Mark your calendar!

2015 Dairy Industry Annual Meeting & Trade Show
November 9 Pre-Conference Day
November 10-11 Conference
Wenatchee Convention Center

November 9 — Come in a day early and experience Wenatchee and attend the evening dinner at a local farm.

November 10 — Registration begins at 7 a.m. Stop by the Udder Café and have coffee and donuts and get ready for the first session at 10:00. Then general sessions, training, and break out sessions will be held before the Wine & Cheese Reception at 5:00 p.m. and the Dairy Women’s Dinner & Auction at 6:00. A Hospitality Suite will be available following the dinner.

November 11 — Breakfast is at 8:00 a.m., with sessions, WSDF & WSDW business meetings at 10:30, followed by two more break outs in the afternoon. Dinner and the movie Milk Men will wrap up the evening.

Producers: watch for information on Early Registration. You might get a FREE night’s stay at the hotel!
2015 LEGISLATIVE SESSION REPORT

176 Days

The Legislature spent a record 176 days in 2015 to reach agreement on a budget, transportation package, and policy bills. They were scheduled for a 105-day regular session. Then, they had two 30-day special sessions. Then a THIRD special session that lasted another 11 days.

Other than taking an extraordinary amount of time, it wasn’t all that bad.

Carbon & Income Tax Demand

Early in the regular session, the governor demanded a carbon tax scheme and a capital gains income tax, both of which were dropped after revenue forecasts showed a roughly 10% growth in state revenue without increasing taxes.

Education

Education was front and center during the legislative sessions. The state Constitution says that providing for basic education is a paramount duty of the state, and the state Supreme Court has been pressuring the Legislature to increase funding for K-12.

And they did. K-12 education now makes up 48% of the state General Fund budget, and there is a projected 19% increase in per-student funding as a result of the new budget. Between lower grade (K-3) class-size reductions, capital construction projects and general appropriations, basic education received billions of dollars more in appropriations in 2015.

We will soon see if these changes satisfy the state Supreme Court, which has held the Legislature in contempt for their previously slow increases in K-12 funding.

Transportation

The Legislature also passed a $16.8 billion transportation package, with split votes in both the Senate and House and splits within both political parties. The package includes a fuel tax increase of nearly 12¢ per gallon. There was a good deal of debate as to whether reforms in transportation policy were enough to justify what will become one of the highest fuel taxes in the nation. Major and minor transportation improvement projects across the state were included in the transportation package.

The state budget also included:

- $575,000 for the voluntary review and voluntary training regarding agronomic rate of application of dairy nutrients.
- $7.6 million for the 26 remaining counties to get started with the Voluntary Stewardship Program as an alternative to a regulatory approach under the state Growth Management Act.
- Continuation of the tax exemption for food and beverage manufacturing for products sold out of state.
- The Capital Budget includes fund for loans for anaerobic digester projects and dairy nutrient management demonstration projects in both Eastern Washington and Western Washington.
- The Capital Budget also includes $50 million for priority flood protection and habitat restoration projects and more than $60 million is appropriated for the Yakima Integrated plan to increase water storage and distribution. Funds are also appropriated separately for the Lower Yakima Ground Water Management Area.

In addition, legislation was earlier passed and signed into law:

- Continuing the assessment for milk inspections, a program of vital importance to the dairy industry.
- Allowing the Department of Agriculture to move forward on implementation of an electronic reporting system for the transfer of ownership of dairy cattle. The 15-head exemption for private sales of unbranded mature females will end January 1, 2016. The goal is to have the electronic system in place before then.
- It will be less bothersome than a brand inspection.
- It will be less costly than a brand inspection.
- You will be able to report electronically the sale of ALL breed and age of dairy cattle that are not branded and not sold at a public auction.

We are working out details and specific costs with the Department of Agriculture.

What DID NOT HAPPEN this legislative session is also good news:

- NO Capital Gains Income Tax
- NO Carbon Tax
- NO new labor laws that put an untenable burden of proof on employers with regard to accusations of retaliation.
- NO new mandates on leave requirements.

All in all, this was a very good legislative session.

Dan Wood, Executive Director

Jay Gordon, Dir., Policy & Gov’t Affairs