

# Chapter 16-555 WAC

## WASHINGTON STRAWBERRY COMMISSION

### WAC

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**WAC 16-555-010 Definition of terms.** For the purpose of this marketing order:

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

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

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

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

(5) "Affected producer" means any person who produces strawberries in commercial quantities in the state of Washington, for fresh market, for processing, or for sale to processors.

(6) "Commercial quantity" means any strawberries produced for a 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, storing, freezing, or distributing strawberries not produced by him.

(8) "Strawberry commodity board," hereinafter referred to as "board," means the commodity board formed under the provisions of WAC 16-555-020.

(9) "Strawberries" means and includes all kinds, varieties, and hybrids of "FRAGARIA-X-ANANASSA" grown and marketed in the state of Washington.

(10) "Marketing season" or "fiscal year" means the twelve-month period beginning with January 1 of any year and ending with the last day of December following, both dates being inclusive.

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

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

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

(14) "Affected unit" means one pound net of strawberries.

[Statutory Authority: Chapter 15.65 RCW. 93-10-063, § 16-555-010, filed 5/3/93, effective 6/3/93. Statutory Authority: RCW 15.65.050. 90-11-001 (Order 2038), § 16-555-010, filed 5/3/90, effective 6/3/90. Statutory Author-

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ity: Chapter 15.65 RCW. 85-11-030 (Order 1856), § 16-555-010, filed 5/14/85.]

**WAC 16-555-020 Strawberry commodity board. (1) Administration.** The provisions of this marketing order and the applicable provisions of the act shall be administered and enforced by the board as the designee of the director.

**(2) Board membership.**

(a) The board shall consist of eight members. Seven members shall be affected producers elected as provided in this section. The director shall appoint one member who is neither an affected producer nor a handler to represent the department and the public.

(b) For the purpose of nomination and election of producer members of the board, the affected area shall be the state of Washington, and shall be divided into four representative districts as follows:

(i) District I shall have two board members, being Positions 1 and 2, and shall include the counties of Island, San Juan, Skagit, and Whatcom.

(ii) District II shall have two board members, being Positions 3 and 4, and shall include the counties of King, Clallam, Jefferson, Kitsap, Pierce, and Snohomish.

(iii) District III shall have two board members, being Position 5 and Position 7, and shall include the counties of Clark, Cowlitz, Lewis, Pacific, Skamania, Wahkiakum, Grays Harbor, Mason, and Thurston.

(iv) District IV shall have one board member, being Position 6, and shall include the remaining counties in the state of Washington.

(3) **Board membership qualifications.** The affected producer members of the board shall be practical producers of strawberries and shall be citizens and residents of the state of Washington, over the age of twenty-five years, each of whom is and has been actually engaged in producing strawberries within the state of Washington for a period of five years and has, during that time, derived a substantial portion of his/her income therefrom. Producer-handlers shall be considered to be acting only as producers for purpose of election and membership on a commodity board. The qualifications of members of the board as herein set forth must continue during the terms of office.

**(4) Term of office.**

(a) The term of office, for members of the board shall be three years, and one-third of the membership as nearly as possible shall be elected each year.

(b) Membership positions on the board shall be designated numerically; affected producers shall have positions one through seven and the member appointed by the director, position eight.

(c) The term of office for the initial board members shall be as follows:

Position one - Shall terminate on August 31, 1986;

Positions three and five - Shall terminate on August 31, 1987;

Positions two and four - Shall terminate on August 31, 1988.

(d) The term of office for the initial board member in Position 6, shall terminate on August 31, 1995.

(e) The term of office for the initial board member in Position 7 shall terminate on August 31, 2005.

(5) **Nomination and election of board members.** Each year the director shall call for a nomination meeting. Such meeting shall be held at least thirty days in advance of the date set by the director for the election of board members. Notice of every such meeting shall be published in a newspaper of general circulation within the production area not less than ten days in advance of the date of such meeting; and, in addition, written notice of every such meeting shall be given to all affected producers according to the list maintained by the director pursuant to RCW 15.65.200 of the act. Nonreceipt of notice by any interested person shall not invalidate the proceedings at such nomination meeting. Any qualified affected producer may be nominated orally for membership on the board at such nomination meeting. Nominations may also be made within five days after any such meeting by written petition filed with the director, signed by not less than five affected producers. At the inception of this marketing order, nominations may be made at the issuance hearing.

