
**Appropriations Subcommittee on General
Government & Information Technology**

HB 2749

Brief Description: Concerning fees assessed by the department of agriculture.

Sponsors: Representatives Hudgins and Springer.

Brief Summary of Bill

- Creates, increases, or extends a number of Department of Agriculture fees related to dairy processing and food processing.
- Redirects dairy-related license fee revenue from the State General Fund to the agricultural local fund.
- Allows the Legislature to adjust the fees created or amended in this bill through the operating budget.

Hearing Date: 2/6/14

Staff: Dan Jones (786-7118).

Background:

The Department of Agriculture (DOA or department) collects approximately 150 different fees related to the agricultural licensing, inspection, and similar work of the department. In a budget proviso in the 2013-15 operating budget, the Legislature directed the DOA to convene a work group with appropriate stakeholders to review fees supporting DOA programs that also receive State General Fund support. The resulting work group released a report in November, 2013 that identified DOA programs that receive both fee and general fund money and made a number of fee-specific recommendations. The new and amended fees in this bill are based on the recommendations of the DOA Fee Work Group report.

Summary of Bill:

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.

The following Department of Agriculture (DOA) fees are amended:

- The milk processing plant license fee is raised from \$55 to \$250 per year.
- The dairy technician's initial license fee is raised from \$10 to \$25, and the renewal fee is raised from \$5 to \$25 each odd-numbered year.
- The milk processing plant sanitary certificate fee is raised from \$50 to \$75 per certificate.
- The milk assessment expiration date is changed from 2015 to 2020 and the Director shall establish a minimum assessment amount to be paid by in-state milk processing plants regardless of size.
- The range for food processing plant license fees, which are based on gross annual sales, is raised to a minimum of \$92 and maximum of \$862.

The following DOA fees are created:

- The fee for any endorsement in addition to a dairy technician's license is \$25.
- An inspection fee may be assessed by the DOA for manufacturing facilities that must be inspected under the Pasteurized Milk Ordinance (PMO) but do not satisfy the definitions of "milk processing plant," "food processing plant," or "food storage warehouse" under current law.

For each of the above fees, other than the minimum milk assessment and the PMO inspection fee, the Legislature is given the authority to adjust the fee through the operating budget. Revenue from dairy-related license fees (RCW 15.36) is redirected from the State General Fund to the agricultural local fund.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.