

HOUSE BILL REPORT

HB 2104

*As Reported By House Committee on:
Agriculture & Rural Development*

Title: An act relating to agricultural activities.

Brief Description: Safeguarding agricultural activities.

Sponsor(s): Representatives Rayburn, McLean, Kremen, Grant, R. Johnson, Edmondson, Miller, Fuhrman, Chandler, D. Sommers, Padden, Morton, Ballard, Neher and Lisk.

Brief History:

Reported by House Committee on:
Agriculture & Rural Development, March 5, 1991, DPS.

**HOUSE COMMITTEE ON
AGRICULTURE & RURAL DEVELOPMENT**

Majority Report: *That Substitute House Bill No. 2104 be substituted therefor, and the substitute bill do pass.*
Signed by 11 members: Representatives Rayburn, Chair; Kremen, Vice Chair; Nealey, Ranking Minority Member; P. Johnson, Assistant Ranking Minority Member; Chandler; Grant; R. Johnson; Lisk; McLean; Rasmussen; and Roland.

Staff: Kenneth Hirst (786-7105).

Background: With the enactment of the Regulatory Fairness Act, the Legislature established a special program for proposed rules of state agencies which applies if the rules are expected to have fairly widespread consequences. The program applies if a rule will have an economic impact on more than 20 percent of all industries in the State or on 10 percent of any one industry. In such cases, the adopting agency must, when legal and feasible in meeting the objectives of the laws being implemented, reduce the impact of the rule on small businesses. To do this, the agency may establish different compliance or reporting requirements or deadlines for small businesses, consolidate or simplify compliance and reporting requirements, establish performance rather than design standards, or exempt small businesses from any or all requirements of the rule.

When adopting a rule which has such widespread consequences, a state agency must prepare a small business economic impact statement and file the statement with the notice of rule-

making filed with the code revisor under the Administrative Procedures Act. The agency may request the assistance of the Business Assistance Center. The economic impact statement is not required if the rule is being adopted solely for conformity or compliance with federal laws or rules or if it will have only minor or negligible economic impact.

Summary of Substitute Bill: The Regulatory Fairness Act is amended. A state agency adopting a rule must prepare an agricultural economic impact statement if the rule will have an economic impact on any commercial agricultural activity. These agricultural activities include the commercial production of private sector cultured aquatic products.

An economic impact statement is not required if the rule is being adopted only for conformity or compliance with federal laws or rules or if it will have a negligible economic impact. The Department of Agriculture must develop guidelines for determining whether a proposed rule will have minor or negligible impacts on agricultural activities and may review any proposed rule which the adopting agency indicates will have only such a minor or negligible impact. The adopting agency is authorized to mitigate the effect of the rule on agricultural activities in the manner prescribed by law for mitigating the effect of rules on small businesses.

Substitute Bill Compared to Original Bill: The substitute bill expands the agricultural activities for which the economic impact program is created; those activities now include the commercial production of private sector cultured aquatic products.

Fiscal Note: Requested February 26, 1991.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: The economic impact of agency rules on agriculture, including private aquaculture, should be assessed.

Testimony Against: (1) The bill would tend to compromise the health and safety of agricultural workers by increasing the bias in assessing agency rules in favor of assessing economic factors. (2) The bill would increase the Department of Agriculture's bias toward regulating based on economic considerations.

Witnesses: Jim Zimmerman, Trout Lodge Incorporated (in favor); Phil Kaplan, United Farmworkers of Washington

(opposed); Mike Schwisow, Department of Agriculture (discussed fiscal impact on the department); and Steven Cant, Department of Labor & Industries (expressed desire that the Department of Agriculture's role be funded).