When only one nominee is nominated for any position on the board, the director shall deem that said nominee satisfies the requirements of the position and then it shall be deemed that said nominee has been duly elected.

(6) **Election of board members.**

(a) Members of the board shall be elected by secret mail ballot within the month of May under the supervision of the director. Affected producer members of the board shall be elected by a majority of the votes cast by the affected producers. Each affected producer shall be entitled to one vote.

(b) If a nominee does not receive a majority of the votes on the first ballot, a run-off election shall be held by mail in a similar manner between the two candidates for such position receiving the largest number of votes.

(c) Notice of every election for board membership shall be published in a newspaper of general circulation within the production area not less than ten days in advance of the date of such election. Not less than ten days prior to every election for board membership, the director shall mail a ballot of the candidates to each affected producer entitled to vote whose name appears on the list of such affected producers maintained by the director in accordance with RCW 15.65.200. Any other affected producer entitled to vote may obtain a ballot by application to the director upon establishing his/her qualifications. Nonreceipt of a ballot by any affected producer shall not invalidate the election of any board members.

(7) **Vacancies prior to election.** In the event of a vacancy on the board, the remaining members shall select a qualified person to fill the unexpired term.

(8) **Quorum.** A majority of the members shall constitute a quorum for the transaction of all business and the carrying out of all duties of the board.

(9) **Board compensation.** No member of the board shall receive any salary or other compensation, but each member may be compensated for each day in actual attendance at or

traveling to and from meetings of the board or on special assignment for the board, together with travel expenses at the rates allowed state employees.

(10) **Powers and duties of the board.** The board shall have the following powers and duties:

(a) To administer, enforce, and control the provisions of this order as the designee of the director.

(b) To elect a chairman and such other officers as the board deems advisable.

(c) To employ and discharge at its discretion such personnel as the board determines necessary and proper to carry out the purpose of the marketing order and effectuate the declared policies of the act.

(d) To pay from moneys collected as assessments, contributions, or advances thereon the costs arising in connection with the formulation, issuance, administration, and enforcement of the marketing order. Such expenses and costs may be paid by check, draft, or voucher in such form and in such manner and upon the signature of the person as the board may prescribe.

(e) To reimburse any applicant who has deposited with the director in marketing order to defray the costs of formulating the marketing order.

(f) To establish a "strawberry board marketing revolving fund" and such fund to be deposited in a bank or banks or financial institution or institutions, approved for the deposit of state funds, in which all money received by the board, except as the amount of petty cash for each day's needs, shall be deposited each day or as often as advisable.

(g) To keep or cause to be kept in accordance with accepted standards of good accounting practice, accurate records of all assessments, paid outs, moneys, and other financial transactions made and done pursuant to this order. Such records, books, and accounts shall be audited at least every five years subject to procedures and methods lawfully prescribed by the state auditor. Such books and accounts shall be closed as of the last day of each calendar year. A copy of such audit shall be delivered within thirty days after the completion thereof to the governor, the director, the state auditor, and the board.

(h) To require a bond of all board members and employees of the board in a position of trust in the amount the board shall deem necessary. The premium for such bond or bonds shall be paid by the board from assessments collected. Such bond shall not be necessary if any such board member or employee is covered by any blanket bond covering officials or employees of the state of Washington.

(i) To prepare a budget or budgets covering anticipated income and expenses to be incurred in carrying out the provisions of the order during each calendar year.

(j) To establish by resolution, a headquarters which shall continue as such unless and until so changed by the board. All records, books, and minutes of board meetings shall be kept at such headquarters.

(k) To adopt rules and regulations of a technical or administrative nature, subject to the provisions of chapter 34.05 RCW (Administrative Procedure Act).

(l) To carry out the provisions of RCW 15.65.510 covering the obtaining of information necessary to effectuate the provisions of the marketing order and the act, along with the

necessary authority and procedure for obtaining such information.

