

HOUSE COMMITTEE ON AGRICULTURE AND FORESTRY

March 23, 1999 Hearing Room D

8:30 a.m. Tapes 31 - 32

MEMBERS PRESENT: Rep. Larry Wells, Chair

Rep. Terry Thompson, Vice-Chair

Rep. Jeff Kropf, Vice-Chair

Rep. Roger Beyer

Rep. Ryan Deckert

Rep. Jim Hill

Rep. Elaine Hopson

Rep. Jerry Krummel

Rep. Judy Uherbelau

MEMBER EXCUSED:

STAFF PRESENT: B. Harrison Conley, Administrator

Samantha Demchak, Administrative Support

MEASURE/ISSUES HEARD: HB 2973 Work Session

HB 2339 Work Session

SB 626 Public Hearing and Work Session

HB 2119 Public Hearing and Work Session

| TAPE/# | Speaker | Comments |
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| TAPE 31, A | | |
| 003 | Chair Wells | Opens Work Session on HB 2973. |
| <u>HB 2973 WORK SESSION</u> | | |
| | | Staff presents proposed 1 amendments on HB 2973 (EXHIBIT A). |
| 011 | Chair Wells | Explains provisions of HB 2973. |
| 027 | Rep. Beyer | MOTION: Moves to ADOPT HB 2973-1 amendments dated 3/15/99. |
| | | VOTE: 7-0 EXCUSED: 2 Krummel, Hill |
| | Chair Wells | Hearing no objection, declares the motion CARRIED. |
| 034 | Rep. Beyer | MOTION: Moves HB 2973 to the floor with a DO PASS AS AMENDED recommendation. |
| 042 | | VOTE: 7-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 Krummel, Hill |
| | Chair Wells | The motion CARRIES. REP. BEYER will lead discussion on the floor. |
| 072 | Chair Wells | Closes Work Session on HB 2973. Opens Work Session on HB 2339. |
| <u>HB 2339 WORK SESSION</u> | | |

