

SENATE BILL REPORT

SB 5447

As Passed Senate, February 26, 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: Senators Van De Wege and Warnick; by request of Department of Agriculture.

Brief History:

Committee Activity: Agriculture, Water, Natural Resources & Parks: 1/29/19, 1/31/19 [DP].

Floor Activity:

Passed Senate: 2/26/19, 46-0.

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.

SENATE COMMITTEE ON AGRICULTURE, WATER, NATURAL RESOURCES & PARKS

Majority Report: Do pass.

Signed by Senators Van De Wege, Chair; Salomon, Vice Chair; Warnick, Ranking Member; Honeyford, McCoy, Rolfes and Short.

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.

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.

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 the Washington State Department of Agriculture's Food Safety Program. The assessment may not exceed \$.0054 per hundredweight.

The assessment expires on June 30, 2020.

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 assessment represents a government and private entity partnership to fund the WSDA inspection program which makes sure milk products can be sold into commerce. The assessment makes sure the milk is sold and offered for sale is wholesome and healthy. Almost 40 percent of all milk produced in the state is transported out of state. The current assessment generates about \$300,000 per year and, without the assessment, WSDA would have to reduce services and the Washington State milk producers would not be able to demonstrate compliance with the federal pasteurized milk ordinance. The bill extends the current assessment for another five years and does not raise the assessment.

Persons Testifying: PRO: Senator Kevin Van De Wege, Prime Sponsor; Dan Coyne, Northwest Dairy Association; Kelly McLain, Washington State Department of Agriculture; Jay Gordon, Washington State Dairy Federation.

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