

HOUSE AMENDMENTS TO HOUSE BILL 4003

By COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

February 2

1 On page 18 of the printed bill, delete lines 38 through 45 and delete pages 19 through 26 and
2 insert:

3 “**SECTION 36.** ORS 603.025, as amended by section 1 of this 2012 Act, is amended to read:

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

9 “(2) Application for a license required by this section shall be made to the department on forms
10 prescribed by the department and shall contain any information the department deems necessary.
11 The license is personal and nontransferable, with a separate license required for each establishment
12 location. A new license is required each time there is a change in ownership, legal entity or estab-
13 lishment location.

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

24 “(4) Each of the following activities must be licensed, and the fee established by the department
25 paid with the license application:

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

28 “(b) Operation of a nonslaughtering processing establishment. A license under this section al-
29 lows selling meat products at the same location without obtaining the license described in paragraph
30 (a) of this subsection.

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

33 “(d) Operation of a custom slaughtering establishment or custom processing establishment. A
34 license under this section does not allow selling meat products without first obtaining and main-
35 taining the license described in paragraph (a) of this subsection.

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

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

7 “(6) The department may adopt rules establishing license fee schedules for establishments li-
8 censed under this section. The department may determine the license fee for an establishment based
9 upon the annual gross dollar volume of sales and services by the applicant. In establishing the
10 amount of the license fee for an establishment, the State Department of Agriculture shall use the
11 annual gross dollar volume of sales and services by that establishment within Oregon during the
12 prior calendar year or, if the establishment maintains sales and service records on a fiscal basis, the
13 prior fiscal year. If the establishment applying for an original license or for a renewal license cannot
14 provide the annual gross dollar volume of sales and services for a full calendar year, the department
15 shall base the fee on estimated annual gross sales and services by the establishment. If an estab-
16 lishment whose previous year’s fee was determined using an estimated gross sales and services fig-
17 ure applies for renewal of that license, the fee for the previous license year shall be adjusted to
18 reflect the actual annual gross dollar volume of sales and services by the establishment.

19 “(7) *[Except as provided in this subsection, the department may not adopt a rule under this section*
20 *to establish a license fee that is more than three percent higher than the license fee charged during the*
21 *preceding year for an establishment of the same type and having the same volume of gross sales and*
22 *services. When adopting a rule establishing a license fee, notwithstanding the three percent limit, the*
23 *department may round the fee amount to the next higher whole dollar amount.]* **The department may**
24 **not adopt or enforce a rule under this section establishing a license fee that is higher than**
25 **the license fee charged for the license year that began July 1, 2018, for an establishment of**
26 **the same type and having the same volume of gross sales and services.** Fee schedules adopted
27 under this section may not change the amount of the same license fee more frequently than once
28 each year.

29 “**SECTION 37.** ORS 616.706, as amended by section 3 of this 2012 Act, is amended to read:

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

35 “(2) The department may, subject to the applicable provisions of ORS chapter 183, suspend, re-
36 voke or refuse to issue a license if the licensee has violated any of the provisions of ORS 616.695
37 to 616.755 or rules adopted under ORS 616.695 to 616.755.

38 “(3) A license is personal to the applicant and may not be transferred. A new license is neces-
39 sary if the business entity of the licensee is changed, or if the membership of a partnership is
40 changed, irrespective of whether or not the business name is changed.

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

45 “(5) The license shall be posted in a conspicuous place in the main office of the food establish-

1 ment. Duplicate copies of the license shall be conspicuously posted in branch offices, warehouses
2 and other places owned or operated by the licensee at locations other than the main office. A license
3 is automatically canceled if the food establishment ceases or discontinues operations or business.

4 “(6) The department may adopt rules establishing license fee schedules for a food establishment:

5 “(a) That is part of a domestic kitchen;

6 “(b) That is a retail food store;

7 “(c) That is a warehouse; or

8 “(d) That is other than part of a domestic kitchen, retail food store or warehouse.

9 “(7) The department may determine the license fee for a food establishment described in sub-
10 section (6)(b) to (d) of this section based upon the gross sales by the applicant. In establishing the
11 amount of a license fee based upon gross sales by an applicant, the department shall use the annual
12 gross dollar volume of sales of covered operations by that applicant within Oregon during the prior
13 calendar year or, if the applicant maintains sales records on a fiscal basis, the prior fiscal year. If
14 the applicant applying for an original license or for a renewal license cannot provide the annual
15 gross dollar volume of sales of covered operations for a full calendar year, the department shall base
16 the fee on estimated annual gross sales of covered operations by the applicant. If an applicant whose
17 previous year’s fee was determined using an estimated gross sales of covered operations figure ap-
18 plies for renewal of that license, the fee for the previous license year shall be adjusted to reflect the
19 actual gross dollar volume of sales of covered operations by the applicant.

