this 1987 act. If any such registered pharmacist shall suspect that any person desiring to purchase strychnine intends to use the same for the purpose of poisoning unlawfully any domestic animal or domestic bird, he may refuse to sell to such person, but whether or not he makes such sale, he shall if he so suspects an intention to use the strychnine unlawfully, immediately notify the nearest peace officer, giving such officer a complete description of the person purchasing, or attempting to purchase, such strychnine.

<u>NEW SECTION.</u> Sec. 8. Sections 1 through 6 of this act shall constitute a new chapter in Title 69 RCW.

Passed the Senate April 7, 1987. Passed the House April 1, 1987. Approved by the Governor April 13, 1987. Filed in Office of Secretary of State April 13, 1987.

## CHAPTER 35

## [Engrossed Substitute Senate Bill No. 5170] NURSERY DEALER LICENSES AND FEES—ROOTSTOCK ANNUAL ASSESSMENT—FUNDS

AN ACT Relating to agricultural fees and assessments; and amending RCW 15.13.280, 15.13.310, and 15.13.470.

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

Sec. 1. Section 4, chapter 33, Laws of 1971 ex. sess. as last amended by section 4, chapter 36, Laws of 1985 and RCW 15.13.280 are each amended to read as follows:

(1) No person shall act as a nursery dealer without a license for each place of business where horticultural plants are sold except as provided in RCW 15.13.270. Any person applying for such a license shall apply through the master license system. The application shall be accompanied by ((the following annual licensing fcc:)) a fee established by the director by rule. The director shall establish by rule, in accordance with chapter 34.04 RCW, a schedule of fees for retail nursery dealer licenses and a schedule of fees for wholesale nursery dealer licenses which shall be based upon the amount of a person's retail or wholesale sales of horticultural plants and turf. The schedule for retail licenses shall include, but shall not be limited to, separate fees for at least the following two categories: (a) A fee for a person whose gross business sales of such materials do not exceed two thousand five hundred dollars; and (b) a fee for a person whose gross business sales of such materials do not exceed two thousand five hundred dollars. (((a) Retail licenses:

(i) A twenty-five dollar license fee if gross business sales for horticultural plants and turf do not exceed two thousand five hundred dollars;

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(ii) A fifty dollar license fee if such gross business sales are between two thousand five hundred dollars and fifteen thousand dollars; and

(iii) A one hundred dollar license fee if such gross business sales are fifteen thousand dollars c. more;

(b) Wholesale licenses:

(i) A fifty dollar license fee if gross business sales for horticultural plants and turf are less than fifteen thousand dollars; and

(ii) A one hundred dollar license fee if such gross business sales are fifteen thousand dollars or more.))

(2) Except as provided in RCW 15.13.270, a person conducting both retail and wholesale sales of horticultural plants at a place of business shall secure for the place of business (a) a retail nursery dealer license if retail sales of the plants and turf exceed such wholesale sales, or (b) a wholesale nursery dealer license if wholesale sales of the plants and turf exceed such retail sales.

(3) The licensing fee that must accompany an application for a new license shall be based upon the estimated gross business sales of horticultural plants and turf for the ensuing licensing year. The fee for renewing a license shall be based upon the licensee's gross sales of such products during the preceding licensing year.

(4) The license shall expire on the master license expiration date unless it has been revoked or suspended prior to the expiration date by the director for cause. Each license shall be posted in a conspicuous place open to the public in the location for which it was issued.

(5) The department may audit licensees during normal business hours to determine that appropriate fees have been paid.

Sec. 2. Section 7, chapter 33, Laws of 1971 ex. sess. as amended by section 4, chapter 73, Laws of 1983 1st ex. sess. and RCW 15.13.310 are each amended to read as follows:

(1) There is hereby levied an annual assessment ((of one percent)) on the gross sale price of the wholesale market value for all fruit trees, fruit tree seedlings, ((and)) fruit tree rootstock, and all other rootstock used for fruit tree propagation produced in Washington, and sold within the state or shipped from the state of Washington by any licensed nursery dealer during any license period, as set forth in this chapter((: PROVIDED, That)). The director ((may)) shall by rule subsequent to a hearing((, on or after this chapter has been in effect for a period of two years, reduce such assessment to conform)) determine the rate of an assessment conforming with the costs necessary to carry out the fruit tree certification and nursery improvement programs specified in RCW 15.13.470.

Such wholesale market price may be determined by the wholesale catalogue price of the seller of such fruit trees, fruit tree seedlings, or fruit tree rootstock or of the shipper moving such fruit trees, fruit tree seedlings, or fruit tree rootstock out of the state. If the seller or shipper do not have a catalogue, then such wholesale market price may be based on the actual selling price or an average wholesale market price. The director in determining such average wholesale market price may use catalogues of various businesses licensed under the provisions of this chapter or any other reasonable method.

(2) Such assessment shall be due and payable on the first day of July of each year.

(3) The gross sale period shall be from July 1 to June 30 of the previous license period.

(4) The department may audit the records of licensees during normal business hours to determine that the appropriate assessment has been paid.

Sec. 3. Section 25, chapter 33, Laws of 1971 ex. sess. as last amended by section 5, chapter 36, Laws of 1985 and RCW 15.13.470 are each amended to read as follows:

All moneys ((except assessments and penalties)) collected under ((the provisions of)) this chapter shall be paid ((into the nursery inspection fund in-the state treasury which is hereby established. Such fund shall be used only in the administration and enforcement of this chapter. All moneys collected under the provisions of chapter 15.13 RCW and remaining in such nursery inspection account in the state general fund on July 1, 1975, shall likewise be used only in the administration and enforcement of this chapter)) to the director, deposited in an account within the agricultural local fund, and used solely for carrying out this chapter and rules adopted under this chapter. No appropriation is required for the disbursement of moneys from the account by the director. Any residual balance of funds remaining in the nursery inspection fund on the effective date of this 1987 section shall be transferred to that account within the agricultural local fund: PROVID-ED, That all fees collected for fruit tree, fruit tree seedling and fruit tree rootstock assessments as set forth in this chapter shall be deposited in the northwest nursery fund to be used only for the Washington fruit tree certification and nursery improvement programs as set forth in this chapter and chapter 15.14 RCW. For the purpose of testing and improvement of fruit trees, fruit tree seedlings, fruit tree rootstock, or other plant material used for the propagation of fruit trees, the director may, with advice from the advisory committee under RCW 15.13.320, expend up to fifty percent of the money collected from assessments during each fiscal year ending June 30. At no time may such contribution allow the balance of the northwest nursery fund to fall below the combined program cost of the two previous fiscal years. The amount of this minimum balance shall be determined by the director on June 30 of each year.

Passed the Senate April 7, 1987. Passed the House April 2, 1987. Approved by the Governor April 13, 1987. Filed in Office of Secretary of State April 13, 1987.