ENGROSSED SENATE BILL 5341

State of Washington 68th Legislature 2023 Regular Session

By Senators Muzzall, Shewmake, Van De Wege, Torres, Warnick, Kuderer, Liias, Stanford, and C. Wilson; by request of Department of Agriculture

Read first time 01/12/23. Referred to Committee on Agriculture, Water, Natural Resources & Parks.

- AN ACT Relating to creating a location-based promotion program
- 2 for Washington food and agricultural products; adding a new chapter
- 3 to Title 15 RCW; and repealing RCW 15.105.005, 15.105.010,
- 4 15.105.020, 15.105.030, 15.105.040, 15.105.050, 15.105.060, and
- 5 15.105.901.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 NEW SECTION. Sec. 1. (1) The legislature finds that Washington
- 8 is one of only five states in the nation without a state program to
- 9 help food and agricultural producers promote their products based on
- 10 where the product is grown, raised, or caught. The legislature
- 11 further finds that a location-based promotion program will help
- 12 consumers support Washington producers and the state's agricultural
- 13 economy by building upon Washington's strong reputation for
- 14 characteristics like food quality and food safety, which are key
- 15 factors in consumer purchasing decisions.
- 16 (2) The legislature recognizes that recent food policy forum
- 17 reports to the legislature recommend creation of a program to promote
- 18 Washington food and agricultural products, and that such a location-
- 19 based brand recognition program would help identify Washington
- 20 products for procurement by schools and other public institutions and
- 21 would provide strong marketing tools to help differentiate Washington

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- products, making them more visible to consumers and more competitive 1 2 local, state, regional, national, and international marketplace. The legislature further recognizes that a new program is 3 needed because a previous promotion program, which was formally 4 dissolved in 2008 and was based primarily on one-time federal 5 6 funding, did not provide a sustainable structure or a statutory 7 framework that was suitable for most Washington food and agricultural producers. 8
- (3) The legislature therefore intends that the Washington 9 department of agriculture gather advisory committee input and submit 10 11 recommendations to the legislature prior to developing a location-12 based promotion program that is voluntary, sustainable, and suitable for Washington food and agricultural producers. The legislature 13 further intends that this program provide support for food producers 14 across the state in a manner that is equitable and inclusive of all 15 16 scales of Washington agriculture including, but not limited to, 17 serving historically underrepresented producers, producers from less 18 resourced geographies, and producers with less access to support systems and funding. 19
- NEW SECTION. Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

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- (1) "Agricultural product" has the same meaning as the term "agricultural commodities" in RCW 15.66.010, and is broadly construed to include, but is not limited to, all agricultural products or commodities grown or raised on Washington lands or caught in Washington waters, or foods, including processed or manufactured foods, containing such agricultural products.
- 29 (2) "Department" means the Washington department of agriculture.
- 30 (3) "Director" means the director of the department or the 31 director's designee.
- (4) "Food" has the same meaning as the term "food" in RCW (4) 15.130.110.
- 34 (5) "Program" means the location-based promotion program created 35 in this chapter to promote local food and agricultural products and 36 make them more visible to consumers.
- NEW SECTION. Sec. 3. (1) The director must establish an advisory committee with representatives from interested agricultural

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and food production organizations for the purpose of identifying the appropriate scope and nature of a voluntary location-based program to brand and promote local food and agricultural products. During the fiscal year ending June 30, 2024, the director must submit a report containing recommendations for program development and implementation to the appropriate committees of the legislature.

- (2) The report submitted under subsection (1) of this section must include, but is not limited to, department and advisory committee recommendations on how best to proceed or not proceed with 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) participating in program-sanctioned promotional activities for the agricultural products or foods containing the agricultural products. The criteria must include, but are not limited to, identifying thresholds for the necessary amount of time a product has been located within a specific geographical area in Washington, within lands or waters of Washington, or within lands or waters of other Pacific Northwest states or provinces neighboring Washington, and thresholds for the necessary amount of such food products in a processed or manufactured food product, to be eligible;
 - (b) Application, approval, certification, verification, renewal, audit, enforcement, or cancellation procedures for using product identification, branding, logos, or labels sanctioned by the program, or for participating in program-sanctioned promotional activities;
- (c) Licensing fees, fee waivers, cost recovery mechanisms, or fee structures for membership, for using product identification, branding, logos, or labels sanctioned by the program, or for participating in program-sanctioned promotional activities;
- (d) Creation, purchase, acquisition, protection, and blending of brand, logo, and trademark ownership or licensing rights;
- (e) Cooperative agreements to jointly carry out program or 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

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including, but not limited to, retail stores, farmers markets, schools, restaurants, institutions, and other market channels.

- (3) Following submission of the report required in subsection (1) of this section, the director may adopt rules as necessary to implement the program. These rules may include any recommended fees or structures for determining fees, fee waivers, cost recovery mechanisms, or other elements listed in subsection (2) of this section. Rules consistent with the recommendations submitted in the report qualify for expedited rule making under RCW 34.05.353. Prior to creating criteria related to particular agricultural products under the jurisdiction of an agricultural board or commission organized under state law, the director must consult with representatives of the appropriate board or commission. If the rules include a structure for determining fees, the director may 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 or others, including but not limited to other agencies, boards, commissions, and associations, from separately promoting the origin of food and agricultural products grown, raised, or caught in Washington. Such promotional activities must be consistent with pertinent legal authorities including, but not limited to, RCW 15.130.210, which prohibits misbranding of food origins as part of Washington's food safety and security act, chapter 15.130 RCW, and RCW 15.04.410, which relies on Washington's consumer protection act, chapter 19.86 RCW, and prohibits false retail sale declarations related to agricultural products held out as Washington agricultural products that are not in fact Washington agricultural products.
- (5) Funds received for the purposes of this chapter must be deposited in the agricultural local fund created in RCW 43.23.230 to carry out the purposes of this chapter.
- (6) The department must actively seek nonstate funding sources to support program operation and may receive gifts, grants, or endowments from private or public sources, made in trust or otherwise, for the use and benefit of the program, consistent with the provisions of this chapter and any terms of the gift, grant, or endowment. Expenditures may be used only for those purposes identified in this chapter. Only the director of agriculture or the director's designee may authorize expenditures of the gifts, grants, or endowments.

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- NEW SECTION. Sec. 4. This chapter may be known and cited as the Washington food and agricultural product promotion act.
- 3 <u>NEW SECTION.</u> **Sec. 5.** Sections 1 through 4 of this act 4 constitute a new chapter in Title 15 RCW.
- 5 <u>NEW SECTION.</u> **Sec. 6.** The following acts or parts of acts are 6 each repealed:
 - (1) RCW 15.105.005 (Findings) and 2004 c 26 s 1;
- 8 (2) RCW 15.105.010 (Definitions) and 2004 c 26 s 2;

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- 9 (3) RCW 15.105.020 (Establishing a private, nonprofit corporation 10 —Duties of successor organization—Debts and other liabilities) and 11 2021 c 176 s 5203 & 2004 c 26 s 3;
- 12 (4) RCW 15.105.030 (Actions by department to establish a successor organization) and 2004 c 26 s 4;
- 14 (5) RCW 15.105.040 (Board of directors of the successor 15 organization—State membership) and 2004 c 26 s 5;
 - (6) RCW 15.105.050 (Program logo) and 2004 c 26 s 6;
- 17 (7) RCW 15.105.060 (Gifts, grants, or endowments) and 2004 c 26 s 18 7; and
- 19 (8) RCW 15.105.901 (Effective date—2004 c 26) and 2004 c 26 s 10.

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