20 “(8) *[Except as provided in this subsection, the department may not adopt a rule under this section*
21 *to establish a license fee that is more than three percent higher than the license fee charged during the*
22 *preceding year for a food establishment of the same type and having the same volume of gross sales.*
23 *When adopting a rule establishing a license fee, notwithstanding the three percent limit, the department*
24 *may round the fee amount to the next higher whole dollar amount.]* **The department may not adopt**
25 **or enforce a rule under this section establishing a license fee that is higher than the license**
26 **fee charged for the license year that began July 1, 2018, for an establishment of the same**
27 **type and having the same volume of gross sales.** License fee schedules adopted under this sec-
28 tion may not change the amount of the same license fee more frequently than once each year.

29 “**SECTION 38.** ORS 619.031, as amended by section 5 of this 2012 Act, is amended to read:

30 “619.031. (1) A person may not operate an animal food slaughtering establishment or processing
31 establishment without first obtaining a license for the establishment from the State Department of
32 Agriculture.

33 “(2) The department may adopt rules establishing license fee schedules for establishments li-
34 censed under this section. The department may determine the license fee for an establishment based
35 upon the annual gross dollar volume of sales and services by the applicant. In establishing the
36 amount of the license fee for an applicant, the department shall use the annual gross dollar volume
37 of sales and services by that applicant within Oregon during the prior calendar year or, if the ap-
38 plicant maintains sales and service records on a fiscal basis, the prior fiscal year. If the applicant
39 applying for an original license or for a renewal license cannot provide the annual gross dollar
40 volume of sales and services for a full calendar year, the department shall base the fee on estimated
41 annual gross sales and services by the applicant. If an applicant whose previous year’s fee was de-
42 termined using an estimated gross sales and services figure applies for renewal of that license, the
43 fee for the previous license year shall be adjusted to reflect the actual gross dollar volume of sales
44 and services by the applicant. The license shall expire on June 30 next following the date of issu-
45 ance or on such date as may be specified by department rule.

1 “(3) [Except as provided in this subsection, the department may not adopt a rule to establish a li-
2 cense fee that is more than three percent higher than the license fee charged during the preceding year
3 for an establishment of the same type and having the same volume of gross sales and services. When
4 adopting a rule establishing a license fee, notwithstanding the three percent limit, the department may
5 round the fee amount to the next higher whole dollar amount.] **The department may not adopt or**
6 **enforce a rule under this section establishing a license fee that is higher than the license fee**
7 **charged for the license year that began July 1, 2018, for an establishment of the same type**
8 **and having the same volume of gross sales and services.** Fee schedules adopted under this sec-
9 tion may not change the amount of the same license fee more frequently than once each year.

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

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

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

27 “(a) The provisions of ORS chapter 596.

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

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

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

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

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

38 “(d) Shall keep complete and accurate records of the sale of all meat animal carcasses or parts
39 of meat animal carcasses, including the name and address of the purchaser.

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

41 “**SECTION 39.** ORS 621.072, as amended by section 7 of this 2012 Act, is amended to read:

42 “621.072. (1) The State Department of Agriculture shall issue a license to use a grade desig-
43 nation to any person who:

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

45 “(b) Pays the designated license fee;

