

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation mark  
HOUSE COMMITTEE ON AGRICULTURE, FORESTRY & NATURAL RESOURCES

February 26, 1991                      Hearing Room F 8:15 A.M.                      State Capitol Tapes 29 - 30

MEMBERS PRESENT: REP. WALT SCHROEDER, Chair REP. LIZ VANLEEUEWEN, Vice-Chair REP. SAM DOMINY REP. TIM JOSI REP. JOHN MEEK REP. CHUCK NORRIS

MEMBERS EXCUSED: REP. BILL DWYER

STAFF PRESENT:                      BETH PATRINO, Administrator EDWARD C. KLEIN, Assistant

MEASURES CONSIDERED: HB 2278 - PUBLIC HEARING HB 2328 - PUBLIC HEARING HB 2329 - PUBLIC HEARING HB 2330 - PUBLIC HEARING

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TAPE 28, SIDE A

003 CHAIR SCHROEDER: Calls the meeting to order at 8:15 A.M.

-He reminds the committee that the meeting on Thursday will be at 8:00 A.M.

PUBLIC HEARING ON HOUSE BILL 2278 -- EXHIBITS A & B

Witnesses: Bruce Andrews, Director, Department of Agriculture Bob Hawkes, Administrator, Commodity Division, Department of Agriculture Dave T

010 BETH PATRINO: Describes the bill (EXHIBIT A).

017 BRUCE ANDREWS, Director, Department of Agriculture: Presents background information on HB 2278.

-The produce side of this bill was heard in the House Committee on Consumer Affairs.

-This bill would raise about \$150,000 through increased fees.

-We have been working with the seed trade association to come to some type of agreement on how these fees could be implemented.

033 BOB HAWKES, Administrator, Commodity Division, Department of Agriculture: Presents testimony on HB 2278 (EXHIBIT B).

064 REP. NORRIS: The bill says the license will increase to \$50.

HAWKES: We're proposing a cap of \$50.

-The license would have to go to \$40 to make up for the revenue loss.

REP. DOMINY: How often do they get a license?

HAWKES: Annually.

073 REP. MEEK: Understands the proposed budget and the strains it puts on the department.

-He doesn't see these increases as being good for the state in the long run.

ANDREWS: We understand. The policy decision is, who will bear the responsibility for these fees? Given the alternative of General Fund re

102 REP. VANLEEUEWEN: Appreciates you're being up front telling us why you have to do this.

-Your agency is mostly consumer protection; consumers should be paying the bill.

-The seed lab and seed certification are not under your department; correct?

ANDREWS: Correct.

REP. VANLEEUEWEN: Why are we being double charged?

-A fee has to be paid to the seed lab and seed certification for what sounds like an overlapping thing.

ANDREWS: These are two different functions.

-The certification for purity is under the Dean of Agriculture at the College of Agricultural Sciences.

-Our program insures the labels for the interstate shipment of seeds are what they say they are and that the seeds are free from insects and

REP. VANLEEUEWEN: There's also a federal program. If we ship to Japan we have to go through a federal agency.

HAWKES: Overseas shipments are under federal regulations. We are delegated to provide those services for the Federal Government.

-The Oregon State laboratory is our official laboratory for pest and disease tests which are required in order for us to issue a certificate

139 CHAIR SCHROEDER: Notices there is no revenue impact statement; this will increase costs to the seed producers. Can you explain why the

BETH PATRINO: The department's impact statement is at the bottom of the testimony.

CHAIR SCHROEDER: How many work on this project?

HAWKES: Three FTE's.

159 REP. VANLEEUEWEN: Has a problem with part of the bill. She refers to lines 13 to 15.

-This says she can't sell a sack of seeds to a son or neighbor without buying the license.

HAWKES: There is another section of Chapter 633 which exempts seed producers from this provision.

REP. VANLEEUEWEN: Provide me with a copy of that.

184 REP. NORRIS: Isn't that covered in lines 5 through 10?

REP. VANLEEUEWEN: That specifically says vegetable seeds, doesn't it?

