

HOUSE BILL REPORT

HB 2774

As Reported By House Committee On:
Agriculture & Rural Development
Revenue

Title: An act relating to livestock.

Brief Description: Changing provisions regarding livestock identification.

Sponsors: Representatives Chandler and Rayburn.

Brief History:

Reported by House Committee on:
Agriculture & Rural Development, February 3, 1994, DPS;
Revenue, February 8, 1994, DPS(AG).

HOUSE COMMITTEE ON AGRICULTURE & RURAL DEVELOPMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Rayburn, Chair; Kremen, Vice Chair; Chandler, Ranking Minority Member; Chappell; Grant; Karahalios; Lisk; McMorris and Roland.

Staff: Kenneth Hirst (786-7105).

Background: During the 1993 Regular Session, the Legislature enacted SSB 5443. The bill increased fees and the range of fees that may be charged by the Department of Agriculture concerning the state's livestock identification and brand inspection program. A provision of Initiative 601 states that no fee may increase in any fiscal year by a percentage in excess of the fiscal growth factor for that fiscal year without prior legislative approval.

Summary of Substitute Bill: The livestock brand registration and inspection fees set or authorized by SSB 5443 during the 1993 Regular Session are reenacted expressly to provide the approval of fee increases for which prior legislative approval is required by Initiative 601. However, of these reauthorized fees, those regarding the inspection program and not those regarding brand registration or related documents, are lowered on July 1, 1997, to amounts that represent a 20 percent increase over pre-1993 levels.

A task force on livestock brand inspection is created. The task force is to be composed of: two members of the House appointed by the speaker of the House, one from each political party caucus; two members of the Senate appointed by the president of the Senate, one from each political party caucus; the director of the Department of Agriculture or the director's designee; and citizen members appointed by the speaker and the president representing various aspects of the livestock industry. The task force must examine means of providing a cost-efficient and effective livestock brand inspection program and must report its recommendations regarding such a program to the Legislature by December 1, 1994. The task force expires June 1, 1995.

The actual costs of the department for conducting brand inspections at points other than those designated by the director are declared to be \$15 per hour plus mileage.

Substitute Bill Compared to Original Bill: The original bill returns the brand inspection fees to their pre-1993 levels on June 1, 1995; the substitute bill does not lower the fees until July 1, 1997, and then to an amount that represents a 20 percent increase of the pre-1993 levels. The substitute bill specifies the "actual costs" of the department in conducting certain brand inspections.

Fiscal Note: Requested January 27, 1994.

Effective Date of Substitute Bill: The provisions of the bill reauthorizing the brand registration and inspection fees and the task force take effect immediately. The remainder of the bill takes effect July 1, 1997.

Testimony For: Fee increases for brand inspections are necessary.

Testimony Against: None.

Witnesses: Kent Lebsack, Washington Cattlemens Association (in favor of original bill).

HOUSE COMMITTEE ON REVENUE

Majority Report: The substitute bill by Committee on Agriculture & Rural Development be substituted therefor and the substitute bill do pass. Signed by 14 members: Representatives G. Fisher, Chair; Holm, Vice Chair; Foreman, Ranking Minority Member; Fuhrman, Assistant Ranking Minority Member; Anderson; Brown; Caver; Cothorn; Leonard; Romero; Rust; Thibaudeau; Van Luven and Wang.

Minority Report: Do not pass. Signed by 2 members:
Representatives Silver and Talcott.

Staff: Keitlyn Watson (786-7310).

**Summary of Recommendation of Committee on Revenue Compared
to Recommendation of Committee on Agriculture & Rural
Development:** No new changes were recommended.

Fiscal Note: Available.

Effective Date: The provisions of the bill reauthorizing
the brand registration and inspection fees and the task
force take effect immediately. The remainder of the bill
takes effect July 1, 1997.

Testimony For: This bill will allow fees to be raised by
the department according to procedures required by
Initiative 601. Raising such fees will allow the brand
identification program debt to be paid off. After three
years, the fees will be reduced, pending the recommendations
of the task force created in the bill. The bill has no
opposition and was worked out by industry. The changing
livestock industry's needs can not be met by a static
branding program within the agency.

Testimony Against: None.

Witnesses: Representative Gary Chandler, prime sponsor;
Representative Margaret Rayburn, sponsor; and Jim Jesernig,
Department of Agriculture.