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| | | Staff presents proposed amendments to HB 2339, -1, -3, -5 (EXHIBIT B, C & D). |
| 080nv | Sharon Thornberry | Statewide Gleaning Coordinator, Oregon Food Bank (OFB). Notes OFB worked with Legislative Counsecil to clarify the language in HB 2339. Indicates there is an amendment to reinstate the fish gleaning credit. |
| 093 | Chair Wells | Asks for clarification of the ñ3 and ñ5 amendments. |
| 097 | Harrison Conley | Committee Administrator. Notes there are ñ1, -3 and ñ5 amendments to HB 2339. Notes the ñ1 and ñ3 work together and the ñ5 stands alone. Continues the ñ3 has the changes Sharon Thornberry described. |
| 125 | Rep. Uherbelau | Asks if the ñ3 and the 1- amendments are included in ñ5. |
| 137 | Conley | Answers the ñ1 amendments contain an effective date for the "commercial fish weigh back provisions." Notes it was effective from 1985 to 1994. Continues the ñ1 amendments states the "fish weigh back" is effective for tax years beginningafter January 1, 2000 and after. Notes the ñ3 does contains the some substantive amendments to the gleaning provisions. States the ñ2 did hadve some errors in it. Continues the ñ4 was not quite what we requesteddid not contain the requested information. Indicates the ñ5 amendments contain all the new changes in the ñ3 plus effective dates for fish weigh back and gleaning retroactive to tax years beginning January 1, 1999 and after. States the committee can adopt the ñ1 and ñ3 or adopt the ñ5. |
| 169 | Rep. Thompson | Moves to adopt the ñ5 amendment into HB 2339. |
| 172 | Rep. Beyer | Asks if there needs to be an emergency clause for the tax credit in HB 2339. |
| 200 | Conley | Does not believe that is the case, but ultimately a better question forIndicates that is a question for Legislative Counsecil. |
| 225 | Rep. Thompson | MOTION: Moves to ADOPT HB 2339-1 amendments dated 3/22/99. |
| | | VOTE: 8-0 EXCUSED: 1 ñ Hill |
| | Chair Wells | Hearing no objection, declares the motion CARRIED. |
| 231 | Rep. Thompson | MOTION: Moves HB 2339 to the floor with a DO PASS AS AMENDED recommendation. |
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| 233 | | <p>VOTE: 8-0</p> <p>AYE: In a roll call vote, all members present vote Aye.</p> <p>EXCUSED: 1 n Hill</p> |
| | Chair Wells | <p>The motion CARRIES.</p> <p>REP.THOMPSON will lead discussion on the floor.</p> |
| 269 | Chair Wells | Closes Work Session on HB 2339. Opens Public Hearing on SB 626. |
| <u>SB 626 PUBLIC HEARING</u> | | |
| | | Staff distributes proposed -1amendments to SB 626 (EXHIBIT E). |
| 285 | Conley | Explains provisions of SB 626. |
| 306 | Richard Koesan | Oregon Sheep Growers Association (SGA). States bill was introduced by Oregon Sheep Commission (OSC) as well as the SGA. Notes the OSC met in December of 1998 to discuss this issue with a number of sheep producers. Reports at the annual SGA meeting a request was made to introduce a bill. Indicates SB 626 allows the OSC to increase assessments. Notes current assessments are one and one-half cents a per pound. States the original assessment was established in 1977. Continues the OSC was made aware of concerns that producers have about the increase to 5 cents a per pound. Notes the n1 amendments were prepared by Legislative Counsecil. States the n1 amendments would allow the OSC to increase the assessment by a penny the first year and a one-half a cent the following year. |
| 340 | Rep. Uherbelau | Asks if the n1 amendments increase the assessment to 2 1/2 cents in the year 2000 and one-half cent increase per year until the 5 cent increase is reached. |
| 344 | Chair Wells | States this is a cap. Notes the n1 amendments keeps the varying cap atdown to 5 cents. |
| 348 | Cleve Dumdi | Lamb producer, Junction City Oregon. Notes the 5 cent increase will last a long time. Notes there used to be a national Wool Act. States producers received money from the Wool Act for promotion purposes. Continues that since the Wool Act was abolished three years ago the burden has been on Oregon to promote and protect the sheep industry. |
| 441 | Dumdi | Notes that imports have taken over 40 percent of the Oregon sheep producersí market. Indicates if the increase was 5 cents, it would not be as high as other states. Assures the committee the money will be used wisely. |

TAPE 32, A

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| 020 | Rep. Beyer | Asks if there is a promotion fee on the selling of fatted lambs. |
| 025 | Dumdi | Notes he opposed it. States there would have been a dollar a head charge and that was a flaw in the proposal. |
| 030 | Rep. Beyer | Asks if adding an extra assessment to the wool is fair under the same logic. |
| 032 | Dumdi | Answers the money needs to be spent if the industry is going to make money. |
| 036 | Chair Wells | Asks if the people who run fatted lambs also sell wool. |
| 039 | Dumdi | Answers yes. |
| 044 | Chair Wells | Asks if there is a figure on how many producers are paying the assessment. |
| 050 | Koesan | Answers there are approximately 3,500 producers. |
| 061 | Rep. Hopson | Asks if the SB 626 sets maximum assessment or a cap. |
| 068 | Koesan | Answers yes. Indicates there is a seven member commission. The OSC would have the authority to increase the assessment. Notes SB 626 does not increase the assessment, it simply gives the OSC the authority to authorize the increase. |
| 074 | Margaret Magruder | Sheep producer, Clatskanie, Oregon, past Chair of the Oregon Board of Agriculture (OBA). Testifies in support of SB 626. Notes the OSC needs the funding for testing and promotional purposes. Indicates the wool and lamb markets are depressed. |
| 121 | Reed Anderson | Sheep producer, Brownsville, Oregon. past Chair of the Sheep Commission OSC. States the OSC funded a survey to find out the concerns of consumers. |
| 162 | Sharon Waterman | Sheep producer, Bandon, Oregon, sheep producer. Testifies in opposition to SB 626. Reading from written testimony (EXHIBIT F). |
| 207 | Rep. Uherbelau | Asks if the amendments would change her opinion. |
| 271 | Waterman | Answers no. Continues, any change in the assessment needs to be made in the Sheep Growers Association. |
| 281 | Rep. Uherbelau | Asks if this issue was voted on in the December meeting at the Sheep Growers |

