

**HOUSE COMMITTEE ON**  
**AGRICULTURE AND NATURAL RESOURCES**

February 2, 2005 Hearing Room C

9:00 A.M. Tapes 12 - 13

Corrected 9/26/2005)

**MEMBERS PRESENT:** Rep. Patti Smith, Chair

Rep. Brian Boquist, Vice-Chair

Rep. Arnie Roblan, Vice-Chair

Rep. Terry Beyer

Rep. Chuck Burley

Rep. Mark Hass

Rep. Mac Sumner

**STAFF PRESENT:** Patrick Brennan, Committee Administrator

Jania Zeeb, Committee Assistant

**MEASURES/ISSUES HEARD:**

**Oregon Department of Agriculture – Informational Meeting**

**Animal Health Issues**

**Food Safety Certification**

**Buy Oregon Program**

**Brand Oregon Update**

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

<b>TAPE/#</b>	<b>Speaker</b>	<b>Comments</b>
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**TAPE 12, A**

003	Chair P. Smith	Calls the meeting to order at 9:01 a.m. and opens the informational meeting on the Oregon Department of Agriculture food certification and fee restructuring.
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**OREGON DEPARTMENT OF AGRICULTURE – INFORMATIONAL MEETING**

**ANIMAL HEALTH ISSUES**

015	Katy Coba	Director, Oregon Department of Agriculture (ODA). Gives an overview of what will be discussed in the presentation. Discusses animal health issues, including Bovine Spongiform Encephalopathy (BSE), commonly referred to as Mad Cow Disease.
045	Dr. Don Hansen	State Veterinarian, ODA. Updates the committee on what is happening with BSE.
068	Hansen	Details the prevention measures that the federal government adopted in response to the infected cow discovered in Washington in December 2003.
115	Hansen	States that if countries comply with the prevention measures then live animals and meat products can be imported from other countries, including Canada.
125	Hansen	Discusses what is currently being done to watch for BSE. Explains current studies and their significance.
145	Hansen	Offers suggestions for opening the Canadian border to beef. Maintains that scientific-based decisions are important, however if Canada is in compliance it would be good to resume trade with them.
172	Chair P. Smith	Inquires if Dr. Hansen believes that everything is being taken care of from the federal level, and the United States Department of Agriculture (USDA) is handling the situation appropriately.

175	Hansen	Responds that the USDA is showing an appropriate amount of restraint.
181	Rep. Sumner	Inquires how BSE has impacted the retail cost of beef, both in Oregon and nationwide.
187	Hansen	Responds that he does not have that number with him but says that there was an effect.
192	Coba	Responds that she does not have specific dollar amounts. States that when the incident happened the demand for beef actually increased, and has remained high since. Remarks that USDA is doing as good a job as can be expected.
214	Rep. Boquist	States that he is interested in the market share impact on farmers of the demand for beef and suggestions for fixing the problem.
229	Hansen	Gives information on West Nile Virus and how it is affecting Oregon.
249	Hansen	States that surveillance is in place but that the department is waiting for money from the Federal government. Points out that there were five human cases in Oregon and that all five individuals recovered.
274	Chair P. Smith	Asks if they can vaccinate a horse before they contract the disease as a preventative measure.
276	Hansen	Answers that it is possible and that the department recommends it be done now.
280	Chair P. Smith	Inquires if humans get the virus from the same mosquito that infects horses.
282	Hansen	States that Chair P. Smith is correct.
284	Rep. Sumner	Inquires if something is being done to eradicate the carriers.
290	Hansen	Remarks that the department is currently working on a plan to do that.
301	Rep. Boquist	Asks if the case in Jackson County originated there or in Malheur County.

309	Hansen	Stated that no connection was made with Malheur County for the Jackson County case.
315	Rep. Bouquist	Comments that there are going to be some serious problems because there was no hard freeze this winter, meaning that the mosquito population will be large.
325	Hansen	Offers a brief overview of avian influenza and the affect on the human population.
347	Hansen	Reviews what is currently being done with the commercial and non-commercial poultry growers as a result of avian influenza.
371	Rep. Beyer	Inquires what Mr. Hansen means by keeping bird populations under surveillance.
378	Hansen	Clarifies that surveillance means physically sampling birds to test for the virus.
390	Hansen	Explains the animal health division emergency response plan.

**TAPE 13, A**

010	Hansen	Continues explaining the emergency response plan. Informs the committee that this spring there will be a test run of the plan with five counties.
020	Rep. Boquist	Inquires if the effort is being coordinated with Homeland Security and the police in order to keep everyone informed of the procedures.
028	Hansen	Responds that Rep. Boquist is correct. Mentions that the department is building a group of accredited veterinarians that to be first responders in case of an emergency.
040	Rep. Boquist	States that he would be interested in visiting with Dr. Hansen when the department tests the emergency response plan
043	Chair P. Smith	Inquires if there is going to be a video of the test run.
044	Hansen	Responds that he had not thought of creating a video.

045	Rep. Burley	Asks if the plan is being shared with user groups and if they are involved in preparing the plan.
047	Hansen	States that they are, particularly at local levels.
050	Coba	Expresses hope that the emergency response plan will never be needed.
052	Rep. Roblan	Inquires if there is an ongoing check of the wildlife population for diseases.
057	Hansen	Points out that the Oregon Department of Fish and Wildlife (ODFW) does a certain amount of testing and is on the lookout for large die offs. States that local farmers and ranchers report other unusual events.
068	Rep. Roblan	Expresses his concern about the disease spreading to other states.

