

2 **SSB 6393** - H COMM AMD TO AG COMM AMD (H-4995.1/92) **ADOPTED 03/05/92**  
3 By Committee on Appropriations

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5 On page 1, after line 6 of the amendment, strike the remainder of  
6 the amendment and insert the following:

7 "NEW SECTION. **Sec. 1.** A new section is added to chapter 15.36 RCW  
8 to read as follows:

9 There is levied on all milk processed in this state an assessment  
10 not to exceed one-half of one cent per hundredweight. The director  
11 shall determine, by rule, an assessment, that with contribution from  
12 the general fund, will support an inspection program to maintain  
13 compliance with the provisions of the pasteurized milk ordinance of the  
14 national conference on interstate milk shipment. All assessments shall  
15 be levied on the operator of the first milk plant receiving the milk  
16 for processing. This shall include milk plants that produce their own  
17 milk for processing and milk plants that receive milk from other  
18 sources. All moneys collected under this section shall be paid to the  
19 director by the twentieth day of the succeeding month for the previous  
20 month's assessments. The director shall deposit the funds into the  
21 dairy inspection account hereby created within the agricultural local  
22 fund established in RCW 43.23.230. The funds shall be used only to  
23 provide inspection services to the dairy industry. If the operator of  
24 a milk plant fails to remit any assessments, that sum shall be a lien  
25 on any property owned by him or her, and shall be reported by the  
26 director and collected in the manner and with the same priority over  
27 other creditors as prescribed for the collection of delinquent taxes  
28 under chapters 84.60 and 84.64 RCW.

1 This section shall take effect July 1, 1992, and shall expire June  
2 30, 1994."

3 "NEW SECTION. **Sec. 2.** A new section is added to chapter 15.36 RCW  
4 to read as follows:

5 (1) There is created a dairy inspection program advisory committee.  
6 The committee shall consist of nine members. The committee shall be  
7 appointed by the director from names submitted by dairy producer  
8 organizations or from handlers of milk products. The committee shall  
9 consist of four members who are producers of milk or their  
10 representatives, and four members who are handlers or their  
11 representatives, and one member who must be a producer-handler.

12 (2) The purpose of this advisory committee is to assist the  
13 director by providing recommendations regarding the dairy inspection  
14 program, that are consistent with the pasteurized milk ordinance. The  
15 advisory committee shall (a) review and evaluate the program including  
16 the efficiency of the administration of the program, the adequacy of  
17 the level of inspection staff, the ratio of inspectors to number of  
18 dairy farm inspections per year, and the ratio of inspectors to  
19 management employees; and (b) consider alternatives to the state  
20 program, which may include privatization of various elements of the  
21 inspection program.

22 (3) The committee shall meet as necessary to complete its work.  
23 Meetings of the committee are subject to the open public meetings act.

24 (4) Not later than October 15, 1992, the advisory committee shall  
25 issue a preliminary report of its findings to the dairy industry. The  
26 committee shall solicit comments from the dairy industry which shall be  
27 reflected in the committee's final report.

28 (5) Not later than December 1, 1992, the advisory committee shall  
29 report to the agricultural committees of the house of representatives

1 and senate its recommendations for long-term structure and funding of  
2 the dairy inspection program."

3 "Sec. 3. RCW 69.07.040 and 1991 c 137 s 3 are each amended to read  
4 as follows:

5 It shall be unlawful for any person to operate a food processing  
6 plant or process foods in the state without first having obtained an  
7 annual license from the department, which shall expire on a date set by  
8 rule by the director. License fees shall be prorated where necessary  
9 to accommodate staggering of expiration dates. Application for a  
10 license shall be on a form prescribed by the director and accompanied  
11 by ~~((a twenty-five dollar annual))~~ the license fee. The license fee is  
12 determined by computing the gross annual sales for the accounting year  
13 immediately preceding the license year. If the license is for a new  
14 operator, the license fee shall be based on an estimated gross annual  
15 sales for the initial license period.

<u>If gross annual sales are:</u>	<u>The license fee is:</u>
<u>\$0 to \$50,000</u>	<u>\$50.00</u>
<u>\$50,001 to \$500,000</u>	<u>\$100.00</u>
<u>\$500,001 to \$1,000,000</u>	<u>\$200.00</u>
<u>\$1,000,001 to \$5,000,000</u>	<u>\$350.00</u>
<u>\$5,000,001 to \$10,000,000</u>	<u>\$500.00</u>
<u>Greater than \$10,000,000</u>	<u>\$750.00</u>

23 Such application shall include the full name of the applicant for the  
24 license and the location of the food processing plant he or she intends  
25 to operate. If such applicant is an individual, receiver, trustee,  
26 firm, partnership, association or corporation, the full name of each  
27 member of the firm or partnership, or names of the officers of the

1 association or corporation shall be given on the application. Such  
2 application shall further state the principal business address of the  
3 applicant in the state and elsewhere and the name of a person domiciled  
4 in this state authorized to receive and accept service of summons of  
5 legal notices of all kinds for the applicant. The application shall  
6 also specify the type of food to be processed and the method or nature  
7 of processing operation or preservation of that food and any other  
8 necessary information. Upon the approval of the application by the  
9 director and compliance with the provisions of this chapter, including  
10 the applicable regulations adopted hereunder by the department, the  
11 applicant shall be issued a license or renewal thereof.

12 Licenses shall be issued to cover only those products, processes,  
13 and operations specified in the license application and approved for  
14 licensing. Wherever a license holder wishes to engage in processing a  
15 type of food product that is different than the type specified on the  
16 application supporting the licensee's existing license and processing  
17 that type of food product would require a major addition to or  
18 modification of the licensee's processing facilities or has a high  
19 potential for harm, the licensee shall submit an amendment to the  
20 current license application. In such a case, the licensee may engage  
21 in processing the new type of food product only after the amendment has  
22 been approved by the department.

23 If upon investigation by the director, it is determined that a  
24 person is processing food for retail sale and is not under permit,  
25 license, or inspection by a local health authority, then that person  
26 may be considered a food processor and subject to the provisions of  
27 this chapter."

28 "Sec. 4. RCW 69.07.050 and 1991 c 137 s 4 are each amended to read  
29 as follows:

1        If the application for renewal of any license provided for under  
2 this chapter is not filed prior to the expiration date as established  
3 by rule by the director, an additional fee of (~~fifteen dollars~~) ten  
4 percent of the cost of the license shall be assessed and added to the  
5 original fee and shall be paid by the applicant before the renewal  
6 license shall be issued: PROVIDED, That such additional fee shall not  
7 be charged if the applicant furnishes an affidavit certifying that he  
8 or she has not operated a food processing plant or processed foods  
9 subsequent to the expiration of his or her license."

10        "**Sec. 5.** RCW 69.07.120 and 1967 ex.s. c 121 s 12 are each amended  
11 to read as follows:

12        All moneys received by the department under the provisions of this  
13 chapter shall be paid into the (~~state treasury~~) food processing  
14 inspection account hereby created within the agricultural local fund  
15 established in RCW 43.23.230 and shall be used solely to carry out the  
16 provisions of this chapter and chapter 69.04 RCW."