

**ECONOMIC DEVELOPMENT
AGRICULTURE AND
TRADE COMMITTEE**

**WASHINGTON STATE
HOUSE OF REPRESENTATIVES**

**FINAL REPORT
2005 REGULAR SESSION**

Office of Program Research
April 24, 2005

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TO THE BILLS REPORTED FROM THE
ECONOMIC DEVELOPMENT, AGRICULTURE AND TRADE
COMMITTEE

AND PASSED BY THE LEGISLATURE DURING THE REGULAR 2005 SESSION

BILL NO.	SHORT TITLE
	<u>AGRICULTURE</u>
HB 1110	Modifying Recertification Standards for Private Applicators of Pesticides
SHB 1461	Changing Conservation Assistance Revolving Account Provisions
SHB 1462	Funding Conservation Districts
HB 1722	Extending an Asparagus Exception to the Standards for Fruits and Vegetables
SSB 5092	Creating a Beginning Farmers Loan Program
ESB 5094	Changing the Maximum per Parcel Rate for Conservation District Special Assessments
SB 5142	Regarding Air Registrations for Elevators and Warehouses
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2SSB 5663	Changing the Tax Exemptions for Machinery and Equipment Used to Reduce Agricultural Burning
ESB 5962	Concerning Customary Agricultural Practices
	<u>ECONOMIC DEVELOPMENT</u>
HB 1092	Modifying Rural Washington Loan Fund Provisions
SHB 1408	Creating an Individual Development Account Program
ESHB 1903	Providing Funds to Stimulate Community and Economic Development
SB 5175	Declaring That International Companies Investing in Washington Are Eligible for Tax Incentives
SSB 5176	Regarding Department of Community, Trade, and Economic Development Programs
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HB 1086	Regulating Commercial Feed
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SSB 5602	Managing Livestock Nutrients
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BILL NO.	SHORT TITLE
SHB 1891 HB 2166 SB 5831	<u>WATER RESOURCES AND WATER QUALITY</u> Concerning Reclaimed Water Permits Creating the Joint Legislative Committee on Water Supply During Drought Concerning Well Construction
SSB 5862	<u>OTHER</u> Creating the Association of Washington Generals

Total of 27 bills reported from the committee and passed by the Legislature.

**BILLS REPORTED FROM THE
ECONOMIC DEVELOPMENT, AGRICULTURE AND TRADE
COMMITTEE**

AND PASSED BY THE LEGISLATURE DURING THE 2005 REGULAR SESSION

BILL NO.	PRIME SPONSORS	SUMMARY	FINAL STATUS
HB 1086	Linville, Kristiansen, Pettigrew	Regulating Commercial Feed - Changes pet food product registration from a one-year to a two-year cycle. Clarifies terminology, reporting, inspection fees, and public disclosure exemptions associated with commercial feed distribution. Authorizes the Department of Agriculture to obtain a warrant to search vehicles carrying commercial feed if inspectors are refused admittance.	C 18 L 05
HB 1092	Grant, Newhouse, Kristiansen	Modifying Rural Washington Loan Fund Provisions - Authorizes the Rural Washington Loan Fund to retain the interest earnings the fund generates.	C 94 L 05
HB 1110	Eickmeyer, Sullivan, B., Hinkle	Modifying Recertification Standards for Private Applicators of Pesticides - Increases from eight to 10 the number of re-certification credits that a licensed private pesticide applicator may accumulate each year.	C 397 L 05
SHB 1408	Pettigrew, Hinkle, Morrell	Creating an Individual Development Account Program - Creates an Individual Development Account program to assist low-income individuals and foster youth. Authorizes the expenditures of IDA funds by low-income individuals for education or training, the acquisition of a home, or the capitalization of a small business. Authorizes the expenditures of IDA funds by foster youth for post-secondary education, housing needs and the purchase of a computer if needed for education or training.	C 402 L 05
SHB 1461	Linville, Buri, Pettigrew	Changing Conservation Assistance Revolving Account Provisions - Expands the use of the Conservation Assistance Revolving Account (CARA) for loans to landowners enrolled in the Continuous Conservation Reserve Program (CCRP). Clarifies that CARA is only for loans for projects enrolled in the Conservation Reserve Enhancement Program and the CCRP.	C 30 L 05
SHB 1462	Linville, Buri, Pettigrew	Funding Conservation Districts - Allows the Conservation Commission to adopt rules concerning eligibility and distribution of grants to conservation districts. Repeals existing statutory formulas governing distribution of grants. Requires a Conservation Commission report to the Legislature on the distribution of grant funds by September 30, 2007.	C 31 L 05
HB 1722	Grant, Newhouse, Linville	Extending an Asparagus Exception to the Standards for Fruits and Vegetables - Extends the expiration date for the exception from mandatory grading standards for asparagus shipped out-of-state for fresh packing to December 31, 2007.	C 234 L 05