REP. NORRIS: Any agricultural or vegetable seeds.

CHAIR SCHROEDER: Refers to lines 6 to 10, which exempts seed producers.

REP. NORRIS: He thinks that excludes REP. VANLEEUEWEN from obtaining a license to sell seeds to her family.

194 ANDREWS: That's how we've treated it as the statute has been enforced.

CHAIR SCHROEDER: The only changes in the law are the fees.

REP. VANLEEUEWEN: She thought subsection 2 did away with what subsection 1 does.

HAWKES: Refers to lines 6 to 10.

REP. VANLEEUEWEN: Line 9 talks about a person having a license is not required to secure a license.

ANDREWS: Subsection 1 refers to a grower's own production. Subsection 2 refers to anybody desiring to sell in the commercial venue.

REP. VANLEEUEWEN: You are excluding some language so it reads, "However, any person selling seeds of the person's own production exclusively

HAWKES: Correct.

ANDERSON: There is no change in the law; we are only changing the license fees. This law has been enforced for some time and treats only t

CHAIR SCHROEDER: Does this make sense the way it's written?

ANDREWS: It has been this way for years.

249 REP. JOSI: What was your overall budget reduction because of Ballot Measure 5?

ANDREWS: We were asked to remove over \$6.5 million, about 44 percent of our General Fund. We were asked to backfill \$5.4 million in fees.

REP. JOSI: Are you absorbing the balance?

ANDREWS: Those are real program cuts.

REP. JOSI: Any personnel?

ANDREWS: Yes.

REP. JOSI: What percentage of program cuts are to the overall budget?

ANDREWS: The General Fund reduction is 44 percent of the General Fund part of our budget. The \$1.1 million cut out from the remainder woul

REP. JOSI: How many FTE's have you removed out of the \$1.1 million?

ANDREWS: That's a difficult question to answer, because we added others on other funds and some seasonal workers were converted under exist  
-The program cuts eliminated at least seven real positions.

REP. JOSI: What programs were cut?

ANDREWS: The PARC (Pesticide Analytical Response Center) program. We eliminated some management in administration, a position in commodity

REP. JOSI: How much in soil and water?

ANDREWS: About \$300,000.

REP. JOSI: His constituents have asked whether he would vote for fee increases as a mechanism for backfilling.

-The criteria he uses to determine if he will support a fee increase are:

-Percentile. If the increase is over 16 percent he starts looking closely.

-Is there an increase in service? That doesn't look like the case here.

-Has the agency made a substantial effort to reduce their budget from within?

-Any one of the three criteria would get a yes vote if it was substantial enough.

-He's curious what the grass seed industry thinks.

-He's concerned about the 300 percent.

324 REP. VANLEEUEWEN: The grocery stores that sell small packets of seeds have been eliminated from needing the license?

HAWKES: Correct.

REP. VANLEEUEWEN: Which retailers require a license?

REP. NORRIS: Retailers and others dealing over a half pound.

343 DAVE TURNER, Assistant Administrator, Commodity Inspection Division, Department of Agriculture: The retail license fee will effect anyone

-This does not apply to lawn seed.

CHAIR SCHROEDER: The department is asking to make a big cut in their budget. This is not their idea to raise these fees.

360 JOHN POWELL, Oregon Seed Trade Association: There are two issues before you:

-Issue 1. The program, as outlined by the department, assures consumers that the labels on the bags of seed have what they say they have.

-Oregon has a reputation for producing high quality seed. Once you lose that reputation it is difficult to get it back.

-We have met with the department. As the Oregon Seed Trade Association views the program, it is being run as efficiently as it can be. We

-We're supportive of the program and appreciative that they talk openly about the program.

-Issue 2. The fee issue is not solely with this department or this area.

-The industry would like to minimize the amount of the fee.

-Consumers benefit and some General Fund appropriation would be appropriate.

-We will work with the department to assure the program remains vital.

-If a fee increase is necessary we will likely support some increase.

