

# HOUSE COMMITTEE ON AGRICULTURE & FORESTRY

February 06, 2001  
3:30 PM

Hearing Room 50  
Tapes 24 - 25

**MEMBERS PRESENT:**     **Rep. Jeff Kropf, Chair**  
                                  **Rep. Al King, Vice-Chair**  
                                  **Rep. Donna Nelson, Vice-Chair**  
                                  **Rep. Robert Ackerman**  
                                  **Rep. Dan Doyle**  
                                  **Rep. Elaine Hopson**  
                                  **Rep. Wayne Krieger**  
                                  **Rep. Mary Nolan**  
                                  **Rep. Tootie Smith**

**STAFF PRESENT:**         **Ray Kelly, Committee Administrator**  
                                  **Michael Reiley, Committee Assistant**

**MEASURE/ISSUES HEARD:**     **HB 2051 Public Hearing and Work Session**

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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.

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<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
<b>TAPE 24, A</b>		
003	Chair Kropf	Calls meeting to order at 3:45 p.m. Opens public hearing on HB 2051.
012	Ray Kelly	Committee Administrator. Reads summary of HB 2051.
<b><u>HB 2051 - PUBLIC HEARING</u></b>		
044	Tim Martinez	Vice President of Government Relations, Oregon Bankers Association (OBA). Submits prepared testimony in support of HB 2051 ( <b>EXHIBIT A</b> ).
055	Greg Duff	Chairman of Agriculture Committee, OBA. Testifies in support of HB 2051. Reads prepared testimony.
088	Donn Wiley	Western Bank and Agriculture Committee, OBA. Testifies in support of HB 2051. Reads prepared testimony.
127	Martinez	Summarizes prepared testimony.
149	Chair Kropf	Asks how differences of opinions between committees within OBA are resolved.
155	Martinez	Answers that they are able to come to consensus for the benefit of their customers.
171	Rep. King	Asks if HB 2051 would solve problem of using crop as collateral for loan.
185	Duff	Answers that lenders are unable to provide loan for growers who do not have some form of collateral.
193	Rep. King	Asks, if grower has collateral can they work with OBA.
195	Duff	Answers yes.
197	King	Asks, if there is potential to lose business, would it make it more difficult to deal with other aspects of the business process.

209	Duff	Answers that if grower does not have collateral, they must make decision whether or not they can stay in business.
214	Chair Kropf	Asks how many OBA growers sell only to cooperatives.
222	Duff	Answers that a few years ago, growers began to diversify, selling to other purchasers, but AgriBioTech bankruptcy still has significant impact.
236	Wiley	Concurs with Mr. Duff that growers are diversifying, but many are still significantly impacted by bankruptcies.
247	Rep. King	Points out that it is important to acknowledge that there may be potential benefits, and also potential detriments that may result from passage of HB 2051.
257	Rep. Nelson	Asks if cooperative issue has been resolved.
262	Chair Kropf	Answers yes. Explains that the issue is resolved with –6 amendment ( <b>EXHIBIT B</b> ).
278	Rep. Nelson	Recognizes hard work of OBA.
296	Walter Gowell	Attorney. Commends effort of work group to arrive at a consensus. Points out that HB 2051 does not pose a detrimental change to the law. States that HB 2051 helps cooperative members.
328	Chair Kropf	Asks if non-cooperative member has ability to lien cooperative for crop.
338	Gowell	Answers that they do not. Clarifies definition of “purchaser” and their relation to cooperatives. Notes that with –6 amendment, non-cooperative members would then be able to file a lien against cooperatives.
354	Chair Kropf	Asks if HB 2051 “strengthens farmers’ hand.”
360	Gowell	Answers yes.
364	Rep. Nelson	Asks, if HB 2051 had been passed prior to AgriFrozen bankruptcy, would it have helped farmers.
379	Gowell	Answers that he is not sure. Summarizes benefits HB 2051 would have for growers.

**TAPE 25, A**

004	Rep. Nelson	Asks if Mr. Gowell could provide testimony in written form.
012	Gowell	Answers yes. States that –6 amendment does not change the intent of HB 2051, but only attempts to clarify certain issues.
016	Rep. Nelson	Asks if amendments could be consolidated.
018	Chair Kropf	Answers no. Clarifies intent of proposed changes. Recesses meeting at 4:15 p.m. Re-opens meeting at 4:35 p.m. Closes public hearing on HB 2051. Opens work session on HB 2051.

**HB 2051 – WORK SESSION**

042	Ray Kelly	Summarizes –6 amendment.
099	Rep. Doyle	Declares potential conflict of interest.
<b>103</b>	<b>Rep. Doyle</b>	<b>MOTION: Moves to ADOPT HB 2051-6 amendments dated 2/6/01.</b>
107	Chair Kropf	Declares potential conflict of interest.
<b>110</b>		<b>VOTE: 9-0</b> <b>AYE: In a roll call vote, all members present vote Aye.</b> <b>The motion CARRIES.</b>
119	Kelly	Summarizes –7 amendment ( <b>EXHIBIT C</b> ).
<b>130</b>	<b>Rep. Nelson</b>	<b>MOTION: Moves to ADOPT HB 2051-7 amendments dated 2/6/01.</b>
137	Rep. Nolan	Asks for clarification about technical structure of HB 2051.
140	Kelly	Clarifies.

144	King	Commends Chuck Taylor and Legislative Counsel for completing amendments in timely manner.
149		<b>VOTE: 9-0</b> <b>AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.</b>
158	<b>Chair Kropf</b> <b>Rep. King</b>	<b>MOTION: Moves HB 2051 to the floor with a DO PASS AS AMENDED recommendation.</b>
165	Rep. Doyle	Points out significance of legislation. Commends work done by Chair Kropf.
179	Rep. Nelson	Concurs commendation of Chair Kropf.
185	Rep. King	Points out that there is still work to be done.
191	Chair Kropf	Commends work of all groups involved in working on HB 2051.
197		<b>VOTE: 9-0</b> <b>AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.</b>
209	<b>Chair Kropf</b> Chair Kropf	Closes work session on HB 2051. Adjourns meeting at 4:48 p.m.

Submitted By,

Reviewed By,

Michael Reiley,  
Committee Assistant

Ray Kelly,  
Committee Administrator

**EXHIBIT SUMMARY**

- A – HB 2051, written testimony, Tim Martinez, 3 pp**
- B – HB 2051, HB 2051-6 amendment, 1 p**
- C – HB 2051, HB 2051-7 amendment, 1 p**