

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE SENATE BILL 5074**

69th Legislature  
2025 Regular Session

Passed by the Senate March 3, 2025  
Yeas 49 Nays 0

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**President of the Senate**

Passed by the House April 9, 2025  
Yeas 97 Nays 1

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**Speaker of the House of  
Representatives**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Sarah Bannister, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5074** as passed by the Senate and the House of Representatives on the dates hereon set forth.

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**Secretary**

FILED

**Secretary of State  
State of Washington**

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**SUBSTITUTE SENATE BILL 5074**

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Passed Legislature - 2025 Regular Session

**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Senate Agriculture & Natural Resources (originally sponsored by Senators Boehnke, Chapman, and Krishnadasan)

READ FIRST TIME 02/17/25.

1       AN ACT Relating to payment of seed contracts; and adding a new  
2 chapter to Title 15 RCW.

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

4       NEW SECTION.   **Sec. 1.** The definitions in this section apply  
5 throughout this chapter unless the context clearly requires  
6 otherwise.

7       (1) "Authenticate" means to sign or with present intent to adopt  
8 or accept a record, to attach to, or logically associate with the  
9 record, an electronic sound, symbol, or process.

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

14       (3) "Seed bailment contract" means any bailment contract for the  
15 increase in agricultural seeds where the bailor retains the title to  
16 seed, seed stock, plant life, and the seed crop resulting therefrom.

17       (4) "Turfgrass seed" means Kentucky bluegrass, perennial  
18 ryegrass, tall fescue, hard fescue, slender fescue, and creeping red  
19 fescue. Forage fescue and reclamation grass seed are excluded from  
20 this order.

1 (5) "Turf seed dealer" means a person that in the ordinary course  
2 of business contracts to buy turfgrass seed grown in this state by a  
3 producer or contracts with a producer for the growing of turfgrass  
4 seed in this state. "Turf seed dealer" does not include a common  
5 carrier used to transport an agricultural commodity.

6 (6) "Turf seed producer" means a person that grows turfgrass seed  
7 in this state on a commercial basis without entering into a contract  
8 with a turf seed dealer before harvesting of the seed.

9 (7) "Turf seed production contract" means a written agreement  
10 between a producer and a turf seed dealer for the growing of  
11 turfgrass seed in this state.

12 (8) "Turf seed purchase contract" means a written agreement for a  
13 turf seed dealer to purchase turfgrass seed that has been grown by a  
14 turf seed producer. "Turf seed purchase contract" does not include a  
15 seed production contract.

16 (9) "Variety not stated seed" means seed that is sold in unmarked  
17 plastic bags or other unmarked containers without any reference to a  
18 variety name for the seed.

19 NEW SECTION. **Sec. 2.** (1) If the turf seed production contract  
20 does not settle the price of the turfgrass seed, the contract is  
21 enforceable and the price shall be determined as described in RCW  
22 62A.2-305 (1) through (3).

23 (2) Except as provided in section 3 of this act, payment to the  
24 producer is due by the earliest of the following:

25 (a) The dates specified in the contract;

26 (b) 30 days after seed delivery; or

27 (c) May 1st of the calendar year following the harvesting of the  
28 seed.

29 (3) Unless expressly provided otherwise in a turf seed production  
30 contract that is authenticated by the producer and turf seed dealer  
31 before the producer planting the turfgrass seed, the risk of loss and  
32 the responsibility for the payment of storage fees transfer from the  
33 producer to the turf seed dealer upon the earlier of:

34 (a) The delivery of the seed to the turf seed dealer pursuant to  
35 a notice from the turf seed dealer; or

36 (b) The delivery to the turf seed dealer of test results  
37 establishing that the seed meets quality standards set forth in the  
38 contract.

1 (4) It is an implied condition of any price or payment  
2 requirement described in subsections (1) through (3) of this section  
3 that the producer is performing, or has completed performance, in  
4 accordance with the seed production contract and has not otherwise  
5 breached the contract.

6 (5) Except as provided in subsection (7) of this section, a turf  
7 seed production contract described in this section may contain any  
8 additional terms agreed to by the parties.