BILL NO.	PRIME SPONSORS	SUMMARY	FINAL STATUS
SHB 1891	Hinkle, Sullivan, B., Buck	Concerning Reclaimed Water Permits - Authorizes private utilities to obtain reclaimed water permits. Specifies information the Department of Ecology or Department of Health may consider before issuing a permit to a private utility.	C 59 L 05
ESHB 1903	Ericks, Haler, Linville	Providing Funds to Stimulate Community and Economic Development - Creates the Job Development Fund to provide grants for public infrastructure projects that will stimulate job creation or job retention. Authorizes the Community Economic Revitalization Board to administer the Job Development Fund. Provides a process for developing the project list for the 2007-09 Capital Budget. Authorizes up to \$50 million for the 2007-09 biennium to be transferred from the Public Works Assistance Account to the Job Development Fund. Directs the Joint Legislative Audit and Review Committee (JLARC) to conduct an inventory of all state public infrastructure programs and funds by December 1, 2006. Directs the JLARC to evaluate the effectiveness of the Job Development Fund and the impact on the Public Works Assistance Account by September 1, 2010.	C 425 L 05
HB 2166	Newhouse, Linville, Kristiansen	Creating the Joint Legislative Committee on Water Supply During Drought - Creates the Joint Legislative Committee on Water Supply During Drought to review water supply conditions and make recommendations on budgetary and legislative actions to improve the state's drought response and planning.	C 60 L 05
SB 5039	Rasmussen, Schoesler, Shin	Regulating the Processing of Milk and Milk Products - Increases the annual license fee for milk processing plants and deposits total fee proceeds into the agricultural local account instead of the General Fund. Clarifies licensing requirements and fees for milk processing and food processing plants. Allows hand capping of milk and milk products.	C 414 L 05
SSB 5092	Jacobsen	Creating a Beginning Farmers Loan Program - Authorizes the Washington State Housing Finance Commission to develop and implement a program to provide financing for beginning farmers.	C 120 L 05
ESB 5094	Jacobsen	Changing the Maximum per Parcel Rate for Conservation District Special Assessments - Increases the maximum annual special assessment rate to \$10 per parcel in counties with populations in excess of 1.5 million. Requires that funds remaining after a county deducts administrative costs be transferred to the conservation district and used to conserve natural resources.	C 466 L 05
SB 5142	Schoesler, Rasmussen, Morton	Regarding Air Registrations for Elevators and Warehouses - Exempts certain licensed grain warehouses and elevators from required renewals of air pollution source registration program registration, reporting, and fees.	C 138 L 05

BILL NO.	PRIME SPONSORS	SUMMARY	FINAL STATUS
SB 5175	Shin, Schmidt, Kohl-Welles	Declaring That International Companies Investing in Washington Are Eligible for Tax Incentives - Clarifies that international companies investing in Washington meet the definition of "person" for the purposes of excise taxes.	C 135 L 05
SSB 5176	Shin, Doumit, Rasmussen	Regarding Department of Community, Trade, and Economic Development Programs - Repeals statutes requiring the Department of Community, Trade and Economic Development (DCTED) to administer defunct programs. Updates and consolidates some DCTED statutes.	C 136 L 05
SB 5180	Kastama, Roach, Sheldon	Authorizing the Economic Development Finance Authority to Continue Issuing Bonds - Increases the outstanding debt limit of the Washington Economic Development Finance Authority (WEDFA) from \$750 million to \$1 billion. Authorizes the WEDFA to continue to issue bonds after June 30, 2006.	C 137 L 05
SSB 5190	Fraser, Schoesler, Rasmussen	Concerning Adulterated Commercial Feed - Expands the list of adulterated commercial feeds to include ruminant feed containing any animal protein prohibited in ruminant feed that is deemed unsafe under federal regulations. Sets the penalty for intentionally violating the law or rules prohibiting distribution of such adulterated feed at a gross misdemeanor.	C 40 L 05
2SSB 5370	Brown, Benson, Shin	Creating the Economic Development Strategic Reserve Account - Creates the Economic Development Strategic Reserve Account to fund the Economic Development Commission and expenditures to prevent the closure of a business or facility, the relocation of a business or facility to outside of Washington, or to recruit a business or facility to Washington. Authorizes the Governor, with the recommendation of the Director of the Department of Community, Trade and Economic Development and the Economic Development Commission, to authorize expenditures from the account for workforce development, public infrastructure or other lawfully provided assistance needed to retain or recruit a business. Provides that one-third of all unclaimed prizes of over 180 days from the state lottery fund be transferred to the Economic Development Strategic Reserve Account.	C 427 L 05
SSB 5488	Rasmussen, Schoesler	Concerning the Fruit and Vegetable District Fund - Retains District Two Fruit and Vegetable Inspection Account funds in the Plant Pest account for apple maggot control until June 30, 2009.	C 49 L 05

BILL NO.	PRIME SPONSORS	SUMMARY	FINAL STATUS
SSB 5602	Rasmussen, Schoesler	<p>Managing Livestock Nutrients - Requires the Department of Agriculture and the Department of Ecology to recommend statutory revisions to fully implement the livestock nutrient management program. Clarifies, with conditions, that true pasture and rangeland operations are not covered by program. Adds Development and Oversight Committee members and tasks. Requires standard protocol for water quality monitoring. Makes certain business information disclosable only in ranges. Exempts composters of bovine and equine carcasses from metals testing and permit requirements under specified conditions, with penalty for non-compliance.</p> <p><i>Partial veto:</i> Vetoes the section that adds Development and Oversight Committee members and tasks.</p>	C 510 L 05 Partial Veto
2SSB 5663	Rasmussen, Schoesler, Doumit	<p>Changing the Tax Exemptions for Machinery and Equipment Used to Reduce Agricultural Burning - Exempts from the sales and use tax sales to qualified farmers in qualified counties of specified machinery, equipment, labor and services used to reduce agricultural field burning.</p>	C 420 L 05
SB 5831	Morton, Poulsen	<p>Concerning Well Construction - Includes ground source heat pump borings and grounding wells in the Water Well Construction Act provisions. Revises fees related to well construction and decommissioning. Adds or modifies delegation of authority, complaint, continuing education, and reporting provisions. Provides a suspension period at the end of a license term if license renewal is not completed. Modifies the technical advisory group composition provisions.</p>	C 84 L 05
SSB 5862	Pflug, Eide, Shin	<p>Creating the Association of Washington Generals - Codifies and expands the Association of Washington Generals.</p>	C 69 L 05
SSB 5902	Eide, Shin, Zarelli	<p>Establishing a Small Business Innovation Research Program Proposal Review Process - Establishes a Small Business Innovation Research application assistance program at the Washington Technology Center.</p>	C 357 L 05
ESB 5962	Haugen, Schoesler, Rasmussen	<p>Concerning Customary Agricultural Practices - Authorizes awards of legal defense costs and exemplary damages to prevailing farmers in actions related to agricultural activities on agricultural land under certain conditions. Requires a property seller within one mile of a farm to disclose the farm's existence to buyers. Exempts fugitive dust from certain statutory air pollution control requirements.</p>	C 511 L 05
ESSJM 8010	Rasmussen, Schoesler, Sheldon	<p>Petitioning the United States Department of Agriculture regarding the Limited Import Ban on Canadian Beef - Petitions the United States Department of Agriculture to reaffirm to Congress and the courts that there is a sound scientific basis for lifting the limited ban on Canadian beef and to redouble efforts to reestablish export markets for United States beef based on sound science.</p>	SFiled Sec/St

