<u>SB 5341</u> - S AMD 36 By Senator Van De Wege

## ADOPTED 02/27/2023

1 Strike everything after the enacting clause and insert the 2 following:

"<u>NEW SECTION.</u> Sec. 1. (1) The legislature finds that Washington 3 is one of only five states in the nation without a state program to 4 help food and agricultural producers promote their products based on 5 where the product is grown, raised, or caught. The legislature 6 7 further finds that a location-based promotion program will help consumers support Washington producers and the state's agricultural 8 9 economy by building upon Washington's strong reputation for characteristics like food quality and food safety, which are key 10 factors in consumer purchasing decisions. 11

12 (2) The legislature recognizes that recent food policy forum 13 reports to the legislature recommend creation of a program to promote 14 Washington food and agricultural products, and that such a locationbased brand recognition program would help identify Washington 15 products for procurement by schools and other public institutions and 16 17 would provide strong marketing tools to help differentiate Washington products, making them more visible to consumers and more competitive 18 19 in local, state, regional, national, and international the 20 marketplace. The legislature further recognizes that a new program is 21 needed because a previous promotion program, which was formally 22 dissolved in 2008 and was based primarily on one-time federal funding, did not provide a sustainable structure or a statutory 23 24 framework that was suitable for most Washington food and agricultural 25 producers.

26 legislature therefore intends that (3) The the Washington 27 department of agriculture gather advisory committee input and submit 28 recommendations to the legislature prior to developing a locationbased promotion program that is voluntary, sustainable, and suitable 29 for Washington food and agricultural producers. The legislature 30 31 further intends that this program provide support for food producers 32 across the state in a manner that is equitable and inclusive of all

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1 scales of Washington agriculture including, but not limited to, 2 serving historically underrepresented producers, producers from less 3 resourced geographies, and producers with less access to support 4 systems and funding.

5 <u>NEW SECTION.</u> Sec. 2. The definitions in this section apply 6 throughout this chapter unless the context clearly requires 7 otherwise.

8 (1) "Agricultural product" has the same meaning as the term 9 "agricultural commodities" in RCW 15.66.010, and is broadly construed 10 to include, but is not limited to, all agricultural products or 11 commodities grown or raised on Washington lands or caught in 12 Washington waters, or foods, including processed or manufactured 13 foods, containing such agricultural products.

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

15 (3) "Director" means the director of the department or the 16 director's designee.

17 (4) "Food" has the same meaning as the term "food" in RCW 18 15.130.110.

19 (5) "Program" means the location-based promotion program created 20 in this chapter to promote local food and agricultural products and 21 make them more visible to consumers.

Sec. 3. (1) The director must establish an 22 NEW SECTION. 23 advisory committee with representatives from interested agricultural 24 and food production organizations for the purpose of identifying the appropriate scope and nature of a voluntary location-based program to 25 26 brand and promote local food and agricultural products. During the fiscal year ending June 30, 2024, the director must submit a report 27 containing recommendations for program development and implementation 28 29 to the appropriate committees of the legislature.

30 (2) The report submitted under subsection (1) of this section 31 must include, but is not limited to, department and advisory 32 committee recommendations on how best to proceed or not proceed with 33 developing and implementing the following program elements:

(a) Eligibility criteria for: (i) The use of location-based
 branding sanctioned by the program to identify where an agricultural
 product was grown, raised, or caught; (ii) the use of location-based
 branding sanctioned by the program for processed or manufactured food
 products containing such agricultural products; and (iii)
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participating in program-sanctioned promotional activities for the 1 agricultural products or foods containing the agricultural products. 2 3 The criteria must include, but are not limited to, identifying thresholds for the necessary amount of time a product has been 4 located within a specific geographical area in Washington, within 5 6 lands or waters of Washington, or within lands or waters of other Pacific Northwest states or provinces neighboring Washington, and 7 thresholds for the necessary amount of such food products in a 8 processed or manufactured food product, to be eligible; 9

10 (b) Application, approval, certification, verification, renewal, 11 audit, enforcement, or cancellation procedures for using product 12 identification, branding, logos, or labels sanctioned by the program, 13 or for participating in program-sanctioned promotional activities;

14 (c) Licensing fees, fee waivers, cost recovery mechanisms, or fee
15 structures for membership, for using product identification,
16 branding, logos, or labels sanctioned by the program, or for
17 participating in program-sanctioned promotional activities;

(d) Creation, purchase, acquisition, protection, and blending ofbrand, logo, and trademark ownership or licensing rights;

20 (e) Cooperative agreements to jointly carry out program or 21 program-sanctioned activities and administration; and

(f) Any other action designed to help Washington food and agricultural producers promote their products and make them more visible and appealing to consumers and more competitive in the local, regional, national, and international marketplace of their choice including, but not limited to, retail stores, farmers markets, schools, restaurants, institutions, and other market channels.