TAPE 29, SIDE A

024 REP. JOSI: You support this bill and will fight it in Ways and Means?

POWELL: Yes; we will work with the Ways and Means Committee.

REP. JOSI: Is personally influenced by this bill.

-In his business he tells people there is virtually no weed seed in Oregon grass seed.

POWELL: REP. VANLEEUEWEN asked the department about the duplication of testing. The testing at Oregon State insures that quality is there.

-The standard is high and we want to keep it high.

053 REP. NORRIS: Is there a relationship between the Oregon Seed Trade Association and the Oregon Grass Seed Council?

POWELL: The Oregon Seed Trade Association has a membership of about 70 entities that primarily buy and sell grass seed. Some are also prod

-We work with producers of all seeds. We are funded differently than the seed council and have a different membership, but work closely wit

REP. NORRIS: You support the department and program and if you can't convince Ways and Means to come up with some General Fund money you wi

POWELL: We don't support the fee levels in this bill.

-The department has outlined three options; one is to lower the proposed fees and increase other charges that we pay for--testing and taggin

-We would support this bill in a different form, but the total dollar amount would be the same.

CHAIR SCHROEDER: Should we work that into this bill before it goes to Ways and Means?

POWELL: Would prefer it go to Ways and Means.

-He would like to leave that decision to the department.

REP. VANLEEUEWEN: Growers have to produce almost 100 percent pure seeds.

-Is the seed tested after it's mixed and blended?

POWELL: It has to be labeled correctly. That's the purpose of this program.

-In the last biennium the department along with other state and federal agencies took action against an Oregon company where labeling wasn't

103 REP. VANLEEUEWEN: When dealers complain she can say that JOHN POWELL supported the bill.

POWELL: In a different form.

-We haven't finished working out the details with the department.

-We can't find any way to reduce the manpower requirements.

-The market can't withstand more problems like the company that mislabeled seeds.

-We can't find any way to reduce the overall cost of the program. It is essential the program survives.

-We hope to modify the impact on fees and get some General Fund dollars.

-The economy and public benefit from the program.

REP. VANLEEUEWEN: What did the department do with the seed trade person who put seed in bags that weren't labeled properly?

POWELL: Doesn't know.

HAWKES: A \$45,000 fine.

CHAIR SCHROEDER: Where does the Oregon State University certification leave off and the department of Agriculture program take up?

POWELL: The department should answer that question.

-There are some other sub-issues because of some funding problems with the testing at OSU that the association is concerned with and powerle

-The laboratory does the actual testing while the department's programs are more regulatory in nature.

169 CHAIR SCHROEDER: The seed is certified that it has been grown in good clean fields and the seed was clean when it came in. The Agricul

REP. VANLEEUEWEN: The seed can be traced by the bag to the field it was grown in.

REP. DOMINY: Is not sure he's prepared to support the bill in it's present form. He hopes a different funding proposal comes from the trad

-Would you be prepared to come back and give us other options?

POWELL: Would like the committee to put the bill back to it's original form, send it to Ways and Means and let the debate take place there.

-We're not in a position to reach a final agreement until we know what the Department of Agriculture budget is. He doesn't want to reach a c

CHAIR SCHROEDER: We could send the bill without recommendation.

217 REP. DOMINY: This committee should have more input. He understands the argument about Ways and Means. Why bring the bill to this comm

CHAIR SCHROEDER: It's important that we agree on the policy that this program be as strong as it can be. We could have the association get

POWELL: If we knew how much General Fund money was going to be appropriated or available to take the place of fees in the budget, we could

-Until then, it would be impossible to work out the bottom line on this bill.

-We're hoping there will be a merging of the concepts if there is some General Fund money available and then we can work out details.

REP. DOMINY: Are there only two ways to fund this program: the General Fund and license fee increases? There are no other options available

POWELL: Is not aware of other options.

261 REP. MEEK: There is an alternative:

-This committee should look at what the fee should be.

-This committee should recommend how much General Fund money should be there.