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TO THE BILLS REPORTED FROM THE
ECONOMIC DEVELOPMENT, AGRICULTURE AND TRADE
COMMITTEE

BUT NOT PASSED BY THE LEGISLATURE DURING THE 2005 REGULAR SESSION

BILL NO.	SHORT TITLE
	<u>AGRICULTURE</u>
SHB 1423	Controlling Invasive Knotweed
HB 1523	Extending a Sales and Use Tax Exemption to the Construction of New Facilities to Be Used for the Conditioning of Vegetable Seeds
SHB 1593	Funding Farmers Market Nutrition Programs
SHB 1664	Changing the Tax Exemptions for Machinery and Equipment Used to Reduce Agricultural Burning
SHB 1801	Providing a Real Estate Excise Tax Exemption for Certain Farm and Agricultural Land
HB 2096	Requiring a Study of the Economic and Social Contribution of Agricultural Fairs to Washington State
SHB 2202	Studying the Impact of Agriculture and Food Processing on the State's Economy
SB 5723	Extending an Asparagus Exception to the Standards for Fruits and Vegetables
ESB 5962	Protecting Customary Agricultural Practices Against Nuisance Actions. (Revised for Engrossed: Concerning Customary Agricultural Practices.)
	<u>ECONOMIC DEVELOPMENT</u>
SHB 1091	Providing Additional Funding for the Community Economic Revitalization Board's Programs
SHB 1273	Creating a Downtown and Neighborhood Commercial District Revitalization Program
SHB 1351	Authorizing a Job Creation Tax Credit
HB 1428	Authorizing the Economic Development Finance Authority to Continue Issuing Bonds
SHB 1442	Revising Excise Tax Provisions to Encourage Small Business
SHB 1470	Authorizing Additional Sales Tax Authority for Public Facilities Districts
SHB 1588	Using Regional Television Advertising to Promote Tourism in Washington
SHB 1802	Authorizing a Property Tax Exemption for Certain Nonprofit Organizations Located in Economically Disadvantaged Areas -
2SHB 1815	Creating a Competitive Grant Program for Organizations That Assist Small Businesses
SB 5086	Modifying Rural Washington Loan Fund Provisions
SB 5330	Creating the Economic Development Grants Program
	<u>LIVESTOCK</u>
HB 1085	Regulating the Processing of Milk and Milk Products
SHB 1615	Managing Livestock Nutrients
SHB 2116	Providing a Livestock Nutrient Tax Exemption
	<u>TRADE</u>
SSB 6025	Appointing a Trade Policy Professional to Represent the Office of the Washington State Trade Representative

BILL NO.	SHORT TITLE
SHB 1098 SHB 1735 HB 1939 SHB 2172	<u>WATER RESOURCES AND WATER QUALITY</u> Concerning the Trust Water Rights Program Exempting Limited Water Storage Facilities from Permit Requirements Concerning Well Construction Concerning Water Discharge Permit Fees
HB 1974	<u>OTHER</u> Creating the Association of Washington Generals

Total of 29 bills reported from the committee but not passed by the Legislature.

**Bills Reported from the
ECONOMIC DEVELOPMENT, AGRICULTURE AND TRADE
COMMITTEE**

but NOT Passed by the Legislature during the 2005 Regular Session

BILL NO.	PRIME SPONSORS	SUMMARY	SINE DIE STATUS
HB 1085	Linville, Kristiansen, Pettigrew	Regulating the Processing of Milk and Milk Products - Increases the annual license fee for milk processing plants. Clarifies licensing requirements and fees for milk processing and food processing plants. Allows hand capping of milk and milk products.	SRules 2 (This bill is similar to SB 5039, which was enacted as Chapter 414, Laws of 2005).
SHB 1091	Linville, Newhouse, Flannigan	Providing Additional Funding for the Community Economic Revitalization Board's Programs - Makes eligible for financial assistance under the Community Economic Revitalization Board (CERB) projects that assist in retaining Washington's military-related private sector businesses. Authorizes the Department of Community, Trade and Economic Development and CERB to enter into agreements necessary to implement the Small Business Incubator (SBI) program and authorizes CERB to make expenditures from the SBI account. Appropriates \$4.5 million GF-S to the Public Facility Construction Loan Revolving Account.	SWays & Means
SHB 1098	Linville, Kristiansen, Grant	Concerning the Trust Water Rights Program - Consolidates the trust water rights program provisions specific to the Yakima River basin into the general trust water rights statutory chapter. Repeals the Yakima River basin trust water rights program statutory chapter. Includes numerous technical revisions.	HRules C
SHB 1273	Grant, Walsh, Holmquist	Creating a Downtown and Neighborhood Commercial District Revitalization Program - Creates the Washington Main Street Program in the Department of Community, Trade and Economic Development (DCTED) to provide technical assistance to businesses, property owners, organizations, and local governments undertaking a comprehensive downtown or neighborhood commercialization district revitalization initiative and management strategy as well as financial assistance to local governments or organizations for initial program start-up. Creates a business and occupation (B&O) tax credit for the value of a private contribution designed to assist in the development and operation of a downtown or neighborhood commercial district revitalization program or the Washington Main Street Program.	HFinance (A similar program was created in ESHB 2314, which was enacted as Chapter 514, Laws of 2005).
SHB 1351	Kilmer, Haler, Wallace	Authorizing a Job Creation Tax Credit - Creates a business and occupation tax credit of \$650 per year per newly created full-time employment position for independently owned and operated businesses with 50 or fewer employees that offer a health care plan to all employees.	HFinance