28 (3) Following submission of the report required in subsection (1) 29 of this section, the director may adopt rules as necessary to implement the program. These rules may include any recommended fees 30 31 structures for determining fees, fee waivers, cost recovery or 32 mechanisms, or other elements listed in subsection (2) of this section. Rules consistent with the recommendations submitted in the 33 report qualify for expedited rule making under RCW 34.05.353. Prior 34 to creating criteria related to particular agricultural products 35 under the jurisdiction of an agricultural board or commission 36 organized under state law, the director must consult with 37 representatives of the appropriate board or commission. If the rules 38 39 include a structure for determining fees, the director may

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subsequently amend the rules and increase or decrease fees consistent
 with the structure for determining fees.

(4) Nothing in this chapter precludes or prohibits the department 3 or others, including but not limited to other agencies, boards, 4 commissions, and associations, from separately promoting the origin 5 6 of food and agricultural products grown, raised, or caught in Washington. Such promotional activities must be consistent with 7 pertinent legal authorities including, but not limited to, RCW 8 15.130.210, which prohibits misbranding of food origins as part of 9 Washington's food safety and security act, chapter 15.130 RCW, and 10 11 RCW 15.04.410, which relies on Washington's consumer protection act, 12 chapter 19.86 RCW, and prohibits false retail sale declarations related to agricultural products held out as Washington agricultural 13 products that are not in fact Washington agricultural products. 14

15 (5) Funds received for the purposes of this chapter must be 16 deposited in the agricultural local fund created in RCW 43.23.230 to 17 carry out the purposes of this chapter.

(6) The department must actively seek nonstate funding sources to 18 support program operation and may receive gifts, grants, 19 or 20 endowments from private or public sources, made in trust or otherwise, for the use and benefit of the program, consistent with 21 22 the provisions of this chapter and any terms of the gift, grant, or endowment. Expenditures may be used only for 23 those purposes identified in this chapter. Only the director of agriculture or the 24 25 director's designee may authorize expenditures of the gifts, grants, 26 or endowments.

27 <u>NEW SECTION.</u> Sec. 4. This chapter may be known and cited as the 28 Washington food and agricultural product promotion act.

29 <u>NEW SECTION.</u> Sec. 5. Sections 1 through 4 of this act 30 constitute a new chapter in Title 15 RCW.

31 <u>NEW SECTION.</u> Sec. 6. The following acts or parts of acts are 32 each repealed:

33 (1) RCW 15.105.005 (Findings) and 2004 c 26 s 1;

34 (2) RCW 15.105.010 (Definitions) and 2004 c 26 s 2;

(3) RCW 15.105.020 (Establishing a private, nonprofit corporation
 —Duties of successor organization—Debts and other liabilities) and
 2021 c 176 s 5203 & 2004 c 26 s 3;

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1 (4) RCW 15.105.030 (Actions by department to establish a 2 successor organization) and 2004 c 26 s 4; (5) RCW 15.105.040 (Board of directors of the successor 3 organization—State membership) and 2004 c 26 s 5; 4 (6) RCW 15.105.050 (Program logo) and 2004 c 26 s 6; 5 (7) RCW 15.105.060 (Gifts, grants, or endowments) and 2004 c 26 s 6 7 7; and (8) RCW 15.105.901 (Effective date-2004 c 26) and 2004 c 26 s 8 9 10."

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10 On page 1, line 1 of the title, after "Relating to" strike the 11 remainder of the title and insert "creating a location-based 12 promotion program for Washington food and agricultural products; 13 adding a new chapter to Title 15 RCW; and repealing RCW 15.105.005, 14 15.105.010, 15.105.020, 15.105.030, 15.105.040, 15.105.050, 15 15.105.060, and 15.105.901."

EFFECT: Removes the word "branding" from the title and certain areas of the bill.

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