

HOUSE COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

February 27, 1997 Hearing Room D

08:30 AM Tape 33 -34

MEMBERS PRESENT:

Rep. Charles Starr, Chair

Rep. Terry Thompson, Vice-Chair

Rep. Dennis Luke

Rep. Ken Messerle

Rep. Kurt Schrader

Rep. Judith Uherbelau

Rep. Larry Wells

STAFF PRESENT:

Judith Gruber, Administrator

Coben Tistadt, Administrative Support

MEASURE/ISSUES HEARD:

Public Hearing on House Measure 2615

Public Hearing on House Measure 2784

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
<u>Tape 33, A</u>		
006	Chair Starr	Opens meeting at 8:31 A.M. Announces that HB 2562 won't be heard and that the work session on HB 2448 won't be held. Opens public hearing on HB 2615.
<u>PUBLIC HEARING ON HB 2615</u>		
019		

	Rep. Tim Josi	State Representative District 2. Briefly describes Forrest Cockerum's business and mentions his competitive disadvantage at not being allowed on agricultural lands.
038	Forrest Cockerum	Resident of Tillamook, Oregon. Submits written materials (EXHIBIT A) and samples. Notes that to create insects in volume they must be "raised." Notes that some citizens are disturbed by the high density of the bug production in a small area.
077	Cockerum	Talks of raising flies "like chickens or mushrooms." States his reasons for basing his business in Tillamook. Describes his product.
117	Cockerum	Speaks of work done with fisheries and zoos.
172	Rep. Thompson	Asks about the volume of production.
174	Cockerum	Answers between 3500-5000 pounds.
180	Rep. Thompson	Asks of "unpleasant consequences" of living close to insect farming.
182	Cockerum	Answers that there are none.
184	Rep. Thompson	Asks if the witness raises any species besides the fly.
185	Cockerum	Answers no, because he wants "to do the one correctly."
186	Rep. Uherbelau	Asks where the witness' business is presently located.
190	Cockerum	Answers that he is presently located in an industrial area. Mentions work done on the coloration of fish.
204	Rep. Uherbelau	Asks about the bill's reference to "other insects." Expresses concern over species being introduced that are harmful to the area.
213	Rep. Josi	Cites discussion with the Farm Bureau and the Department of Agriculture about changing that language.
219	Rep. Luke	States possible problems with amending a section of law that specifies "farm use." Suggests using a different section of law.
232	Rep. Josi	Answers that they are looking into that.
235	Rep. Schrader	Asks if it is a confined operation, and if there are steps done to protect the surrounding community.
242	Cockerum	Answers yes.
243	Rep. Schrader	Mentions possible problems. Admonishes the witness to use caution.
252	Rep. Wells	Asks if the county has the final say on this issue.
257	Rep. Josi	Answers that he believes that is correct.
260	Rep. Thompson	Expresses concern over introducing new species.
264	Chair Starr	Thanks the witness.

273	Don Schellenberg	Representing the Oregon Farm Bureau. Opposes the bill as drafted. Mentions the requisite compatibility with the agricultural community. Notes the bill's lack of prohibitions on bug production, citing that under the bill the gypsy moth could be raised. Gives the definition of a agricultural zone. Suggests defining bug production as a "conditional use." Submits written testimony(EXHIBIT B).
314	Chair Starr	Thanks witness.
325	Phil Ward	Oregon Department of Agriculture.
328	Rep. Luke	Asks about requiring the approval of the department for bug production.
333	Ward	States an interest in diversifying the state's agricultural production. Expresses concern over the broadness of the proposed legislation. Mentions that the department currently has the authority to deal with "pests."
360	Chair Starr	States that Cockerum's business is "free enterprise at its best" and gives his support for the general concept of the bill.
384	Rep. Josi	States that he has set up a board that will propose amendments which will meet the committee's stated concerns.
390	Chair Starr	Warns of potential problems with the "relating to" clause.
TAPE 34, A		
003	Chair Starr	Closes public hearing on HB 2615. Opens public hearing on HB 2784.
<u>PUBLIC HEARING ON HB 2784</u>		
014	John Dahlberg	Marion County. Refers to submitted written testimony (EXHIBIT C). Supports HB 2784. Cites steps insuring that wild ginseng isn't harvested, noting that ginseng is an endangered species. States that there is no wild ginseng in Oregon. Mentions counties containing raised ginseng production. Cites the isolationism of China in 1920's causing the collapse of the ginseng industry. Predicts upcoming increases in the "young" domestic industry. Mentions price per pound and harvest quantities per acre.
050	Dahlberg	Mentions that the bill asks for no funds from the state.
055	Rep. Schrader	Asks for what purpose ginseng is used.
060	Dahlberg	Answers that ginseng enhances the feeling of well-being. Cites an established markets in Asia and a growing domestic market.
069	Rep. Uherbelau	Asks if the amendment to the bill removes a request for funding.
073	Dahlberg	Answers yes.
076	Rep. Messerle	Expresses doubt that there will be no impact to revenue.

