

SENATE BILL REPORT

SB 5848

AS REPORTED BY COMMITTEE ON AGRICULTURE, MARCH 1, 1993

Brief Description: Regulating consignment rights of orchard crops.

SPONSORS: Senators M. Rasmussen, Loveland and Barr

SENATE COMMITTEE ON AGRICULTURE

Majority Report: That Substitute Senate Bill No. 5848 be substituted therefor, and the substitute bill do pass.

Signed by Senators M. Rasmussen, Chairman; Loveland, Vice Chairman; Anderson, Barr, Bauer, and Snyder.

Staff: John Stuhlmiller (786-7446)

Hearing Dates: February 25, 1993; March 1, 1993

BACKGROUND:

Currently, goods (including all agricultural products) delivered to a business for consignment are subject to the claims of the consignee's creditors even though the producer of the goods has not yet been paid for the products.

SUMMARY:

Orchard crops delivered to a business for consignment remain the property of the farmer until the farmer receives payment for the crop, and are excluded from claims of the consignee's creditors.

EFFECT OF PROPOSED SUBSTITUTE:

It is clarified that those covered by the bill are farmers who are defined as consignors in the Commission Merchants Act.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

Farmers need to be protected when consigning orchard crops because they are not now protected by the preparer and processor liens when the product is in the hands of a packing shed.

TESTIMONY AGAINST: None

TESTIFIED: Dan Coyne (pro); Jon Darling, Washington State Farm
Bureau (pro); Trevor Sandison, Washington Bankers Association