

# HOUSE BILL REPORT

## HB 1706

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**As Passed House:**

March 8, 1995

**Title:** An act relating to the dairy inspection program assessment.

**Brief Description:** Extending the dairy inspection program assessment.

**Sponsors:** Representatives Koster, Chandler, Johnson, McMorris, Honeyford, Mastin, Boldt, Clements, Benton, McMahan, Smith, Kremen and Robertson.

**Brief History:**

**Committee Activity:**

Agriculture & Ecology: 2/20/95, 2/22/95 [DP].

**Floor Activity:**

Passed House: 3/8/95, 97-0.

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### HOUSE COMMITTEE ON AGRICULTURE & ECOLOGY

**Majority Report:** Do pass. Signed by 17 members: Representatives Chandler, Chairman; Koster, Vice Chairman; McMorris, Vice Chairman; Mastin, Ranking Minority Member; Chappell, Assistant Ranking Minority Member; Boldt; Clements; Delvin; R. Fisher; Honeyford; Johnson; Kremen; Poulsen; Regala; Robertson; Rust and Schoesler.

**Staff:** Kenneth Hirst (786-7105).

**Background:** The Department of Agriculture administers the state's milk inspection program. In 1992, an assessment of 0.54 cents per hundredweight was established on all milk processed within the state. The revenue from the assessment may be used only to provide inspection services to the dairy industry; it is used for on-farm dairy inspections regarding compliance with the requirements of the federal Pasteurized Milk Ordinance.

The assessment is collected from the operator of the first milk plant receiving the milk for processing. It is scheduled to expire June 30, 1995.

**Summary of Bill:** The expiration of the dairy inspection assessment is postponed. It now expires June 30, 2000.

**Appropriation:** None.

**Fiscal Note:** Requested on February 16, 1995.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**Testimony For:** Although long term alternatives are being examined, the supplemental inspection monies provided by the assessment are needed in the short term to maintain compliance with the federal Pasteurized Milk Ordinance (PMO). If milk cannot be shipped in interstate commerce because it has been "delisted" under the PMO, the value of the milk drops two to three dollars per hundredweight, which is a severe economic penalty.

**Testimony Against:** None.

**Testified:** Representative Koster (prime sponsor); Dan Coyne, Darigold, Inc., and Washington State Dairy Federation (pro); and Mike Schwisow, Oregon-Washington Dairy Processors (pro).