-If this bill comes to this committee, my recommendation is to hear it; if not the bill should die.

-We either do something with the bill or he won't support it.

REP. NORRIS: We're arguing on principal and not dollars.

292 ROGER MARTIN, United Grocers: The department is being extremely efficient and helpful.

-The Legislature has appropriated General Fund dollars to fund consumer protection.

-Even if Ballot Measure 5 didn't pass, the General Fund money would still be shifted away from this department.

-The department is being forced to beg for fee increases that are preposterously high and shouldn't be given them.

-The message you need to send to Ways and Means is that you will not go along with the shift of General Fund monies which are in the budget

-The Ways and Means Committee is looking at ways to put General Fund money back in.

-The retailers are only facing a small increase. Another bill asks for a \$5,000 maximum fee. Somewhere the line has to be drawn and stop it

-He hopes this committee sends that message by tabling the bill, stripping out the fee increase or sending a letter or doing both.

CHAIR SCHROEDER: Closes the Public Hearing.

PUBLIC HEARING ON HOUSE BILL 2328 -- EXHIBITS C & D

Witnesses: Bruce Andrews, Director, Department of Agriculture Ken Simila, Administrator, Measurement Standards Division, Department of Agriculture

CHAIR SCHROEDER: Opens the Public Hearing.

368 BRUCE ANDREWS: Briefly describes the bill.

379 KEN SIMILA, Administrator, Measurement Standards Division, Department of Agriculture: Presents testimony on the Measurement Standards D

419 REP. MEEK: How was this program being done before the division began?

SIMILA: Presents an history of weights and measures.

462 REP. MEEK: If this program doesn't continue who would carry out that function?

SIMILA: It wouldn't be done by the Federal Government if the state didn't do it.

TAPE 28, SIDE B

027 SIMILA: He tells how the State of Arkansas was the last state to do something about weights and measures.

043 REP. NORRIS: Why was it ever under sunset?

SIMILA: Can't answer.

REP. NORRIS: When was the sunset established?

SIMILA: Doesn't know.

CHAIR SCHROEDER: What is the reference to ORS 182.635?

052 BETH PATRINO: That's the sunset provision.

CHAIR SCHROEDER: How many years between sunset reviews?

PATRINO: Every six years, she believes.

REP. NORRIS: Are you tied to the Bureau of Standards?

SIMILA: Oregon participates in the National Institute of Standards and Technologies program of certifying states to be competent to do what

066 REP. NORRIS: You do that in both the English and Metric systems?

SIMILA: Correct.

REP. MEEK: What kind of amendment or action would put this under the Department of Agriculture and not subject to ORS 182.635?

PATRINO: There is a listing of agencies subject to this sunset clause. The Department of Agriculture duties under the sunset law are Chapter

REP. MEEK: Imagines every legislature asks them the same questions every six years.

084 CHAIR SCHROEDER: Could we amend this to take the weights and measures out?

-What else is covered?

PATRINO: The dairy laws and pesticide programs.

CHAIR SCHROEDER: Do any members have any feelings about removing the sunset?

REP. MEEK: When we go into work session he'll offer an amendment to put them together.

CHAIR SCHROEDER: Maybe you all could work with BETH on appropriate wording?

-He refers to the Funding History, page 2, EXHIBIT C.

-This bill isn't talking about fee increases is it?

100 ANDREWS: A subsequent bill (HB 2279) went through the House Committee on Business and Consumer Affairs. They replaced the remaining \$4

CHAIR SCHROEDER: We're dealing with the policy question of whether or not to continue the program.

-Did Consumer Affairs have any feelings about the fee increase?

ANDREWS: They stripped the money out of the bill and sent it to Ways and Means.

REP. NORRIS: Is this funded by a fee?

ANDREWS: The entire weights and measures program is, 80 to 85 percent Other Funds. The remaining General Fund money was for consumer prote

REP. NORRIS: Are there any problems with short weight measurements; are they reliable?