(m) To bring actions or proceedings upon joining the director as a party for specific performance, restraint, injunction, or mandatory injunction against any person who violates or refuses to perform the obligations or duties imposed upon him by the act or the marketing order.

(n) To confer with and cooperate with the legally constituted authorities of other states and of the United States for the purpose of obtaining uniformity in the administration of federal and state marketing regulations, licenses, agreements, or orders.

(o) To authorize the members of the board, or their agents or designees, to participate in federal or state hearings or other proceedings concerning regulation of the manufacture, distribution, sale, or use of any pesticide as defined by RCW 15.58.030(1) or any agricultural chemical which is of use or potential use in producing strawberries, and may authorize the expenditure of commission funds for this purpose.

(p) To carry out any other grant of authority or duty provided designees and not specifically set forth in this section.

**(11) Procedures for board.**

(a) The board shall hold regular meetings, at least semi-annually, and such meetings shall be held in accordance with chapter 42.30 RCW (Open Public Meetings Act).

(b) The board shall hold an annual meeting, at which time an annual report will be presented. The proposed budget shall be presented for discussion at the meeting. Notice of the annual meeting shall be given by the board at least ten days prior to the meeting by written notice to each producer and by regular news services.

(c) The board shall establish by resolution, the time, place, and manner of calling special meetings of the board with reasonable notice to the members: Provided, That the notice of any special meeting may be waived by a waiver thereof by each member of the board.

[Statutory Authority: RCW 15.65.050 and 15.65.200. 02-15-128, § 16-555-020, filed 7/22/02, effective 8/22/02. Statutory Authority: RCW 15.65.050. 00-10-024, § 16-555-020, filed 4/24/00, effective 5/25/00. Statutory Authority: Chapter 15.65 RCW. 93-10-063, § 16-555-020, filed 5/3/93, effective 6/3/93. Statutory Authority: RCW 15.65.050. 92-12-006, § 16-555-020, filed 5/21/92, effective 6/21/92. Statutory Authority: Chapter 15.65 RCW. 85-11-030 (Order 1856), § 16-555-020, filed 5/14/85.]

**WAC 16-555-030 Marketing order purposes.** The marketing order is to promote the general welfare of the state, to enable producers of strawberries to help themselves facilitate cultural and harvesting improvements, and regulate unfair trade practices within the industry. To carry out the purposes of the marketing order, the board may provide for a program in one or more of the following areas:

(1) Provide for research in the production, processing, and/or marketing of strawberries and expend the necessary funds for such purposes. Insofar as practicable, such research shall be carried on by experiment stations of Washington State University, but if in the judgment of the board, said experiment stations do not have the facilities for a particular project or if some other research entity has better facilities therefor, the project may be carried out by other research entities selected by the board.

(2) Provide for marketing information and services to affected producers, for the verification of grades, standards, weights, tests, and sampling of quality and quantity of strawberries purchased by handlers from affected producers and for the purpose of facilitating the efficient marketing of strawberries.

(3) Prohibit and/or otherwise regulate any one or more of all of the practices listed to the extent that such practices affect, directly or indirectly, strawberries or any product thereof, but only with respect to persons who engage in such practices with the intent of or with the reasonably foreseeable effect of inducing any purchaser to become his/her customer or his/her supplier or of otherwise dealing or trading with him or of diverting trade from a competitor, to wit:

(a) Paying rebates, commissions or unearned discounts;

(b) Unfairly extending privileges or benefits (pertaining to price, to credit, to the loan, lease or giving away of facilities, equipment or other property or to any other matter or thing) to any customer, supplier or other person;

(c) Discriminating between customers, or suppliers of a like class;

(d) Making or publishing false or misleading advertising. Such regulation may authorize uniform trade practices applicable to all similarly situated handlers and/or other persons.

(4) The board may authorize use of any money received and of any persons employed thereunder for legal proceedings, of any type and in the name of any person, directed to the enforcement of this or any other law in force in the state of Washington relating to the prevention of unfair trade practices.

[Statutory Authority: Chapter 15.65 RCW. 85-11-030 (Order 1856), § 16-555-030, filed 5/14/85.]

**WAC 16-555-040 Assessments and collections. (1) Assessments.**

(a) The annual assessment on all varieties of strawberries shall be one-half cent per affected unit (pound).

