SENATE BILL REPORT HB 2657

As Reported By Senate Committee On: Agriculture & International Trade, March 1, 2002

Title: An act relating to agricultural products purchased for state institutions and state-supported facilities.

Brief Description: Requiring the purchase of Washington grown commodities for state institutions.

Sponsors: Representatives Hunt, Armstrong, Linville, Schoesler, O'Brien, Holmquist, Chase, Roach, Ogden, Clements, Cox, Mulliken, Barlean, Sehlin, Conway and Rockefeller.

Brief History:

Committee Activity: Agriculture & International Trade: 2/27/02, 3/1/02 [DPA].

SENATE COMMITTEE ON AGRICULTURE & INTERNATIONAL TRADE

Majority Report: Do pass as amended.

Signed by Senators Rasmussen, Chair; Parlette, Snyder and Swecker.

Staff: Kim Johnson (786-7486)

Background: The Department of General Administration develops and administers contracts for goods and services on behalf of state agencies, colleges and universities, select nonprofit organizations, and local governments. Under current law, there are two groups of services and products that are given preferential treatment by the state when purchasing goods and services. These groups include: (1) goods and services produced by inmate work programs; and (2) goods and services produced by sheltered workshops and programs.

Currently Washington and other states have in place what are known as reciprocity statutes and policies. A reciprocity statute imposes a "tax" on goods or services that are being brought into a state from states which have statutes that provide for preferential treatment of their own in-state produced goods and services.

Summary of Amended Bill: The state purchasing and material control director shall encourage that if available and competitively priced, Washington fruit, vegetables, and agricultural products be purchased for use in state institutions and state-supported facilities.

The Department of General Administration is required to work with the Department of Agriculture to identify and recommend strategies to increase public purchasing of Washington fruit, vegetables, and agricultural products. The departments are to report back orally to the Legislature on their findings.

Amended Bill Compared to Original Bill: The amendment requires the Department of Administration, through the state purchasing and material control director, to encourage

Senate Bill Report - 1 - HB 2657

rather than require state and local agencies to purchase Washington fruit, vegetables, and agricultural products when available and competitively priced. Additionally, the Department of General Administration is required to work with the Department of Agriculture and other parties to identify and recommend strategies to increase public purchasing of Washington fruit, vegetables, and agricultural products and report back to the Legislature on their findings.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: The purpose of this bill is to help Washington agriculture and to help Washington farmers. The state should help to support our own local farmers. We support the intent of the bill, but have concerns about any reciprocal penalty the state could incur from passing this strong of a preference.

Testimony Against: None.

Testified: Martin Casey, General Administration (concerns); Eric Hurlburt, Washington Department of Agriculture (concerns); Don Stuart, American Farmland Trust (pro); Steve Stuart, 1000 Friends of Washington (pro); Charlie Brown, Washington State Potato Commission (pro).

Senate Bill Report - 2 - HB 2657