ANDREWS: We have a significant number of problems from year to year, especially when things are shipped from out of state.

135 MAURA ROCHE, Northwest Propane Gas association: Presents testimony on HB 2328 (EXHIBIT D).

CHAIR SCHROEDER: Closes the Public Hearing.

PUBLIC HEARING ON HOUSE BILL 2329 -- EXHIBITS E, F, G & H

Witnesses: Bruce Andrews, Director, Department of Agriculture Bill Wright, Administrator, Plant Division, Department of Agriculture Maura Roc

160 BETH PATRINO: Describes the bill (EXHIBIT E).

BRUCE ANDREWS: The pesticide program is an important function of the Department of Agriculture to insure pesticides are used in the correct

173 BILL WRIGHT, Administrator, Plant Division, Department of Agriculture: Presents testimony on HB 2329 (EXHIBIT F) and an overview of the

REP. VANLEEUWEN: Would appreciate a copy of the testimony.

WRIGHT: Will submit a copy to BETH PATRINO.

244 REP. JOSI: This is a very important program. People have no idea of the hazards of pesticides.

-Ongoing education is very important.

REP. NORRIS: There is more reason to be scared of the careless use of pesticides than there is by some of the reported hazards of the toxic

REP. JOSI: People have no idea that the number one means of poisoning by pesticides is not through inhalation or ingestion, but through ski

CHAIR SCHROEDER: Your work with pesticides first started in 1975?

WRIGHT: Chapter 634 was revised in 1975. The pesticides program dates back to the early 1950's.

CHAIR SCHROEDER: Do you also deal with the so-called organic pesticides?

WRIGHT: These materials may be registered as pesticides and are treated like other synthetic chemical pesticides.

REP. NORRIS: How closely do you work with the EPA on registrations?

-The potato industry is facing some severe problems with the loss of Temik (aldicarb).

WRIGHT: The manufacturer has done extensive studies on the use of Temik and the occurrence of residues. They have a thorough understanding

-The department has the opportunity to work with the EPA to secure exceptional registration for products where the manufacturer is willing t

REP. NORRIS: Did they do that on the basis of scientific evidence or did they give up in frustration?

WRIGHT: The manufacturer acknowledges the sensitive nature of this material's utilization in an end product that has a very high consumptio

352 CHAIR SCHROEDER: What's the designation for minor crop registration?

WRIGHT: We have no designation specifically for minor crop registration.

-We try to develop registrations whether they may be exceptional--a Section 18 that may be good for only a single year or we may use a speci

-The department is also working with a Minor Crops Advisory Committee to secure additional registrations through funding of additional resid

CHAIR SCHROEDER: This has the same sunset reference. Do you have any feelings about this?

ANDREWS: This is an ongoing program that ought to be part of the department. It is in the same class as weights and measures.

382 REP. MEEK: There is a vast increase of pesticides and chemicals on the market.

-There is a balance of need and risk.

-What type of risk is there?

ANDREWS: The number of chemicals has nothing to do with whether or not they're safe.

-There are more chemicals because they are much more pest specific.

-What's sold to consumers and what's sold to farmers depends on a number of variables.

-If there is a restricted use, farmers have strict requirements in order to apply the pesticides or chemicals.

-The over-the-counter pesticides don't imply or indicate greater risk than any of the others and are more pest specific.

-The EPA through its re-registration processes are giving the chemicals currently being used over-the-counter and by farmers a great degree

TAPE 29, SIDE B

020 REP. JOSI: The proliferation of chemicals may not be as great as we may be led to believe.

-There are several different product names that have the same chemicals. It's hard to determine what you're buying.

CHAIR SCHROEDER: There's cooperation between the Extension Service, who does the training for the examination and the department, who admin

047 MAURA ROCHE, Oregon Arborist Association: Presents testimony on HB 2329 (EXHIBIT H).

REP. MEEK: What's wrong with the way the program is operating; why do we need more regulations? Do you have any specifics you're trying to

ROCHE: Refers to ORS 634.126 (c), trainees "working under direct supervision and control ...." In the administrative rules, "direct superv

-This seems somewhat inconsistent.

