

December 19, 2005

The Honorable Mike Hewitt
Washington State Senate
PO Box 40416
Olympia, WA 98504

*A message from twenty-four
associations on behalf of the
Washington agricultural
community*

Dear Senator Hewitt,

Working family farms are a key part of the Washington state economy but are under considerable threat from increased input costs, regulatory pressures, and loss of competitiveness with other states. To protect industry viability, the agricultural community has engaged in discussions to present a single “2006 Ag Package” to leadership in each of the four caucuses, as well as to the Governor.

This Ag Package represents areas of agreement and mutual support from the diverse agricultural interests in our state. We have endeavored to identify modest policy and budgetary items that will enable us to compete. There are, of course, other issues that individual groups will pursue outside the structure of this Ag Package.

We are mindful of the multi-billion-dollar assistance package passed by the Legislature in 2003 to aid Boeing as the leader in the aerospace industry. While agriculture and food processing are equally significant to Washington’s economy, the agricultural industry is not dominated by a single entity that threatens to relocate, but the effect of losing production agriculture and processing would be equally devastating to the economy.

We hope that you and other leaders within our state will embrace this package that provides incremental steps to preserve and enhance the viability of one of the largest sectors of economic activity and employment in our state.

Our groups will be glad to meet with you and other legislators, testify in committee, and work on legislation in order to encourage the passage of policies and budget items that will preserve and enhance our economy through the support of working family farms across our state.

We hope you will consider the following priorities for agriculture in 2006:

Key issues for agriculture in the 2006 legislative session

➤ **Tax Fairness**

- Support legislation to exempt off-road diesel for agricultural use from the state’s portion of the sales tax.
- Support legislation to exempt agricultural equipment and repair parts from the state portion of the sales tax.
- Support extension of the current fruit and vegetable processor tax incentives to the entire food/agriculture industry.

- **Renewable Energy**
 - Support Renewable Energy including a capital construction fund and incentives to encourage biofuel production in Washington.
- **Restoring Competitiveness in Labor Intensive Agriculture**
 - Support an unemployment compensation model that recognizes the critical importance of labor-intensive agriculture to our state and makes an equitable provision for agricultural employers and seasonal workers.
 - Support a minimum wage study bill that analyzes the impact of Washington's wage scale on agricultural employment rates and the displacement of low-income workers.
- **Land Use**
 - Support exempting agriculture from critical area ordinances.
 - Support legislation precluding wetlands converted to cropland prior to 1985 from regulation as wetlands.
- **Water Management**
 - Support retaining the present exempt well statute (especially as the exemption relates to stock water as affirmed by the 2005 Attorney General Opinion).
 - "No net loss (plus)" is not an acceptable policy. The state should focus on "regional initiatives" in a voluntary process that develops unique solutions for each region without imposing restrictions on water users in other areas. If the Columbia River Initiative is to go forward with a "no net loss" policy, there must be specific statutory authority granted by the legislature first.
 - Support repeal or at least modification of the relinquishment statute through means such as:
 - Exempting voluntary conservation of ground water in the Odessa Sub-basin, and
 - Long-term crop rotation exemption from relinquishment.
 - Support allocation of water and creation of storage projects to ensure irrigation water supply.
- **Operating Budget**
 - Support \$1.8 million for agricultural employers to comply with the ChE regulation.
 - Support continued funding of the Trade Barrier and Market Access program in WSDA.
 - Support \$800,000 in operating funds for the Ag WeatherNet.
 - Support \$200,000 for WDFW monitoring of range lands and to offset costs associated with the grazing pilot program.
 - Support \$250,000 for an evaluation of the impact from and threats to the Agricultural industry in Washington State (SWOT analysis).
 - Support \$350,000 to analyze how a comprehensive voluntary environmental incentive program can improve the baseline economic and

environmental viability of Farmers and farms in two small watershed pilot projects (one in Western Washington and one in Eastern Washington).

➤ **Transportation Budget**

- Support a budget proviso directing the WA Department of Transportation to adhere to the commitment made for the purchase and upgrade of the Palouse River-Coulee City Railroad.

➤ **Capital Budget**

- Support funding for construction of the WSU Life Sciences Building with continued work to address the needs of commodity groups.

Other issues that agriculture agrees are very important to the industry:

- Support legislation authorizing a meaningful pilot project that encourages workers to report workers' comp claims to employers and allows employers to originate workers' compensation claims.
- Support changes to the Department of Labor and Industry's right-of-entry statute requiring inspectors to ask permission prior to entering private property to conduct an inspection. If entry is denied, the agency should be able to seek an entry warrant with probable cause.
- Support a new procedure for administrative citations and increased penalties for wage and hour violations only if the legislation includes safeguards for employers and the ability to recover attorney fees if the employer prevails in an administrative hearing and the violation is not substantially justified.
- Support the present retrospective rating system as a successful public/private partnership that benefits workers and employers and oppose efforts to interfere with the contract between an employer and association.
- Support legislation to clarify that best available science informs but does not drive public policy.
- Prevent agencies from using eminent domain to acquire land that will not be used for actual public infrastructure.
- Protect pre-existing uses and the manner of those uses from new land use restrictions.
- Prohibit agencies from damaging the use and value of private property.
- Seek continued transfer of the AFO/CAFO program to the Department of Agriculture.
- Support allowing trapping of predators that threaten livestock.

- Support a policy fix and funding for the livestock ID program.
- Support Bovine Liability legislation.
- Support reducing/eliminating the public utility tax on natural gas and electricity used for agricultural industrial uses.
- Support supplemental funding for on-farm farm worker housing.
- Support funding for agricultural automation and mechanization initiatives.
- Oppose the latest workers' compensation funding diversion – the Worker/Community Right-To-Know Fund.
- Support supplemental appropriation for the farmer and farm worker mediation program.

Thank you for your leadership and your interest in assisting agriculture.

Sincerely,

*Columbia Basin Development League
Hop Growers of Washington
Washington Asparagus Commission
Washington Association of Wheat Growers
Washington Cattlemen's Association
Washington Fish Growers Association
Washington Fryer Commission
Washington Potato & Onion Association
Washington State Dairy Federation
Washington State Nursery & Landscape Assn.
Washington State Sheep Producers
Wenatchee Valley Traffic Association*

*Farwest Agribusiness Association
Washington Asparagus Council
Washington Association of Conservation Districts
Washington Cattle Feeders Association
Washington Farm Bureau
Washington Friends of Farms & Forests
Washington Growers Clearing House Association
Washington State Council of Farmer Cooperatives
Washington State Horticultural Association
Washington State Potato Commission
Washington State Turfgrass Seed Commission
Yakima Valley Growers-Shippers Association*

Cc: Caucus Leadership
House and Senate Agriculture Committees
Agricultural Organizatio