

SENATE BILL REPORT

SHB 1892

As Reported By Senate Committee On:
Agriculture & International Trade, March 23, 2001

Title: An act relating to agricultural commodity boards and commissions.

Brief Description: Regulating agricultural commodity boards and commissions.

Sponsors: By House Committee on Agriculture & Ecology (originally sponsored by Representatives Linville and G. Chandler).

Brief History:

Committee Activity: Agriculture & International Trade: 3/23/01 [DPA].

SENATE COMMITTEE ON AGRICULTURE & INTERNATIONAL TRADE

Majority Report: Do pass as amended.

Signed by Senators Rasmussen, Chair; Shin, Vice Chair; Parlette, Sheahan and Swecker.

Staff: Bob Lee (786-7404)

Background: There exist two similar chapters of law that establish procedures for formation and operation of agricultural commodity commissions. One chapter was enacted in 1955 and the other chapter was enacted in 1961.

Generally, commodity commissions are formed to generate funds for advertising and marketing programs, to carry out research programs, to improve grades and product labeling, or to prevent unfair trade practices that affect a particular commodity. Funds are generated from assessments collected on a particular commodity. There is a board made up primarily of producers of the particular commodity that guides the activities of the commission.

Summary of Amended Bill: The following provisions are added to both commodity commission statutes.

Specific authority is granted to agricultural commodity commissions:

- (1) to provide information and communication on matters of production, processing, marketing, and use of the commodity to any elected official or employee of any agency;
- (2) to provide information and services for meeting resource conservation objectives of producers of an agricultural commodity; and
- (3) to provide commodity-related education and training.

Commission members are required to be citizens and residents of the state if required by the marketing order, and be at least 18 years of age. Commission records must be open to inspection and audit by the State Auditor, or a private auditor designated by the State Auditor.

Contracts may be entered into with governmental agencies, universities and national organizations for the purposes contained in the commission's marketing order. Personal service contracts entered into by commodity commissions must comply with the same requirements as personal service contracts entered into by state agencies. In regards to participation in governmental meetings relating to the production, manufacture, sale or use of affected commodities, commodity commissions are to file the same reports to the Public Disclosure Commission as are required of state agencies.

The compensation rate for board members is increased from the current maximum of \$35 per day to a maximum of \$100 per day. Members may be reimbursed for actual travel expenses as defined under the commodity commission's marketing order. Otherwise, reimbursement for travel must be in accordance with the rates set for state employees.

A commission may establish foundations using commission funds as grant money for purposes authorized in its marketing order.

Amended Bill Compared to Substitute Bill: The House version maintained the current maximum compensation rate for board members of \$35 per day but raised the maximum compensation rate to \$100 per day for those who serve over 100 hours per year.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: Testimony was previously given on SSB 5902, the Senate companion bill. The bill provides additional authorities to commodity commissions to meet changing needs.

Testimony Against: None.

Testified: Charlie Brown, WA Potato Commission (pro); Leslie Emerick, WSDA (pro).