

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 5 - 0 - 0

Yeas: George, Schrader, Starr, Verger, Metsger

Nays: -

Exc.: -

Prepared By: Jim Stembridge, Administrator

Meeting Dates: 2/16, 2/23

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

ISSUES DISCUSSED:

- Current antitrust immunity authority for ryegrass, fescue seed, crabs, and other commodities
- Importance of blackberry harvest
- Marionberries, Boysenberries, and other varieties of blackberries
- Definition and use of "State Action Immunity," commodity pricing, and federal law
- Harvest season for the current year
- Hazards of limiting competition; inhibiting market entry

EFFECT OF COMMITTEE AMENDMENT: Authorizes cooperative to participate in price negotiations. Prohibits person who is both a dealer and cooperative member from participating. Adds an emergency clause, effective upon passage.

BACKGROUND: The exemption to federal antitrust laws for actions taken by states is called the *Parker v. Brown* immunity. *Parker v. Brown* was a 1943 court case that upheld the right of California to enforce agreements that allocated market share among raisin growers. The agreements were designed to stabilize raisin prices through a marketing plan. While it would have been illegal for the growers themselves to have entered into these agreements, the Court found that a state may forbid competition among its own 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.