly appointed representative.

(2) "Department" means the department of agriculture of the state of Washington.

(3) "Act" means the Washington State Agricultural Enabling Act of 1961 or chapter 15.65 RCW.

(4) "Person" means any person, firm, association or corporation.

(5) "Affected producer" or "producer" means any person who produces hops in commercial quantities in the state of Washington.

(6) "Commercial quantity" means any hops produced for market by a producer in any calendar year.

(7) "Handler" means any person who acts as principal or agent or otherwise in processing, selling, marketing, or distributing hops not produced by him.

(8) "Hop commodity board" hereinafter referred to as "board" means the commodity board formed under the provisions of WAC 16-532-020.

(9) "Hops" means and includes all kinds and varieties of "humulus lupulus" grown, picked and dried in the state of Washington, whether loose, packaged or baled and all oils, extracts and/or lupulin derived therefrom.

(10) "Processed" means and includes all hops which are converted into pellets, extracts, oils, lupulin, and/or other forms, including hops which are frozen in undried form, but excluding whole, dried hop cones, whether loose or baled.

(11) "Marketing season" means the twelve month period beginning with January 1 of any year and ending December 31, both dates being inclusive.

~~((11))~~ (12) "Producer-handler" means any person who acts both as a producer and as a handler with respect to hops. A producer-handler shall be deemed to be a producer with respect to the hops which he produces and a handler with respect to the hops which he handles, including those produced by himself.

~~((12))~~ (13) "Affected area" means the state of Washington.

~~((13))~~ (14) "Sell" includes offer for sale, expose for sale, have in possession for sale, exchange, barter or trade.

~~((14))~~ (15) "Affected unit" means two hundred pounds net of hops, or the amount of lupulin, extract or oil produced from two hundred pounds net of hops.

~~((15))~~ (16) "Promotional hosting" as used in these rules means the hosting of individuals and groups of individuals at meetings, meals, and gatherings for the purpose of cultivating trade relations and promoting sales of Washington grown hops.

~~((16))~~ (17) "Hosting" may include providing meals, refreshments, lodging, transportation, gifts of nominal value,

reasonable and customary entertainment, and normal incidental expenses at meetings or gatherings.

~~((17))~~ (18) "Affiliate" as used in these rules, means a corporation, limited liability company, partnership, or other entity in common ownership with a producer or producer-handler.

AMENDATORY SECTION (Amending Order 5077, filed 8/23/95, effective 9/23/95)

WAC 16-532-040 Assessments and collections. (1) Assessments.

(a) The annual assessment on all varieties of hops shall be two dollars and fifty cents per affected unit.

(b) For the purpose of collecting assessments the board may:

(i) Require handlers to collect producer assessments from producers whose production they handle, and remit the same to the board; or

(ii) Require the person subject to the assessment to give adequate assurance or security for its payment; or

(iii) Require the person subject to the assessment to remit assessments for any hops which are processed prior to the first sale; or

(iv) Require the person subject to the assessment to remit an inventory report for any hops which are not processed or sold prior to December 31 of the year in which they are produced.

(c) Subsequent to the first sale or processing, no affected units shall be transported, carried, shipped, sold, marketed, or otherwise handled or disposed of until every due and payable assessment herein provided for has been paid and the receipt issued. The foregoing shall include all affected units shipped or sold, both inside and outside the state.

(2) **Collections.** Any moneys collected or received by the board pursuant to the provisions of the order during or with respect to any season or year may be refunded on a pro rata basis at the close of such season or year or at the close of such longer period as the board determines to be reasonably adapted to effectuate the declared policies of this act and the purposes of such marketing agreement or order, to all persons from whom such moneys were collected or received or may be carried over into and used with respect to the next succeeding season, year or period whenever the board finds that the same will tend to effectuate such policies and purposes.

(3) **Penalties.** Any due and payable assessment herein levied in such specified amount as may be determined by the board pursuant to the provisions of the act and the order, shall constitute a personal debt of every person so assessed or who otherwise owes the same, and the same shall be due and payable to the board when payment is called for by it. In the event any person fails to pay the board the full amount of such assessment or such other sum on or before the date due, the board may, and is hereby authorized to add to such unpaid assessment or sum an amount not exceeding ten percent of the same to defray the cost of enforcing the collecting of the same. In the event of failure of such person or persons to pay any such due and payable assessment or other such sum, the

board may bring a civil action against such person or persons in a state court of competent jurisdiction for the collection thereof, together with the above specified ten percent thereon, and such action shall be tried and judgment rendered as in any other cause of action for debt due and payable.