BILL NO.	PRIME SPONSORS	SUMMARY	SINE DIE STATUS
SHB 1423	Curtis, Linville, Clibborn	Controlling Invasive Knotweed - Establishes a statewide program in the Department of Agriculture for the control or containment of invasive knotweed and appropriates \$1 million from the State General Fund for the 2005-07 biennium.	HApprop (Supplemental Budget provisos \$500,000 for statewide knotweed program)
HB 1428	Condotta, Pettigrew, Dunn	Authorizing the Economic Development Finance Authority to Continue Issuing Bonds - Increases the outstanding debt limit of the Washington Economic Development Finance Authority (WEDFA) from \$750 million to \$1 billion. Authorizes WEDFA to continue to issue bonds after June 30, 2006.	SRules 2 (This bill was the companion to SB 5180, which was enacted as Chpater 137, Laws of 2005).
SHB 1442	Kilmer, Haler, Linville	Revising Excise Tax Provisions to Encourage Small Business - Exempts persons from registering with the Department of Revenue if the value of products, gross proceeds of sales, or the gross income of the business from all taxable activities under the business and occupation (B&O) tax or the gross income of the business taxable under the public utilities tax is less than \$28,000 per year. Increases the B&O credit to \$70 per month. Relieves a person from the payment of B&O taxes if the value of the products, gross proceeds of sales, or gross income of the business from all taxable activities under the B&O tax is less than \$56,000 per year.	HFinance
SHB 1470	Morrell, McDonald, Chase	Authorizing Additional Sales Tax Authority for Public Facilities Districts - Authorizes public facilities districts located in a county with a population that exceeds 700,000, created after July 1, 2006, but before June 30, 2008, to impose a sales and use tax of up to 0.033 percent for the construction of a new regional center or the improvement or rehabilitation of an existing regional center to be used for community and cultural events, so long as work on the regional center commences prior to January 1, 2009, and the center has 2,000 or fewer permanent seats.	HFinance
HB 1523	Quall, Morris, Pettigrew	Extending a Sales and Use Tax Exemption to the Construction of New Facilities to Be Used for the Conditioning of Vegetable Seeds - Exempts from retail sales and use tax the construction or renovation of a building or acquisition of new machinery or equipment that is used for conditioning of vegetable seeds in a rural county or distressed area.	HFinance
SHB 1588	Condotta, Linville, Kristiansen	Using Regional Television Advertising to Promote Tourism in Washington - Directs the Department of Community, Trade and Economic Development to implement a regional television campaign to promote tourism opportunities in Washington.	HApprop

BILL NO.	PRIME SPONSORS	SUMMARY	SINE DIE STATUS
SHB 1593	Linville, Clements, Pettigrew	Funding Farmers Market Nutrition Programs - Recognizes the benefits of farmers market nutrition programs and appropriates \$1.15 million from the State General Fund to the Departments of Health and Social and Health Services for 2005-07.	HApprop (Operating Budget provisos \$682,000 to DSHS, \$250,000 to DOH)
SHB 1615	Pettigrew, Kristiansen, Linville	Managing Livestock Nutrients - Establishes authority for full administration of the dairy nutrient management program by the Department of Agriculture (WSDA). Establishes the components of and full authority to manage a livestock nutrient management program within the WSDA. Authorizes the WSDA to become the state authority for National Pollutant Discharge Elimination System permits for animal feeding operations and concentrated animal feeding operations upon delegation of authority by the United States Environmental Protection Agency and relinquishment by the Department of Ecology. Specifies requirements and responsibilities for various approvals and certifications, permits, inspections, compliance, enforcement actions, technical and financial assistance. Makes a number of technical changes to relevant statutes.	HRules C (This bill is similar to SSB 5602, which was enacted as Chapter 510, Laws of 2005).
SHB 1664	Grant, Buri, Linville	Changing the Tax Exemptions for Machinery and Equipment Used to Reduce Agricultural Burning - Exempts from the sales and use tax sales to qualified farmers of specified machinery, equipment, labor and services used to reduce agricultural field burning.	HFinance (This bill is similar to 2 SSB 5663, which was enacted as Chapter 420, Laws of 2005).
SHB 1735	Hunt, Buck, Williams	Exempting Limited Water Storage Facilities from Permit Requirements - Exempts certain rain barrels and similar facilities and the use of water from them from the permit provisions of the water code. Requires the Department of Ecology to consult with local building permit agencies regarding installation of very large capacity rainwater systems.	HRules C
SHB 1801	Grant, Kretz, Linville	Providing a Real Estate Excise Tax Exemption for Certain Farm and Agricultural Land - Exempts from the state real estate excise tax certain sales of farm and agricultural lands.	HFinance
SHB 1802	Kilmer, Walsh, Pettigrew	Authorizing a Property Tax Exemption for Certain Nonprofit Organizations Located in Economically Disadvantaged Areas - Provides a state property tax exemption for real and personal property used by a qualified nonprofit organization located in a rural county, a county with a community empowerment zone (CEZ) or in a CEZ so long as the property is used to assist startup and expanding businesses.	SWays & Means
2SHB 1815	Wallace, Skinner, Pettigrew	Creating a Competitive Grant Program for Organizations That Assist Small Businesses - Creates a competitive grant program for small business incubators and entrepreneurial support programs.	SWays & Means

