#### SENATE BILL REPORT

#### **ESSB 6416**

### AS PASSED SENATE, FEBRUARY 17, 1992

Brief Description: Protecting the interests of producers of agricultural products.

**SPONSORS:** Senate Committee on Agriculture & Water Resources (originally sponsored by Senators Barr, Newhouse and Gaspard)

### SENATE COMMITTEE ON AGRICULTURE & WATER RESOURCES

Majority Report: That Substitute Senate Bill No. 6416 be substituted therefor, and the substitute bill do pass.

Signed by Senators Barr, Chairman; Anderson, Vice Chairman; Bailey, Gaspard, Hansen, and Newhouse.

**Staff:** Ben Barnes (786-7465)

Hearing Dates: February 7, 1992

#### **BACKGROUND:**

Statutory agricultural liens currently exist for crops and for processors and preparers.

## **SUMMARY:**

A consignment of agricultural products by a producer to a handler does not vest title or right to the products in the handler; it only confers the right to sell the products on the producer's behalf. Any disposition of agricultural products consigned to a handler without the producer's consent is automatically void.

Appropriation: none

Revenue: none

Fiscal Note: none requested

# TESTIMONY FOR:

Producers who deliver their crops on consignment to fruit packers need statutory clarification that such consignment does not transfer ownership of the crops to the packer and thereby subject the crops and/or proceeds to the claims of the packer's creditors.

# TESTIMONY AGAINST: None

**TESTIFIED:** Darrell O. Turner, WA State Farm Bureau; Dan Coyne, WA State Council of Farmer Cooperatives; Trevor Sandison, WA Bankers Assn.

[ 2 ]