9 (6) If a turf seed production contract is extended or renewed,  
10 for the extension or renewal period the parties may:

11 (a) Subject to (b) of this subsection, continue the terms of the  
12 original contract or agree to new or different contract terms; and

13 (b) Agree to payment due date terms as provided under this  
14 section or section 3(3) of this act.

15 (7) A turf seed production contract may not:

16 (a) Provide for exclusive venue or jurisdiction in another state;

17 (b) Provide for the terms of the contract to be interpreted under  
18 the laws of another state;

19 (c) Waive the application of sections 1 through 9 of this act to  
20 the contract; or

21 (d) Authorize a unilateral material modification of the contract.

22 (8) Subject to RCW 62A.2-201, subsections (1) and (7) of this  
23 section also apply to a nonwritten agreement for the production of  
24 turfgrass seed.

25 (9) A term in a turf seed production contract that conflicts with  
26 subsection (1) or (7) of this section is void.

27 NEW SECTION. **Sec. 3.** (1) A turf seed production contract that  
28 is authenticated by the producer and turf seed dealer before the  
29 producer planting the turfgrass seed may contain payment due date  
30 terms that differ from the payment due date terms described in  
31 section 2(2) of this act if the contract states the date by which  
32 final payment for the turfgrass seed is due.

33 (2) If a turf seed production contract that is authenticated by  
34 the producer and turf seed dealer before the producer planting the  
35 turfgrass seed does not contain the information required under  
36 subsection (1) of this section, notwithstanding any contrary payment  
37 due date terms stated in the contract, the payment due date terms of  
38 the contract are subject to section 2(2) of this act.

1 (3) An extension or renewal of any turf seed production contract,  
2 regardless of when the contract was authenticated, may contain  
3 payment due date terms that differ from the payment due date terms  
4 described in section 2(2) of this act if the extension or renewal  
5 contains the information required under subsection (1) of this  
6 section. If an extension or renewal of a turf seed production  
7 contract does not contain the information required under subsection  
8 (1) of this section, notwithstanding any contrary payment due date  
9 terms stated in the extension or renewal, the payment due date terms  
10 for the extension or renewal are subject to section 2(2) of this act.

11 (4) It is an implied condition of any payment requirement created  
12 as provided under this section that the producer is performing, or  
13 has completed performance, in accordance with the turf seed  
14 production contract and has not otherwise breached the contract.

15 NEW SECTION. **Sec. 4.** (1) A seed bailment contract or seed  
16 purchase contract does not create a possessory security interest in  
17 goods under the uniform commercial code, chapter 62A.9A RCW. For a  
18 seed bailment contract, filing, recording, or notice of the contract  
19 is not a requirement for establishing, during the term of the  
20 contract, the validity of the contract or for establishing and  
21 confirming in the turf seed dealer the title to all seed, seed stock,  
22 and plant life grown or used by the bailee under the terms of the  
23 contract.

24 (2) Payments due from a turf seed dealer to a bailee under the  
25 terms of a seed bailment contract, or due to a turf seed producer  
26 under the terms of a turf seed purchase contract, are subject to lien  
27 under chapter 60.11 RCW and to security interests perfected as  
28 provided under Title 62A RCW.

29 NEW SECTION. **Sec. 5.** (1) The terms of a turf seed purchase  
30 contract must include:

- 31 (a) The estimated date for seed delivery;
- 32 (b) The terms and estimated date for the turf seed dealer to pay  
33 the seed producer;
- 34 (c) The amount of turfgrass seed to be purchased; and
- 35 (d) The species, cultivars, and quality standards of the  
36 turfgrass seed to be purchased.

37 (2) If the turf seed purchase contract does not settle the price  
38 of the turfgrass seed, the contract is enforceable and price shall be

1 determined as described in RCW 62A.2-305 (1) through (3). A turf seed  
2 purchase contract must require the turf seed dealer to make payment  
3 to the turf seed producer within 30 days after seed delivery.  
4 However, upon written mutual agreement of the turf seed producer and  
5 the turf seed dealer, the producer may extend the period available  
6 for the dealer to make payment.

