

HOUSE BILL REPORT

EHB 2073

As Passed House:
March 1, 2017

Title: An act relating to the beef commission.

Brief Description: Concerning the beef commission.

Sponsors: Representatives Dent and Buys.

Brief History:

Committee Activity:

Agriculture & Natural Resources: 2/15/17, 2/16/17 [DP].

Floor Activity:

Passed House: 3/1/17, 91-7.

Brief Summary of Engrossed Bill

- Provides that the focus of the Washington State Beef Commission (Beef Commission) shall include the following responsibilities: promotion of the beef industry in a way that showcases the varied aspects of the industry; research and education related to the health and safety of beef; support to the beef industry in the areas of marketing, grading, and standardizing of beef and beef products; and maintaining efforts to increase consumption of beef products.
- Adds to the list of ways in which the Beef Commission is directed to promote the beef industry, including education of the public in reference to environmental stewardship, and support of programs that benefit the care and well-being of cattle.
- Adds care and well-being of cattle to the list of subjects to be addressed by the Beef Commission's programs.
- Directs the Beef Commission to submit to the Legislature a concise yet detailed report of the Beef Commission's activities and expenditures at the end of each fiscal year.

HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

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.

Majority Report: Do pass. Signed by 14 members: Representatives Blake, Chair; Chapman, Vice Chair; Buys, Ranking Minority Member; Dent, Assistant Ranking Minority Member; Chandler, Fitzgibbon, Lytton, Orcutt, Pettigrew, Robinson, Schmick, Springer, Stanford and J. Walsh.

Minority Report: Do not pass. Signed by 1 member: Representative Kretz.

Staff: Robert Hatfield (786-7117).

Background:

The Washington State Beef Commission (Beef Commission) is a nine-member board, eight of whom are appointed by the Director of the Department of Agriculture (Director), with the Director acting as the ninth member. Each commissioner serves a three-year term. The purpose of the Beef Commission is to fund beef promotion, research, and consumer education activities supporting Washington's beef industry. The Beef Commission is funded by a \$1.50 per head assessment on all cattle sold in the state. Of the \$1.50, \$1 stays in the state for local beef promotion, and 50 cents is remitted to the national Cattlemen's Beef Board.

The Beef Commission is required to prepare a budget each year that covers the anticipated income and expenses to be incurred in carrying out the Beef Commission's statutory obligations.

The Beef Commission is directed to take such steps as are necessary to carry on programs that are beneficial to the beef industry.

Summary of Engrossed Bill:

The focus of the Washington State Beef Commission (Beef Commission) includes the following responsibilities:

- promotion of the beef industry in a manner that showcases the varied aspects of the industry;
- research and education related to health and safety of beef, in cooperation with the Washington State Department of Agriculture, Washington State University, other institutions of higher learning as appropriate, and other governmental or nongovernmental institutions doing research on trade or health issues;
- support to the beef industry to establish marketing, grading, and standardizing of beef and beef products; and
- promotion of increased consumption of beef and beef products.

The list of actions the Beef Commission is directed to take to promote the beef industry is expanded to include protecting the public in reference to sustainable stewardship of cattle and the environment, and supporting and engaging in programs and activities that benefit the care and well-being of cattle.

The list of plans, programs, and projects that the Beef Commission must submit for approval to the Director of the Washington State Department of Agriculture is expanded to include the

establishment, effectuation, and administration of research, education, and programs related to health and safety of cattle, beef, and beef products.

The Beef Commission is directed to provide for programs designed to support sustainable stewardship of cattle and the environment, to provide for research to develop materials, education, and programs related to health and safety of beef and beef products and the sustainable stewardship of cattle and the environment, and to make grants to research agencies for studies related to beef health, which may include funds for the acquisition of equipment and facilities.

The Beef Commission's budget must set forth the complete and detailed financial program of the Beef Commission. The budget must explain any major changes to financial policy and must describe performance indicators that demonstrate measurable progress toward the Beef Commission's priorities. The budget must be sufficiently detailed to provide transparency for the Beef Commission's actions on behalf of the beef industry.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) The increased oversight and increased accountability of the bill are helpful. This bill keeps a better eye on where the money is coming from and where it is going. There should not be an increase in the check-off fee. More oversight on brand inspection, and making sure all fees are coming in, should hopefully address the budget shortfall. The Beef Commission can meet their budget needs with just a little more scrutiny on income and expenditures.

(Opposed) None.

(Other) There are concerns with this bill having to do with narrowing or being too prescriptive with regard to the work of the Beef Commission; the Beef Commission should have the discretion to do what is best for the beef industry. The Beef Commission has membership from across the beef industry. Anything that sheds light on how money is being spent is a good thing. There may need to be a conversation about increasing the state assessment for the "inspection program," because with the check-off being on a per-head basis, with fewer head of cattle comes reduced revenues.

Persons Testifying: (In support) Representative Dent, prime sponsor; and Dave Dashiell, Cattle Producers of Washington.

(Other) Jack Fields, Washington Cattle Feeders Association.

Persons Signed In To Testify But Not Testifying: None.