1 “(c) Is engaged in the business of producing or distributing fluid milk; and
2 “(d) Meets the requirements of the particular grade designation for which application is made.
3 “(2) If a person carries on the activities of a producer and a producer-distributor, the person
4 must obtain a separate license for each of those activities. If a producer-distributor manufactures
5 products from both grade A fluid milk and grade B fluid milk at the same premises, the producer-
6 distributor must obtain separate licenses for grade A product manufacturing activity and grade B
7 product manufacturing activity.
8 “(3) Licenses issued under this section shall be personal and not transferable.
9 “(4) Each milk hauler, milk receiver or other person who grades fluid milk as fit or unfit for
10 processing as fluid milk due to quality, odor, flavor or wholesomeness must first obtain a license
11 from the department authorizing that person to sample and grade fluid milk. Each applicant for a
12 milk sampler’s and grader’s license shall, by written examination, demonstrate an adequate knowl-
13 edge of milk sanitation as it relates to the sampling, grading and handling of fluid milk and cream
14 for analysis. The department shall give examinations for licenses at such times and places as ap-
15 pears to be necessary and practicable.
16 “(5) Before and after issuing a license to a person as a producer, producer-distributor, distribu-
17 tor or nonprocessing distributor of fluid milk, the department shall, as it deems necessary, inspect
18 the physical facilities of the applicant’s dairy, milk processing plant or distribution center and in-
19 vestigate other factors the department determines may relate to the production, processing or dis-
20 tribution of fluid milk. The physical facilities must conform to the production, processing or
21 distribution requirements for the fluid milk grade designation sought or held.
22 “(6) Each license issued under this section expires on June 30 next following the date of its is-
23 suance unless sooner revoked and may be renewed upon application of the licensee. Each applica-
24 tion for a license or annual renewal of a license shall be accompanied by a license fee.
25 “(7) The department may adopt rules establishing license fee schedules for:
26 “(a) Milk samplers and graders;
27 “(b) Producer-distributors, distributors and nonprocessing distributors; and
28 “(c) Producers.
29 “(8) The department may determine the license fee for a producer-distributor, distributor or
30 nonprocessing distributor based upon the annual gross dollar volume of sales and services by the
31 applicant. In establishing the amount of the license fee for an applicant under this subsection, the
32 department shall use the annual gross dollar volume of sales and services by that applicant within
33 Oregon during the prior calendar year or, if the applicant maintains sales and service records on
34 a fiscal basis, the prior fiscal year. If the applicant applying for an original license or for a renewal
35 license cannot provide the annual gross dollar volume of sales and services for a full calendar year,
36 the department shall base the fee on estimated annual gross sales and services by the applicant. If
37 an applicant whose previous year’s fee was determined using an estimated gross sales and services
38 figure applies for renewal of that license, the fee for the previous license year shall be adjusted to
39 reflect the actual gross dollar volume of sales and services by the applicant.
40 “(9) The department may determine the license fee for a producer based upon the annual gross
41 sales by the applicant. In establishing the amount of the license fee for an applicant under this
42 subsection, the department shall use the annual gross sales by that applicant within Oregon during
43 the prior calendar year or, if the applicant maintains sales records on a fiscal basis, the prior fiscal
44 year. If the applicant applying for an original license or for a renewal license cannot provide the
45 annual gross sales for a full calendar year, the department shall base the fee on estimated annual

1 gross sales by the applicant. If an applicant whose previous year's fee was determined using an es-
2 timated gross sales figure applies for renewal of that license, the fee for the previous license year
3 shall be adjusted to reflect the actual gross sales by the applicant.

4 “(10) [Except as provided in this subsection, the department may not adopt a rule under this section
5 to establish a license fee that is more than three percent higher than the fee charged during the pre-
6 ceding year for a milk sampler and grader, for a producer-distributor, distributor or nonprocessing
7 distributor having the same volume of gross sales and services or for a producer having the same
8 volume of gross sales. When adopting a rule establishing a license fee, notwithstanding the three per-
9 cent limit, the department may round the fee amount to the next higher whole dollar amount.] **The
10 department may not adopt or enforce a rule under this section establishing a license fee for
11 a milk sampler and grader that is higher than the license fee charged for the license year
12 that began July 1, 2018, for a milk sampler and grader. The department may not adopt or
13 enforce a rule under this section establishing a license fee for a producer-distributor, dis-
14 tributor or nonprocessing distributor that is higher than the license fee charged for the li-
15 cense year that began July 1, 2018, for a producer-distributor, distributor or nonprocessing
16 distributor having the same volume of gross sales and services. The department may not
17 adopt or enforce a rule under this section establishing a license fee for a producer that is
18 higher than the license fee charged for the license year that began July 1, 2018, for a pro-
19 ducer having the same volume of gross sales.** Fee schedules adopted under this section may not
20 change the amount of the same license fee more frequently than once each year.

21 “(11) A distributor or producer-distributor must obtain a license and pay license fees for each
22 physical facility used to produce, process or distribute fluid milk. A person is not required to obtain
23 a distributor or producer-distributor license to act as a milk hauler or to operate receiving or
24 transfer stations in conjunction with a milk processing plant.

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

28 “**SECTION 40.** ORS 621.166, as amended by section 9 of this 2012 Act, is amended to read:

29 “621.166. (1) As used in this section, ‘mobile milk tanker’ means a tank or other receptacle that
30 attaches to a bulk tank truck or other equipment and is used to transport fluid milk, milk or milk
31 products.

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

36 “(3) Each dairy products plant shall submit a separate fee established by the department for
37 each mobile milk tanker. The fee does not apply to a mobile milk tanker owned and operated by a
38 dairy products plant while transporting dairy products from the dairy products plant to wholesale
39 or retail outlets for those products.