BILL NO.	PRIME SPONSORS	SUMMARY	SINE DIE STATUS
HB 1939	Linville, Newhouse, Hinkle	Concerning Well Construction - Includes ground source heat pump borings and grounding wells in the Water Well Construction Act provisions. Revises fees related to well construction and decommissioning. Adds or modifies delegation of authority, complaint, and reporting provisions. Provides a suspension period at the end of a license term if renewal materials are not submitted on time. Modifies the technical advisory group composition provisions. Specifies requirements for the Department of Ecology's continuing education rules for licensed well contractors and operators.	SRules 2 (This bill is the companion to SB 5831, which was enacted as Chapter 84 Laws of 2005.)
HB 1974	Linville, Rodne, Morris	Creating the Association of Washington Generals - Codifies and expands the Association of Washington Generals.	SRules 2 (This bill is similar to SSB 5862, which was enacted as Chapter 69, Laws of 2005).
HB 2096	Buri, Haler, McDonald	Requiring a Study of the Economic and Social Contribution of Agricultural Fairs to Washington State - Directs the Department of Agriculture to contract for a study on the economic and social impacts of agricultural fairs on Washington State.	SWays & Means (Operating Budget provisos \$73,000 for fair economic impact study).
SHB 2116	Pettigrew, Newhouse, Linville	Providing a Livestock Nutrient Tax Exemption - Extends the existing retail sales and use tax exemptions for dairy nutrient management equipment and facilities to certain livestock operations.	HFinance
SHB 2172	Newhouse, Linville, Clements	Concerning Water Discharge Permit Fees - Limits the permit fees the Department of Ecology and a municipality that is delegated wastewater discharge permit authority may charge to an indirect discharger.	HApprop
SHB 2202	Kenney, Grant, Hinkle	Studying the Impact of Agriculture and Food Processing on the State's Economy - Directs the Department of Agriculture to commission a comprehensive study of the economic impacts of the agriculture and food processing industries on Washington.	HApprop
SB 5086	Shin, Schoesler, Rasmussen	Modifying Rural Washington Loan Fund Provisions - Authorizes the Rural Washington Loan Fund to retain the interest earnings the fund generates.	HRules R (This bill is the companion to HB 1092, which was enacted as Chapter 94, Laws of 2005).
SB 5330	Shin, Rasmussen, Berkey	Creating the Economic Development Grants Program - Creates the Economic Development Grants Program in the Department of Community, Trade and Economic Development.	HApprop

BILL NO.	PRIME SPONSORS	SUMMARY	SINE DIE STATUS
SB 5723	Delvin, Rasmussen, Schoesler	Extending an Asparagus Exception to the Standards for Fruits and Vegetables - Extends the expiration date for the exception from mandatory grading standards for asparagus shipped out of state for fresh packing to December 31, 2007.	HRules R (This bill is the companion to HB 1722, which was enacted as Chapter 234, Laws of 2005).
SSB 6025	Shin, Kohl-Welles, Thibaudeau	Appointing a Trade Policy Professional to Represent the Office of the Washington State Trade Representative - Directs the Joint Legislative Oversight Committee on Trade Policy to examine and analyze the state's structure of trade policy development and implementation, including the Office of the State Trade Representative.	ESB 5962 H2nd Reading

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TO THE BILLS REFERRED TO THE
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COMMITTEE

BUT NOT REPORTED OR REMOVED FROM THE COMMITTEE DURING THE 2005 REGULAR SESSION

BILL NO.	SHORT TITLE
	<u>AGRICULTURE</u>
HB 1971	Providing a Sales and Use Tax Exemption for Certain Parts and Services for Machinery and Equipment Used by a Farmer.
	<u>ECONOMIC DEVELOPMENT</u>
HB 1574	Providing Sales and Use Tax Relief for Qualifying Small Businesses Constructing Manufacturing Facilities.
HB 1575	Providing a Business and Occupation Tax Credit for Certain Small Business Purchases.
HB1576	Providing a Small Business Tax Credit for Job Creation.
HB 1594	Directing the State Investment Board to Invest in Start-up and Expanding Businesses Within the State of Washington.
HB 1675	Revising Excise Tax Provisions to Encourage Small Business.
HB 1676	Providing Business and Occupation Tax Exemptions for New Small Businesses.
HB 1745	Providing a Financing Mechanism to Promote Economic Development.
HB 1767	Authorizing Additional Funding for Minor League Baseball Facilities.
HB 1869	Providing a Business and Occupation Tax Deduction for New Businesses.
HB 1898	Creating an Office of Entrepreneurial Development.
HB 1907	Promoting Economic Development and Community Revitalization.
HB 1973	Providing a Property Tax Exemption for Nonprofit Organizations That Assist Small Businesses.
HB 2052	Establishing an Industry Cluster-based Approach to Economic Development.
HB 2104	Creating a "Washington Made" Logo.
HB 2143	Authorizing a Study to Propose Tax Incentives That Would Promote Investment in Small Business Incubators.
HB 2209	Extending Local Taxing Authority to Fund Miscellaneous Facilities.
HB 2239	Modifying Community Revitalization Financing.
SB 5325	Promoting Economic Development and Community Revitalization.
SB 5329	Establishing an Industry Cluster-based Approach to Economic Development.
	<u>LIVESTOCK</u>
HB 1511	Modifying Training Requirements for Veterinary Technicians.
HB 2082	Regulating the Disposal of Animal Carcasses.
HB 2092	Repealing Provisions Concerning Animal Massage Practitioners.
HB 2146	Concerning Private Sector Cultured Aquatic Products.
HJM 4012	Petitioning the United States Department of Agriculture to Delay Plans to Reopen the Border to Canadian Cattle and Beef Products.

