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**SENATE BILL 5074**

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**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Senators Boehnke, Chapman, and Krishnadasan

Prefiled 12/17/24. Read first time 01/13/25. Referred to Committee on Agriculture & Natural Resources.

1 AN ACT Relating to the payment of turfgrass seed contracts;  
2 amending RCW 20.01.465; and reenacting and amending RCW 20.01.010.

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

4 **Sec. 1.** RCW 20.01.010 and 2011 c 336 s 568 and 2011 c 103 s 39  
5 are each reenacted and amended to read as follows:

6 As used in this title the terms defined in this section have the  
7 meanings indicated unless the context clearly requires otherwise.

8 (1) "Agent" means any person who, on behalf of any commission  
9 merchant, dealer, broker, or cash buyer, acts as liaison between a  
10 consignor and a principal, or receives, contracts for, or solicits  
11 any agricultural product from the consignor thereof or who negotiates  
12 the consignment or purchase of any agricultural product on behalf of  
13 any commission merchant, dealer, broker, or cash buyer and who  
14 transacts all or a portion of that business at any location other  
15 than at the principal place of business of his or her employer. With  
16 the exception of an agent for a commission merchant or dealer  
17 handling horticultural products, an agent may operate only in the  
18 name of one principal and only to the account of that principal.

19 (2) "Agricultural product" means any unprocessed horticultural,  
20 vermicultural and its by-products, viticultural, berry, poultry,  
21 poultry product, grain, bee, or other agricultural products.

1 "Agricultural product" also includes (a) mint or mint oil processed  
2 by or for the producer thereof, hay and straw baled or prepared for  
3 market in any manner or form and livestock; and (b) agricultural  
4 seed, flower seed, vegetable seed, other crop seed, and seeds, as  
5 defined in chapter 15.49 RCW, however, any disputes regarding  
6 responsibilities for seed clean out are governed exclusively by  
7 contracts between the producers of the seed and conditioners or  
8 processors of the seed.

9 (3) "Broker" means any person other than a commission merchant,  
10 dealer, or cash buyer who negotiates the purchase or sale of any  
11 agricultural product, but no broker may handle the agricultural  
12 products involved or proceeds of the sale.

13 (4) "Cash buyer" means any person other than a commission  
14 merchant, dealer, or broker, who obtains from the consignor thereof  
15 for the purpose of resale or processing, title, possession, or  
16 control of any agricultural product or who contracts for the title,  
17 possession, or control of any agricultural product, or who buys or  
18 agrees to buy for resale any agricultural product by paying to the  
19 consignor at the time of obtaining possession or control of any  
20 agricultural product the full agreed price of the agricultural  
21 product, in coin or currency. However, a cashier's check, certified  
22 check, credit card, or bankdraft may be used for the payment. For the  
23 purposes of this subsection, "agricultural product," does not include  
24 hay, grain, straw, or livestock.

25 (5) "Certified weight" means any signed certified statement or  
26 memorandum of weight, measure or count issued by a licensed public  
27 weighmaster in accordance with the provisions of chapter 15.80 RCW.

28 (6) "Commission merchant" means any person who receives on  
29 consignment for sale or processing and sale from the consignor  
30 thereof any agricultural product for sale on commission on behalf of  
31 the consignor, or who accepts any farm product in trust from the  
32 consignor thereof for the purpose of resale, or who sells or offers  
33 for sale on commission any agricultural product, or who in any way  
34 handles for the account of or as an agent of the consignor thereof,  
35 any agricultural product.

36 (7) "Conditioner" means any person, firm, company, or other  
37 organization that receives seeds from a consignor for drying or  
38 cleaning.

39 (8) "Consignor" means any producer, person, or his or her agent  
40 who sells, ships, or delivers to any commission merchant, dealer,

1 cash buyer, or agent, any agricultural product for processing,  
2 handling, sale, or resale.

3 (9) "Date of sale" means the date agricultural products are  
4 delivered to the person buying the products.

5 (10) "Dealer" means any person other than a cash buyer, as  
6 defined in subsection (4) of this section, who solicits, contracts  
7 for, or obtains from the consignor thereof for reselling or  
8 processing, title, possession, or control of any agricultural  
9 product, or who buys or agrees to buy any agricultural product from  
10 the consignor thereof for sale or processing and includes any person,  
11 other than one who acts solely as a producer, who retains title in an  
12 agricultural product and delivers it to a producer for further  
13 production or increase. For the purposes of this chapter, the term  
14 dealer includes any person who purchases livestock on behalf of and  
15 for the account of another, or who purchases cattle in another state  
16 or country and imports these cattle into this state for resale.

17 (11) "Director" means the director of agriculture or a duly  
18 authorized representative.

19 (12) "Fixed or established place of business" for the purpose of  
20 this chapter means any permanent warehouse, building, or structure,  
21 at which necessary and appropriate equipment and fixtures are  
22 maintained for properly handling those agricultural products  
23 generally dealt in, and at which supplies of the agricultural  
24 products being usually transported are stored, offered for sale,  
25 sold, delivered, and generally dealt with in quantities reasonably  
26 adequate for and usually carried for the requirements of such a  
27 business, and that is recognized as a permanent business at such  
28 place, and carried on as such in good faith and not for the purpose  
29 of evading this chapter, and where specifically designated personnel  
30 are available to handle transactions concerning those agricultural  
31 products generally dealt in, which personnel are available during  
32 designated and appropriate hours to that business, and shall not mean  
33 a residence, barn, garage, tent, temporary stand or other temporary  
34 quarters, any railway car, or permanent quarters occupied pursuant to  
35 any temporary arrangement.