7 NEW SECTION. **Sec. 6.** (1) A turf seed dealer that requests  
8 modification to the payment terms of a seed production contract for  
9 turfgrass seed shall pay an amount equal to at least 25 percent of  
10 the value of the contract prior to modification of the contract.

11 (2) A party to a turf seed production contract or turf seed  
12 purchase contract may not, as a condition of performance, require the  
13 other party to agree to a material modification of the contract. A  
14 contract modification obtained in violation of this subsection is  
15 unenforceable.

16 (3) In any action to recover damages for breach of a turf seed  
17 production contract or turf seed purchase contract, if the court  
18 finds that a party to the contract failed to act in good faith as  
19 defined in RCW 62A.1-201, the court may award the prevailing party  
20 court costs and reasonable attorneys' fees.

21 NEW SECTION. **Sec. 7.** (1) If testing as provided under a turf  
22 seed production contract establishes that turfgrass seed does not  
23 meet the quality standards set forth in the contract, the producer  
24 may at any time send the test results to the turf seed dealer and  
25 inquire whether the turf seed dealer intends to purchase the seed.  
26 If, within 30 days after the turf seed dealer receives the test  
27 results and inquiry from the producer, the turf seed dealer delivers  
28 a response informing the producer that the turf seed dealer intends  
29 to purchase the seed, the response is an accord that forms a turf  
30 seed purchase contract for the seed purchased under this subsection.  
31 Except as provided in this subsection regarding price, the parties  
32 may establish the terms of the turf seed purchase contract as  
33 provided under section 4 of this act. The price of the seed that is  
34 subject to the turf seed purchase contract shall be:

35 (a) Any price stated in the turf seed production contract for  
36 seed not meeting quality standards;

37 (b) If not determined by the turf seed production contract, any  
38 price agreed to by the parties; or

1 (c) If not determined by the turf seed production contract or by  
2 agreement, the market price for seed of the same kind and quality as  
3 the produced seed. However, a seed price established by the use of  
4 market price may not exceed any price established in the turf seed  
5 production contract for seed that meets quality standards.

6 (2) An accord that creates a turf seed purchase contract under  
7 subsection (1) of this section does not affect the terms of a turf  
8 seed production contract for any seed that was not described in the  
9 test results and inquiry sent by the producer.

10 (3) A producer may send test results and make an inquiry under  
11 subsection (1) of this section in any manner that documents turf seed  
12 dealer receipt of the test results and inquiry. A turf seed dealer  
13 may send a response under subsection (1) of this section to a  
14 producer in any manner that documents producer receipt of the  
15 response.

16 (4) If, within 30 days after the turf seed dealer receives the  
17 test results and inquiry from the producer, the turf seed dealer has  
18 not delivered a response informing the producer that the turf seed  
19 dealer intends to purchase the seed, the turf seed dealer is deemed  
20 to have refused purchase of the seed and to have authorized the  
21 producer to sell the seed in a commercially legal manner as variety  
22 not stated seed. This subsection does not authorize the sale of any  
23 seed, seed stock, or plant life of a protected variety grown or used  
24 by the producer other than a sale of seed as variety not stated seed.  
25 The remedy provided under this subsection is in addition to any other  
26 remedy available to a producer by law. An authorization for sale  
27 arising under this subsection is in addition to any other conditional  
28 or unconditional authorization for sale that a turf seed dealer may  
29 grant to a producer.

30 NEW SECTION. **Sec. 8.** (1) If a seed dealer fails to pay a  
31 producer for turfgrass seed when payment is due under a turf seed  
32 production contract or fails to pay a seed grower for turfgrass seed  
33 when payment is due under a seed purchase contract, the producer or  
34 turfgrass seed grower may notify the department. Upon notification by  
35 a producer or turfgrass seed grower, the department shall determine  
36 whether payment has been made when due. If the department determines  
37 that the turf seed dealer has not made a payment that is due under a  
38 turf seed production contract or turf seed purchase contract, the  
39 department shall notify the seed dealer in writing that the dealer

1 has 30 days to pay the producer or turfgrass seed grower all  
2 delinquent amounts plus interest on each delinquent amount at the  
3 rate of one percent per month simple interest from the final payment  
4 date for that delinquent amount.

