

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks

report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

SENATE COMMITTEE ON
TELECOMMUNICATIONS AND CONSUMER AFFAIRS

February 14, 1991 Hearing Room B
1:00 p.m. Tapes 12 - 13

MEMBERS PRESENT: Senator Jolin, Chair
 Senator Kennemer
 Senator Bunn
 Senator Shoemaker

MEMBERS EXCUSED: Vice-Chair Otto

STAFF PRESENT: Cherie Copeland, Committee Administrator
 Apryl Poff, Committee Assistant

MEASURES HEARD: SB 554 Bottled water labeling. SB 558 State of origin produce labeling.

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PUBLIC HEARING

TAPE 12, SIDE A

005 CHAIR JOLIN: Calls the meeting to order at 1:06 p.m.

012 CHERIE COPELAND: Introduces the following proposed committee bills (EXHIBIT A).

>LC 2978 Allows PUC to order refund of interim rate increases.
>LC 2977 Allows certain investment costs to be recovered in utility rates.

020 CHAIR JOLIN: There being no objections both proposed committee bills are accepted.

(Tape 12, Side A)

SB 554 - BOTTLED WATER LABELING, PUBLIC HEARING.

Witnesses: Jon Stubenvoll, Oregon State Public Interest Research Group
(OSPIRG).

Lorna Youngs, Oregon Dept. of Agriculture.
Jim Black, Oregon Dept. of Agriculture.
Art Keil, Oregon Health Division.
David Leland, Oregon Health Division.

026 JON STUBENVOLL: Submits and summarizes written testimony in favor of SB 554 (EXHIBIT B). According to the International Bottled Water Association (IBWA), an industry trade group, Americans drink twice as much bottled water today as they did just five years ago. In 1989, Americans spent 2 billion dollars on bottled water, making it the fastest growing segment of the domestic beverage industry. The cost of bottled water ranges from approximately 700 times the cost of tap water for domestic bottled water and up to 3000 times the cost of imported bottled water. Consumers receive little

for these premium prices. There is little assurance that bottled water is safer or more healthy than tap water. In fact, several studies indicate that over one-third of all bottled water sold in this country is simply tap water in a bottle. Unfortunately, inaccurate, incomplete, or deceptive labeling often prevents consumers from making an informed decision about which brand of bottled water to buy. SB 554, would address the problem by setting uniform quality standards in the marketplace for bottled water.

129 SENATOR SHOEMAKER: Don't you think that the public is just buying bottled water as a fad or for the image?

138 JON STUBENVOLL: The trade association reports that it believes that most consumers buy bottled water not for the fad reasons, but for concern about what may be in there tap water.

182 SENATOR KENNEMER: Do you have any evidence of harmful elements in bottled water?

185 JON STUBENVOLL: Other than those that violate provisions of the safe drinking act, no.

193 JIM BLACK: Gives brief explanation of program in place already to regulate bottled water.

>currently regulates bottled water in the confines of the state boundaries under our food law.
>All bottlers of water must obtain a food processing license from us.
>Must meet construction requirements as far as where processed and how.
>Must meet labeling requirements as far as truth in labeling or advertising requirements.

231 SENATOR JOLIN: Do you test other products from out of state to see if they meet your requirements?

240 JIM BLACK: With in certain confines. It is hard to verify if water from other states our from a spring of river. But within the state we do verify this.

260 JIM BLACK: Our food law says that if a food label or an advertisement is false and misleading in any particular it can be embargoed as misB randed.

290 ART KEIL: Submits and summarizes written testimony in favor SB 554 with certain amendments listed on page 2 (EXHIBIT C). WE recommend that the primary responsibility for the work under this bill be incorporated into the existing bottled water program within the Department of Agriculture. This program follows Federal Food and Drug Administration rules which address most of the health and safety provisions of the proposed bill. The existing program could be modified by statute of administrative rule making to address all areas in the proposed bill.

370 CHAIR JOLIN: Closes hearing on SB 554 and opens the hearing on SB 558 .

SB 558 STATE OF ORIGIN PRODUCE LABELING, PUBLIC HEARING.

Witnesses: Jack Munro, Association of Food Industries (OFI).

Jon Stubenoll, Oregon State Public Interest Research Group (OSPIRG).

