

HOUSE COMMITTEE ON AGRICULTURE & FORESTRY

March 01, 2001
3:30 PM

Hearing Room 50
Tapes 37 - 38

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

MEMBER EXCUSED: **Rep. Robert Ackerman**

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

MEASURE/ISSUES HEARD: **HJM 16 – Public Hearing and 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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
TAPE 37, A		
003	Chair Kropf	Calls meeting to order at 3:32 p.m. Opens public hearing on HJM 16.
<u>HJM 16 – PUBLIC HEARING</u>		
007	Ray Kelly	Committee Administrator. Reads summary of HJM 16.
020	Representative Betsy Close	House District 36. Submits and reads prepared testimony in support of HJM 16 (EXHIBIT A).
052	Chair Kropf	Asks about fruit growers' demonstration in Hood River.
056	Rep. Close	Answers that she did not attend.
058	Chair Kropf	Asks if a similar demonstration is planned for the Capitol.
059	Rep. Close	Answers that she does not know.
061	Chair Kropf	Notes that audience members are indicating that it is planned.
062	Rep. Nelson	Asks who primary competitor in produce is.
064	Rep. Close	Answers that she is not sure.
074	Representative Patti Smith	House District 56. Testifies in support of HJM 16. Gives personal account of farming. Answers previous question that closest produce competitor is Chile.
108	Rep. King	Asks if Chile grows in opposite seasons as United States.
109	Rep. P. Smith	Answers that she believes that they are opposite seasons.
118	Camille Hukari	Hood River, Oregon. Testifies in support of HJM 16. Discusses produce competition with Chile.
132	Chair Kropf	Asks if there is a price advantage with Chilean product.
137	Hukari	Answers that there is, because Chilean producers have much

172	Chair Kropf	lower costs than do U.S. producers. Discusses differences in laws and policies between U.S. and Chile that affect producers. Asks how North American Free Trade Agreement/General Agreement on Tariffs and Trade (NAFTA/GATT) are affecting produce situation.
176	Hukari	Answers that NAFTA has opened up markets for exports with tree fruits, but there are differences in trade policy with other countries that allow other countries to export to the U.S., but the U.S. cannot export to those other countries.
195	Chair Kropf	Asks what opportunities for redress exist for U.S. producers to resolve trade issues.
205	Hukari	Answers that it is necessary to work with trade negotiations that are now occurring to set standards or otherwise level out the playing field.
212	Rep. Nelson	Asks Ms. Hukari what she would like to tell U.S. Senator Gordon Smith during his visit to the Capitol the next day.
221	Hukari	Answers that she would like him to help overcome the barriers of the country-of-origin labeling on the federal level so that consumers would know from where their produce is coming, producers would like to be part of the trade negotiations so their concerns could be raised, and implementation of a curriculum in elementary schools to teach them about agriculture, and educate American consumer about agriculture and what it means to buy domestic.
253	Chair Kropf	Points out effort undertaken by other industries to educate consumers about buying domestically produced products.
256	Hukari	States that it is important to use domestic products rather than rely on foreign imports.
263	Rep. Nelson	Asks if the same inspection process exists in the U.S. and Chile.
268	Hukari	Answers that she is not sure of process, but U.S. requirements to not apply to other countries, 1% of imported produce is inspected.
282	Rep. Nelson	Asks if U.S. Department of Agriculture (USDA) collaborates with entities that monitor import of produce that is brought into U.S.
291	Hukari	Answers that inspection is generally done at the point-of-entry by a private company.
300	Rep. Nelson	Asks if fruit growers have a lobby group in Washington, D.C.
305	Hukari	Answers that they are represented by the Northwest Horticultural Council, who deal primarily with trade issues.
344	Reed Seito	State Board of Agriculture and President, Malheur County Onion Growers Association. Testifies in support of HJM 16.
351	Chair Kropf	Asks what the most important issue facing growers is.
355	Seito	Answers that it is to keep American agriculture viable to keep farmers in farming.
380	Phil Ward	Director, Oregon Department of Agriculture (ODA). Submits and reads prepared testimony in support of HJM 16 (EXHIBIT B).
460	Rep. Nelson	Asks if NAFTA "has helped us, or hurt us."
464	Ward	Answers that USDA would argue that NAFTA has helped American agriculture. States that ODA has examined issues and may conclude that Oregon has not fared as well since it is an export-dependent state.

036	Chair Kropf	Asks if enforcement of trade policies is a major issue.
038	Ward	Answers yes.
043	Rep. Nelson	Asks for explanation of “level playing field.”
048	Ward	Answers that further clarification will be coming.
057	Pieper Sweeney	Country Heritage Farms. Testifies in support of HJM 16. Describes problems faced by farmers.
103	Chair Kropf	Asks if Marion berry exports are increasing due to free trade agreements.
107	Sweeney	Answers no.
116	Rep. Nelson	Asks who else grows Marion berries.
117	Sweeney	Answers that Japan grows them.
128	Randy Gilbert	Gilbert & Son, Inc. Testifies in support of HJM 16. Gives personal experience with farming.
151	Chair Kropf	Asks how many acres Mr. Gilbert farms.
154	Gilbert	Answers he has approximately 450 acres.
162	John McCulley	Tree Fruit Growers. Testifies in support of HJM 16. Discusses country-of-origin labeling.
183	Chair Kropf	Asks if USDA is not being as aggressive with enforcement issues as it should be with imports.
187	McCulley	Answers yes.
196	Dave Nelson	Oregon Seed Council, Oregon Dairy Farmers. Testifies in support of HJM 16. Discusses NAFTA and its effect on growers.
231	Chair Kropf	Asks how to deal with trade barriers that harm U.S. growers.
236	Nelson	Answers that representatives are sent to examine issues and handle problems.
258	Terry Witt	Executive Director of Oregonians for Food & Shelter, American Crop Protection Association. Testifies in support of HJM 16. Discusses the un-level playing field with regard to regulatory process in the U.S. vs. abroad.
400	Chair Kropf	Asks if there are tests for pesticide residues for imported produce.
408	Witt	Answers yes, but they are “spot tests” getting around 2% of imports.

TAPE 38, B

007	Rep. Nelson	Asks if pesticides used in foreign countries are of American origin.
009	Witt	Answers that they sometimes are. Points out that sometimes pesticides banned in the U.S. are still used elsewhere.
020	Jim Welsh	Oregon Family Farm Association. Submits and summarizes testimony in support of HJM 16 (EXHIBIT C).
053	Tim Bernasik	Oregon Farm Bureau Federation. Submits and summarizes written material (EXHIBIT D).
078	Chair Kropf	Closes public hearing on HJM 16. Opens work session on HJM 16.

HJM 16 – WORK SESSION

082 Rep. Krieger

MOTION: Moves HJM 16 be sent to the floor with a BE ADOPTED recommendation.

VOTE: 5-0

AYE: In a roll call vote, all members present vote Aye.

EXCUSED: 4 – Ackerman, King, Nolan, Smith T

093 Chair Kropf

The motion CARRIES.

REP. CLOSE / REP. P. SMITH will lead discussion on the floor.

097 Chair Kropf

Closes work session on HJM 16. Adjourns meeting at 4:32 pm.

Submitted By,

Michael Reiley,
Committee Assistant

Reviewed By,

Ray Kelly,
Committee Administrator

EXHIBIT SUMMARY

A – HJM 16, written testimony, Rep. Betsy Close, 6 pp

B – HJM 16, written testimony, Phil Ward, 3 pp

C – HJM 16, written testimony, Jim Welsh, 1 p

D – HJM 16, written information, Tim Bernasik, 3 pp