5 (2) A turf seed production contract or turf seed purchase  
6 contract may not vary the terms of the remedy provided by this  
7 section. This section does not prevent a producer or turfgrass seed  
8 grower from filing a notice of lien against a turf seed dealer.

9 (3) If a turf seed dealer fails to make payment as required by a  
10 notice given by the department under this section, the department, in  
11 accordance with chapter 20.01 RCW, shall suspend any turf seed dealer  
12 license issued to the dealer until the dealer demonstrates to the  
13 satisfaction of the department that the dealer is current on all  
14 payments due to all producers and turfgrass seed growers.

15 (4) A seed dealer that fails to make payment on a seed production  
16 contract or seed purchase contract as required by a notice given by  
17 the department under this section is considered to have authorized  
18 the producer or turfgrass seed grower to sell in a commercially  
19 reasonable manner any seed from the contract that is still in the  
20 possession of the producer. This subsection does not prevent a turf  
21 seed dealer from giving consent to the producer or turfgrass seed  
22 grower by other means and does not supersede the terms of a consent  
23 given by other means.

24 (5) To enforce this chapter, the department may charge a turf  
25 seed producer in accordance with RCW 20.01.480.

26 NEW SECTION. **Sec. 9.** (1) The department may adopt rules to  
27 require, as a condition of issuing a seed dealer license under  
28 chapter 20.01 RCW, that each seed dealer provide the department  
29 financial assurance for the performance by the seed dealer under any  
30 turf seed production contract or turf seed purchase contract entered  
31 into by the seed dealer.

32 (2) The department may refuse to issue a seed dealer license to  
33 an applicant if the applicant, any owner or officer of the applicant,  
34 or any individual exercising substantial control over the turf seed  
35 industry activities of the applicant:

36 (a) Is a seed dealer for which the license has been suspended  
37 under section 8 of this act;



1 (b) Is or was an owner or officer of a seed dealer at the time of  
2 an event that resulted in the license of the seed dealer being  
3 suspended under section 8 of this act; or

4 (c) Was an individual who exercised substantial control over the  
5 seed industry activities of a turf seed dealer at the time of an  
6 event that resulted in the license of the seed dealer being suspended  
7 under section 8 of this act.

8 (3) An agent that enters into a turf seed production contract on  
9 behalf of a turf seed dealer is conclusively presumed to have actual  
10 authority to establish the performance obligations of the seed dealer  
11 under the contract.

12 (4) For the purposes of this section:

13 (a) "Officer" means any of the following individuals:

14 (i) A president, vice president, secretary, treasurer, or  
15 director of a corporation;

16 (ii) A general partner in a limited partnership;

17 (iii) A manager in a manager-managed limited liability company;

18 (iv) A member of a member-managed limited liability company;

19 (v) A trustee; or

20 (vi) An individual who is an officer as defined by the department  
21 by rule. A definition of "officer" adopted by department rule may  
22 include individuals not listed in this subsection (4)(a) who may  
23 exercise substantial control over a business.

24 (b) "Owner" means:

25 (i) A sole proprietor of, partner in, or holder of a controlling  
26 interest in an applicant; or

27 (ii) Any person who is an owner as defined by the department by  
28 rule.

29 NEW SECTION. **Sec. 10.** (1) The department may adopt rules for  
30 the administration and enforcement of sections 1 through 9 of this  
31 act.

32 (2) The director may make mediation services available through  
33 the department for the resolution of turf seed production contract  
34 disputes and seed purchase contract disputes.

35 NEW SECTION. **Sec. 11.** Sections 1 through 10 of this act apply  
36 to seed contracts entered into, extended, or renewed on or after the  
37 effective date of this section.

1        NEW SECTION.    **Sec. 12.**    Sections 1 through 11 of this act  
2    constitute a new chapter in Title 15 RCW.

--- **END** ---