

CHAPTER 81

[Substitute Senate Bill No. 4566]

AGRICULTURAL MARKETING AGREEMENTS, COMMISSIONS—COMMODITY
COMMISSION—AUDIT PERIOD

AN ACT Relating to agriculture and marketing; amending section 49, chapter 256, Laws of 1961 as last amended by section 5, chapter 154, Laws of 1979 and RCW 15.65.490; amending section 15.66.140, chapter 11, Laws of 1961 and RCW 15.66.140; amending section 8, chapter 133, Laws of 1969 and RCW 16.67.090; and amending section 43.09-.290, chapter 8, Laws of 1965 as amended by section 6, chapter 336, Laws of 1981 and RCW 43.09.290.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 49, chapter 256, Laws of 1961 as last amended by section 5, chapter 154, Laws of 1979 and RCW 15.65.490 are each amended to read as follows:

The director and each of his designees shall keep or cause to be kept separately for each agreement and order in accordance with accepted standards of good accounting practice, accurate records of all assessments, collections, receipts, deposits, withdrawals, disbursements, paid outs, moneys and other financial transactions made and done pursuant to such order or agreement, and the same shall be audited at least ~~((annually))~~ every five years subject to procedures and methods lawfully prescribed by the state auditor. The books and accounts maintained under every such agreement and order shall be closed as of the last day of each fiscal year of the state of Washington or of a fiscal year determined by the director. A copy of every such audit shall be delivered within thirty days after the completion thereof to the governor and the commodity board of the agreement or order concerned.

Sec. 2. Section 15.66.140, chapter 11, Laws of 1961 and RCW 15.66-.140 are each amended to read as follows:

Every marketing commission shall have such powers and duties in accordance with provisions of this chapter as may be provided in the marketing order and shall have the following powers and duties:

- (1) To elect a chairman and such other officers as determined advisable;
- (2) To adopt, rescind and amend rules and regulations reasonably necessary for the administration and operation of the commission and the enforcement of its duties under the marketing order;
- (3) To administer, enforce, direct and control the provisions of the marketing order and of this chapter relating thereto;
- (4) To employ and discharge at its discretion such administrators and additional personnel, attorneys, advertising and research agencies and other persons and firms that it may deem appropriate and pay compensation to the same;

(5) To acquire personal property and lease office space and other necessary real property and transfer and convey the same;

(6) To institute and maintain in its own name any and all legal actions, including actions by injunction, mandatory injunction or civil recovery, or proceedings before administrative tribunals or other governmental authorities necessary to carry out the provisions of this chapter and of the marketing order;

(7) To keep accurate records of all its receipts and disbursements, which records shall be open to inspection and audit by ~~((legal agencies of the state and make annual reports therefrom to))~~ the state auditor at least every five years;

(8) Borrow money and incur indebtedness;

(9) Make necessary disbursements for routine operating expenses;

(10) Such other powers and duties that are necessary to carry out the purposes of this chapter.

Sec. 3. Section 8, chapter 133, Laws of 1969 and RCW 16.67.090 are each amended to read as follows:

The powers and duties of the commission shall include the following:

(1) To administer and enforce the provisions of this chapter, and do all things reasonably necessary to effectuate the purposes of this chapter;

(2) To elect a chairman and such other officers as it deems advisable;

(3) To employ and discharge at its discretion a manager, secretary, and such other personnel, including attorneys engaged in the private practice of law subject to the approval and supervision of the attorney general, as the commission determines are necessary and proper to carry out the purposes of this chapter, and to prescribe their duties and powers and fix their compensation;

(4) To adopt, rescind, and amend rules, regulations and orders for the exercise of its powers hereunder subject to the provisions of chapter 34.04 RCW (Administrative Procedure Act) as now or hereafter amended;

(5) To establish by resolution, a headquarters which shall continue as such unless and until so changed by the commission. All records, books and minutes of the commission shall be kept at such headquarters;

(6) To require a bond of all commission members and employees of the commission in a position of trust in the amount the commission shall deem necessary. The premium for such bond or bonds shall be paid by the commission from assessments collected. Such bond shall not be necessary if any such commission member or employee is covered by any blanket bond covering officials or employees of the state of Washington.