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| | | Association annual meeting. |
| 290 | Waterman | Answers no. |
| 300 | Rep. Deckert | Asks if it is easier to give the authority to the OSC. |
| 323 | Mickey Killingsworth | President, Jefferson County Farm Bureau. Testifies in opposition to SB 626. Notes there was never a discussion held. Indicates there needs to be another hearing held on this issue. |
| 357 | Rep. Hill | Indicates this bill does not raise the assessment. |
| 370 | Waterman | Notes it would if the OSC authorized it. |
| 375 | Rep. Kropf | Asks if all the OSC money goes to promotion. |
| 380 | Waterman | Answers it is promotion, research and administration money. |
| 387 | Rep. Kropf | Asks if Ms. Waterman could support a 2 cent per pound assessment. |
| 400 | Waterman | Answers she has not thought about that. Notes it would need to go through due process with the OSG and OSC. |
| <u>TAPE 31, B</u> | | |
| 004 | Rep. Kropf | Asks about the assessment not being raised in 20 years. Asks what the wool prices were 20 years ago. |
| 012 | Waterman | States she is unsure. |
| 018 | Rep. Kropf | Indicates the OSC needs to spend money to make money. |
| 037 | Rep. Uherbelau | Asks what is meant by due process. Asks the responsibility of each party. |
| 056 | Waterman | Answers that the whole industry needs to know what is being done with the assessment. |
| 062 | Rep. Uherbelau | Asks if there is a newsletter. |
| 073 | Laccee Harris | 4-H participant, Prineville, Oregon, 4-H participant. Testifies in opposition to SB 626. Reads from written testimony (EXHIBIT G). |

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| 101 | Killingsworth | Testifies in opposition to SB 626. (EXHIBIT H) . Notes sheep producers would support a head tax. Notes the sheep producers should decide what to do with the money that is received. |
| 160 | Rep. Hill | Asks if allowing the producers to balance between the meat and the wool would be an answer. |
| 180 | Killingsworth | Answers yes. Notes market animals are sold by head and wool is sold by pound. States a market animal will shear between 5 and 7 pounds and a wool breed will shear up to 12 pounds. |
| 197 | Rep. Hill | Asks if an amendment that would allow the commission to assess up to a dollar a head would be acceptable. |
| 200 | Killingsworth | Answers yes. |
| 204 | Chair Wells | Notes SB 626 went through the Senate without any problems. |
| 215 | Dave Taft | Member, OSC. Columbia River Scouring Mills Handler. Indicates there is a surplus of wool over the world. |
| 260 | Chair Wells | Asks if there is a difference in the wool that is produced in Oregon and in the rest of the world. |
| 271 | Taft | Notes the Oregon wool is good quality but it is not apparel grade. |
| 290 | Rep. Uherbelau | Asks Mr. Taft's position on the amended bill. |
| 302 | Taft | Answers that it is viable. States it will provide important funding. |
| 311 | Rep. Kropf | Asks if there was consensus in the meeting that was held by the OSC. |
| 320 | Koesan | Answers this issue was discussed under new business. Notes the inference that was made by Ms. Waterman that this was not discussed is incorrect. Notes the assessment is on wool rather than by head is for ease of collection. |
| 391 | Rep. Hill | Asks about a broader order ??? (maybe this word is "broader"?) range for the commission to use coming up with an assessment figure. |
| 412 | Taft | States he has not paid any money for wool except for tags and cruthchings??? (I'll listen to this spot on the tape if you can not understand him). |
| TAPE 32, B | | |

