

Senate Bill 118

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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**.

Allows State Department of Agriculture to adopt rules to establish license fees for certain food-related establishments and occupations. Imposes limitations on timing and amount of fees established by rule. Applies to fees charged for licensing periods beginning on or after July 1, 2011. Continues existing statutory fees until adoption of fees by rule.

Allows department to charge fees for services provided in connection with licenses for certain food-related establishments and occupations.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to State Department of Agriculture food safety fees; creating new provisions; amending
3 ORS 603.025, 603.031, 603.200, 616.706, 616.708, 619.031, 621.072, 621.078, 621.166, 621.169, 625.030,
4 625.055, 625.090, 625.180, 628.240, 632.720, 632.741 and 635.030; and declaring an emergency.

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

6 **SECTION 1. Except as provided in this section, the State Department of Agriculture may**
7 **adopt rules establishing reasonable fees for consultation, plan development, facility plan re-**
8 **view and other services provided to an applicant, licensee or other person in connection with**
9 **a license described in ORS 603.025, 616.706, 619.031, 621.072, 621.166, 625.180, 628.240, 632.720**
10 **or 635.030. Fees established by rule under this section may not include any costs for which**
11 **a fee is otherwise established or authorized under ORS 616.695 to 616.755, 619.010 to 619.026,**
12 **619.036 to 619.066, 625.010 to 625.270, 628.210 to 628.370, 632.705 to 632.815, 635.015 to 635.030**
13 **or ORS chapter 603 or 621. Fees for services described in this section may not exceed**
14 **amounts reasonably calculated to recover the costs to the department of providing services**
15 **described in this section.**

16 **SECTION 2.** ORS 603.025 is amended to read:

17 603.025. (1) A person may not sell, offer to sell or expose for sale meat products or engage in
18 any other activity described or identified in subsection (4) of this section without first obtaining and
19 maintaining a license [*therefor*] **for that activity** from the State Department of Agriculture. All such
20 licenses shall expire on June 30 next following the date of issuance or on such date as may be
21 specified by department rule. Renewal applications must be postmarked before the expiration date
22 to be timely.

23 (2) Application for a license required by this section shall be made to the department on forms
24 prescribed by the department[, *which*] **and** shall contain any information the department deems
25 necessary. The license is personal and nontransferable, with a separate license required for each
26 establishment location. A new license is required each time there is a change in ownership, legal
27 entity or establishment location.

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 (3) In addition to other license requirements of this section, if an applicant for a license under
 2 subsection (4)(c) of this section has an average weekly dollar value of meat animal purchases that
 3 exceeds \$10,000, the applicant shall submit with the application a surety bond with one or more
 4 corporate sureties authorized to do business in this state, or an irrevocable letter of credit issued
 5 by an insured institution, as defined in ORS 706.008. The bond or letter of credit shall be in an
 6 amount equal to twice the average daily value of meat animal purchases during the preceding cal-
 7 endar year, or the amount of \$20,000, whichever amount is greater. The department shall prescribe
 8 the form for *[and approve]* the bond or letter of credit.*[, which shall]* **A bond or letter of credit is**
 9 **subject to department approval and must** be conditioned upon faithful performance by the
 10 licensee of all obligations to the producers of meat animals arising from the sale of meat animals
 11 by producers to the licensee.

12 (4) Each of the following activities *[shall]* **must** be licensed, and the fee established by the de-
 13 partment paid with the **license** application *[therefor]*:

14 (a) Operation of a meat seller establishment. A license under this section allows only the meat
 15 products preparation described in ORS 603.010 (8).

16 (b) Operation of a nonslaughtering processing establishment. A license under this section allows
 17 selling meat products at the same location without obtaining the license described in paragraph (a)
 18 of this subsection.

19 (c) Operation of a slaughterhouse. A license under this section allows selling meat products at
 20 the same location without obtaining the license described in paragraph (a) of this subsection.

21 (d) Operation of a custom slaughtering establishment or custom processing establishment. A li-
 22 cense under this section does not allow selling meat products without first obtaining and maintain-
 23 ing the license described in paragraph (a) of this subsection.

24 (e) Operation of a slaughterhouse, custom slaughtering establishment or custom processing es-
 25 tablishment wherein only poultry or rabbits are slaughtered or prepared. A license under this sec-
 26 tion allows selling only poultry or rabbit products at the same location without obtaining the license
 27 described in paragraph (a) of this subsection.

28 (5) The license required by this section shall be displayed at all times in a conspicuous manner
 29 at the address shown on the license.

30 *[(6) Except as provided in subsection (7) of this section, the license fees for establishments under*
 31 *this section are:]*

32 *[(a) \$216 if the establishment's annual gross dollar volume of sales and services is not more than*
 33 *\$50,000;]*

34 *[(b) \$271 if the establishment's annual gross dollar volume of sales and services is more than*
 35 *\$50,000 and not more than \$500,000;]*

36 *[(c) \$325 if the establishment's annual gross dollar volume of sales and services is more than*
 37 *\$500,000 and not more than \$1 million;]*

38 *[(d) \$487 if the establishment's annual gross dollar volume of sales and services is more than \$1*
 39 *million and not more than \$5 million;]*

40 *[(e) \$541 if the establishment's annual gross dollar volume of sales and services is more than \$5*
 41 *million and not more than \$10 million; or]*

42 *[(f) \$704 if the establishment's annual gross dollar volume of sales and services is more than \$10*
 43 *million.]*

44 *[(7) If the establishment sells only prepackaged meats packaged at a facility inspected by the United*
 45 *States Department of Agriculture, the following license fee amounts shall apply instead of the fee es-*

1 *tabulated in subsection (6)(a) of this section:]*

2 [(a) \$108 if the establishment's annual gross dollar volume of sales and services is not more than
3 \$5,000; or]

4 [(b) \$162 if the establishment's annual gross dollar volume of sales and services is more than
5 \$5,000 and not more than \$50,000.]

6 [(8)] **(6) The department may adopt rules establishing license fee schedules for establish-
7 ments licensed under this section. The department may determine the license fee for an es-
8 tablishment based upon the annual gross dollar volume of sales and services by the applicant.**

9 In establishing the amount of the license fee for an establishment, the State Department of Agri-
10 culture shall use the annual gross dollar volume of sales and services by that establishment within
11 Oregon during the prior calendar year or, if the establishment maintains sales and service records
12 on a fiscal basis, the prior fiscal year. If the establishment applying for an original license or for a
13 renewal license cannot provide the annual gross dollar volume of sales and services for a full cal-
14 endar year, the department shall base the fee on estimated annual gross sales and services by the
15 establishment. If an establishment whose previous year's fee was determined using an estimated
16 gross sales and services figure applies for renewal of that license, the fee for the previous license
17 year shall be adjusted to reflect the actual annual gross dollar volume of sales and services by the
18 establishment.

