

SENATE BILL REPORT

HB 2460

As Reported by Senate Committee On:
Agriculture & Rural Economic Development, February 25, 2010

Title: An act relating to organic products.

Brief Description: Regarding organic products.

Sponsors: Representatives Smith, Nelson, Liias, Van De Wege, Blake, Bailey, Upthegrove, Kenney and Moeller; by request of Department of Agriculture.

Brief History: Passed House: 2/11/10, 97-0.

Committee Activity: Agriculture & Rural Economic Development: 2/18/10, 2/25/10 [DPA, w/oRec].

SENATE COMMITTEE ON AGRICULTURE & RURAL ECONOMIC DEVELOPMENT

Majority Report: Do pass as amended.

Signed by Senators Hatfield, Chair; Ranker, Vice Chair; Becker, Haugen and Shin.

Minority Report: That it be referred without recommendation.

Signed by Senators Schoesler, Ranking Minority Member; Morton.

Staff: Sam Thompson (786-7413)

Background: The Washington State Department of Agriculture (WSDA) administers an organic food program. Producers, processors, and handlers may voluntarily seek certification from WSDA that they comply with WSDA, National Organic Program (NOP), or international standards. WSDA staff enforce compliance. The program is funded by user fees.

Legislation enacted in 2002 unintentionally removed clear authority for WSDA to administer two programs within the organic food program: the Materials Registration Program and the Transitional Certification Program. The Materials Registration Program enables manufacturers and distributors to register products reviewed and approved for use under NOP standards. The Transitional Certification Program enables producers who are transitioning into organic production to obtain certification from WSDA that their food meets WSDA transitional standards.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill (Recommended Amendments): WSDA is granted clear authority to administer the Transitional Certification and Materials Registration programs.

Transitional Certification Program. Food must be produced under WSDA standards to be labeled, sold, or represented as a transitional product. NOP-prohibited substances cannot be applied in the year preceding harvest.

WSDA may set and collect certification fees. The application fee for transitional certification is \$50 per site, in addition to any other applicable fees. Fee revenue must be deposited in the Agricultural Local Fund and used solely for certification. No appropriation is required for disbursement.

WSDA may conduct compliance checks in retail establishments regarding labeling and advertising requirements.

Materials Registration Program. WSDA may establish a Brand Name Materials List (List) of materials approved under NOP or international standards. Registration is voluntary and is not required for a material to be used or sold in Washington. WSDA may adopt implementing rules.

Manufacturers may apply to WSDA for inclusion in the List. Applications must include information about ingredients, the manufacturing process, and intended uses. Registrants must update information after submittal; failure to do so may result in suspension or revocation of a registration.

WSDA or another NOP-approved certifying or inspection agent may enter a registrant's premises to conduct inspections. WSDA may deny, suspend, or revoke a registration if a registrant violates standards. Failure to consent to inspections or sampling is grounds for removal from the List.

WSDA may set and collect registration fees. Fee revenue must be deposited in the Agricultural Local Fund and used solely for administrative costs. No appropriation is required for disbursement. The fee for:

- initial registration of a pesticide, spray adjuvant, processing aid, livestock production aid, or post-harvest material is \$500 per material; registration renewal is \$300; and
- initial registration of a fertilizer, soil amendment, organic waste-derived material, compost, animal manure, or crop production aid is \$400 per material; registration renewal is \$200.

Registration renewals are due by October 31. Late fees:

- after October 31, \$100 per material;
- after November 30, \$200 per material;
- and after December 31, \$300 per material; and
- renewals received after February 2 are not accepted, and applicants must reapply as new applicants.

Fees for:

- inspections and additional visits are \$40 per hour, plus travel costs;

- sample analysis will be rates established by the WSDA laboratory or other laboratory;
- expedited reviews are \$40 per hour; and
- additional assessments are \$100 per product.

EFFECT OF CHANGES MADE BY AGRICULTURE & RURAL ECONOMIC DEVELOPMENT COMMITTEE (Recommended Amendments): The definition of transitional products is revised to provide that: (1) transitional products meet organic certification requirements except that organic production areas have not been free of prohibited substances for 36 months; and (2) use of prohibited substances must have ceased for at least 12 months prior to harvest of a transitional product. Several technical changes are made.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960].

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Original Bill: PRO: This measure provides necessary authority to the increasingly important WSDA organic food program.

Persons Testifying: PRO: Representative Smith, prime sponsor; Jeff Canaan, WSDA.