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| 008 | Chair Wells | Asks for the price of valley wool. |
| 110 | Taft | Answers 20-25 cents a pound. |
| 016 | James Monroe | Lebanon, Oregon. Opposes SB 626. |
| | Chair Wells | Closes Work Session on SB 626. Opens Public Hearing on HB 2119. |
| <u>HB 2119 PUBLIC HEARING</u> | | |
| 025 | Chair Wells | Explains the amendments to HB 2119. |
| 040 | Andrew Clark | State Veterinarian, Oregon Department of Agriculture (ODA). Testifies in support of HB 2119 reading from written testimony (EXHIBIT I). |
| 108 | Rep. Deckert | Asks why small monkeys were not included in the more stringent standards. |
| 113 | Clark | Answers small monkeys are not a public health or safety hazard. |
| 118 | Rep. Deckert | Asks if he wanted to purchase a small monkey, there would just be disclosure. |
| 127 | Clark | Answers yes there would be a requirement for the seller to disclose the specifics of that particular animal. |
| 131 | Rep. Beyer | Asks for the names of the people or organizations participating in the workgroup. |
| 140 | Clark | Answers by listing work group members. |
| 145 | Rep. Beyer | Notes there is a group within the Oregon Department of Fish and Wildlife Department (ODFW). dealing with exotics. Asks if the two groups got together to discuss this issue. |
| 156 | Clark | Answers he is unaware of the ODFW group. |
| 161 | Rep. Beyer | States that group was dealing with animal parts and the definition of exotics. |
| 167 | Clark | State that was the Wildlife Integrity Task Force. |
| 177 | Rep. Uherbelau | States the language in HB 2119 needs to be language that the public is familiar with. |
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| 189 | Clark | Indicates Legislative Counsecil used that language because of statute. |
| 194 | Chair Wells | Asks about the \$600.00 dollar issue. |
| 199 | Clark | Answers because the ñ2 supercedes the ñ1, the \$600 permit fee disappears. Continues because there is no ODA permit for large primates and large cats. |
| 202 | Conley | Notes the -2 eliminates future ODA permits. T there will only be grandfathered renewal permits. |
| | | Staff submits proposed ñ2 amendments to HB 2119 (EXHIBIT J). |
| 220 | Rep. Kropf | Notes there is a concern from a circus expressing concern over paying a permit for each species of animal. |
| 229 | Clark | Notes the circus is a USDA licensed exhibitor. Adds circuses will not be aeaffected by HB 2119. |
| 238 | Larry Cooper | Oregon Department of Fish and Wildlife (ODFW). States HB 2119 will change the definition of exotic animals and will move the regulatory authority from ODA to ODFW (EXHIBIT K). |
| 270 | Teresa Miller | Oregon Humane Society. Supports HB 2119 (EXHIBIT L). |
| 279 | Chair Wells | Closes Public Hearing on HB 2119. Opens Work Session on HB 2119. |
| <u>HB 2119 WORK SESSION</u> | | |
| 297 | Rep. Hill | Makes a motion to adopt the ñ2 amendments to HB 2119. |
| 311 | Rep. Beyer | Agrees with the amendment ñ2, but will vote no on HB 2119. |
| 317 | Rep. Hill | MOTION: Moves to ADOPT HB 2119-2 amendments dated 3/22/99. |
| | | VOTE: 9-0 |
| | | Chair Wells |
| | | Hearing no objection, declares the motion CARRIED. |
| 331 | Chair Wells | Closes Work Session on HB 2119. Adjourns hearing. |

Submitted By, Reviewed By,

Samantha Demchak, B. Harrison Conley,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ HB 2973, proposed ñ1 amendments, staff, 1 p.

B ñ HB 2339, proposed ñ1 amendments, staff, 1 p.

C ñ HB 2339, proposed ñ3 amendments, staff, 8 pp.

D ñ HB 2339, proposed ñ5 amendments, staff, 4 pp.

E ñ SB 626, proposed-1 amendments, staff, 1 p.

F ñ SB 626, written testimony, Sharon Waterman, 8 pp.

G ñ SB 626, written testimony, Laccee Harris, 1 p.

H ñ SB 626, written testimony, Mickey Killingsworth, 3 pp.

I ñ HB 2119, written testimony, Andrew Clark, 4 pp.

J ñ HB 2119, proposed ñ2 amendments, staff, 5 pp.

K ñ HB 2119, written testimony, Larry Cooper, 1 p.

L ñ HB 2119, written testimony, Teresa Miller, 1 p.