19 **(7) Except as provided in this subsection, the department may not adopt a rule under this
20 section to establish a license fee that is more than three percent higher than the license fee
21 charged during the preceding year for an establishment of the same type and having the
22 same volume of gross sales and services. When adopting a rule establishing a license fee,
23 notwithstanding the three percent limit the department may round the fee amount to the
24 next highest whole dollar amount. Fee schedules adopted under this section may not change
25 the amount of the same license fee more frequently than once each year.**

26 **SECTION 3. (1) The amendments to ORS 603.025 by section 2 of this 2011 Act apply to
27 license fees charged for licensing periods that begin on or after July 1, 2011. Notwithstanding
28 the amendments to ORS 603.025 by section 2 of this 2011 Act, the license fee amounts au-
29 thorized by ORS 603.025 as set forth in the 2009 Edition of Oregon Revised Statutes and in
30 effect on the effective date of this 2011 Act shall remain in effect until superseded by license
31 fees established by State Department of Agriculture rules taking effect on or after July 1,
32 2011.**

33 **(2) The department shall adopt initial rules establishing license fees under ORS 603.025
34 to take effect no later than July 1, 2012. For the purpose of adopting initial rules establishing
35 license fees under ORS 603.025, the license fees authorized by ORS 603.025 as set forth in the
36 2009 Edition of Oregon Revised Statutes and in effect on the effective date of this 2011 Act
37 are deemed to be the license fees charged during the year preceding adoption of the rule.**

38 **SECTION 4. ORS 616.706 is amended to read:**

39 616.706. (1) Except as otherwise provided in ORS 616.695 to 616.755, a person may not operate
40 a food establishment without first obtaining and thereafter maintaining a license under this section.
41 A person shall make an application for a license to the State Department of Agriculture on forms
42 prescribed by the department. Each license shall expire on June 30 next following the date of issu-
43 ance or on such date as may be specified by department rule.

44 **(2) The department may, subject to the applicable provisions of ORS chapter 183, suspend, re-
45 voke or refuse to issue a license if the licensee has violated any of the provisions of ORS 616.695**

1 to 616.755 or rules adopted under ORS 616.695 to 616.755.

2 (3) A license is personal to the applicant and may not be transferred. A new license is necessary
3 if the business entity of the licensee is changed, or if the membership of a partnership is changed,
4 irrespective of whether or not the business name is changed.

5 (4) The license shall cover all operations of the person licensed, under one entity or ownership.
6 With prior approval of the department, the location of a licensed food establishment, or any part
7 of a licensed food establishment, may be moved without the requirement of a new license if there
8 is no change in the ownership or business entity.

9 (5) The license shall be posted in a conspicuous place in the main office of the food establish-
10 ment. Duplicate copies of the license shall be conspicuously posted in branch offices, warehouses
11 and other places owned or operated by the licensee at locations other than the main office. A license
12 is automatically canceled if the food establishment ceases or discontinues operations or business.

13 *[(6) The license fee for a food establishment that is part of a domestic kitchen is \$189.]*

14 *[(7) The license fees for a food establishment other than an establishment that is part of a domestic
15 kitchen, or other than a retail food store or a warehouse, are:]*

16 *[(a) \$325 if the gross sales of an applicant's covered operations are not more than \$50,000;]*

17 *[(b) \$460 if the gross sales of an applicant's covered operations are more than \$50,000 and not more
18 than \$500,000;]*

19 *[(c) \$541 if the gross sales of an applicant's covered operations are more than \$500,000 and not
20 more than \$1 million;]*

21 *[(d) \$704 if the gross sales of an applicant's covered operations are more than \$1 million and not
22 more than \$5 million;]*

23 *[(e) \$812 if the gross sales of an applicant's covered operations are more than \$5 million and not
24 more than \$10 million; or]*

25 *[(f) \$920 if the gross sales of an applicant's covered operations are more than \$10 million.]*

26 *[(8) The food establishment license fees for a retail food store, as defined by the department by rule,
27 are:]*

28 *[(a) \$135 if the gross sales of an applicant's covered operations are not more than \$50,000;]*

29 *[(b) \$271 if the gross sales of an applicant's covered operations are more than \$50,000 and not more
30 than \$500,000;]*

31 *[(c) \$325 if the gross sales of an applicant's covered operations are more than \$500,000 and not
32 more than \$1 million;]*

33 *[(d) \$487 if the gross sales of an applicant's covered operations are more than \$1 million and not
34 more than \$5 million;]*

35 *[(e) \$595 if the gross sales of an applicant's covered operations are more than \$5 million and not
36 more than \$10 million; or]*

37 *[(f) \$704 if the gross sales of an applicant's covered operations are more than \$10 million.]*

38 *[(9) The food establishment license fees for a warehouse, as defined by the department by rule,
39 are:]*

40 *[(a) \$108 if the gross sales of an applicant's covered operations are not more than \$50,000;]*

41 *[(b) \$135 if the gross sales of an applicant's covered operations are more than \$50,000 and not more
42 than \$10 million; or]*

43 *[(c) \$162 if the gross sales of an applicant's covered operations are more than \$10 million.]*

44 **(6) The department may adopt rules establishing license fee schedules for a food estab-**
45 **lishment:**

- 1 **(a) That is part of a domestic kitchen;**
 2 **(b) That is a retail food store;**
 3 **(c) That is a warehouse; or**
 4 **(d) That is other than part of a domestic kitchen, retail food store or warehouse.**

5 [(10)] **(7) The department may determine the license fee for a food establishment de-**
 6 **scribed in subsection (6)(b) to (d) of this section based upon the gross sales by the applicant.**

7 In establishing the amount of [*the license fee for an applicant*] **a license fee based upon gross sales**
 8 **by an applicant**, the department shall use the annual gross dollar volume of sales of covered oper-
 9 ations by that applicant within Oregon during the prior calendar year or, if the applicant maintains
 10 sales records on a fiscal basis, the prior fiscal year. If the applicant applying for an original license
 11 or for a renewal license cannot provide the annual gross dollar volume of sales of covered oper-
 12 ations for a full calendar year, the department shall base the fee on estimated annual gross sales
 13 of covered operations by the applicant. If an applicant whose previous year's fee was determined
 14 using an estimated gross sales of covered operations figure applies for renewal of that license, the
 15 fee for the previous license year shall be adjusted to reflect the actual gross dollar volume of sales
 16 of covered operations by the applicant.

17 **(8) Except as provided in this subsection, the department may not adopt a rule under this**
 18 **section to establish a license fee that is more than three percent higher than the license fee**
 19 **charged during the preceding year for a food establishment of the same type and having the**
 20 **same volume of gross sales. When adopting a rule establishing a license fee, notwithstanding**
 21 **the three percent limit the department may round the fee amount to the next highest whole**
 22 **dollar amount. License fee schedules adopted under this section may not change the amount**
 23 **of the same license fee more frequently than once each year.**

24 **SECTION 5. (1) The amendments to ORS 616.706 by section 4 of this 2011 Act apply to**
 25 **license fees charged for licensing periods that begin on or after July 1, 2011. Notwithstanding**
 26 **the amendments to ORS 616.706 by section 4 of this 2011 Act, the license fee amounts au-**
 27 **thorized by ORS 616.706 as set forth in the 2009 Edition of Oregon Revised Statutes and in**
 28 **effect on the effective date of this 2011 Act shall remain in effect until superseded by license**
 29 **fees established by State Department of Agriculture rules taking effect on or after July 1,**
 30 **2011.**

31 **(2) The department shall adopt initial rules establishing license fees under ORS 616.706**
 32 **to take effect no later than July 1, 2012. For the purpose of adopting initial rules establishing**
 33 **license fees under ORS 616.706, the license fees authorized by ORS 616.706 as set forth in the**
 34 **2009 Edition of Oregon Revised Statutes and in effect on the effective date of this 2011 Act**
 35 **are deemed to be the license fees charged during the year preceding adoption of the rule.**

36 **SECTION 6.** ORS 619.031 is amended to read:

37 619.031. (1) A person may not operate an animal food slaughtering establishment or processing
 38 establishment without first obtaining a license [*therefor*] **for the establishment** from the State De-
 39 partment of Agriculture.

