

HOUSE BILL REPORT

HB 2315

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

Title: An act relating to horticultural nurseries.

Brief Description: Authorizing nursery dealer license surcharges, the proceeds of which will support research.

Sponsor(s): Representatives Rayburn, Nealey, Belcher, Grant, R. Johnson, Jacobsen, Kremen and Rasmussen.

Brief History:

Reported by House Committee on:
Agriculture & Rural Development, January 31, 1992, DPS.

**HOUSE COMMITTEE ON
AGRICULTURE & RURAL DEVELOPMENT**

Majority Report: *The substitute bill be substituted therefor and the substitute bill do pass.* Signed by 9 members: Representatives Rayburn, Chair; Nealey, Ranking Minority Member; P. Johnson, Assistant Ranking Minority Member; Chandler; R. Johnson; Lisk; McLean; Rasmussen; and Roland.

Staff: Kenneth Hirst (786-7105).

Background: The state's horticultural nursery dealer laws require nursery dealers to be licensed. A fee schedule for the licenses is established by the director of agriculture by rule and is to be based on the total value of a dealer's sales of horticultural plants. Vegetable plants are not considered to be horticultural plants for the purposes of the licensing laws. Licensing fees are deposited in the agricultural local fund and may be used only for the purposes of the nursery dealer laws. In administering these laws, the director is advised by a nursery advisory committee established by statute.

Summary of Substitute Bill: The director of agriculture may, with the advice of the nursery advisory committee, establish by rule a surcharge on nursery dealer license fees. The annual surcharge on a license fee may not exceed 20 percent of the amount of the fee without the surcharge. The surcharge is to be paid at the same time that the license fee is paid. Revenues from the surcharge must be

deposited in the agricultural local fund and may be used solely to support research projects which are: of general benefit to the horticultural nursery industry; and recommended by the nursery advisory committee.

Substitute Bill Compared to Original Bill: Instead of authorizing a surcharge up to \$10 on all licenses as in the original bill, the substitute bill authorizes a surcharge of up to 20 percent of the underlying licensing fee.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect July 1, 1992.

Testimony For: (1) State funding for horticultural nursery research is very small. The bill will permit the industry to provide funding for research into diseases and other problems. (2) The surcharge was supported unanimously by the members of the Nursery Dealer and Landscape Association.

Testimony Against: None.

Witnesses: Steve McGonigel, Nursery Dealer and Landscape Association (in favor); Bruce Briggs and Gary Briggs, Briggs Nursery (in favor); and Rita Hummel, Washington State University.