BILL NO.	SHORT TITLE
HB 1857	<u>TRADE</u> Requiring Legislative Ratification of International Trade Agreements.
HB 1004 HB 1099 HB 1172 HB 1357 HB 1584 HB 1630 HB 1713 HB 2102 HB 2159 HB 2168 HJM 4016	<u>WATER RESOURCES AND WATER QUALITY</u> Modifying Provisions Concerning Water Conservancy Boards Managing Water Resources for the Mainstem of the Columbia River. Exempting Certain Withdrawals of Water from the Provisions of Rcw 90.44.050. Updating the Water Quality Joint Development Act to Provide Local Government Flexibility for Improving Drinking Water and Treatment Services. Recognizing Interests Based on Federal Laws in the Management of State Waters. Exempting Certain Withdrawals of Water from the Provisions of Rcw 90.44.050. Modifying Water Right Application Requirements for Domestic Water Supply to Fourteen or Fewer Service Connections. Defining the Meaning of Enlarge with Respect to Water Rights Changes. Concerning Sufficient Cause for Nonuse of a Water Right. Concerning the Relinquishment of a Water Right. Petitioning for Modifications to the Federal Clean Water Act's Citizen Suit Provisions.
HB 1388 HB 1440	<u>OTHER</u> Limiting the Use of High Hazard Pesticides on School Facilities. Concerning Registration Fees for Weighing and Measuring Devices.

Total of 39 bills referred to the committee but not reported out or removed.

**BILLS REFERRED TO THE
ECONOMIC DEVELOPMENT, AGRICULTURE AND TRADE
COMMITTEE**

BUT NOT REPORTED OR REMOVED FROM THE COMMITTEE DURING THE 2005 REGULAR SESSION

BILL NO.	PRIME SPONSORS	SUMMARY	SINE DIE STATUS
HB 1004	Hinkle, Kretz, Sump	Modifying Provisions Concerning Water Conservancy Boards.	HEconDevAg Tr
HB 1099	Linville, McCoy, Quall	Managing Water Resources for the Mainstem of the Columbia River. Establishes the Columbia River Mainstem Water Management Program (Program) to be managed by the Department of Ecology (Ecology). Requires Ecology to acquire water for the Program and specifies requirements regarding use of water acquired for mitigation and instream flows. Creates the Columbia River Mainstem Investment Account (Account) in the state treasury and specifies uses of Account funds. Requires Ecology to issue Program rules and to conduct monitoring and compliance. Requires Ecology to submit a biennial Program status report and to conduct a formal Program review every ten years.	HEconDevAg Tr (Hearing held 2/11/05)
HB 1172	Holmquist, Kristiansen, Grant	Exempting Certain Withdrawals of Water from the Provisions of RCW 90.44.050. Exempts stock-watering of any amount from ground water permit requirements.	HEconDevAg Tr
HB 1357	Linville, Newhouse, Grant	Updating the Water Quality Joint Development Act to Provide Local Government Flexibility for Improving Drinking Water and Treatment Services. Allows public water systems supervised by local governments to be owned, designed, financed, constructed, operated and maintained by private service providers. Makes numerous revisions to the Water Quality Joint Development Act.	HEconDevAg Tr (This bill is the companion to ESSB 5285, which was enacted as Chapter 469, Laws of 2005)
HB 1388	Upthegrove, Moeller, Morrell	Limiting the Use of High Hazard Pesticides on School Facilities. Restricts the application of high hazard pesticides at school facilities, including day care centers and public schools. Directs the State Board of Health to adopt by rule a list of products that pose a high hazard to children's health. Establishes a violation for applying a high hazard pesticide at a school facility.	HEconDevAg Tr
HB 1440	Hasegawa, Santos, Ahern	Concerning Registration Fees for Weighing and Measuring Devices. Allows a city operating a weights and measures program to charge registration fees in excess of the statutory fee schedule as long as the fees do not exceed the costs of program administration and enforcement.	HEconDevAg Tr (Hearing held 2/18/05 & 2/22/05)
HB 1511	Flannigan, Haigh, Campbell	Modifying Training Requirements for Veterinary Technicians. Partially revises the definition of "veterinary technician" to require that under the on-the-job-training option, five years of practical experience must be completed with a Board-approved licensed veterinarian prior to December 31, 2009.	HEconDevAg Tr