40 [(2) *The license fees for an animal food slaughtering establishment or processing establishment*
 41 *are:*]

42 [(a) *\$216 if the establishment's annual gross dollar volume of sales and services is not more than*
 43 *\$50,000;*]

44 [(b) *\$271 if the establishment's annual gross dollar volume of sales and services is more than*
 45 *\$50,000 and not more than \$500,000;*]

1 *[(c) \$325 if the establishment's annual gross dollar volume of sales and services is more than*
 2 *\$500,000 and not more than \$1 million;]*

3 *[(d) \$487 if the establishment's annual gross dollar volume of sales and services is more than \$1*
 4 *million and not more than \$5 million;]*

5 *[(e) \$541 if the establishment's annual gross dollar volume of sales and services is more than \$5*
 6 *million and not more than \$10 million; or]*

7 *[(f) \$704 if the establishment's annual gross dollar volume of sales and services is more than \$10*
 8 *million.]*

9 **[(3)] (2) The department may adopt rules establishing license fee schedules for establish-**
 10 **ments licensed under this section. The department may determine the license fee for an es-**
 11 **tablissement based upon the annual gross dollar volume of sales and services by the applicant.**

12 In establishing the amount of the license fee for an applicant, the department shall use the annual
 13 gross dollar volume of sales and services by that applicant within Oregon during the prior calendar
 14 year or, if the applicant maintains sales and service records on a fiscal basis, the prior fiscal year.
 15 If the applicant applying for an original license or for a renewal license cannot provide the annual
 16 gross dollar volume of sales and services for a full calendar year, the department shall base the fee
 17 on estimated annual gross sales and services by the applicant. If an applicant whose previous year's
 18 fee was determined using an estimated gross sales and services figure applies for renewal of that
 19 license, the fee for the previous license year shall be adjusted to reflect the actual gross dollar
 20 volume of sales and services by the applicant. The license shall expire on June 30 next following the
 21 date of issuance or on such date as may be specified by department rule.

22 **(3) Except as provided in this subsection, the department may not adopt a rule to es-**
 23 **tablish a license fee that is more than three percent higher than the license fee charged**
 24 **during the preceding year for an establishment of the same type and having the same volume**
 25 **of gross sales and services. When adopting a rule establishing a license fee, notwithstanding**
 26 **the three percent limit the department may round the fee amount to the next highest whole**
 27 **dollar amount. Fee schedules adopted under this section may not change the amount of the**
 28 **same license fee more frequently than once each year.**

29 (4) The provisions of ORS 603.025 (2) and (5), 603.034 (1) and (2), 603.045 (7) and 603.075 shall
 30 apply to animal food slaughtering establishments or processing establishments. Except as provided
 31 in this subsection, the remainder of the provisions of ORS chapter 603 do not apply to such estab-
 32 lishments.

33 (5) Notwithstanding subsection (1) of this section, a person licensed by the department under
 34 ORS chapter 603 to slaughter meat animals and subject to federal meat inspection, or a person li-
 35 censed by the department under ORS chapter 603 to slaughter only poultry and rabbits and subject
 36 to federal poultry inspection, or a person licensed by the department under ORS chapter 603 as a
 37 nonslaughtering processor may, without being required to obtain an additional license, also sell or
 38 dispose of meat products as animal food provided that such licensees also comply with the provisions
 39 of subsection (6) of this section, ORS 619.010 to 619.026 and 619.036 to 619.066.

40 (6) In accordance with the provisions of ORS chapter 183, the department may promulgate rules
 41 necessary to carry out and enforce any procedures or measures to protect the health of the animals
 42 that are fed or intended to be fed the meat products sold or disposed of by animal food slaughtering
 43 establishments or processing establishments, and to protect the health of other animals in this state.
 44 In addition to the provisions of ORS 619.046, for the purposes of this section the department shall
 45 take into consideration:

1 (a) The provisions of ORS chapter 596.

2 (b) The procedures necessary to ensure that meat products that are only fit for or destined for
3 animal consumption are not sold for human consumption.

4 (7) A person licensed as provided by this section:

5 (a) May not sell, hold or offer for sale any carcass of a meat animal or part thereof that is unfit
6 for or unwholesome as animal food.

7 (b) May not sell, hold or offer for sale a carcass of a meat animal or part thereof for human
8 consumption.

9 (c) Shall keep complete and accurate records of the meat animals purchased for slaughter, in-
10 cluding but not limited to their description, brands if any, date of purchase and the name and ad-
11 dress of the person from whom the animals were purchased.

12 (d) Shall keep complete and accurate records of the sale of all meat animal carcasses or parts
13 [thereof] **of meat animal carcasses**, including the name and address of the purchaser.

14 (e) Shall comply with the provisions of ORS 619.026.

15 **SECTION 7. (1) The amendments to ORS 619.031 by section 6 of this 2011 Act apply to**
16 **license fees charged for licensing periods that begin on or after July 1, 2011. Notwithstanding**
17 **the amendments to ORS 619.031 by section 6 of this 2011 Act, the license fee amounts au-**
18 **thorized by ORS 619.031 as set forth in the 2009 Edition of Oregon Revised Statutes and in**
19 **effect on the effective date of this 2011 Act shall remain in effect until superseded by license**
20 **fees established by State Department of Agriculture rules taking effect on or after July 1,**
21 **2011.**

22 **(2) The department shall adopt initial rules establishing license fees under ORS 619.031**
23 **to take effect no later than July 1, 2012. For the purpose of adopting initial rules establishing**
24 **licensing fees under ORS 619.031, the license fees authorized by ORS 619.031 as set forth in**
25 **the 2009 Edition of Oregon Revised Statutes and in effect on the effective date of this 2011**
26 **Act are deemed to be the license fees charged during the year preceding adoption of the rule.**

27 **SECTION 8.** ORS 621.072 is amended to read:

28 621.072. (1) The State Department of Agriculture shall issue a license to use a grade designation
29 to any person who:

30 (a) Makes written application for a license on forms provided by the department;

31 (b) Pays the designated license fee;

32 (c) Is engaged in the business of producing or distributing fluid milk; and

33 (d) Meets the requirements of the particular grade designation for which application is made.

34 (2) If a person carries on the activities of a producer and a producer-distributor, the person must
35 obtain a separate license for each of those activities. If a producer-distributor manufactures products
36 from both grade A fluid milk and grade B fluid milk at the same premises, the producer-distributor
37 must obtain separate licenses for grade A product manufacturing activity and grade B product
38 manufacturing activity.

39 (3) Licenses issued under this section shall be personal and not transferable.

40 (4) Each milk hauler, milk receiver or other person who grades fluid milk as fit or unfit for
41 processing as fluid milk due to quality, odor, flavor or wholesomeness must first obtain a license
42 from the department authorizing that person to sample and grade fluid milk. Each applicant for a
43 milk sampler's and grader's license shall, by written examination, demonstrate an adequate knowl-
44 edge of milk sanitation as it relates to the sampling, grading and handling of fluid milk and cream
45 for analysis. The department shall give examinations for licenses at such times and places as ap-

1 pears to be necessary and practicable.

2 (5) Before and after issuing a license to a person as a producer, producer-distributor, distributor
3 or nonprocessing distributor of fluid milk, the department shall, as it deems necessary, inspect the
4 physical facilities of the applicant's dairy, milk processing plant or distribution center and investi-
5 gate other factors the department determines may relate to the production, processing or distrib-
6 ution of fluid milk. The physical facilities must conform to the production, processing or distribution
7 requirements for the fluid milk grade designation sought or held.

8 (6) Each license issued under this section expires on June 30 next following the date of its is-
9 suanance unless sooner revoked and may be renewed upon application of the licensee. Each applica-
10 tion for a license or annual renewal *[thereof]* **of a license** shall be accompanied by a license fee.

