PREPROPOSAL STATEMENT OF INQUIRY

CR-101 (June 2004)
(Implements RCW 34.05.310)
Do **NOT** use for expedited rule making

Agency: Agriculture

Subject of possible rule making: The department proposes to repeal chapter 16-239 WAC (WSDA grain inspection program -- Definitions, standards, fees and charges) and replace it with chapter 16-240 WAC (WSDA grain inspection program -- Definitions, standards, and fees), which will be written in a clear and readable style and format. The proposed new chapter will:

- Simplify grain inspection fees by deleting many minor fee categories.
- Change the calculation of inspection fees assessed by the ton from a short-ton fee basis (2000 pounds) to a metric-ton fee basis (2204.6 pounds).
- Increase some line item fees in excess of the fiscal growth factor.

Statutes authorizing the agency to adopt rules on this subject: Chapter 25, Laws of 2003, 2003 1st Special Session, Section 309, Subsection (2); Chapter 22.09 RCW; and Chapter 34.05 RCW.

Reasons why rules on this subject may be needed and what they might accomplish: The Grain Inspection Program is supported entirely by the fees it generates from the services it provides. RCW 22.09.790 (Inspection or grading of commodities -- Fees and charges) authorizes the department to:

- Set the fees for inspection, grading, and weighing of the commodities included under the provisions of chapter 22.09 RCW and mandates that these fees must be sufficient to cover the cost of the services provided.
- Make any tests relating to grade or quality of commodities covered by this chapter; inspect and approve facilities and vessels to be used in transporting such commodities; provide any other necessary services; and set reasonable fees for such services.
- Adjust the fees collected under chapter 22.09 RCW in order to meet the expenses necessary to carry out the provisions of the chapter, and allows the department to prescribe a different scale of fees for different localities.
- If necessary, establish a reasonable charge, in addition to the regular grain inspection program fees, for service performed at places other than terminal warehouses in order to avoid rendering the services at a loss to the state.

The proposed fee increases are necessary to offset inflationary increases in Grain Inspection Program operating expenses.

Finally, the department proposes to write the new fee schedule to take advantage of automation efficiencies. To that end, the department proposes to remove many minor fees.

Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies: The Grain Inspection, Packers and Stockyards Administration, Federal Grain Inspection Service (USDA, GIPSA, FGIS) must approve changes in the WSDA Grain Inspection Program's fee schedule.

Process for developing new rule (check all that apply):

- ☐ Negotiated rule making
- ☐ Pilot rule making
- ☐ Agency study
- ☒ Other (describe) Grain Inspection Program staff will develop the proposed fee increases based upon program needs and recommendations from the Grain Inspection Program Advisory Committee.

How interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication:
You may contact the Grain Inspection Program Manager and/or contact the Grain Inspection Program Advisory Committee. Also, you may submit comments during the public comment period and participate in the public hearing process.

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