BILL NO.	PRIME SPONSORS	SUMMARY	SINE DIE STATUS
HB 1574	Morrell, McDonald, Linville	Providing Sales and Use Tax Relief for Qualifying Small Businesses Constructing Manufacturing Facilities. Provides a small business a sales and use tax deferral for eligible investment projects, including buildings and machinery/equipment. Defines a small business as: 50 or fewer employees at the time of application and certification; 100 or fewer employees when the project is certified as operationally complete; 200 or fewer employees at the end of the 2nd calendar year following certification that the project is operationally complete; 400 or fewer employees at the end of the 3rd calendar year.	HEconDevAg Tr (Hearing held 2/15/05)
HB 1575	Morrell, McDonald, Wallace	Providing a Business and Occupation Tax Credit for Certain Small Business Purchases. Authorizes a tax credit is for a small business purchasing computer equipment for an amount equal to 10 percent of the purchase price. Imposes a cap on the tax credit of \$20M statewide or \$100 per computer.	HEconDevAg Tr (Hearing held 2/15/05)
HB 1576	Morrell, Buri, Wallace	Providing a Small Business Tax Credit for Job Creation. Creates a business and occupation tax credit of \$650 per year per newly created full-time employment position for independently owned and operated businesses with 50 or fewer employees that offer a health care plan to all employees. (This bill is similar to SHB 1351 which passed out of committee and was referred to H Finance)	HEconDevAg Tr (Hearing held 2/4/05)
HB 1584	McCoy, Dunshee, Linville	Recognizing Interests Based on Federal Laws in the Management of State Waters. Includes federal and tribal water rights as interests the state considers under the state's Water Resources Act of 1971	HEconDevAg Tr (Hearing held 2/23/05)
HB 1594	Linville, Skinner, Fromhold	Directing the State Investment Board to Invest in Start-up and Expanding Businesses Within the State of Washington. Creates the Washington Growing Business Fund to invest in Washington based companies using at least \$500 million of the Washington State Investment Board (WSIB) portfolio and to be managed in accordance with WSIB's investment policies and statutory requirements. Requires a statement of investment principles to include which social, environmental, or ethical consideration, if any, were taken into account in the selection, retention, and realization of investments.	HEconDevAg Tr (Hearing held 2/16/05 & 2/18/05)
HB 1630	Holmquist, Grant, Newhouse	Exempting Certain Withdrawals of Water from the Provisions of Rcw 90.44.050.	HEconDevAg Tr

BILL NO.	PRIME SPONSORS	SUMMARY	SINE DIE STATUS
HB 1675	Orcutt, Armstrong, Clements	Revising Excise Tax Provisions to Encourage Small Business. Exempts persons from registering with the Department of Revenue if the value of products, gross proceeds of sales, or the gross income of the business from all taxable activities under the business and occupation (B&O) tax or the gross income of the business taxable under the public utilities tax is less than \$28,000 per year. Increases the B&O credit to \$70 per month. Relieves a person from the payment of taxes if the value of the products, gross proceeds of sales, or gross income of the business from all taxable activities under the B&O tax is less than \$56,000 per year. (Similar to SHB 1442 which passed out of committee and was referred to H Finance).	HEconDevAg Tr (Hearing held 2/4/05)
HB 1676	Roach, Buri, Kretz	Providing Business and Occupation Tax Exemptions for New Small Businesses. Provides a new business an exemption from paying business and occupation taxes during its first 12 months of operation. Provides a new small business with less than 25 permanent, full-time employees an exemption from paying B&O taxes during its first 24 months of operations and a reduced B&O tax liability for an additional three years. (Similar to HB 1869).	HEconDevAg Tr (Hearing held 2/15/05)
HB 1713	Woods, Grant, Sump	Modifying Water Right Application Requirements for Domestic Water Supply to Fourteen or Fewer Service Connections. Specifies the service connection figure does not limit exercise of a water right for domestic water supply to fourteen or fewer service connections. Exempts water rights for domestic water supply from relinquishment	HEconDevAg Tr (Hearing held 2/23/05)
HB 1745	Santos	Providing a Financing Mechanism to Promote Economic Development. Modifies the existing community revitalization financing program.	HEconDevAg Tr (Hearing held 2/16/05)
HB 1767	Darneille, Haler, McCoy	Authorizing Additional Funding for Minor League Baseball Facilities. Authorizes the distribution of \$3 million per year from the state lottery fund to the minor league baseball stadium fund beginning in 2006 to fund the operations, maintenance, repair, rehabilitation, financing, equipping and reequipping of a minor league baseball stadium and associated parking facilities. Authorizes a county with an existing minor league baseball stadium where currently a minor league team plays to impose a sales and use tax on car rentals of up to 2 percent to fund the operations, maintenance, repair, rehabilitation, financing, equipping and reequipping of a minor league baseball stadium and associated parking facilities. Authorizes a city or town with an existing minor league baseball stadium where currently a minor league team plays to impose an admissions tax of 5 percent to fund the operations, maintenance, repair, rehabilitation, financing, equipping and reequipping of a minor league baseball stadium and associated parking facilities.	HEconDevAg Tr (Hearing held 2/28/05)

BILL NO.	PRIME SPONSORS	SUMMARY	SINE DIE STATUS
HB 1857	Conway, Hudgins, Wood	Requiring Legislative Ratification of International Trade Agreements. Clarifies that the Legislature must authorize the commitment of Washington to any future trade agreements.	HEconDevAg Tr (Hearing held 3/1/05)
HB 1869	O'Brien, Miloscia, Kessler	Providing a Business and Occupation Tax Deduction for New Businesses. Provides a new business an exemption from paying business and occupation taxes during its first 36 months of operation. (Similar to HB 1676).	HEconDevAg Tr (Hearing held 2/15/05)
HB 1898	Chase, Skinner, Kessler	Creating an Office of Entrepreneurial Development. Creates the Office of Entrepreneurial Development in the Department of Community, Trade and Economic Development.	HEconDevAg Tr (Hearing held 2/28/05)
HB 1907	Alexander, DeBolt, Dunn	Promoting Economic Development and Community Revitalization. Expands the community revitalization program to allow local governments to finance public improvements not only using increased property tax revenues, but also excess excise tax revenues, and revenue generated through a sales and use tax, up to \$1 million per year, per project, credited against the state sales and use tax in an increment area. (Similar to HB 2239 and SB 5325).	HEconDevAg Tr
HB 1971	Haler, Grant, Kretz	Providing a Sales and Use Tax Exemption for Certain Parts and Services for Machinery and Equipment Used by a Farmer. Exempts from the state and local retail sales and use tax services and parts for machinery and equipment that are used by a farmer for growing, raising, or producing agricultural commodities.	HEconDevAg Tr (Hearing held 2/25/05)
HB 1973	Sullivan, B., Hasegawa	Providing a Property Tax Exemption for Nonprofit Organizations That Assist Small Businesses. Provides a property exemption for real and personal property used by a qualified nonprofit organization so long as the property is used to assist startup and expanding businesses and entrepreneurs. (Similar to SHB 1802 that passed out of the House of Representatives and was referred to Senate Ways and Means).	HEconDevAg Tr (Hearing held 2/16/05)
HB 2052	Blake, Kilmer, Linville	Establishing an Industry Cluster-based Approach to Economic Development. Directs the Department of Community, Trade and Economic Development to develop "industry cluster-based" economic development strategies instead of "targeted industry based" strategies. (Similar to SB 5329).	HEconDevAg Tr
HB 2082	Pettigrew, Holmquist, Kristiansen	Regulating the Disposal of Animal Carcasses. Requires the Department of Agriculture, in collaboration with the Department of Ecology, Department of Health, and other agencies, to develop emergency rules for routine animal carcass disposal. (Similar provisions required in SSB 5602).	HEconDevAg Tr (Hearing held 2/25/05)
HB 2092	Ericksen	Repealing Provisions Concerning Animal Massage Practitioners. Repeals licensing, endorsement and training provisions for animal massage practitioners.	HEconDevAg Tr