11 *[(7) The department shall establish license fee schedules for milk samplers and graders in accord-*
12 *ance with ORS chapter 183. A fee may not be less than \$25 or more than \$50.]*

13 *[(8) The license fees for producer-distributors, distributors and nonprocessing distributors are:]*

14 *[(a) \$135 if the applicant's annual gross dollar volume of sales and services is not more than*
15 *\$50,000;]*

16 *[(b) \$189 if an applicant's annual gross dollar volume of sales and services is more than \$50,000*
17 *and not more than \$500,000;]*

18 *[(c) \$325 if an applicant's annual gross dollar volume of sales and services is more than \$500,000*
19 *and not more than \$1 million;]*

20 *[(d) \$487 if an applicant's annual gross dollar volume of sales and services is more than \$1 million*
21 *and not more than \$5 million;]*

22 *[(e) \$649 if an applicant's annual gross dollar volume of sales and services is more than \$5 million*
23 *and not more than \$10 million; or]*

24 *[(f) \$812 if an applicant's annual gross dollar volume of sales and services is more than \$10*
25 *million.]*

26 *[(9) The license fees for producers are:]*

27 *[(a) \$135 if the applicant's annual gross sales are not more than \$50,000;]*

28 *[(b) \$189 if an applicant's annual gross sales are more than \$50,000 and not more than \$500,000;]*

29 *[(c) \$325 if an applicant's annual gross sales are more than \$500,000 and not more than \$1*
30 *million;]*

31 *[(d) \$487 if an applicant's annual gross sales are more than \$1 million and not more than \$5*
32 *million;]*

33 *[(e) \$649 if an applicant's annual gross sales are more than \$5 million and not more than \$10*
34 *million; or]*

35 *[(f) \$812 if an applicant's annual gross sales are more than \$10 million.]*

36 **(7) The department may adopt rules establishing license fee schedules for:**

37 **(a) Milk samplers and graders;**

38 **(b) Producer-distributors, distributors and nonprocessing distributors; and**

39 **(c) Producers.**

40 *[(10)]* **(8) The department may determine the license fee for a producer-distributor, dis-**
41 **tributor or nonprocessing distributor based upon the annual gross dollar volume of sales and**
42 **services by the applicant.** In establishing the amount of the license fee for an applicant under this
43 *[section]* **subsection**, the department shall use the annual gross dollar volume of sales and services
44 by that applicant within Oregon during the prior calendar year or, if the applicant maintains sales
45 and service records on a fiscal basis, the prior fiscal year. If the applicant applying for an original

1 license or for a renewal license cannot provide the annual gross dollar volume of sales and services
2 for a full calendar year, the department shall base the fee on estimated annual gross sales and ser-
3 vices by the applicant. If an applicant whose previous year's fee was determined using an estimated
4 gross sales and services figure applies for renewal of that license, the fee for the previous license
5 year shall be adjusted to reflect the actual gross dollar volume of sales and services by the appli-
6 cant.

7 **(9) The department may determine the license fee for a producer based upon the annual**
8 **gross sales by the applicant. In establishing the amount of the license fee for an applicant**
9 **under this subsection, the department shall use the annual gross sales by that applicant**
10 **within Oregon during the prior calendar year or, if the applicant maintains sales records on**
11 **a fiscal basis, the prior fiscal year. If the applicant applying for an original license or for a**
12 **renewal license cannot provide the annual gross sales for a full calendar year, the depart-**
13 **ment shall base the fee on estimated annual gross sales by the applicant. If an applicant**
14 **whose previous year's fee was determined using an estimated gross sales figure applies for**
15 **renewal of that license, the fee for the previous license year shall be adjusted to reflect the**
16 **actual gross sales by the applicant.**

17 **(10) Except as provided in this subsection, the department may not adopt a rule under**
18 **this section to establish a license fee that is more than three percent higher than the fee**
19 **charged during the preceding year for a milk sampler and grader, for a producer-distributor,**
20 **distributor or nonprocessing distributor having the same volume of gross sales and services**
21 **or for a producer having the same volume of gross sales. When adopting a rule establishing**
22 **a license fee, notwithstanding the three percent limit the department may round the fee**
23 **amount to the next highest whole dollar amount. Fee schedules adopted under this section**
24 **may not change the amount of the same license fee more frequently than once each year.**

25 (11) A distributor or producer-distributor must obtain a license and pay license fees [*as provided*
26 *under subsection (8) of this section*] for each physical facility used to produce, process or distribute
27 fluid milk. A person is not required to obtain a distributor or producer-distributor license to act as
28 a milk hauler or to operate receiving or transfer stations in conjunction with a milk processing
29 plant.

30 (12) The department may refuse to issue or renew, or may suspend or revoke, a license for any
31 violation of this section or ORS 621.062, 621.070, 621.076, 621.084, 621.088, 621.117, 621.122 or 621.259
32 or processes or standards established under ORS 621.060 or 621.083.

33 **SECTION 9. (1) The amendments to ORS 621.072 by section 8 of this 2011 Act apply to**
34 **license fees charged for licensing periods that begin on or after July 1, 2011. Notwithstanding**
35 **the amendments to ORS 621.072 by section 8 of this 2011 Act, the license fee amounts au-**
36 **thorized by ORS 621.072 as set forth in the 2009 Edition of Oregon Revised Statutes and in**
37 **effect on the effective date of this 2011 Act shall remain in effect until superseded by license**
38 **fees established by State Department of Agriculture rules taking effect on or after July 1,**
39 **2011.**

40 **(2) The department shall adopt initial rules establishing license fees under ORS 621.072**
41 **to take effect no later than July 1, 2012. For the purpose of adopting initial rules establishing**
42 **license fees under ORS 621.072, the license fees authorized by ORS 621.072 as set forth in the**
43 **2009 Edition of Oregon Revised Statutes and in effect on the effective date of this 2011 Act**
44 **are deemed to be the license fees charged during the year preceding adoption of the rule.**

45 **SECTION 10. ORS 621.166 is amended to read:**

1 621.166. (1) **As used in this section, “mobile milk tanker” means a tank or other recep-**
 2 **table that attaches to a bulk tank truck or other equipment and is used to transport fluid**
 3 **milk, milk or milk products.**

4 [(1)] (2) Application for a dairy products plant license shall be made to the State Department
 5 of Agriculture on forms provided by the department. Each license and each annual renewal shall
 6 expire on June 30 next following its issuance or on such date as may be specified by department
 7 rule. Dairy products plant licenses are personal and are not transferable.

8 [(2)] (3) Each dairy products plant shall submit a separate fee established by the department for
 9 each mobile milk tanker. The fee *[shall]* **does** not apply to a mobile milk tanker owned and operated
 10 by a dairy products plant while transporting dairy products from the dairy products plant to
 11 wholesale or retail outlets for those products. *[As used in this section, “mobile milk tanker” means*
 12 *a tank or other receptacle that attaches to a bulk tank truck or other equipment and is used to transport*
 13 *fluid milk, milk or milk products.]*

14 [(3)] *The department shall establish the license fee for a mobile milk tanker in accordance with ORS*
 15 *chapter 183. The fee may not be less than \$25 or more than \$50. The fees for a dairy products plant*
 16 *are:]*

17 [(a)] *\$135 if the applicant’s annual gross dollar volume of sales and services is not more than*
 18 *\$50,000;]*

19 [(b)] *\$189 if an applicant’s annual gross dollar volume of sales and services is more than \$50,000*
 20 *and not more than \$500,000;]*

21 [(c)] *\$325 if an applicant’s annual gross dollar volume of sales and services is more than \$500,000*
 22 *and not more than \$1 million;]*

23 [(d)] *\$487 if an applicant’s annual gross dollar volume of sales and services is more than \$1 million*
 24 *and not more than \$5 million;]*

