

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass

Vote: 8 - 0 - 0

Yeas: Beyer, Gilliam, Krieger, Roblan, Schaufler, VanOrman, Wingard, Clem

Nays: 0

Exc.: 0

Prepared By: Cheyenne Ross, Administrator

Meeting Dates: 5/19, 5/28

WHAT THE MEASURE DOES: Creates antitrust immunity for Oregon blackberry cooperatives supervised by Director of Agriculture. Authorizes cooperatives to participate in price negotiations. Prohibits person who is both dealer and cooperative member from participating in price negotiations. Declares an emergency, effective upon passage.

ISSUES DISCUSSED:

- Voluntary participation
- Allows participants to meet with state supervision
- Limited ability of small growers to survive extreme lows of volatile markets
- Berries in particular being “high risk” (or high cost) agriculture
- Encouraging greater market stability over time
- Department of Agriculture’s written commitment to address specific concern of one grower raised in opposition to the bill

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The exemption to federal antitrust laws for actions taken by states to stabilize commodity markets is called *Parker v. Brown* immunity. *Parker v. Brown* is a 1943 court case that upheld the right of California to create regulatory programs that allocated market share among raisin growers to stabilize raisin prices. The court found that a state may forbid competition among its citizens.

Oregon has taken legislative action to regulate competition in the state’s ryegrass, fescue, crab, and other commodity markets. The Legislative Assembly policy statement on cooperative action to encourage the efficient production and distribution of agricultural products is at ORS 62.845.

Oregon is the nation's leading producer of commercially-grown blackberries. In Oregon currently, cooperatives of growers may bargain with one buyer at time. Senate Bill 409A would allow cooperatives of buyers to participate.