

SENATE BILL REPORT

SB 5015

As Reported by Senate Committee On:
Agriculture, Water & Rural Economic Development, January 20, 2015

Title: An act relating to extending the dairy inspection program assessment expiration date.

Brief Description: Extending the dairy inspection program assessment expiration date.

Sponsors: Senators Honeyford and Ericksen.

Brief History:

Committee Activity: Agriculture, Water & Rural Economic Development: 1/13/15, 1/20/15 [DP].

SENATE COMMITTEE ON AGRICULTURE, WATER & RURAL ECONOMIC DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Warnick, Chair; Hatfield, Ranking Minority Member; Hobbs and Honeyford.

Staff: Diane Smith (786-7410)

Background: To ship fluid milk and milk products across state lines, the Washington State Department of Agriculture (WSDA) administers a milk inspection program in accordance with standards established by the National Conference of Interstate Milk Shipments (NCIMS). A milk assessment fee is assessed to support the dairy inspection program, and to maintain compliance with the provisions of NCIMS and the Grade A Pasteurized Milk Ordinance.

The current authority to collect the milk assessment expires on June 30, 2015.

Summary of Bill: The current authority to assess milk processed in the state is extended until June 30, 2020. The current maximum assessment level of \$0.0054 per hundredweight is retained.

The funds continue to be deposited in the dairy inspection account within the agricultural local fund. The funds continue to be used only to provide inspection services to the dairy industry.

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.

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: PRO: The dairy inspection statute has been updated every five years since 1990, giving WSDA five years to discuss and confirm with the industry that the amount of the inspection fee is correct. This has been done. The program complies with federal requirements in order for milk and milk products to be shipped outside the state. The percentage of Darigold's milk solids exported to the Pacific rim and Mexico is 40 percent.

Persons Testifying: PRO: Kirk Robinson, WSDA; Jay Gordon, WA State Dairy Federation; Dan Coyne, NW Dairy Assn., Darigold.