

**HOUSE COMMITTEE ON BUSINESS, LABOR
AND CONSUMER AFFAIRS**

August 26, 2003 Hearing Room B
12:00 PM Tape 123

MEMBERS PRESENT: **Rep. Betsy Close, Chair**
 Rep. Derrick Kitts, Vice-Chair
 Rep. Diane Rosenbaum, Vice-Chair
 Rep. Mary Gallegos
 Rep. Bill Garrard
 Rep. Jeff Merkley
 Rep. Mike Schaufler

STAFF PRESENT: **Jan McComb, Committee Administrator**
 Romy Dye, Committee Assistant

MEASURE/ISSUES HEARD: **SB 355 A – Work Session**

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.

TAPE/#	Speaker	Comments
TAPE 123, A		
005	Chair Close	Calls the meeting to order at 12:00 PM. Opens a work session on SB 355 A.
008	Jan McComb	Committee Administrator. Provides an overview of SB 355 A, which requires that certain stores require identification of individuals from whom stores purchase used goods. Presents – A3 amendments dated 6/5/03 (EXHIBIT A).
013	Joe Gilliam	Oregon Grocery Association. Explains the -3 amendments. Expresses concerns with local labeling laws: <ul style="list-style-type: none">● Food safety● When divide local labeling laws it makes distribution almost impossible where the products would be taken from the shelf
030	Chair Close	Asks how Mr. Gilliam's industry would handle local government in terms of the labeling problem. Asks if certain products would not go to that locality.
035	Gilliam	Responds there would be a problem with product delivery in those areas especially the smaller the location. Discusses effects it has on labeling.
040	Rep. Merkley	Comments on original HB 2957 with standards laid out. Discusses cost issue. Asks if addressing health safety and cost issues while preserving the local option is going to occur.
050	Gilliam	Explains the problem was that Legislative Counsel said you cannot compel local jurisdictions to get Federal Drug Administration approval. States the language had to be removed.
062	Rep. Rosenbaum	Compares HB 2957 with SB 355 B. Claims difference is relating to retail transactions as opposed to food labeling. Asks where packaged food is bought. Define retail transaction.

073	Gilliam	Responds those are considered retail transactions.
075	Rep. Rosenbaum	Asks for the definition of a retail transaction.
077	Gilliam	Responds a retail purchase at any place where the food is purchased as a retail customer.
078	Rep. Rosenbaum	Asks if it applies anywhere where money is exchanged for food.
082	Gilliam	Responds yes, to the customer.
085	Rep. Merkley	Asks what the driving force is that cannot be handled by the local jurisdiction responding to the fact something does not work when they try it.
093	Gilliam	Claims there have been attempts to put them on initiative ballots. Provides an example in Portland. Points out it is important in safety and accuracy to have as broad a system as possible apply to as many people as possible.
105	Rep. Kitts	Comments the bigger picture is small places can be driven out of business because of not being able to carry certain things as result of local regulations driving customers away. Expresses thanks for coming forward on the bill and supportive of the bill.
115	Rep. Kitts	MOTION: Moves to ADOPT SB 355 A-A3 amendments dated 6/5/03.
120		VOTE: 7-0
	Chair Close	Hearing no objection, declares the motion CARRIED.
125	Rep. Kitts	MOTION: Moves SB 355 A to the floor with a DO PASS AS AMENDED recommendation.
133	Rep. Merkley	Comments arguments are substantial regarding cost and health information. Discusses locally grown products. Feels should not adopt something hurting local county or city. Adds there has been no reality of measures due to wisdom of leaders. Opposes the bill.
150	Rep. Kitts	Echoes some of Rep. Merkley's comments. Supports the bill feeling it is good foresight.
155	Chair Close	Feels local people can still label their produce as local.
160		VOTE: 5-2
		AYE: 5 - Rep. Gallegos, Rep. Garrard, Rep. Schaufler, Rep. Kitts, Chair Close
		NAY: 2 - Rep. Merkley, Rep. Rosenbaum
	Chair Close	The motion Carries.
		REP. KITTS will lead discussion on the floor.
165	Chair Close	Closes the work session on SB 355 B. Adjourns the committee at 12:16 PM.

EXHIBIT SUMMARY

A – SB 355 A, -A3 amendments dated 6/5/03, staff, 1 p