AMENDATORY SECTION (Amending WSR 92-09-068, filed 4/14/92, effective 5/15/92)

WAC 16-532-110 Requirements for collection of assessments.

(1) Assessments on all hops marketed or processed shall be paid at the rate specified in WAC 16-532-040 to the hop commodity board (commission) by the first handler receiving or handling such hops for or from a producer, or by the producer if processing occurs before the first sale. Such assessments shall be deducted from the payment to be made by such handler to the producer.

(2) Payment of such assessment shall be due and payable on the tenth day of the second calendar month following the receiving or delivery to said first handler or the assumption of control of a producer's hops, or following the date of processing, if processed prior to the first sale, by said first handler or producer.

(3) An inventory report on all hops which are not marketed or processed prior to December 31 of the year in which those hops are produced shall be submitted by the producer no later than January 31 of the following year.

(4) Any handler or producer failing to pay on or before the due date set forth for payment in this regulation, shall add ten percent to the total amount due as a cost for collection as prescribed in RCW 15.65.440.

AMENDATORY SECTION (Amending Order 5077, filed 8/23/95, effective 9/23/95)

WAC 16-532-120 Labeling. (1) Each lot of hops must be identified by the crop year produced, grower number and lot designation, and variety stenciled on each bale.

(a) A three-digit grower number will be assigned by the Washington hop commodity board (commission) prior to the annual harvest.

(b) The first marking will consist of the last digit of the crop year, the letter "G" and a hyphen, followed by the three-digit grower number and lot designation (example: 8G-000-01).

(c) The first marking shall be affixed on the head or top of the bale and shall be in characters approximately two inches high.

(d) The second marking will consist of the hop variety, utilizing the following abbreviations:

AQ - Aquila

BA - Banner

BG - Brewer's Gold

CA - Casca
CN - Centennial
CE - Chelan
CH - Chinook
CL - Cluster
CS - Columbus
CR - Crystal
ER - Eroica
EX - Experimental
FU - Fuggle
GA - Galena
GO - Golding
HA - Hallertauer
HE - Hersbrucker
LI - Liberty
MG - Magnum
MH - Mt. Hood
NB - Northern Brewer
NU - Nugget
OL - Olympic
OT - Other
SA - Saaz
SP - Spalter
SY - Symphony
PE - Perle
TE - Tettnanger
UL - Ultra
VA - Vanguard
WI - Willamette

(e) The second marking shall be affixed immediately below the first marking on the head or top of the bale, and shall be in characters approximately two inches high.

(2) In addition to any other brands, labels, stencils or other marks customarily used by hop handlers to identify their own trademarks, labels or firm names, all baled hops shall be branded, labeled, stenciled or marked with one distinctive identifying marking, defined or designated by the hop commodity board (commission), which shall identify the hops as having been grown in the state of Washington.

(a) This mark or identification shall be stenciled in letters at least one inch in height and shall read: "WASHINGTON," or "GROWN IN WASHINGTON," as prescribed by the hop commodity board (commission).

(b) This mark or identification shall be affixed in a suitable position on the head or top of the bale, in the area generally used by the federal/state inspectors to stencil their own identification mark and in the same general area where the grower's "G" number and variety identification are applied.

(c) At no time shall the said identification marking appear on the face or sides of the bales, as these areas are considered to be for the use of the dealer or handler for trademarks, shipping markings, bale numbers, firm insignias, etc.

(d) The approved identification marking shall be affixed by the federal/state inspector prior to the drawing of samples for federal/state inspection, and, no hops may be sampled for this purpose unless said markings have been affixed thereto in compliance with the regulations prescribed by the hop commodity board (commission).

(e) Handlers who offer hops for sale in foreign countries where only shipping markings are permitted on the bales or containers, may apply to the hop commodity board (commission) for permission to blot out or remove the identifying marking.