BILL NO.	PRIME SPONSORS	SUMMARY	SINE DIE STATUS
HB 2102	Haler, Grant, Newhouse	Defining the Meaning of Enlarge with Respect to Water Rights Changes. Allows a ground water right amendment to change the purpose (rather than the manner) of use of the right. Specifies enlargement of the water right is based on an increase in the annual consumptive quantity of the right.	HEconDevAg Tr (Hearing held 3/11/05)
HB 2104	Chase, Skinner, Hunt	Creating a "Washington Made" Logo. Creates a contest for students receiving an elementary, intermediate, secondary or higher education in Washington to design a "Washington Made" logo for the voluntary labeling of consumer goods made in Washington.	HEconDevAg Tr
HB 2143	Sullivan, B., Ericks, Campbell	Authorizing a Study to Propose Tax Incentives That Would Promote Investment in Small Business Incubators. Directs the Department of Community, Trade & Economic Development to develop tax incentive proposals to promote small business incubators.	HEconDevAg Tr
HB 2146	Grant, Buck, Kretz	Concerning Private Sector Cultured Aquatic Products. Defines private sector cultured aquatic products as "livestock".	HEconDevAg Tr
HB 2159	Grant, Newhouse, Hankins	Concerning Sufficient Cause for Nonuse of a Water Right. Specifies enlargement of the water right is based on an increase in the annual consumptive quantity of the right.	HEconDevAg Tr (Hearing held 3/1/05)
HB 2168	Newhouse, Kristiansen, Hankins	Concerning the Relinquishment of a Water Right. Specifies a person has not voluntarily failed to use a water right if the person has continued to use a portion of the right for the established purpose of use.	HEconDevAg Tr (Hearing held 3/11/05)
HB 2209	Pettigrew, Haler, Linville	Extending Local Taxing Authority to Fund Miscellaneous Facilities. Provides financing for capital improvement to a multipurpose public arena with at least 16,000 seats leased to a lessee that owns or controls a National Basketball Association franchise and a women's National Basketball Association franchise and that has provided at least \$20 million to the capital costs of an existing multipurpose public arena and related facilities, and generated at least \$70 million in revenues from operations at the multipurpose public arena for the public owner of the multipurpose public arena. (Similar to HB 2280 which was referred to H Finance).	HEconDevAg Tr (Hearing held 2/28/05)
HB 2239	Sullivan, P., Haler, Buri	Modifying Community Revitalization Financing. Expands the community revitalization program to allow local governments to finance public improvements not only using increased property tax revenues, but also excess excise tax revenues, and revenue generated through a sales and use tax, up to \$1 million per year, per project, credited against the state sales and use tax in an increment area. (Similar to HB 1907 and SB 5325).	HEconDevAg Tr

BILL NO.	PRIME SPONSORS	SUMMARY	SINE DIE STATUS
HJM 4012	Morrell, Buri, Blake	Petitioning the United States Department of Agriculture to Delay Plans to Reopen the Border to Canadian Cattle and Beef Products. Urges the United States Department of Agriculture to delay border reopening until completion of technical investigations into a recent BSE case and Canadian enforcement of the feed ban. (Similar to ESSJM 8010).	HEconDevAg Tr (Hearing held 2/25/05)
HJM 4016	Kretz, Ahern, Haler	Petitioning for Modifications to the Federal Clean Water Act's Citizen Suit Provisions. Requests amendments to the federal Clean Water Act's citizen suit provision related to standing, disclosure, and compliance.	HEconDevAg Tr (Hearing held 3/11/05)
SB 5325	Zarelli, Brown, Doumit	Promoting Economic Development and Community Revitalization. Expands the community revitalization program to allow local governments to finance public improvements not only using increased property tax revenues, but also excess excise tax revenues, and revenue generated through a sales and use tax, up to \$1 million per year, per project, credited against the state sales and use tax in an increment area. (Similar to HB 1907 and HB 2239).	HEconDevAg Tr (Hearing held 3/29/05)
SB 5329	Pflug, Shin, Esser	Establishing an Industry Cluster-based Approach to Economic Development. Directs the Department of Community, Trade and Economic Development to develop "industry cluster-based" economic development strategies instead of "targeted industry based" strategies. (Similar to HB 2052).	HEconDevAg Tr (Hearing held 3/22/05)