090 REP. MEEK: Is not sure how applicable that is.

ROCHE: Being reasonably available doesn't seem to constitute working under the direct supervision and control.

REP. MEEK: Is there a difference on how that's applied?

ROCHE: There is no safeguard for the public if a trainee is qualified or not.

114 REP. DOMINY: How much more would it cost to add new licensing requirements? We'd have to give the bill a new approach. There has to b

ROCHE: The testing for a fully licensed applicator is in place. There is no mechanism to require a trainee to become fully licensed after s

WRIGHT: We addressed this in the interim committee. We have held a meeting with representatives of the applicator groups and are trying to

-Under ORS Chapter 634 we have the authority to accomplish this by administrative rules and are proceeding to do that.

-The Federal Government is proposing similar rules. We'd like to establish our administrative rules to address the concerns expressed here

CHAIR SCHROEDER: This can be accomplished by administrative rules?

WRIGHT: Yes.

CHAIR SCHROEDER: Would you be satisfied if the department worked with you?

ROCHE: Yes.

REP. NORRIS: They have the authority to establish minimums for moving the trainee to applicator.

CHAIR SCHROEDER: Are you satisfied they will work on this?

ROCHE: Yes.

WRIGHT: We have a draft proposal that we presented to the industry group. The Federal Government has proposed their changes at it relates t

172 TERRY WITT, Executive Director, Oregonians for Food and Shelter: We have been working with the Department of Agriculture since our orga

-The department is competent and professional in carrying out the regulation of pesticides.

-We work closely with the department in the areas of training and safety to help insure the competent use of pesticides.

-We support the continuation of the department's role in regulating pesticides.

-The department is fair, open and accessible to the public having input into the pesticide regulation process.

-We also have concerns about the General Fund reduction.

-These cuts are three times greater than the average cut to the other departments.

-He attended the department's meeting on the pesticide trainee license. We are working towards viable solutions.

233 CHAIR SCHROEDER: The department is doing a good job.

-He closes the Public Hearing.

-He recesses at 9:57 A.M.

-He calls the meeting back to order at 10:04 A.M.

PUBLIC HEARING ON HOUSE BILL 2330 -- EXHIBITS I & J

Witnesses: Bruce Andrews, Director, Department of Agriculture Jim Black, Administrator, Food and Dairy Division, Department of Agriculture

245 BETH PATRINO: Describes the bill (EXHIBIT I).

BRUCE ANDREWS: Introduces JIM BLACK.

263 JIM BLACK, Administrator, Food and Dairy Division, Department of Agriculture: Presents an overview of the Food and Dairy Division (EXHI

277 REP. DOMINY: What is the license fee?

BLACK: The fee is set in statute at \$25 for a lifetime.

-The department originally proposed a variable fee schedule based on gross annual sales.

-Pasteurizer operators do not have gross annual sales; it is an occupational license.

-Individuals must take a written examination administered by our division and demonstrate practical knowledge of operating pasteurizing equi

-The equipment is important from a public health point of view. There is time, pressure and temperature considerations involved with this e

-Individuals need to know the public health principles and why they do what they need to do.

-These same provisions were sunset reviewed eight years ago and we converted the sampler grader portion of the occupational licensing program.

-He describes the sampler grader position.

-The Sunset Review Committee felt we ought to convert the pasteurizers to a biennial renewal of their license.

-We have about 380 pasteurizers on record. My guess is that about 50 will choose to renew the fee.

339 REP. DOMINY: Is there any change in the General Fund money; is your budget to be increased by that amount?

BLACK: We have been asked to backfill the entire amount of General Fund money.

REP. DOMINY: How much was the General Fund contribution?

BLACK: \$3.725 million if you include the laboratory.

-The pasteurizer operators are not a significant source of revenue. In many cases the milk plants pay their employees' fees.

-The industry generally supports the testing and monitoring and it is a requirement of employment.

