

# House Bill 3486

Sponsored by Representative BERGER; Representative CLEM

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires that commodity commission assess commodity in differing amounts based on use, type or variety. Requires Oregon Blueberry Commission to assess blueberries only on percentage of dollar value basis.

## A BILL FOR AN ACT

1  
2 Relating to commodity commissions; amending ORS 576.325.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 576.325 is amended to read:

5 576.325. (1) As used in this section, "industry average unit price" means the average unit price  
6 for the raw commodity within the industry. Unless provided otherwise, "industry average unit  
7 price" includes prices that are calculated using a one-year, two-year or three-year average and data  
8 from the most recent complete year or years preceding the year of determination.

9 (2)(a) A commodity commission may assess, levy and collect an assessment, the amount of which  
10 the commission shall determine, on all units or animals of the commodity grown or produced in this  
11 state, or procured from this state's rivers or the offshore waters, but not the Columbia River, for  
12 handling within this state, and sold in commercial channels. A commission may not apply an as-  
13 sessment to a transaction that occurred prior to the effective date of the commission rule adopting  
14 the assessment.

15 (b) A commission [*may*] **shall** assess, levy and collect a differential assessment, the amount of  
16 which the commission shall determine, based on the intended use, type or variety of the commodity.

17 (c) All casual sales of the commodity made by the producer direct to the consumer are exempt  
18 from the assessment.

19 (d) A commission may, by rule, define and regulate handling, processing and casual sales.

20 (3) The amount of the assessment provided for in subsection (2) of this section is limited as fol-  
21 lows:

22 (a) If a commission assesses on a unit basis, the assessment may not exceed one and one-half  
23 percent of the industry average unit price. The commission may determine the industry average unit  
24 price by considering data and estimates of the United States Department of Agriculture, Oregon  
25 State University or other reliable sources.

26 (b) If a commission assesses on a percentage of dollar value basis, the assessment may not ex-  
27 ceed one and one-half percent of the dollar value received by a producer for the raw commodity. If  
28 the dollar value received by a producer is not otherwise determinable, the commission may establish  
29 the dollar value based on the industry average unit price for that year for the raw commodity.

30 (4) Notwithstanding subsection (3) of this section:

31 (a) The maximum assessment by the Oregon Clover Seed Commission may not exceed one and

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.

1 one-half percent of the industry average unit price for products within the same market category,  
 2 if assessed on a unit basis.

3 (b) The maximum assessments by the Oregon Albacore Commission, the Oregon Orchardgrass  
 4 Seed Producers Commission and the Oregon Tall Fescue Commission may not exceed three percent  
 5 of the industry average unit price if assessed on a unit basis or three percent of the value received  
 6 by a producer for the raw commodity if assessed on a percentage of dollar value basis.

7 (c) The maximum assessment by the Oregon Sweet Cherry Commission for fresh, brined, canned  
 8 and frozen cherries may not exceed four percent of the respective industry average unit prices for  
 9 fresh, brined, canned and frozen cherries if assessed on a unit basis.

10 (d) The maximum assessment by the Oregon Processed Vegetable Commission on a commodity  
 11 may not exceed 0.5 percent of the industry average unit price for that commodity if assessed on a  
 12 unit basis or 0.5 percent of the dollar value received by a producer for the commodity if assessed  
 13 on a percentage of dollar value basis.

14 (e) The maximum assessment by the Oregon Hop Commission may not exceed two percent of the  
 15 industry average unit price if assessed on a unit basis.

16 (f) The maximum assessment by the Oregon Sheep Commission may not exceed five cents per  
 17 pound on all wool, in the grease basis, sold through commercial channels. The commission may not  
 18 adopt an assessment that is more than one-half cent per pound of wool, in the grease basis, above  
 19 the assessment for the previous year.

20 **(g) The Oregon Blueberry Commission may assess only on a percentage of dollar value**  
 21 **basis.**

22 (5) A commission shall assess and levy an assessment under subsections (2) to (4) of this section  
 23 to the producer at the time and in the manner provided by the commission by rule. The commission  
 24 is the owner of a collected assessment. A person who collects an assessment holds the assessment  
 25 in trust for the benefit of the commission and the state and shall remit the assessment in the time  
 26 and manner required by the commission under ORS 576.335.

27 (6) Notwithstanding subsection (5) of this section, a commission may assess, levy and collect an  
 28 assessment from a first purchaser at the time and in the manner provided by the commission by rule.  
 29 Except as provided in subsection (8) of this section, the assessment may not exceed the limits de-  
 30 scribed in subsections (3) and (4) of this section.

31 (7) A regional commission may assess, levy and collect an assessment only on the commodity  
 32 produced in the counties in which the regional commission functions.

33 (8) Notwithstanding subsections (3) and (4) of this section, a commodity commission may assess,  
 34 levy and collect an assessment in excess of the limits described in subsections (3) and (4) of this  
 35 section pursuant to a federal marketing order or agreement.

36 (9) A person who believes that the amount of an assessment is incorrect may apply to the  
 37 commission for a refund not later than 60 days after the person pays the assessment.

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