
**Agriculture & Ecology
Committee**

HB 2864

Brief Description: Adopting the Washington organic foods commission act.

Sponsors: Representatives Linville, Armstrong, Clements, Sump, Grant, Conway, Morell and Chase.

Brief Summary of Bill

· Authorizes the establishment of the Organic Foods Commission.

Hearing Date: 2/5/02

Staff: Jason Callahan (786-7117).

Background:

Several commodity commissions were established in statute to help research and promote particular Washington products. These include the Washington Wine Commission, the Apple Advertising Commission, the Dairy Products Commission, and the Hardwoods Commission. These commissions elect their own governing board members and impose assessments on their members to finance activities deemed necessary. Many of these commissions impose an assessment on the organic producers of the product under that commission's purview.

Summary of Bill:

The director of the Washington Department of Agriculture (WSDA) is authorized to enter into marketing orders for organic foods. Marketing orders can be issued: 1) to establish plans and programs for the promotion of the organic food market in Washington; 2) to provide for research relating to organic foods; 3) to provide for improving standards, grades, and labeling requirements; and 4) to investigate and take action to prevent unfair trade practices.

The director may not issue a market order unless he or she has received a petition for its issuance that is signed by the lesser of 50 organic producers or 10% of all organic producers. Petitions can be filed with the WSDA for the issuance, amendment, or termination of a

marketing order. All petitions must be accompanied by a \$100 filing fee. In addition, the petitioners must pay for all additional costs in excess of \$100 incurred by the WSDA in issuing the market order. After receiving the petition, the director must notify the affected producers, hold a public hearing, issue a recommended market order, consider comments to the recommended order, and issue a final order. The director may not approve the issuance of an order unless he or she finds that it is reasonably calculated to attain the objectives sought in the order, that the proposed order is in conformity with the applicable limitations, and that the interests of organic food consumers are protected.

After a market order is issued, the director must ascertain whether or not organic food producers assent to the order. An order is considered assented to if either 60% of the producers by number or total amount of assessments paid agrees.

The marketing order must define the area of the state covered, and must contain provisions for the establishment of the Organic Food Commission (the commission). The commission must have between 5 and 13 members, with the director of WSDA serving as an ex officio member. Commissioners are to serve three-year staggered terms, and must be at least 25 years old. Two-thirds of the commission are to be elected by the affected producers, with the remaining one-third being appointed by the commission. The elected members may be elected from districts, or generally from the area covered by the order, in accordance with the provisions of the marketing order.

Every producer of organic foods has levied against him or her an annual assessment determined by the commission for every dollar unit of organic products sold, processed, stored, or delivered for sale. The total annual assessment may not exceed 1% of the total market value of all affected units. The assessment collected by the commission may only be used to pay for the costs arising in connection with carrying out the provisions of the marketing order. Organic producers assessed by the commission are not required to pay the assessment levied by any other state agricultural commission. Failure to pay an assessment is a misdemeanor and a personal debt.

Appropriation: None.

Fiscal Note: Requested on January 31, 2002.

Effective Date: Ninety days after adjournment of session in which bill is passed.