25 [(e)] *\$649 if an applicant’s annual gross dollar volume of sales and services is more than \$5 million*
 26 *and not more than \$10 million; or]*

27 [(f)] *\$812 if an applicant’s annual gross dollar volume of sales and services is more than \$10*
 28 *million.]*

29 **(4) The department may adopt rules establishing license fee schedules for:**

30 **(a) Mobile milk tankers; and**

31 **(b) Dairy products plants.**

32 [(4)] (5) **The department may determine the license fee for a dairy products plant based**
 33 **upon the annual gross dollar volume of sales and services by the applicant.** In establishing the
 34 amount of the license fee for an applicant, the department shall use the annual gross dollar volume
 35 of sales and services by that applicant within Oregon during the prior calendar year or, if the ap-
 36 plicant maintains sales and service records on a fiscal basis, the prior fiscal year. If the applicant
 37 applying for an original license or for a renewal license cannot provide the annual gross dollar
 38 volume of sales or services for a full calendar year, the department shall base the fee on estimated
 39 annual gross sales and services by the applicant. If an applicant whose previous year’s fee was de-
 40 termined using an estimated gross sales and services figure applies for renewal of that license, the
 41 fee for the previous license year shall be adjusted to reflect the actual gross dollar volume of sales
 42 and services by the applicant.

43 **(6) Except as provided in this subsection, the department may not adopt a rule under this**
 44 **section to establish a license fee that is more than three percent higher than the fee charged**
 45 **during the preceding year for an equivalent mobile milk tanker or for a dairy products plant**

1 having the same volume of gross sales and services. When adopting a rule establishing a li-
 2 cense fee, notwithstanding the three percent limit the department may round the fee amount
 3 to the next highest whole dollar amount. Fee schedules adopted under this section may not
 4 change the amount of the same license fee more frequently than once each year.

5 **SECTION 11.** (1) The amendments to ORS 621.166 by section 10 of this 2011 Act apply to
 6 license fees charged for licensing periods that begin on or after July 1, 2011. Notwithstanding
 7 the amendments to ORS 621.166 by section 10 of this 2011 Act, the license fee amounts au-
 8 thorized by ORS 621.166 as set forth in the 2009 Edition of Oregon Revised Statutes and in
 9 effect on the effective date of this 2011 Act shall remain in effect until superseded by license
 10 fees established by State Department of Agriculture rules taking effect on or after July 1,
 11 2011.

12 (2) The department shall adopt initial rules establishing license fees under ORS 621.166
 13 to take effect no later than July 1, 2012. For the purpose of adopting initial rules establishing
 14 license fees under ORS 621.166, the license fees authorized by ORS 621.166 as set forth in the
 15 2009 Edition of Oregon Revised Statutes and in effect on the effective date of this 2011 Act
 16 are deemed to be the license fees charged during the year preceding adoption of the rule.

17 **SECTION 12.** ORS 625.180 is amended to read:

18 625.180. (1) Every bakery or bakery distributor doing business in this state shall pay a license
 19 fee.

20 *[(2) The license fees for a distributor may not be less than \$25 and may not exceed \$108. The fees
 21 for a bakery, other than a domestic kitchen bakery, are:]*

22 *[(a) \$244 if the bakery's annual gross sales are not more than \$50,000;]*

23 *[(b) \$379 if the bakery's annual gross sales are more than \$50,000 and not more than \$500,000;]*

24 *[(c) \$487 if the bakery's annual gross sales are more than \$500,000 and not more than \$1
 25 million;]*

26 *[(d) \$812 if the bakery's annual gross sales are more than \$1 million and not more than \$5
 27 million;]*

28 *[(e) \$1,082 if the bakery's annual gross sales are more than \$5 million and not more than \$10
 29 million; or]*

30 *[(f) \$1,624 if the bakery's annual gross sales are more than \$10 million.]*

31 *[(3) The license fees for a domestic kitchen bakery are:]*

32 *[(a) \$152 if the bakery's annual gross sales are not more than \$50,000;]*

33 *[(b) \$216 if the bakery's annual gross sales are more than \$50,000 and not more than \$500,000;]*

34 *[(c) \$325 if the bakery's annual gross sales are more than \$500,000 and not more than \$1
 35 million;]*

36 *[(d) \$487 if the bakery's annual gross sales are more than \$1 million and not more than \$5
 37 million;]*

38 *[(e) \$649 if the bakery's annual gross sales are more than \$5 million and not more than \$10
 39 million; or]*

40 *[(f) \$812 if the bakery's annual gross sales are more than \$10 million.]*

41 (2) The State Department of Agriculture may adopt rules establishing license fee sched-
 42 ules for:

43 (a) A bakery distributor;

44 (b) A domestic kitchen bakery; or

45 (c) A bakery other than a domestic kitchen bakery.

1 **[(4)] (3) The department may determine the license fee for a bakery or bakery distributor**
2 **based upon the annual gross sales by the applicant.** In establishing the amount of the license fee
3 for a bakery or bakery distributor, the department shall use the annual gross sales by that bakery
4 or distributor within Oregon during the prior calendar year or, if the bakery or distributor main-
5 tains sales records on a fiscal basis, the prior fiscal year. If the bakery or distributor applying for
6 an original license or for a renewal license cannot provide the annual gross sales for a full calendar
7 year, the department shall base the fee on estimated annual gross sales by the bakery or distributor.
8 If a bakery or distributor whose previous year's fee was determined using an estimated gross sales
9 figure applies for renewal of that license, the fee for the previous license year shall be adjusted to
10 reflect the actual gross sales by the bakery or distributor.

11 **(4) Except as provided in this subsection, the department may not adopt a rule under this**
12 **section to establish a license fee that is more than three percent higher than the license fee**
13 **charged during the preceding year for a bakery distributor having the same volume of gross**
14 **sales or for a bakery of the same type and having the same volume of gross sales. When**
15 **adopting a rule establishing a license fee, notwithstanding the three percent limit the de-**
16 **partment may round the fee amount to the next highest whole dollar amount. Fee schedules**
17 **adopted under this section may not change the amount of the same license fee more fre-**
18 **quently than once each year.**

19 **SECTION 13. (1) The amendments to ORS 625.180 by section 12 of this 2011 Act apply to**
20 **license fees charged for licensing periods that begin on or after July 1, 2011. Notwithstanding**
21 **the amendments to ORS 625.180 by section 12 of this 2011 Act, the license fee amounts au-**
22 **thorized by ORS 625.180 as set forth in the 2009 Edition of Oregon Revised Statutes and in**
23 **effect on the effective date of this 2011 Act shall remain in effect until superseded by license**
24 **fees established by State Department of Agriculture rules taking effect on or after July 1,**
25 **2011.**

26 **(2) The department shall adopt initial rules establishing license fees under ORS 625.180**
27 **to take effect no later than July 1, 2012. For the purpose of adopting initial rules establishing**
28 **license fees under ORS 625.180, the license fees authorized by ORS 625.180 as set forth in the**
29 **2009 Edition of Oregon Revised Statutes and in effect on the effective date of this 2011 Act**
30 **are deemed to be the license fees charged during the year preceding adoption of the rule.**

31 **SECTION 14. ORS 628.240 is amended to read:**

32 **628.240. [(1) The license fee for a refrigerated locker plant is \$100.]**

33 **(1) An applicant for a refrigerated locker plant license shall pay a license fee to the State**
34 **Department of Agriculture. The department may adopt rules establishing a license fee for**
35 **a refrigerated locker plant. Except as provided in this subsection, the department may not**
36 **adopt a rule under this section to establish a license fee that is more than three percent**
37 **higher than the fee charged during the preceding year. When adopting a rule establishing a**
38 **license fee, notwithstanding the three percent limit the department may round the fee**
39 **amount to the next highest whole dollar amount. The department may not change the**
40 **amount of the refrigerated locker plant license fee more frequently than once each year.**

41 **(2) If the license is issued after January 1 but before June 30 of the same year, the license fee**
42 **shall be one-half of the fee [provided in] established by the department by rule under subsection**
43 **(1) of this section.**

44 **(3) All fees received by the [State Department of Agriculture pursuant to] department under**
45 **ORS 628.210 to 628.370 shall be deposited in the Department of Agriculture Service Fund and are**

1 continuously appropriated to the department for the purpose of administering and enforcing those
2 sections.

