

CERTIFICATION OF ENROLLMENT

ENGROSSED SENATE BILL 5514

Chapter 303, Laws of 1997

55th Legislature
1997 Regular Session

FEEES FOR COMMODITY COMMISSIONS AND THE DEPARTMENT OF AGRICULTURE

EFFECTIVE DATE: 7/27/97 - Except sections 1 through 3 which become effective 5/9/97; and sections 6 and 7 which become effective 7/1/98.

Passed by the Senate April 21, 1997
YEAS 25 NAYS 15

BRAD OWEN

President of the Senate

Passed by the House April 14, 1997
YEAS 70 NAYS 24

CLYDE BALLARD

**Speaker of the
House of Representatives**

Approved May 9, 1997

CERTIFICATE

I, Mike O Connell, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SENATE BILL 5514** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MIKE O'CONNELL

Secretary

FILED

May 9, 1997 - 1:50 p.m.

GARY LOCKE

Governor of the State of Washington

**Secretary of State
State of Washington**

ENGROSSED SENATE BILL 5514

AS AMENDED BY THE HOUSE

Passed Legislature - 1997 Regular Session

State of Washington 55th Legislature 1997 Regular Session

By Senators Morton, Rasmussen and Swecker; by request of Department of Agriculture

Read first time 01/29/97. Referred to Committee on Agriculture & Environment.

1 AN ACT Relating to authorizing fees for commodity commissions and
2 the department of agriculture; amending RCW 43.135.055, 15.28.180,
3 15.86.070, 22.09.050, and 22.09.055; adding a new section to chapter
4 43.23 RCW; creating a new section; providing an effective date; and
5 declaring an emergency.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** The legislature finds that Initiative
8 Measure No. 601, adopted by the people of the state of Washington,
9 limits fee increases by requiring that any increases in fees beyond the
10 levels expressly allowed under the initiative receive the prior
11 approval of the legislature. The legislature finds that a more direct
12 system of allowing the people to control fee increases predates
13 Initiative Measure No. 601. This system developed in agricultural
14 communities and provides these communities with direct control of the
15 fees of the agricultural commodity commissions they created to serve
16 them. The system requires those who pay the assessments levied by
17 commodity commissions and boards to approve of assessment increases by
18 referendum. It is at the heart of the statutes and marketing orders
19 and agreements under which agricultural commodity commissions and

1 boards are created. The legislature does not believe that the adoption
2 of Initiative Measure No. 601 was intended to dilute in any manner this
3 more direct control held by the people governed by commodity
4 commissions or boards over the fees they pay in the form of such
5 assessments. Therefore, the legislature defers to this more direct
6 control of these assessments so long as the authority to approve or
7 disapprove of increases in these assessments is by referendum held
8 directly by those who pay them.

9 **Sec. 2.** RCW 43.135.055 and 1994 c 2 s 8 are each amended to read
10 as follows:

11 (1) No fee may increase in any fiscal year by a percentage in
12 excess of the fiscal growth factor for that fiscal year without prior
13 legislative approval.

14 (2) This section does not apply to an assessment made by an
15 agricultural commodity commission or board created by state statute or
16 created under a marketing agreement or order under chapter 15.65 or
17 15.66 RCW if the assessment is approved by referendum in accordance
18 with the provisions of the statutes creating the commission or board or
19 chapter 15.65 or 15.66 RCW for approving such assessments.

20 **Sec. 3.** RCW 15.28.180 and 1992 c 87 s 1 are each amended to read
21 as follows:

22 (1) The same assessment shall be made for each soft tree fruit,
23 except that if a two-thirds majority of the state commodity committee
24 of any fruit recommends in writing the levy of an additional assessment
25 on that fruit, or any classification thereof, for any year or years,
26 the commission may levy such assessment for that year or years up to
27 the maximum of eighteen dollars for each two thousand pounds of any
28 fruit except cherries or any classification thereof, as to which the
29 assessment may be increased to a maximum of thirty dollars for each two
30 thousand pounds, and except pears covered by this chapter, as to which
31 the assessment may be increased to a maximum of eighteen dollars for
32 each two thousand pounds: PROVIDED, That no increase in the assessment
33 on pears becomes effective unless the increase is first referred by the
34 commission to a referendum by the Bartlett pear growers of the state
35 and is approved by a majority of the growers voting on the referendum.
36 The method and procedure of conducting the referendum shall be
37 determined by the commission. Any funds so raised shall be expended

1 solely for the purposes provided in this chapter and solely for such
2 fruit, or classification thereof.