(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.

(c) Subsequent to the first sale, 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 marketing 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 this marketing 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 marketing 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.

[Statutory Authority: RCW 15.65.050. 92-12-006, § 16-555-040, filed 5/21/92, effective 6/21/92. Statutory Authority: Chapter 15.65 RCW. 85-11-030 (Order 1856), § 16-555-040, filed 5/14/85.]

**WAC 16-555-041 Time—Place—Method for payment and collection of assessments.** Effective with the growing season of 1985, the following procedure is established for the reporting and paying of assessments levied pursuant to RCW 15.65.410 and WAC 16-555-040:

(1) All first handlers of strawberries for resale or for processing shall withhold the amount of the assessment from their remittance to growers and transmit same to the commission. Where the first handler does not remit proceeds to the producer, the first handler shall include in his/her bill for services the assessment due and upon payment by the producer shall remit same to the commission. All such assessments accumulated will be due and payable to the commission on or before September 30 of each year, a report listing the name, address, pounds handled or purchased, and amount deducted or collected for each producer on forms provided by the commission.

(2) All growers selling strawberries other than to first handlers for resale or processing, whether selling direct or through brokers, and including all sales at retail, including u-pick, shall pay the assessment directly to the commission, on or before September 30 of each year.

(3) All growers having strawberries in cold storage that are not sold on September 15 of each year, shall compute the assessment due on such berries and pay same to the commission by September 30 of each year.

(4) Any assessments paid after the above deadlines shall be accompanied by a penalty fee of ten percent as provided in RCW 15.65.440 of the act.

[Statutory Authority: Chapter 15.65 RCW. 85-11-030 (Order 1856), § 16-555-041, filed 5/14/85.]

**WAC 16-555-050 Obligations of the board.** Obligations incurred by the board or employee or agent thereof pertaining to their performance or nonperformance or misperformance of any matters or things authorized, required, or permitted them by the act or this marketing order, and any other liabilities or claims against them or any of them shall be

enforced in the same manner as if the whole organization under the order were a corporation. No liability for the debts or actions of the board, employee, or agent incurred in their official capacity under this marketing order shall exist either against the board, officers, employees, and/or agents in their individual capacity, nor against the state of Washington or any subdivision or instrumentality thereof nor against any other organization, administrator, or board (or employee or agent thereof) established pursuant to this act or the assets thereof. The board, and its agents and employees, shall not be held responsible individually in any way whatsoever to any person for errors in judgment, mistakes, or other acts, either of commission or omission, as principal, agent, person, or employee, except for their own individual acts of dishonesty or crime. No such person or employee shall be held responsible individually for any act or omission of any other board, member of the board, or other person. The liability of the members of the board shall be several and not joint and no member shall be liable for the default of any other member.

[Statutory Authority: Chapter 15.65 RCW. 85-11-030 (Order 1856), § 16-555-050, filed 5/14/85.]

**WAC 16-555-060 Termination of the marketing order.** The marketing order shall be terminated if the director finds that fifty-one percent by numbers and fifty-one percent by volume of production of the affected producers favor or assent such dissolution. The director may ascertain without compliance with RCW 15.65.050 through 15.65.130 of the act whether such termination is so assented to or favored whenever twenty percent by numbers and twenty percent by volume of production of the affected producers file written application with the director for such termination. The termination shall not, however, become effective until the expiration of the marketing season.

[Statutory Authority: Chapter 15.65 RCW. 85-11-030 (Order 1856), § 16-555-060, filed 5/14/85.]

**WAC 16-555-070 Effective time.** The marketing order for strawberries shall become effective on and after June 15, 1985.

[Statutory Authority: Chapter 15.65 RCW. 85-11-030 (Order 1856), § 16-555-070, filed 5/14/85.]

**WAC 16-555-080 Separability.** If any provisions hereof are declared invalid, or the applicability thereof to any person, circumstances, or thing is held invalid, the validity of the remainder hereof or of the applicability thereof to any other person, circumstances, or thing shall not be affected thereby.

[Statutory Authority: Chapter 15.65 RCW. 85-11-030 (Order 1856), § 16-555-080, filed 5/14/85.]