3 **SECTION 15.** (1) The amendments to ORS 628.240 by section 14 of this 2011 Act apply to
4 license fees charged for licensing periods that begin on or after July 1, 2011. Notwithstanding
5 the amendments to ORS 628.240 by section 14 of this 2011 Act, the license fee amount au-
6 thorized by ORS 628.240 as set forth in the 2009 Edition of Oregon Revised Statutes and in
7 effect on the effective date of this 2011 Act shall remain in effect until superseded by a li-
8 cense fee established by State Department of Agriculture rules taking effect on or after July
9 1, 2011.

10 (2) The department shall adopt initial rules establishing a license fee under ORS 628.240
11 to take effect no later than July 1, 2012. For the purpose of adopting initial rules establishing
12 the license fee under ORS 628.240, the license fee authorized by ORS 628.240 as set forth in
13 the 2009 Edition of Oregon Revised Statutes and in effect on the effective date of this 2011
14 Act is deemed to be the license fee charged during the year preceding adoption of the rule.

15 **SECTION 16.** ORS 632.720 is amended to read:

16 632.720. *[There shall be paid to]* An applicant for an egg handler's license shall pay an an-
17 nual license fee to the State Department of Agriculture with each application *[for an egg handler's*
18 *license an annual license fee of \$25]*. The department may adopt rules establishing a license fee
19 for an egg handler. Except as provided in this section, the department may not adopt a rule
20 under this section to establish a license fee that is more than three percent higher than the
21 fee charged during the preceding year. When adopting a rule establishing a license fee,
22 notwithstanding the three percent limit the department may round the fee amount to the
23 next highest whole dollar amount. The department may not change the amount of the egg
24 handler's license fee more frequently than once each year.

25 **SECTION 17.** (1) The amendments to ORS 632.720 by section 16 of this 2011 Act apply to
26 license fees charged for licensing periods that begin on or after July 1, 2011. Notwithstanding
27 the amendments to ORS 632.720 by section 16 of this 2011 Act, the license fee amount au-
28 thorized by ORS 632.720 as set forth in the 2009 Edition of Oregon Revised Statutes and in
29 effect on the effective date of this 2011 Act shall remain in effect until superseded by a li-
30 cense fee established by State Department of Agriculture rules taking effect on or after July
31 1, 2011.

32 (2) The department shall adopt initial rules establishing a license fee under ORS 632.720
33 to take effect no later than July 1, 2012. For the purpose of adopting initial rules establishing
34 a license fee under ORS 632.720, the license fee authorized by ORS 632.720 as set forth in the
35 2009 Edition of Oregon Revised Statutes and in effect on the effective date of this 2011 Act
36 is deemed to be the license fee charged during the year preceding adoption of the rule.

37 **SECTION 18.** ORS 635.030 is amended to read:

38 635.030. (1) Any person desiring to or who does engage in the business of a nonalcoholic
39 beverage manufacturer shall apply to the State Department of Agriculture for a license for each
40 plant operated by such person. The application shall be in such form and contain such information
41 as the department may prescribe.

42 *[(2) Each nonalcoholic beverage manufacturer doing business in this state shall pay a license fee.]*

43 *[(3) The license fees for a nonalcoholic beverage manufacturer are:]*

44 *[(a) \$162 if the manufacturer's annual gross sales are not more than \$50,000;]*

45 *[(b) \$271 if the manufacturer's annual gross sales are more than \$50,000 and not more than*

1 \$500,000;]

2 [(c) \$379 if the manufacturer's annual gross sales are more than \$500,000 and not more than \$1
3 million;]

4 [(d) \$595 if the manufacturer's annual gross sales are more than \$1 million and not more than \$5
5 million;]

6 [(e) \$704 if the manufacturer's annual gross sales are more than \$5 million and not more than \$10
7 million; or]

8 [(f) \$920 if the manufacturer's annual gross sales are more than \$10 million.]

9 [(4)] **(2) The department may adopt rules establishing license fee schedules for nonalco-**
10 **holic beverage manufacturers. The department may determine the license fee for a man-**
11 **ufacturer based upon the annual gross sales by the manufacturer.** In establishing the amount
12 of the license fee for a manufacturer, the department shall use the annual gross sales by that man-
13 ufacturer within Oregon during the prior calendar year or, if the manufacturer maintains sales re-
14 cords on a fiscal basis, the prior fiscal year. If the manufacturer applying for an original license
15 or for a renewal license cannot provide the annual gross sales for a full calendar year, the depart-
16 ment shall base the fee on estimated annual gross sales by the manufacturer. If a manufacturer
17 whose previous year's fee was determined using an estimated gross sales figure applies for renewal
18 of that license, the fee for the previous license year shall be adjusted to reflect the actual gross
19 sales by the manufacturer.

20 **(3) Except as provided in this subsection, the department may not adopt a rule under this**
21 **section to establish a license fee that is more than three percent higher than the license fee**
22 **charged during the preceding year for a manufacturer having the same volume of gross**
23 **sales. When adopting a rule establishing a license fee, notwithstanding the three percent**
24 **limit the department may round the fee amount to the next highest whole dollar amount.**
25 **Fee schedules adopted under this section may not increase the amount of the same license**
26 **fee more frequently than once each year.**

27 [(5)] **(4) [All such] Licenses issued under this section** shall expire on June 30 next following
28 the date of issuance or on such date as may be specified by department rule. The department shall
29 collect **a license fee** for each license and for each renewal [*thereof the license fee computed as pro-*
30 *vided in subsection (3) of this section*] **of a license.** The fee shall be remitted by the department to
31 the State Treasurer. The State Treasurer shall place all moneys received under this section in the
32 Department of Agriculture Service Fund. Moneys from fees imposed under this section are contin-
33 uously appropriated to the department for the purpose of administering and enforcing the provisions
34 of this chapter.

35 **SECTION 19. (1) The amendments to ORS 635.030 by section 18 of this 2011 Act apply to**
36 **license fees charged for licensing periods that begin on or after July 1, 2011. Notwithstanding**
37 **the amendments to ORS 635.030 by section 18 of this 2011 Act, the license fee amounts au-**
38 **thorized by ORS 635.030 as set forth in the 2009 Edition of Oregon Revised Statutes and in**
39 **effect on the effective date of this 2011 Act shall remain in effect until superseded by license**
40 **fees established by State Department of Agriculture rules taking effect on or after July 1,**
41 **2011.**

42 **(2) The department shall adopt initial rules establishing license fees under ORS 635.030**
43 **to take effect no later than July 1, 2012. For the purpose of adopting initial rules establishing**
44 **license fees under ORS 635.030, the license fees authorized by ORS 635.030 as set forth in the**
45 **2009 Edition of Oregon Revised Statutes and in effect on the effective date of this 2011 Act**

1 **are deemed to be the license fees charged during the year preceding adoption of the rule.**

2 **SECTION 20.** ORS 603.031 is amended to read:

3 603.031. (1) The State Department of Agriculture may issue licenses under this chapter to one
4 or more additional users of a custom processing establishment, custom slaughtering establishment,
5 meat seller establishment, nonslaughtering processing establishment or slaughterhouse that is li-
6 censed primarily for operation by another person. A license issued to an additional user of an es-
7 tablishment described in this subsection shall cover all operations at that establishment by the
8 person licensed. Regardless of the number of persons licensed to use an establishment described in
9 this subsection, the department may not recognize more than one person as the primary operator
10 of the establishment.