40 “(4) The department may adopt rules establishing license fee schedules for:

41 “(a) Mobile milk tankers; and

42 “(b) Dairy products plants.

43 “(5) The department may determine the license fee for a dairy products plant based upon the
44 annual gross dollar volume of sales and services by the applicant. In establishing the amount of the
45 license fee for an applicant, the department shall use the annual gross dollar volume of sales and

1 services by that applicant within Oregon during the prior calendar year or, if the applicant main-
2 tains sales and service records on a fiscal basis, the prior fiscal year. If the applicant applying for
3 an original license or for a renewal license cannot provide the annual gross dollar volume of sales
4 or services for a full calendar year, the department shall base the fee on estimated annual gross
5 sales and services by the applicant. If an applicant whose previous year's fee was determined using
6 an estimated gross sales and services figure applies for renewal of that license, the fee for the pre-
7 vious license year shall be adjusted to reflect the actual gross dollar volume of sales and services
8 by the applicant.

9 “(6) [Except as provided in this subsection, the department may not adopt a rule under this section
10 to establish a license fee that is more than three percent higher than the fee charged during the pre-
11 ceding year for an equivalent mobile milk tanker or for a dairy products plant having the same volume
12 of gross sales and services. When adopting a rule establishing a license fee, notwithstanding the three
13 percent limit, the department may round the fee amount to the next higher whole dollar amount.] **The**
14 **department may not adopt or enforce a rule under this section establishing a license fee for**
15 **a mobile milk tanker that is higher than the license fee charged for the license year that**
16 **began July 1, 2018, for an equivalent mobile milk tanker. The department may not adopt or**
17 **enforce a rule under this section establishing a license fee for a dairy products plant that is**
18 **higher than the license fee charged for the license year that began July 1, 2018, for a dairy**
19 **products plant having the same volume of gross sales and services.** Fee schedules adopted un-
20 der this section may not change the amount of the same license fee more frequently than once each
21 year.

22 “**SECTION 41.** ORS 625.180, as amended by section 11 of this 2012 Act, is amended to read:

23 “625.180. (1) Every bakery or bakery distributor doing business in this state shall pay a license
24 fee.

25 “(2) The State Department of Agriculture may adopt rules establishing license fee schedules for:

26 “(a) A bakery distributor;

27 “(b) A domestic kitchen bakery; and

28 “(c) A bakery other than a domestic kitchen bakery.

29 “(3) The department may determine the license fee for a bakery or bakery distributor based upon
30 the annual gross sales by the applicant. In establishing the amount of the license fee for a bakery
31 or bakery distributor, the department shall use the annual gross sales by that bakery or distributor
32 within Oregon during the prior calendar year or, if the bakery or distributor maintains sales records
33 on a fiscal basis, the prior fiscal year. If the bakery or distributor applying for an original license
34 or for a renewal license cannot provide the annual gross sales for a full calendar year, the depart-
35 ment shall base the fee on estimated annual gross sales by the bakery or distributor. If a bakery
36 or distributor whose previous year's fee was determined using an estimated gross sales figure applies
37 for renewal of that license, the fee for the previous license year shall be adjusted to reflect the ac-
38 tual gross sales by the bakery or distributor.

39 “(4) [Except as provided in this subsection, the department may not adopt a rule under this section
40 to establish a license fee that is more than three percent higher than the license fee charged during the
41 preceding year for a bakery distributor having the same volume of gross sales or for a bakery of the
42 same type and having the same volume of gross sales. When adopting a rule establishing a license fee,
43 notwithstanding the three percent limit, the department may round the fee amount to the next higher
44 whole dollar amount.] **The department may not adopt or enforce a rule under this section es-**
45 **tablishing a license fee for a bakery distributor that is higher than the license fee charged**

1 for the license year that began July 1, 2018, for a bakery distributor having the same volume
2 of gross sales. The department may not adopt or enforce a rule under this section estab-
3 lishing a license fee for a bakery that is higher than the license fee charged for the license
4 year that began July 1, 2018, for a bakery of the same type and having the same volume of
5 gross sales. Fee schedules adopted under this section may not change the amount of the same li-
6 cense fee more frequently than once each year.

