Negotiating agents—Association of producers—Accreditation. (1) An association of producers may file an application with the director:
   (a) Requesting accreditation to serve as the exclusive negotiating agent on behalf of its producer members who are within a proposed negotiating unit with respect to any qualified commodity;
   (b) Describing geographical boundaries of the proposed negotiating unit;
   (c) Specifying the number of producers and the quantity of products included within the proposed negotiating unit;
   (d) Specifying the number and location of the producers and the quantity of products represented by the association;
   (e) Agreeing to reimburse the department for all anticipated and uncovered costs incurred by the department for actions necessary to carry out the provisions of this chapter; and
   (f) Supplying any other information required by the director.
(2) Within a reasonable time after receiving an application under subsection (1) of this section, the director shall approve or disapprove the application in accordance with this section.
   (a) The director shall approve the initial application or renewal if the director determines that:
      (i) The association is owned and controlled by producers under the charter documents or bylaws of the association;
      (ii) The association has valid and binding contracts with its members empowering the association to sell or negotiate terms of sale of its members' products or to negotiate for compensation for products produced under contract by its members;
      (iii) The association represents a sufficient percentage of producers or that its members produce a sufficient percentage of agricultural products to enable it to function as an effective agent for producers in negotiating with a given handler as defined in rules promulgated by the department. In making this finding, the director shall exclude any quantity of the agricultural products contracted by producers with producer-owned and controlled processing cooperatives with its members and any quantity of these products produced by handlers;
      (iv) One of the association's functions is to act as principal or agent for its members in negotiations with handlers for prices and other terms of trade with respect to the production, sale, and marketing of the products of its members, or for compensation for products produced by its members under contract;
      (v) Sufficient resources, including public funds and any funds to be provided by the applicant under reimbursement agreements, will be available to cover department costs for services provided by the department in carrying out the provisions of this chapter, including department costs to defend a decision made by the department under this chapter if such a decision is appealed; and
      (vi) Accreditation would not be contrary to the policies established in RCW 15.83.005.
   (b) If the director does not approve the application under (a) of this subsection, then the association of producers may file an amended application with the director. The director, within a reasonable time, shall approve the amended application if it meets the requirements set out in (a) of this subsection.
(3) The department shall provide the association an estimate of expenses that may be incurred prior to the department's provision of services.

(4) At the discretion of the director, or upon submission of a timely filed petition by an affected handler or an affected association of producers, the association of producers accredited under this section may be required by the director to renew the application for accreditation by providing the information required under subsection (1) of this section. [2020 c 176 § 2; 1989 c 355 § 3.]