3 The commission has the authority in its discretion to exempt in
4 whole or in part from future assessments under this chapter, during
5 such period as the commission may prescribe, any of the soft tree
6 fruits or any particular strain or classification of them.

7 (2) An assessment levied under this chapter may be increased in
8 excess of the fiscal growth factor as determined under chapter 43.135
9 RCW if the assessment is submitted by referendum to the growers who are
10 subject to the assessment and the increase is approved by a majority of
11 those voting on the referendum. The method and procedure of conducting
12 the referendum shall be determined by the commission.

13 **Sec. 4.** RCW 15.86.070 and 1992 c 71 s 10 are each amended to read
14 as follows:

15 (1) The director may adopt rules establishing a certification
16 program for producers, processors, and vendors of organic or transition
17 to organic food. The rules may govern, but are not limited to
18 governing: The number and scheduling of on-site visits, both announced
19 and unannounced, by certification personnel; recordkeeping
20 requirements; and the submission of product samples for chemical
21 analysis. The rules shall include a fee schedule that will provide for
22 the recovery of the full cost of the organic food program. Fees
23 collected under this section shall be deposited in an account within
24 the agricultural local fund and the revenue from such fees shall be
25 used solely for carrying out the provisions of this section, and no
26 appropriation is required for disbursement from the fund. The director
27 may employ such personnel as are necessary to carry out the provisions
28 of this section.

29 (2) The fees established under this section may be increased in
30 excess of the fiscal growth factor as provided in RCW 43.135.055 for
31 the fiscal year ending June 30, 1998.

32 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.23 RCW
33 to read as follows:

34 The director may collect moneys to recover the reasonable costs of
35 publishing and disseminating informational materials by the department.
36 Materials may be disseminated in printed or electronic format. All

1 moneys collected shall be deposited in the agricultural local fund or
2 other appropriate fund administered by the director.

3 **Sec. 6.** RCW 22.09.050 and 1994 c 46 s 4 are each amended to read
4 as follows:

5 Any application for a license to operate a warehouse shall be
6 accompanied by a license fee of (~~twelve hundred~~) one thousand three
7 hundred fifty dollars for a terminal warehouse, (~~nine hundred~~) one
8 thousand fifty dollars for a subterminal warehouse, and (~~three hundred~~
9 ~~and fifty~~) five hundred dollars for a country warehouse. If a
10 licensee operates more than one warehouse under one state license as
11 provided for in RCW 22.09.030, the license fee shall be computed by
12 multiplying the number of physically separated warehouses within the
13 station by the applicable terminal, subterminal, or country warehouse
14 license fee.

15 If an application for renewal of a warehouse license or licenses is
16 not received by the department prior to the renewal date or dates
17 established by the director by rule, a penalty of fifty dollars for the
18 first week and one hundred dollars for each week thereafter shall be
19 assessed and added to the original fee and shall be paid by the
20 applicant before the renewal license may be issued. This penalty does
21 not apply if the applicant furnishes an affidavit certifying that he
22 has not acted as a warehouseman subsequent to the expiration of his or
23 her prior license.

24 **Sec. 7.** RCW 22.09.055 and 1994 c 46 s 5 are each amended to read
25 as follows:

26 An application for a license to operate as a grain dealer shall be
27 accompanied by a license fee of (~~six hundred~~) seven hundred fifty
28 dollars. The license fee for exempt grain dealers shall be (~~one~~
29 ~~hundred fifty~~) three hundred dollars.

30 If an application for renewal of a grain dealer or exempt grain
31 dealer license is not received by the department before the renewal
32 date or dates established by the director by rule, a penalty of fifty
33 dollars for the first week and one hundred dollars for each week
34 thereafter shall be assessed and added to the original fee and shall be
35 paid by the applicant before the renewal license may be issued. This
36 penalty does not apply if the applicant furnishes an affidavit

1 certifying that he has not acted as a grain dealer or exempt grain
2 dealer after the expiration of his or her prior license.

3 NEW SECTION. **Sec. 8.** Sections 6 and 7 of this act take effect
4 July 1, 1998.

5 NEW SECTION. **Sec. 9.** Sections 1 through 3 of this act are
6 necessary for the immediate preservation of the public peace, health,
7 or safety, or support of the state government and its existing public
8 institutions, and take effect immediately.

Passed the Senate April 21, 1997.

Passed the House April 14, 1997.

Approved by the Governor May 9, 1997.

Filed in Office of Secretary of State May 9, 1997.