

# SENATE BILL REPORT

## HB 1429

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As of March 28, 2019

**Title:** An act relating to extending the dairy milk assessment fee to June 30, 2025.

**Brief Description:** Extending the dairy milk assessment fee to June 30, 2025.

**Sponsors:** Representatives Shewmake, Chandler, Blake, Kretz, Springer and Dent; by request of Department of Agriculture.

**Brief History:** Passed House: 3/04/19, 96-0.

**Committee Activity:** Agriculture, Water, Natural Resources & Parks: 3/26/19.

### Brief Summary of Bill

- Extends the expiration date for the assessment on milk processed in the state from June 30, 2020, to June 30, 2025.

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### SENATE COMMITTEE ON AGRICULTURE, WATER, NATURAL RESOURCES & PARKS

**Staff:** Karen Epps (786-7424)

**Background:** To ship fluid milk and milk products across state lines, the Washington State Department of Agriculture (WSDA) administers a milk inspection program to maintain compliance with the Grade A Interstate Pasteurized Milk Ordinance (PMO) published by the United States Public Health Service, United States Department of Health and Human Services, and the United States Food and Drug Administration. The PMO is the national standard for milk sanitation, and it requires milk processing plants to be inspected at least once every three months.

A milk assessment is levied on the first milk processing plant that receives milk for processing. The assessment is paid to a dairy inspection account under the Agricultural Local Fund, and the funds are used for dairy inspection services under WSDA's Food Safety Program. The assessment may not exceed \$0.0054 per hundredweight.

The assessment expires on June 30, 2020.

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*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:** The expiration date for the assessment on milk processed in the state is extended from June 30, 2020, to June 30, 2025.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

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

**Staff Summary of Public Testimony:** PRO: This bill is essential to many of the dairy producers in our state and essential to food safety. It is important to have a strong milk inspection program at the WSDA for two reasons: to ensure milk and milk products sold to Washington consumers are safe for human consumption; and to ensure that dairy products are eligible to be sold in interstate commerce. Milk and milk products are the number two agricultural product in Washington when ranked by farm receipts. Almost 40 percent of all milk and milk products produced in the state are transported out of state. The work funded by the milk assessment includes inspection of dairy producers, processing plants, pasteurizer operators, milk hauling companies, truck wash stations, and milk container production plants. Without this assessment, WSDA would have to reduce services, Washington State dairy producers would not be able to demonstrate compliance with the federal pasteurized milk ordinance, and Washington State milk producers and processors would not be able to sell their grade A milk products in other states. This bill does not propose an increase in the assessment but only an extension of the date for the assessment to end five years in the future.

**Persons Testifying:** PRO: Representative Sharon Shewmake, Prime Sponsor; Ben Buchholz, Food Northwest and Northwest Dairy Association; Jay Gordon, Washington State Dairy Federation; Kelly McLain, WSDA.

**Persons Signed In To Testify But Not Testifying:** No one.