Terry Whit, Oregonians For Food and Shelter.

Roger Martin, United Grocers.

375 JON STUBENVOLL: Submits and summarizes testimony in favor of SB 558 (EXHIBIT D). The country of origin labeling program is a relatively easy way to allow consumer to take a giant step in avoiding unsafe pesticide residues as well as giving them information that they can use to purchase domestic or locally grown produce so support Oregon agriculture. About one-third of the pesticides manufactured within U.S. borders are exported, and that includes pesticides whose use in the U.S. is

illegal or heavily restricted. Even though certain compounds are banned for domestic use, their exports are still allowed. Americans continue to be exposed to these banned chemicals as they are imported into the United States as residues on imported food items. According to the FDA samples, fruits and vegetables grown outside this country are more than twice as likely to contain illegal pesticide residues.

TAPE 13 SIDE A

JON STUBENVOLL: Concludes testimony and refers to chart in back of Exhibit D.

049 SENATOR SHOEMAKER: Is the whole purpose of this bill to get at the practice of our importing foods that have been fertilized with unsafe chemicals?

051 JON STUBENVOLL: Yes, the purpose is to give consumers the information they need to make their decisions on what foods they want to buy.

053 SENATOR SHOEMAKER: I see that the bill would require the person selling produce to label the produce with the state or the country of origin. What is the reason for the State to label?

056 JON STUBENVOLL: I'm not sure where that came from. That is not the intent. We would request that it would be amended out. The intent is to label produce that has been imported into this country.

065 JACK MUNRO: Gives testimony against SB 558. The average store has between 200 and 400 items in it's produce section, probably 10 to 15% at any given point in time are from foreign sources. The remaining items may be from a variety of domestic locations depending on season. The real significant point about either state or country of origin is what does it really tell you? This bill would cause too much work and has very little value.

141 SENATOR JOLIN: What really is the difference between labeling produce and labeling an Oregon chicken?

144 JACK MUNRO: The chicken labeling is done essentially by the chicken processors and not the grocers. It is much more trouble to label a commodity such as produce when it is coming from all different sources. The Oregon chicken labeling is done easily because it is only coming from one place.

235 TERRY WITT: Gives testimony against SB 558. Disputes some of OSPERG information, and is willing to bring in documentation to prove this. He states that it doesn't really matter where the produce comes from because the chemicals found on produce are not harmful. Many of the chemicals that are manufactured in the United States are manufactured specifically for use in foreign countries.

421 SENATOR BUNN: Is there a problem with giving me the right to say I'll take the risk of the U.S. produce over the imported produce?

425 TERRY WITT: It is my understanding that while there may be a slight difference in terms of the amount of over tolerance material brought in from imported materials over that grown domestically. I'm not sure the average individual has the information necessary to make that decision.

TAPE 12 SIDE B

038 ROGER MARTIN: Gives testimony against SB 558. All grocers are very concerned about

labeling of something they don't have any direct control over. If it comes to them labeled, then they will display it labeled. But if the responsibility is put on us for to put a label on produce and make sure it is correct . Inevitably the Department of Agriculture becomes the police agency and goes around catching every mistake you make. This can cause a big hassle like it has in the past. Let's try and find a way that doesn't make the grocer the bad guy by fining him if in fact there was no real ready way for him to know where that produce came from. It is easy enough to label a can or box, but we are talking about produce.

085 CHAIR JOLIN: What would be the difficulty of putting up a sign that it wasn't produced in the United States?

120 CHAIR JOLIN: States that we are in subcommittee for the purposes of hearing testimony.

106 ROGER MARTIN: I am not sure there is any difficulty in this but, we have tried this but when you have a produce clerk in a small store chances are he doesn't know where the produce came from.

163 CHAIR JOLIN: Adjourns hearing at 2:15.

Submitted by:

Reviewed by:

Apryl Poff
Committee Assistant

Cherie Copeland
Committee Administrator

EXHIBIT LOG:

- A - Summary of LC drafts submitted by Cherie Copeland, Administrator, 1 page.
- B - Written testimony submitted by Jon Stubenvoll, 4 pages.
- C - Written testimony submitted by Art Keil, 3 pages.
- D - Written testimony submitted by Jon Stubenvoll, 6 pages.