REP. DOMINY: How many would be relicensed?

BLACK: About 50.

REP. DOMINY: This wouldn't come close to supplementing the \$3.725 million.

-How will this program be funded?

ANDREWS: The \$3.7 million in proposed fees was stripped from a separate bill by the Consumer Affairs Committee and sent to Ways and Means.

384 REP. VANLEEUWEN: This fee increase is astronomical.

-Is it necessary to do it so often?

BLACK: Most of our licenses are on an annual basis.

-We're not proposing to raise the pasteurizer operator's fee other than a biennial renewal.

REP. VANLEEUWEN: Explain once more.

BLACK: A pasteurizer operator pays a \$25 fee, takes the exam and is licensed for life.

-Under this proposal, the fee will go from \$25 lifetime to \$25 annually.

-The \$50 biennial fee is a cap.

427 REP. NORRIS: Are pasteurizer operators individuals or firms?

BLACK: Individuals.

-Plants are required to have one licensed pasteurizer operator per shift.

TAPE 30, SIDE A

020 REP. JOSI: Supports this bill.

-It's not proper to look at this as a fee increase. \$25 a year is not a big deal.

REP. DOMINY: Under current law is there a requirement for continuing education?

BLACK: No; we did discuss this during the interim. We intend to take a look at that.

REP. DOMINY: Do you foresee a requalifying requirement to renew the license?

BLACK: That's one thing we're looking at; we feel some mechanism for requalification is necessary.

REP. DOMINY: Is the qualification test a national test?

BLACK: It's not a national test; although we use a manual developed through the Food and Drug Administration.

-The test is periodically updated.

072 REP. VANLEEUWEN: Dairy products are checked very closely.

-Aren't you continually checking up on the operators?

-She's not sure this is necessary.

BLACK: Pasteurizer operators are continually checked.

-The dairy industry feels it is an important program and have expressed their interest in keeping the program.

REP. VANLEEUWEN: Is this a small fund enhancer?

BLACK: Not that he's aware of. This would not raise enough money to enhance revenue significantly.

-Fees could not adequately fund the program.

REP. VANLEEUWEN: What if you found a person operating the pasteurizing equipment improperly?

BLACK: If a pasteurizer is not operated in compliance we can condemn that piece of equipment until it is brought into compliance.

REP. VANLEEUWEN: That is the responsibility of the pasteurizer?

BLACK: That's how the plant would view it. We could revoke a license if an individual continued to cause problems.

REP. VANLEEUWEN: You already control these people.

BLACK: It is true that we can deal with equipment problems. A person's performance is another matter. The industry feels the testing para

-Individuals need to demonstrate their capability and the plants could use our testing parameters for promotion.

CHAIR SCHROEDER: Does the licensing fee pay for the program?

BLACK: No.

REP. VANLEEUWEN: Will this pay for it?

BLACK: No.

CHAIR SCHROEDER: You have 29 people in the field?

BLACK: Yes.

138 REP. NORRIS: There is a market for raw milk; are you regulating that?

BLACK: It is illegal to sell raw milk in the state of Oregon.

REP. NORRIS: The sale of raw milk between private parties is illegal?

BLACK: Currently there are 12 licensed producers of raw milk.

-They produce and bottle it on the premises.

-There is an exemption in the law to sell raw milk. He elaborates.

-He describes how raw milk is more heavily licensed.

CHAIR SCHROEDER: During the 1987 session this committee had quite a discussion about raw milk. We were sure the public was being protected

REP. VANLEEUWEN: Discusses a Linn County dairy that went bankrupt.

CHAIR SCHROEDER: Adjourns at 10:30 A.M.

Submitted by: Reviewed by:

Edward C. Klein, Beth Patrino, Committee Assistant                      Committee Administrator

EXHIBIT LOG:

A            -            SMS/Fiscal/Revenue impacts for HB 2278 - Staff - 3 pages B            -            Testimony on HB 2278 - Bob Hawkes - 1 page C            -