(7) To establish a beef commission revolving fund, such fund to be deposited in a bank or banks or financial institution or institutions, approved for the deposit of state funds, in which all money received by the commission, except an amount of petty cash for each day's needs not to exceed one hundred dollars, shall be deposited each day or as often during the day as

advisable; none of the provisions of RCW 43.01.050 as now or hereafter amended shall apply to money collected under this chapter;

(8) To prepare a budget or budgets covering anticipated income and expenses to be incurred in carrying out the provisions of this chapter during each fiscal year;

(9) To incur expense and enter into contracts and to create such liabilities as may be reasonable for the proper administration and enforcement of this chapter;

(10) To borrow money, not in excess of its estimate of its revenue from the current year's contributions;

(11) To keep or cause to be kept in accordance with accepted standards of good accounting practice, accurate records of all assessments, expenditures, moneys and other financial transactions made and done pursuant to this chapter. Such records, books and accounts shall be audited at least ~~((annually))~~ every five years subject to procedures and methods lawfully prescribed by the state auditor. Such books and accounts shall be closed as of the last day of each fiscal year of the state of Washington. A copy of such audit shall be delivered within thirty days after completion thereof to the director, the state auditor and the commission. On such years and in such event the state auditor is unable to audit the records, books and accounts within six months following the close of the ~~((fiscal year))~~ audit period it shall be mandatory that the commission employ a private auditor to make such audit;

(12) To sue and be sued as a commission, without individual liability for acts of the commission within the scope of the powers conferred upon it by this chapter;

(13) To cooperate with any other local, state, or national commission, organization or agency, whether voluntary or established by state or federal law, including recognized livestock groups, engaged in work or activities similar to the work and activities of the commission created by this chapter and make contracts and agreements with such organizations or agencies for carrying on joint programs beneficial to the beef industry;

(14) To accept grants, donations, contributions or gifts from any governmental agency or private source for expenditures for any purpose consistent with the provisions of this chapter;

(15) To operate jointly with beef commissions or similar agencies established by state laws in adjoining states.

***Sec. 4. Section 43.09.290, chapter 8, Laws of 1965 as amended by section 6, chapter 336, Laws of 1981 and RCW 43.09.290 are each amended to read as follows:**

For the purposes of RCW 43.09.290 through 43.09.340 and 43.09.410 through 43.09.418, post-audit means an annual audit of the books, records, funds, and financial transactions of a state department for a complete fiscal period; pre-audit means all other audits and examinations; state department

means elective officers and offices, and every other office, officer, department, board, council, committee, commission (except agricultural commodity commissions), authority, or agency of the state government now existing or hereafter created, supported, wholly or in part, by appropriations from the state treasury or funds under its control, or by the levy, assessment, collection, or receipt of fines, penalties, fees, licenses, sales of commodities, service charges, rentals, grants-in-aid, or other income provided by law, and all state educational, penal, reformatory, charitable, eleemosynary, or other institutions, supported, wholly or in part, by appropriations from the state treasury or funds under its control.

*Sec. 4. was vetoed, see message at end of chapter.

Passed the Senate February 16, 1982.

Passed the House March 6, 1982.

Approved by the Governor March 27, 1982, with the exception of Section 4, which is vetoed.

Filed in Office of Secretary of State March 27, 1982.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith without my approval as to Section 4 Substitute Senate Bill No. 4566 entitled:

"AN ACT Relating to agriculture and marketing."

Section 4 exempts agricultural commodity commissions from paying for audits performed by the State Auditor. Exempting commodity commissions from the requirement to reimburse the State Auditor for services received is inequitable and an unwarranted exception to the established policy of agencies paying for services received. It is particularly inappropriate in that this bill provides for a reduction in the frequency of required audits by the State Auditor from annual audits to at least one audit every five years.

By exempting agricultural commodity commissions from the definition of a "state department" Section 4 could also exempt these commissions from the jurisdiction of the State Auditor for purposes of departmental audits.

I have therefore vetoed Section 4. The remainder of Substitute Senate Bill No. 4566 is approved."

CHAPTER 82

[Senate Bill No. 4706]

SPIRIT LAKE MEMORIAL HIGHWAY

AN ACT Relating to the Spirit Lake Memorial Highway; amending section 132, chapter 51, Laws of 1970 ex. sess. and RCW 47.17.655; adding a new section to chapter 47.20 RCW; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 132, chapter 51, Laws of 1970 ex. sess. and RCW 47.17.655 are each amended to read as follows:

A state highway to be known as state route number 504, hereby designated the Spirit Lake Memorial Highway, dedicated to the memory of those