11 (2) The department may assess a license fee to an additional user of an establishment described
12 in this section, calculated as provided in **rules adopted under** ORS 603.025. In calculating license
13 fees **as provided** under ORS 603.025, the establishment's annual gross dollar volume of sales and
14 services for an additional user of the establishment is independent of the establishment's annual
15 gross dollar volume of sales for any other user or the primary operator of the establishment.

16 (3) Notwithstanding ORS 603.025, the department may adopt rules to establish the license expi-
17 ration, renewal and application dates for additional users of an establishment.

18 (4) The department may adopt rules to determine the responsibilities of an establishment's pri-
19 mary operator and additional users of the establishment under ORS 603.034, 603.045 (6), 603.055 and
20 603.059 and rules adopted under ORS 603.055 and 603.085.

21 (5) A recognized primary operator of an establishment shall notify the department upon the ex-
22 piration or termination of the rental or lease of the establishment by an additional user of the es-
23 tablishment. The renting or leasing of an establishment to a person licensed by the department as
24 an additional user of the establishment or the expiration or termination of use by a person licensed
25 as an additional user of the establishment does not, by itself, constitute the transfer of a business
26 for purposes of ORS 603.027.

27 **SECTION 21. The amendments to ORS 603.031 by section 20 of this 2011 Act become op-**
28 **erative July 1, 2011. However, prior to July 1, 2012, if the State Department of Agriculture**
29 **has not adopted rules establishing license fees under ORS 603.025, the department shall cal-**
30 **culate the ORS 603.031 license fee as provided in ORS 603.025 as set forth in the 2009 Edition**
31 **of Oregon Revised Statutes.**

32 **SECTION 22.** ORS 616.708 is amended to read:

33 616.708. (1) The State Department of Agriculture may issue licenses under ORS 616.695 to
34 616.755 to one or more additional users of a food establishment that is licensed primarily for oper-
35 ation by another person. A license issued to an additional user of the food establishment shall cover
36 all operations at that establishment by the person licensed. Regardless of the number of persons li-
37 censed to use a food establishment, the department may not recognize more than one person as the
38 primary operator of the establishment.

39 (2) The department may assess a license fee to an additional user of a food establishment, cal-
40 culated as provided in **rules adopted under** ORS 616.706. In calculating license fees **as provided**
41 under ORS 616.706, the gross sales for an additional user of the food establishment are independent
42 of the gross sales by any other user or the primary operator of the food establishment.

43 (3) Notwithstanding ORS 616.706, the department may adopt rules to establish the license expi-
44 ration, renewal and application dates for additional users of a food establishment.

45 (4) The department may adopt rules to determine the responsibilities of a food establishment's

1 primary operator and additional users of the food establishment under ORS 616.700, 616.735 and
2 616.740.

3 (5) A recognized primary operator of a food establishment shall notify the department upon the
4 expiration or termination of the rental or lease of the food establishment by an additional user of
5 the establishment. The renting or leasing of a food establishment to a person licensed by the de-
6 partment as an additional user of the establishment or the expiration or termination of use by a
7 person licensed as an additional user of the establishment does not, by itself, constitute the ceasing
8 or discontinuance of operations or business at the food establishment by the primary operator or
9 another additional user for purposes of ORS 616.706.

10 (6) Subsections (1) to (5) of this section do not apply to a food establishment located in an area
11 that is part of a domestic kitchen.

12 **SECTION 23. The amendments to ORS 616.708 by section 22 of this 2011 Act become op-**
13 **erative July 1, 2011. However, prior to July 1, 2012, if the State Department of Agriculture**
14 **has not adopted rules establishing license fees under ORS 616.706, the department shall cal-**
15 **culate the ORS 616.708 license fee as provided in ORS 616.706 as set forth in the 2009 Edition**
16 **of Oregon Revised Statutes.**

17 **SECTION 24.** ORS 621.078 is amended to read:

18 621.078. (1) The State Department of Agriculture may issue a distributor or producer-distributor
19 license under ORS 621.072 to one or more additional users of a milk processing plant that is pri-
20 marily operated by another distributor or producer-distributor. A license issued to an additional
21 user for activities at the milk processing plant may differ in activity type and fluid milk grade from
22 the license issued to the primary operator of the plant. The physical facilities of the milk processing
23 plant must conform to the requirements for all activity types and milk grades for which the primary
24 operator and the additional users of the plant are licensed. Regardless of the number of persons li-
25 censed to use a milk processing plant, the department may not recognize more than one distributor
26 or producer-distributor as the primary operator of the plant.

27 (2) The department may assess a distributor or producer-distributor license fee to an additional
28 user of a milk processing plant, calculated as provided in **rules adopted under** ORS 621.072. In
29 calculating license fees **as provided** under ORS 621.072, the annual gross dollar volume of sales and
30 services for an additional user of a milk processing plant is independent of the annual gross dollar
31 volume of sales and services for any other user or the primary operator of the plant.

32 (3) Notwithstanding ORS 621.072, the department may adopt rules to establish the license expi-
33 ration, renewal and application dates for distributors or producer-distributors that are additional
34 users of a milk processing plant.

35 (4) The department may adopt rules to determine the responsibilities of a milk processing plant's
36 primary operator and additional users of the milk processing plant under standards prescribed by
37 ORS 621.176 and 621.181 and under ORS 621.183.

38 (5) A recognized primary operator of a milk processing plant shall notify the department upon
39 the expiration or termination of the rental or lease of the plant by an additional user of the plant.

40 **SECTION 25. The amendments to ORS 621.078 by section 24 of this 2011 Act become op-**
41 **erative July 1, 2011. However, prior to July 1, 2012, if the State Department of Agriculture**
42 **has not adopted rules establishing license fees under ORS 621.072, the department shall cal-**
43 **culate the ORS 621.078 license fee as provided in ORS 621.072 as set forth in the 2009 Edition**
44 **of Oregon Revised Statutes.**

45 **SECTION 26.** ORS 621.169 is amended to read:

1 621.169. (1) The State Department of Agriculture may issue a dairy products plant license under
2 ORS 621.166 to one or more additional users of a dairy products plant that processes or uses milk
3 to manufacture dairy products and is primarily operated by another person. A license issued to an
4 additional user for activities at the dairy products plant shall cover all operations at that plant by
5 the person licensed. Regardless of the number of persons licensed to use a dairy products plant, the
6 department may not recognize more than one person as the primary operator of the plant.

7 (2) The department may assess a license fee to an additional user of a dairy products plant de-
8 scribed in subsection (1) of this section, calculated as provided in **rules adopted under** ORS 621.166.
9 In calculating license fees **as provided** under ORS 621.166, the annual gross dollar volume of sales
10 and services for an additional user of the dairy products plant is independent of the annual gross
11 dollar volume of sales and services for any other user or the primary operator of the plant.

12 (3) Notwithstanding ORS 621.166, the department may adopt rules to establish the license expi-
13 ration, renewal and application dates for additional users of a dairy products plant.

14 (4) The department may adopt rules to determine the responsibilities of the dairy products
15 plant's primary operator and additional users of the dairy products plant's under standards pre-
16 scribed by ORS 621.176 and 621.181 and under ORS 621.183.

