
HOUSE BILL 2524

State of Washington

66th Legislature

2020 Regular Session

By Representatives Chandler, Blake, and Dent

Read first time 01/15/20. Referred to Committee on Rural Development, Agriculture, & Natural Resources.

1 AN ACT Relating to expanding the scope of agricultural products
2 subject to requirements in chapter 15.83 RCW related to negotiation
3 concerning production or marketing; and amending RCW 15.83.010 and
4 15.83.030.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 15.83.010 and 1989 c 355 s 2 are each amended to
7 read as follows:

8 (~~Unless the context clearly requires otherwise, the~~) The
9 definitions in this section apply throughout this chapter unless the
10 context clearly requires otherwise.

11 (1) "Accredited association of producers" means an association of
12 producers which is accredited by the director to be the exclusive
13 negotiation agent for all producer members of the association within
14 a negotiating unit.

15 (2) "Advance contract" means a contract for purchase and sale of
16 a crop entered into before the crop becomes a growing crop and
17 providing for delivery at or after the harvest of that crop.

18 (3) "Agricultural products" as used in this chapter means pears,
19 sweet corn, and potatoes produced for sale from farms in this state.

20 (4) "Association of producers" means any association of producers
21 of agricultural products engaged in marketing, negotiating for its

1 members, shipping, or processing as defined in section 15(a) of the
2 federal agriculture marketing act of 1929 or in section 1 of 42 Stat.
3 388.

4 (5) "Director" means the director of the department of
5 agriculture.

6 (6) "Handler" means a processor or a person engaged in the
7 business or practice of:

8 (a) Acquiring agricultural products from producers or
9 associations of producers for use by a processor;

10 (b) Processing agricultural products received from producers or
11 associations of producers, provided that a cooperative association
12 owned by producers shall not be a handler except when contracting for
13 crops from producers who are not members of the cooperative
14 association;

15 (c) Contracting or negotiating contracts or other arrangements,
16 written or oral, with or on behalf of producers or associations of
17 producers with respect to the production or marketing of any
18 agricultural product for use by a processor; or

19 (d) Acting as an agent or broker for a handler in the performance
20 of any function or act specified in (a), (b), or (c) of this
21 subsection.

22 (7) "Negotiate" means meeting at reasonable times and for
23 reasonable periods of time commencing at least sixty days before the
24 normal planting date for sweet corn and potatoes, or at least sixty
25 days before the normal harvest date for pears, and concluding within
26 thirty days of the normal planting date for sweet corn and potatoes,
27 or within thirty days of the normal harvest date for pears, to make a
28 serious, fair, and reasonable attempt to reach agreement by
29 acknowledging or refuting with reason points brought up by either
30 party with respect to the price, terms of sale, compensation for
31 products produced under contract, or other terms relating to the
32 production or sale of these products: PROVIDED, That neither party
33 shall be required to disclose proprietary business or financial
34 records or information.

35 (8) "Negotiating unit" means a negotiating unit approved by the
36 director under RCW 15.83.020.

37 (9) "Person" means an individual, partnership, corporation,
38 association, or any other entity.

39 (10) "Processor" means any person that purchases agricultural
40 crops from a producer and cans, freezes, dries, dehydrates, cooks,

1 presses, powders, or otherwise processes those crops in any manner
2 for eventual resale. A person who solely cleans, sorts, grades, and
3 packages a farm product for sale without altering the natural
4 condition of the product is not a processor. A person processing any
5 portion of a crop is a processor.

6 (11) "Producer" means a person engaged in the production of
7 agricultural products as a farmer or planter, including a grower or
8 farmer furnishing inputs, production management, or facilities for
9 growing or raising agricultural products. A producer who is also a
10 handler shall be considered a handler under this chapter.

11 (12) "Qualified commodity" means agricultural products as defined
12 in subsection (3) of this section.

13 **Sec. 2.** RCW 15.83.030 and 1989 c 355 s 4 are each amended to
14 read as follows:

15 It shall be unlawful for any handler to engage, or permit any
16 employee or agent to engage, in the following practices:

17 (1) To refuse to negotiate with an association of producers
18 accredited under RCW 15.83.020 with respect to any qualified
19 commodity: PROVIDED, That the obligation to negotiate does not
20 require either party to agree to a proposal, to make a concession, or
21 to enter into a contract;

22 (2) To coerce any producer in the exercise of his or her right to
23 contract with, join, refrain from contracting with or joining, belong
24 to an association of producers, or refuse to deal with any producer
25 because of the exercise of that producer's right to contract with,
26 join, or belong to an association or because of that producer's
27 promotion of legislation on behalf of an association of producers;

28 (3) To discriminate against any producer with respect to price,
29 quantity, quality, or other terms of purchase, acquisition, or other
30 handling of agricultural products because of that producer's
31 membership in or contract with an association of producers or because
32 of that producer's promotion of legislation on behalf of an
33 association of producers;

34 (4) To coerce or intimidate any producer to enter into, maintain,
35 breach, cancel, or terminate a membership agreement or marketing
36 contract with an association of producers or a contract with a
37 handler;

1 (5) To pay or loan money, give anything of value, or offer any
2 other inducement or reward to a producer for refusing or ceasing to
3 belong to an association of producers;
4 (6) To make knowingly false reports about the finances,
5 management, or activities of associations of producers or handlers;
6 (~~or~~)
7 (7) To conspire, agree, or arrange with any other person to do,
8 aid, or abet any act made unlawful by this chapter; or
9 (8) To refuse, in the event that an acceptable price cannot be
10 agreed to between a producer and a processor, to meet with a mutually
11 agreed upon third-party mediator to resolve the price dispute. Any
12 fees associated with the third-party mediation must be borne by the
13 producer.

--- END ---