

SENATE BILL REPORT

SB 6092

As Reported by Senate Committee On:
Agriculture, Water & Rural Economic Development, January 17, 2012

Title: An act relating to the dairy products commission.

Brief Description: Regarding the dairy products commission.

Sponsors: Senators Haugen, Schoesler, Hatfield, Becker, Hobbs and Shin.

Brief History:

Committee Activity: Agriculture, Water & Rural Economic Development: 1/16/12, 1/17/12 [DPS].

SENATE COMMITTEE ON AGRICULTURE, WATER & RURAL ECONOMIC DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 6092 be substituted therefor, and the substitute bill do pass.

Signed by Senators Hatfield, Chair; Shin, Vice Chair; Honeyford, Ranking Minority Member; Becker, Delvin, Haugen, Hobbs and Schoesler.

Staff: Diane Smith (786-7410)

Background: The Dairy Products Commission has authority to administer programs to promote dairy products and conduct market research projects. The commission is funded by an assessment on milk products and uses no state general funds.

The commission is composed of nine members appointed by the director of the Department of Agriculture (AGR). The commission comprises a dairy producer from each of the seven commission districts, one dealer, one producer-dealer, and the director of AGR. Members serve three-year terms. Commission districts are created by rule to provide reasonably equal representation to each producer in the commission. The area east of the Cascade mountains may have not less than two commission districts.

Dairy producers nominate other dairy producers from their district to serve as members of the commission. An advisory vote is held within the district, and the names of the two candidates receiving the most votes are forwarded to the director for potential appointment to the commission. If only one candidate is nominated for a position, the director may appoint

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or reject the candidate. If only two candidates are nominated, those two names are forwarded to the director without an advisory vote.

Summary of Bill (Recommended Substitute): The definitions are clarified to apply to those doing business in the state of Washington. Person is newly defined.

The districts are reduced to four. The counties that make up each of the four commissioner districts are named. Three nonvoting, at-large commissioners represent three additional districts: one for each side of the Cascade mountains and one for the state as a whole. The commission may modify these commissioner districts to achieve the intent of the chapter. While the requirement for reasonable representation of each producer is retained, it does not require equality of representation when the comparison is between the east and west commissioner districts. The commission must review the boundaries at least once every five years.

With the director and dealer-representative, the total number of board members is nine.

Provisions are made to clarify nomination and election of commissioners and for transitioning the offices of commissioner from the current districts to the newly defined districts.

EFFECT OF CHANGES MADE BY AGRICULTURE, WATER & RURAL ECONOMIC DEVELOPMENT COMMITTEE (Recommended Substitute): A technical amendment clarifies the drafter's intent; the adjective, ex officio, is removed from the qualifications of the three non-voting members because their service is not by virtue of their office.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: There are no longer any guarantees as to where dairies will be located. This bill aligns the districts of the Dairy Federation with those of the Dairy Commission. Much of the bill is housekeeping but it substantively ensures equal representation in the changing dairy industry. The last change in representation was 40 years ago. In addition, the bill gives the Commission rulemaking authority to review the districts every five years. It also provides the opportunity for representation to follow the larger dairies, if this is desired, and opens up the potential candidates for commissioner to a larger talent pool. This bill was developed with extensive stakeholder participation and there was no producer in opposition.

Persons Testifying: PRO: Senator Haugen, prime sponsor; Jesse Robins, WA State Dairy Federation; Steve Matzen, Cathy Thomasson, WA State Dairy Commission.