#### **FOOD SAFETY CERTIFICATION**

070	Coba	Introduces Dalton Hobbs and details what he will be presenting on.
091	Dalton Hobbs	Submits and presents PowerPoint presentation on food certification <b>(EXHIBIT A)</b> .
179	Hobbs	Explains ODA's involvement in the certification process.
220	Rep. Burley	Inquires about the meaning of the acronyms contained within the materials <b>(EXHIBIT A, Page 5)</b> .
225	Hobbs	Explains Good Agriculture Processes (GAP), the Good Handling Processes (GHP), and European Good Agriculture Practice (EurepGAP). States that these programs are critical for assuring a high quality food product and they lessen the risk of illness and food recall. States that EurepGAP is a heightened version of GAP that is socially responsible as well as environmentally responsible.
289	Coba	States that Oregon producers are in a good position to take advantage of EurepGap, with the current problem being documentation.

303	Rep. Sumner	Inquires how people become certified organic growers.
308	Hobbs	Answers that USDA has descriptions of organic certification. States that organic means that it was produced using only approved pesticides, not necessarily produced without pesticide.
338	Coba	Adds that ODA does not do organic certification, it is done by a private nonprofit group.
344	Hobbs	Expands on ODA certification <b>(EXHIBIT A, Page 6)</b> .
378	Rep. Burley	Inquires what \$1.50 per hundred weight is in percentage of total sale value.
381	Hobbs	Gives an example of a packing house in the Klamath Basin.
390	Rep. Burley	Asks what premium the packers are getting for their efforts.
396	Hobbs	Responds that \$1.50 per hundred weight represents about a 10 percent premium. Continues the presentation by discussing the challenges of certification programs.

**TAPE 12, B**

014	Rep. Boquist	Inquires what the department's rationale is for how it is allocating its resources against the certification. Lists three reasons why certification is important. Asks what the department's percentage of efforts is to address certification and what are the outcomes. Wonders if the state is putting its money where it should be.
034	Coba	Offers to explore the issue with Rep. Boquist at a later time. States that certification is a piece of what they do overall in the department.
050	Rep. Boquist	States that the agriculture community can alleviate consumer fears. Asks if the department's input is on how much is legal liability.
063	Rep. Burley	Remarks that there is not a lot of premium in the certification programs, but they are necessary to eliminate trade barriers. Inquires what the costs of the certification process is.

073	Coba	States that Rep. Burley is correct and gives example of the nursery industry.
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**BUY OREGON PROGRAM**

081	Coba	Introduces Pat Dudley, and gives background on what Ms. Dudley will be talking about.
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092	Pat Dudley	Member, Oregon Board of Agriculture. States she chaired a work group on increasing sales of Oregon grown products. Says that the state only purchases food for the Department of Corrections, which can have only a small impact on Oregon's agriculture industry, therefore they need to address the consumer public.
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139	Dudley	Discusses the fact finding effort that was a result of the work group, which interviewed local producers and distributors of food.
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148	Dudley	Talks about the need to move beyond fresh produce and identify processed locally grown products.
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158	Dudley	Lists the organizations that were interviewed. Remarks that processors and distributors have a way of identifying where ingredients come from. They need and incentive to share this information with the public. Notes that all distributors are conscious of the trend in the market of people wanting to know where their food is from.
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193	Dudley	States that there is also an interest in knowing where the product came from also in specialty crops such as wine. Discusses a flow chart that was created by the work group to show how to develop a system to identify producers of products with locally grown ingredients.
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234	Dudley	Mentions the idea of looking at what other states are doing to promote locally grown food to help give us models. Expresses hope that this will help the work group prepare a good recommendation for the board.
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278	Rep. Roblan	References the food program in Washington. Inquires if the work group looked at that to see if that program worked.
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281	Dudley	Responds that it is unknown, when the work group met the program had just began so the numbers were unavailable.
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291	Rep. Boquist	States that wholesalers and purchasers want to put a face with the products.
298	Dudley	States that Rep. Boquist is correct and gives an example of Japanese grocery stores.
305	Coba	Gives an example of how such efforts have enhanced the blueberry market in Japan.

#### **BRAND OREGON UPDATE**

356	Hobbs	Submits and begins PowerPoint presentation on Seafood Oregon update <b>(EXHIBIT B)</b> .
390	Hobbs	Gives information on the seafood Oregon program and the history of the program and what it has done.

#### **TAPE 13, B**

032	Hobbs	Continues presentation and expands on the Wild Oregon program <b>(EXHIBIT B)</b> .
049	Rep. Roblan	Inquires if the department has looked at other markets in Washington or California.
060	Hobbs	States that on the West coast the consumers like to buy locally, so they want to look at markets in the midwest because there is less competition.
090	Brent Searle	Analyst, Department of Agriculture. Submits and presents a handout on the <i>Renewable Energy Position at the Oregon Department of Agriculture</i> <b>(EXHIBIT C)</b> .
136	Searle	States how the ODA has been involved in educating people and linking growers with business interest.
146	Searle	Expands on the dilemma between supply and demand, states that the issues are currently being addressed, and economics are encouraging. Renewable energy has potential for money for local growers.



170	Searle	Refers to the renewable energy specialist list ( <b>EXHIBIT C, Page 2</b> ).
184	Chair P. Smith	Closes the informational meeting on the Oregon Department of Agriculture Food Certification and Fee Restructuring, and adjourns the meeting at 10:37 a.m.

### **EXHIBIT SUMMARY**

- A. Food Safety Certification, PowerPoint presentation, Dalton Hobbs, 6 pp**
- B. Brand Oregon Update, PowerPoint presentation, Dalton Hobbs, 2 pp**
- C. Brand Oregon Update, report, Brent Searle, 2 pp**