36 (13) "Licensed public weighmaster" means any person, licensed  
37 under the provisions of chapter 15.80 RCW, who weighs, measures, or  
38 counts any commodity or thing and issues therefor a signed certified  
39 statement, ticket, or memorandum of weight, measure, or count upon

1 which the purchase or sale of any commodity or upon which the basic  
2 charge of payment for services rendered is based.

3 (14) "Licensee" means any person or business licensed under this  
4 chapter as a commission merchant, dealer, limited dealer, broker,  
5 cash buyer, or agent.

6 (15) "Limited dealer" means any person who buys, agrees to buy,  
7 or pays for the production or increase of any agricultural product by  
8 paying to the consignor at the time of obtaining possession or  
9 control of any agricultural product the full agreed price of the  
10 agricultural product and who operates under the alternative bonding  
11 provision in RCW 20.01.211.

12 (16) "Person" means any natural person, firm, partnership,  
13 exchange, association, trustee, receiver, corporation, and any  
14 member, officer, or employee thereof or assignee for the benefit of  
15 creditors.

16 (17) "Pooling contract" means any written agreement whereby a  
17 consignor delivers a horticultural product to a commission merchant  
18 under terms whereby the commission merchant may commingle the  
19 consignor's horticultural products for sale with others similarly  
20 agreeing, which must include all of the following:

21 (a) A delivery receipt for the consignor that indicates the  
22 variety of horticultural product delivered, the number of containers,  
23 or the weight and tare thereof;

24 (b) Horticultural products received for handling and sale in the  
25 fresh market shall be accounted for to the consignor with individual  
26 pack-out records that shall include variety, grade, size, and date of  
27 delivery. Individual daily packing summaries shall be available  
28 within (~~forty-eight~~) 48 hours after packing occurs. However,  
29 platform inspection shall be acceptable by mutual contract agreement  
30 on small deliveries to determine variety, grade, size, and date of  
31 delivery;

32 (c) Terms under which the commission merchant may use his or her  
33 judgment in regard to the sale of the pooled horticultural product;

34 (d) The charges to be paid by the consignor as filed with the  
35 state of Washington;

36 (e) A provision that the consignor shall be paid for his or her  
37 pool contribution when the pool is in the process of being marketed  
38 in direct proportion, not less than (~~eighty~~) 80 percent of his or  
39 her interest less expenses directly incurred, prior liens, and other

1 advances on the grower's crop unless otherwise mutually agreed upon  
2 between grower and commission merchant.

3 (18) "Processor" means any person, firm, company, or other  
4 organization that purchases agricultural crops from a consignor and  
5 that cans, freezes, dries, dehydrates, cooks, presses, powders, or  
6 otherwise processes those crops in any manner whatsoever for eventual  
7 resale.

8 (19) "Producer" means any person engaged in the business of  
9 growing or producing any agricultural product, whether as the owner  
10 of the products, or producing the products for others holding the  
11 title thereof.

12 (20) "Proprietary seed" means any seed that is protected under  
13 the Federal Plant Variety Protection Act.

14 (21) "Retail merchant" means any person operating from a bona  
15 fide or established place of business selling agricultural products  
16 (~~twelve~~) 12 months of each year.

17 (22) "Seed" means agricultural seed, flower seed, vegetable seed,  
18 other crop seed, and seeds, as defined in chapter 15.49 RCW.

19 (23) "Seed bailment contract" means any contract meeting the  
20 requirements of chapter 15.48 RCW.

21 (24) "Seed clean out" means the process of removing impurities  
22 from raw seed product.

23 (25) "Seed grower" means a person who grows turfgrass seed in  
24 this state on a commercial basis without entering into a contract  
25 with a seed dealer before harvesting of the seed.

26 (26) "Seed producer" means a person who grows turfgrass seed in  
27 this state on a commercial basis for a seed dealer.

28 (27) "Seed production contract" means a written agreement between  
29 a seed producer and a seed dealer for the growing of turfgrass seed  
30 in this state.

31 (28) "Seed purchase contract" means a written agreement for a  
32 seed dealer to purchase turfgrass seed that has been grown by a seed  
33 grower or seed producer. "Seed purchase contract" does not include a  
34 turfgrass seed production contract.

35 (29) "Turfgrass seed" means Kentucky bluegrass, perennial  
36 ryegrass, tall fescue, hard fescue, slender fescue, and creeping red  
37 fescue. Forage fescue and reclamation grass seed are excluded from  
38 this order.

1       **Sec. 2.** RCW 20.01.465 and 2004 c 212 s 3 are each amended to  
2 read as follows:

3       (1) In the preparation and use of written contracts, it is  
4 unlawful for a commission merchant to include in such contracts a  
5 requirement that a consignor give up all involvement in determining  
6 the time the consignor's agricultural products will be sold.

7       (2) Subsection (1) of this section does not apply to agricultural  
8 products consigned to a commission merchant under a written pooling  
9 agreement.

10       (3) Subsection (1) of this section does not apply to seeds  
11 consigned to a commission merchant.

12       (4) Subsection (1) of this section does not apply to turfgrass  
13 seed production contracts and seed purchase contracts.

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