17 (5) A recognized primary operator of a dairy products plant shall notify the department upon the
18 expiration or termination of the rental or lease of the plant by an additional user of the plant.

19 **SECTION 27. The amendments to ORS 621.169 by section 26 of this 2011 Act become op-**
20 **erative July 1, 2011. However, prior to July 1, 2012, if the State Department of Agriculture**
21 **has not adopted rules establishing license fees under ORS 621.166, the department shall cal-**
22 **culate the ORS 621.169 license fee as provided in ORS 621.166 as set forth in the 2009 Edition**
23 **of Oregon Revised Statutes.**

24 **SECTION 28.** ORS 625.030 is amended to read:

25 625.030. Application for a bakery license shall be made in writing to the State Department of
26 Agriculture on forms supplied by the department. After receipt of the application and the fees re-
27 quired by **rules adopted under** ORS 625.180, the department shall cause to be made a proper de-
28 tailed inspection of the premises and equipment or of the plans and specifications of the bakery
29 involved. If the department finds that the premises and equipment are or will be of a sanitary con-
30 struction, design or condition and that the applicant has complied with and will be able to comply
31 with ORS 625.010 to 625.270, the application shall be approved and the department shall issue to the
32 applicant a numbered license certificate bearing the name and address of the licensee and of the
33 premises licensed.

34 **SECTION 29. The amendments to ORS 625.030 by section 28 of this 2011 Act become op-**
35 **erative July 1, 2011. However, prior to July 1, 2012, if the State Department of Agriculture**
36 **has not adopted rules establishing license fees under ORS 625.180, the license fee for an ap-**
37 **plication filed under ORS 625.030 is the applicable license fee required under ORS 625.180 as**
38 **set forth in the 2009 Edition of Oregon Revised Statutes.**

39 **SECTION 30.** ORS 625.055 is amended to read:

40 625.055. (1) The State Department of Agriculture may issue licenses under ORS 625.030 to one
41 or more additional users of a bakery that is licensed primarily for operation by another person. A
42 license issued to an additional user of the bakery shall cover all operations at that bakery by the
43 person licensed. Regardless of the number of persons licensed to use a bakery, the department may
44 not recognize more than one person as the primary operator of the bakery.

45 (2) The department may assess a license fee to an additional user of a bakery, calculated as

1 provided in **rules adopted under** ORS 625.180. In calculating license fees **as provided** under ORS
2 625.180, the gross sales by an additional user of a bakery are independent of the gross sales by any
3 other user or the primary operator of the bakery.

4 (3) Notwithstanding ORS 625.050, the department may adopt rules to establish the license expi-
5 ration, renewal and application dates for additional users of a bakery.

6 (4) The department may adopt rules to determine the responsibilities of a bakery's primary op-
7 erator and additional users of the bakery under requirements prescribed by the department as pro-
8 vided under ORS 625.150.

9 (5) A recognized primary operator of a bakery shall notify the department upon the expiration
10 or termination of the rental or lease of the bakery by an additional user of the bakery.

11 (6) Subsections (1) to (5) of this section do not apply to a bakery located in an area that is part
12 of a domestic kitchen.

13 **SECTION 31. The amendments to ORS 625.055 by section 30 of this 2011 Act become op-**
14 **erative July 1, 2011. However, prior to July 1, 2012, if the State Department of Agriculture**
15 **has not adopted rules establishing license fees under ORS 625.180, the department shall cal-**
16 **culate the ORS 625.055 license fee as provided in ORS 625.180 as set forth in the 2009 Edition**
17 **of Oregon Revised Statutes.**

18 **SECTION 32.** ORS 625.090 is amended to read:

19 625.090. Application for a **bakery** distributor's license shall be filed in writing with the State
20 Department of Agriculture on the form prescribed and supplied by the department. After receipt of
21 the application and the fees required by **rules adopted under** ORS 625.180, the department shall
22 cause to be made a proper detailed inspection of the premises and equipment to be used by the ap-
23 plicant in distribution within this state of bakery products. If the department finds that the premises
24 and equipment are or will be of a sanitary construction, design or condition and that the applicant
25 has complied with and will be able to comply with ORS 625.010 to 625.270, the application shall be
26 approved and there shall be issued to the applicant a numbered license certificate bearing the name
27 and address of the licensee.

28 **SECTION 33. The amendments to ORS 625.090 by section 32 of this 2011 Act become op-**
29 **erative July 1, 2011. However, prior to July 1, 2012, if the State Department of Agriculture**
30 **has not adopted rules establishing license fees under ORS 625.180, the department shall as-**
31 **sess the ORS 625.090 license fee in effect on the effective date of this 2011 Act.**

32 **SECTION 34.** ORS 632.741 is amended to read:

33 632.741. (1) In addition to the license fee [*prescribed in*] **adopted by rule under** ORS 632.720,
34 each egg handler shall pay to the State Department of Agriculture a fee prescribed by the depart-
35 ment, not to exceed two and one-half mills per dozen eggs sold by such egg handler. Such fee shall
36 be paid by remitting monthly payments, on dates prescribed by the department, accompanied by such
37 reports concerning egg sales as the department may prescribe. The egg handler utilizing this method
38 shall prepare and maintain adequate books and records evidencing the egg sales, and shall keep the
39 same for at least two years. The department is authorized to inspect and audit such books and re-
40 cords as provided in ORS 561.265 and the egg handler shall pay to the department its costs for the
41 same. The department shall assign such egg handler a permit number to be placed on egg containers
42 in the manner prescribed by the department.

43 (2) The fees required to be paid under subsection (1) of this section and, except as otherwise
44 provided [*therein*] **under ORS 632.771**, the labeling required by ORS 632.771 [*shall*] **do** not apply to:

45 (a) Eggs sold and shipped outside of this state;

- 1 (b) Eggs sold to the United States Government;
- 2 (c) Bulk sales of eggs;
- 3 (d) Eggs sold to another egg handler for processing into egg products; or
- 4 (e) Eggs sold by a producer to consumers at the place of production.

5 **SECTION 35. The amendments to ORS 632.741 by section 34 of this 2011 Act become op-**
6 **erative on the earlier of:**

7 (1) July 1, 2012; or

8 (2) The effective date of State Department of Agriculture rules establishing license fees
9 under ORS 632.720.

10 **SECTION 36.** ORS 603.200 is amended to read:

11 603.200. Notwithstanding any other provision of law:

12 (1) In the absence of a contract or other agreement providing otherwise, any processor who
13 purchases meat animals from the producers thereof shall make full payment therefor not later than
14 the second business day after the day the processor takes delivery of any such meat animal.

15 (2) In the absence of a contract or other agreement providing otherwise, any meat seller who
16 purchases meat or meat products from the processor thereof shall make full payment therefor not
17 later than the seventh business day after the day the meat seller takes delivery of any such meat
18 or meat product.

19 (3) Any person who fails to make payment as required by subsections (1) and (2) of this section
20 shall pay, in addition to the amount due, interest thereon at the rate of one percent per month.

21 (4) As used in this section:

22 (a) "Meat animal" has the meaning for that term provided in ORS 603.010.

23 (b) "Meat or meat product" has the meaning for that term provided in ORS 603.010.

24 (c) "Meat seller" means a person required to obtain a license [*the fee for which is prescribed*]
25 **described** in ORS 603.025 (4)(a).

26 (d) "Processor" means a person required to obtain a license [*the fee for which is prescribed*]
27 **described** in ORS 603.025 (4)(b) to (e).

28 **SECTION 37. This 2011 Act being necessary for the immediate preservation of the public**
29 **peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect**
30 **on its passage.**