7 **“SECTION 42.** ORS 628.240, as amended by section 13 of this 2012 Act, is amended to read:

8 “628.240. (1) An applicant for a refrigerated locker plant license shall pay a license fee to the
9 State Department of Agriculture. The department may adopt rules establishing a license fee for a
10 refrigerated locker plant. *[Except as provided in this subsection, the department may not adopt a rule*
11 *under this section to establish a license fee that is more than three percent higher than the fee charged*
12 *during the preceding year. When adopting a rule establishing a license fee, notwithstanding the three*
13 *percent limit, the department may round the fee amount to the next higher whole dollar amount.]* **The**
14 **department may not adopt or enforce a rule under this section establishing a license fee for**
15 **a refrigerated locker plant that is higher than the license fee charged for the license year**
16 **that began July 1, 2018, for a refrigerated locker plant.** The department may not change the
17 amount of the refrigerated locker plant license fee more frequently than once each year.

18 “(2) If the license is issued after January 1 but before June 30 of the same year, the license fee
19 shall be one-half of the fee established by the department by rule under subsection (1) of this section.

20 “(3) All fees received by the department under ORS 628.210 to 628.370 shall be deposited in the
21 Department of Agriculture Service Fund and are continuously appropriated to the department for
22 the purpose of administering and enforcing those sections.

23 **“SECTION 43.** ORS 632.720, as amended by section 15 of this 2012 Act, is amended to read:

24 “632.720. An applicant for an egg handler’s license shall pay an annual license fee to the State
25 Department of Agriculture with each application. The department may adopt rules establishing a
26 license fee for an egg handler. *[Except as provided in this section, the department may not adopt a rule*
27 *under this section to establish a license fee that is more than three percent higher than the fee charged*
28 *during the preceding year. When adopting a rule establishing a license fee, notwithstanding the three*
29 *percent limit, the department may round the fee amount to the next higher whole dollar amount.]* **The**
30 **department may not adopt or enforce a rule under this section establishing an egg handler**
31 **license fee that is higher than the egg handler license fee charged for the license year that**
32 **began July 1, 2018.** The department may not change the amount of the egg handler’s license fee
33 more frequently than once each year.

34 **“SECTION 44.** ORS 635.030, as amended by section 17 of this 2012 Act, is amended to read:

35 “635.030. (1) Any person desiring to or who does engage in the business of a nonalcoholic
36 beverage manufacturer shall apply to the State Department of Agriculture for a license for each
37 plant operated by such person. The application shall be in such form and contain such information
38 as the department may prescribe.

39 “(2) The department may adopt rules establishing license fee schedules for nonalcoholic
40 beverage manufacturers. The department may determine the license fee for a manufacturer based
41 upon the annual gross sales by the manufacturer. In establishing the amount of the license fee for
42 a manufacturer, the department shall use the annual gross sales by that manufacturer within Oregon
43 during the prior calendar year or, if the manufacturer maintains sales records on a fiscal basis, the
44 prior fiscal year. If the manufacturer applying for an original license or for a renewal license cannot
45 provide the annual gross sales for a full calendar year, the department shall base the fee on esti-

1 mated annual gross sales by the manufacturer. If a manufacturer whose previous year's fee was de-
2 termined using an estimated gross sales figure applies for renewal of that license, the fee for the
3 previous license year shall be adjusted to reflect the actual gross sales by the manufacturer.

4 “(3) *[Except as provided in this subsection, the department may not adopt a rule under this section*
5 *to establish a license fee that is more than three percent higher than the license fee charged during the*
6 *preceding year for a manufacturer having the same volume of gross sales. When adopting a rule es-*
7 *tablishing a license fee, notwithstanding the three percent limit, the department may round the fee*
8 *amount to the next higher whole dollar amount.]* **The department may not adopt or enforce a rule**
9 **under this section establishing a license fee that is higher than the license fee charged for**
10 **the license year that began July 1, 2018, for a nonalcoholic beverage manufacturer having the**
11 **same volume of gross sales.** Fee schedules adopted under this section may not increase the
12 amount of the same license fee more frequently than once each year.

13 “(4) Licenses issued under this section shall expire on June 30 next following the date of issu-
14 ance or on such date as may be specified by department rule. The department shall collect a license
15 fee for each license and for each renewal of a license. The fee shall be remitted by the department
16 to the State Treasurer. The State Treasurer shall place all moneys received under this section in
17 the Department of Agriculture Service Fund. Moneys from fees imposed under this section are
18 continuously appropriated to the department for the purpose of administering and enforcing the
19 provisions of this chapter.

20 “**SECTION 45. The amendments to ORS 603.025, 616.706, 619.031, 621.072, 621.166, 625.180,**
21 **628.240, 632.720 and 635.030 by sections 36 to 44 of this 2012 Act become operative July 1,**
22 **2019.”**

23
