

**REVENUE:** No revenue impact

**FISCAL:** Fiscal statement issued

---

<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by prior reference
<b>Vote:</b>	8 - 0 - 0
<b>Yeas:</b>	Boone, Cowan, Jenson, Johnson, Schaufler, Sprenger, Clem, Esquivel
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Beth Herzog, Administrator
<b>Meeting Dates:</b>	2/1

---

**WHAT THE MEASURE DOES:** Authorizes Department of Agriculture (Department) to adopt rules establishing license fee schedules based upon annual gross dollar volume of sales and services for certain food-related establishments. Stipulates Department may not adopt rule to establish license fee that is more than three percent higher than fee charged during preceding year for establishments that maintain same volume of sales and services. Prohibits fees from changing more frequently than once each year. Stipulates Department may not adopt rule establishing license fee that is higher than fee charged for license year that began July 1, 2018. Establishes that license fees take effect no later than July 1, 2013. Sunsets provisions related to three percent limit on fee increase on January 2, 2019.

**ISSUES DISCUSSED:**

- Food Safety Division funded by mix of General Fund and fees
- Establishments inspected an average of one time per year

**EFFECT OF COMMITTEE AMENDMENT:** Stipulates Department may not adopt rule establishing license fee that is higher than fee charged for license year that began July 1, 2018.

**BACKGROUND:** According to the Centers for Disease Control and Prevention, diseases caused by food in the United States are responsible for an estimated 47.8 million cases of gastrointestinal illnesses, 127,839 illnesses resulting in hospitalizations, and 3,037 deaths each year. The mission of the Department's Food Safety Division (Division) is to prevent the spread of foodborne illness. The Division monitors Oregon's food industry, enforces state sanitation laws, and works to make sure that the consumer gets food that is not contaminated, mislabeled, misrepresented or changed in any way that would impair safety, wholesomeness or purity. Food safety specialists routinely inspect food establishments throughout Oregon and work directly with the facilities to help ensure proper food handling, storage and processing practices are followed. The Division inspects and licenses all food outlets in Oregon, except restaurants; in total, 10,000 outlets are covered.

House Bill 4003A grants the Department authority to establish license fees by administrative rule. However, fees can be increased by no more than three percent annually and the bill sunsets on January 2, 2019.