078	Phil Ward	Oregon Department of Agriculture. Cites the department's estimates regarding licensing fees and administrative costs. Notes that amendments create a licensing structure.
093	Rep. Messerle	Thanks the witness, stating that he didn't have the information.
094	Rep. Luke	Asks if licensing fees are flexible.
102	Ward	States that fees will cover costs for the program.
103	Rep. Luke	States that flexibility with licensing fees is needed in case the market drops.
103	Rep. Uherbelau	Refers to amendments and states that there is no reference to licensing.
108	Ward	Apologizes for misspeaking. Cites that Section 3 of the original printed bill gives the authority for licensing.
112	Rep. Wells	Asks for a review of how the product is grown.
118	Dahlberg	Answers that it takes four years to harvest from seed, and that he plants 110 pounds of seed per acre. Cites a "fair return" on investment.
143	Rep. Wells	States that ginseng is like most agricultural products that there is "more than meets the eye."
150	Chair Starr	Closes public hearing on HB 2784, opens work session on HB 2784.
<u>WORK SESSION ON HB 2784</u>		
163	Rep. Luke	MOTION: Moves to ADOPT -1 amendments (EXHIBIT D) dated 02/26/97.
165	Chair	Hearing no objection, declares the motion CARRIED.
172	Rep. Luke	Asks if there is a listing for ginseng west of the Mississippi.
175	Ward	States that it is an endangered species which applies to all geographic zones in the United States.
178	Rep. Luke	Wonders if seed got off designated areas, whether the federal government would regulate it as an endangered species.
192	Ward	Defers to John Dahlberg.
195	Dahlberg	Notes a similar genetic structure between wild and cultivated ginseng. States that protection occurred due to the massive harvesting of wild ginseng in some Eastern states. Outlines the procedure insuring that their product is classified cultivated ginseng.
231	Rep. Luke	Asks if ginseng can reseed itself.
234	Dahlberg	Answers yes.
235	Rep. Luke	Asks if it can travel to other regions.
243	Dahlberg	Answers that it could with the aid of animals.
245	Ward	

		Notes that federal regulations concern only the exportation of wild ginseng.
258	Rep. Luke	Mentions thistle on a Corvallis farm which couldn't be harvested because it was endangered. Asks if seed traveled to someone's property if federal endangered species laws would apply.
265	Ward	Hesitantly answers no again because the federal laws relate only to ginseng's exportation.
272	Rep. Messerle	Asks about federal laws potentially being expanded.
281	Ward	Adds that ginseng isn't native to the state, and reasons that the state isn't responsible for protecting it.
294	Rep. Messerle	Notes that there are other endangered species in the state that are not native and yet are protected.
309	Rep. Luke	Expresses like concern. Asks for an answer by Tuesday.
312	Chair Starr	States that there is plenty of time to amend the bill after it passes committee. Expresses his desire to move on the bill.
315	Rep. Messerle	Notes that he wanted his concerns reflected by the record.
321	Bob Edginton	Grower of ginseng in Junction City. Notes that ginseng has had decades to "escape," that there are numerous predators to ginseng, and that wild ginseng doesn't exist in Oregon because it can't survive exposure to sunlight.
348	Rep. Wells	Suggests that the committee is looking too far into the bill.
351	Rep. Luke	Asks for clarification sake if ginseng can already be sold inside the United States.
360	Edginton	Answers yes.
370	Ward	Announces that he will retrieve information pertaining to the committee's concerns.
375	Rep. Wells	MOTION: Moves to remove subsequent referral to Ways and Means.
380	Rep. Luke	Asks if the bill would be added to the Department of Agriculture's budget.
385	Ward	Thinks that the bill must be scrutinized by Ways and Means.
393	Chair	Hearing no objection, declares the motion CARRIED .
411	Rep. Wells	MOTION: Moves HB 2784-1 to the floor with a DO PASS AS AMENDED recommendation.
412		VOTE: 7-0 AYE: In a roll call vote, all members present vote Aye.
	Chair	The motion CARRIES. REP. WELLS will lead discussion on the floor.

Submitted By, Reviewed By,

Coben Tistadt Judith Gruber,

Administrative Support Administrator

EXHIBIT SUMMARY

A - HB 2615, written materials, Forrest Cockerum, 7 pp.

B - HB 2615, written testimony, Don Schellenbery, 2 pp.

C - HB 2784, written material, John Dahlberg, 2 pp.

D - HB 2784, LC amendment, staff, 2 pp.