

**PROPOSED AMENDMENTS TO
HOUSE BILL 4003**

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

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

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

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

18 “(3) In addition to other license requirements of this section, if an appli-
19 cant for a license under subsection (4)(c) of this section has an average
20 weekly dollar value of meat animal purchases that exceeds \$10,000, the ap-
21 plicant shall submit with the application a surety bond with one or more
22 corporate sureties authorized to do business in this state, or an irrevocable

1 letter of credit issued by an insured institution, as defined in ORS 706.008.
2 The bond or letter of credit shall be in an amount equal to twice the average
3 daily value of meat animal purchases during the preceding calendar year, or
4 the amount of \$20,000, whichever amount is greater. The department shall
5 prescribe the form for the bond or letter of credit. A bond or letter of credit
6 is subject to department approval and must be conditioned upon faithful
7 performance by the licensee of all obligations to the producers of meat ani-
8 mals arising from the sale of meat animals by producers to the licensee.

9 “(4) Each of the following activities must be licensed, and the fee estab-
10 lished by the department paid with the license application:

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

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

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

19 “(d) Operation of a custom slaughtering establishment or custom pro-
20 cessing establishment. A license under this section does not allow selling
21 meat products without first obtaining and maintaining the license described
22 in paragraph (a) of this subsection.

23 “(e) Operation of a slaughterhouse, custom slaughtering establishment or
24 custom processing establishment wherein only poultry or rabbits are
25 slaughtered or prepared. A license under this section allows selling only
26 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
29 in a conspicuous manner at the address shown on the license.

30 “(6) The department may adopt rules establishing license fee schedules for

1 establishments licensed under this section. The department may determine
2 the license fee for an establishment based upon the annual gross dollar vol-
3 ume of sales and services by the applicant. In establishing the amount of the
4 license fee for an establishment, the State Department of Agriculture shall
5 use the annual gross dollar volume of sales and services by that establish-
6 ment within Oregon during the prior calendar year or, if the establishment
7 maintains sales and service records on a fiscal basis, the prior fiscal year.
8 If the establishment applying for an original license or for a renewal license
9 cannot provide the annual gross dollar volume of sales and services for a full
10 calendar year, the department shall base the fee on estimated annual gross
11 sales and services by the establishment. If an establishment whose previous
12 year's fee was determined using an estimated gross sales and services figure
13 applies for renewal of that license, the fee for the previous license year shall
14 be adjusted to reflect the actual annual gross dollar volume of sales and
15 services by the establishment.

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

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

1 “616.706. (1) Except as otherwise provided in ORS 616.695 to 616.755, a
2 person may not operate a food establishment without first obtaining and
3 thereafter maintaining a license under this section. A person shall make an
4 application for a license to the State Department of Agriculture on forms
5 prescribed by the department. Each license shall expire on June 30 next fol-
6 lowing the date of issuance or on such date as may be specified by depart-
7 ment rule.

8 “(2) The department may, subject to the applicable provisions of ORS
9 chapter 183, suspend, revoke or refuse to issue a license if the licensee has
10 violated any of the provisions of ORS 616.695 to 616.755 or rules adopted
11 under ORS 616.695 to 616.755.

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

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

21 “(5) The license shall be posted in a conspicuous place in the main office
22 of the food establishment. Duplicate copies of the license shall be conspicu-
23 ously posted in branch offices, warehouses and other places owned or oper-
24 ated by the licensee at locations other than the main office. A license is
25 automatically canceled if the food establishment ceases or discontinues op-
26 erations or business.

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

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

30 “(b) That is a retail food store;

1 “(c) That is a warehouse; or

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

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

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

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

3 “619.031. (1) A person may not operate an animal food slaughtering es-
4 tablishment or processing establishment without first obtaining a license for
5 the establishment from the State Department of Agriculture.

6 “(2) The department may adopt rules establishing license fee schedules for
7 establishments licensed under this section. The department may determine
8 the license fee for an establishment based upon the annual gross dollar vol-
9 ume of sales and services by the applicant. In establishing the amount of the
10 license fee for an applicant, the department shall use the annual gross dollar
11 volume of sales and services by that applicant within Oregon during the
12 prior calendar year or, if the applicant maintains sales and service records
13 on a fiscal basis, the prior fiscal year. If the applicant applying for an ori-
14 ginal license or for a renewal license cannot provide the annual gross dollar
15 volume of sales and services for a full calendar year, the department shall
16 base the fee on estimated annual gross sales and services by the applicant.
17 If an applicant whose previous year’s fee was determined using an estimated
18 gross sales and services figure applies for renewal of that license, the fee for
19 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
21 June 30 next following the date of issuance or on such date as may be
22 specified by department rule.

23 “(3) *[Except as provided in this subsection, the department may not adopt*
24 *a rule to establish a license fee that is more than three percent higher than the*
25 *license fee charged during the preceding year for an establishment of the same*
26 *type and having the same volume of gross sales and services. When adopting*
27 *a rule establishing a license fee, notwithstanding the three percent limit, the*
28 *department may round the fee amount to the next higher whole dollar*
29 *amount.]* **The department may not adopt or enforce a rule under this**
30 **section establishing a license fee that is higher than the license fee**

1 **charged for the license year that began July 1, 2018, for an establish-**
2 **ment of the same type and having the same volume of gross sales and**
3 **services.** Fee schedules adopted under this section may not change the
4 amount of the same license fee more frequently than once each year.

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

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

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

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

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

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

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

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

5 “(c) Shall keep complete and accurate records of the meat animals pur-
6 chased for slaughter, including but not limited to their description, brands
7 if any, date of purchase and the name and address of the person from whom
8 the animals were purchased.

9 “(d) Shall keep complete and accurate records of the sale of all meat an-
10 imal carcasses or parts of meat animal carcasses, including the name and
11 address of the purchaser.

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

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

15 “621.072. (1) The State Department of Agriculture shall issue a license to
16 use a grade designation to any person who:

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

19 “(b) Pays the designated license fee;

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

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

23 “(2) If a person carries on the activities of a producer and a producer-
24 distributor, the person must obtain a separate license for each of those ac-
25 tivities. If a producer-distributor manufactures products from both grade A
26 fluid milk and grade B fluid milk at the same premises, the producer-
27 distributor must obtain separate licenses for grade A product manufacturing
28 activity and grade B product manufacturing activity.

29 “(3) Licenses issued under this section shall be personal and not
30 transferable.

1 “(4) Each milk hauler, milk receiver or other person who grades fluid
2 milk as fit or unfit for processing as fluid milk due to quality, odor, flavor
3 or wholesomeness must first obtain a license from the department authoriz-
4 ing that person to sample and grade fluid milk. Each applicant for a milk
5 sampler’s and grader’s license shall, by written examination, demonstrate an
6 adequate knowledge of milk sanitation as it relates to the sampling, grading
7 and handling of fluid milk and cream for analysis. The department shall give
8 examinations for licenses at such times and places as appears to be necessary
9 and practicable.

10 “(5) Before and after issuing a license to a person as a producer,
11 producer-distributor, distributor or nonprocessing distributor of fluid milk,
12 the department shall, as it deems necessary, inspect the physical facilities
13 of the applicant’s dairy, milk processing plant or distribution center and in-
14 vestigate other factors the department determines may relate to the pro-
15 duction, processing or distribution of fluid milk. The physical facilities must
16 conform to the production, processing or distribution requirements for the
17 fluid milk grade designation sought or held.

18 “(6) Each license issued under this section expires on June 30 next fol-
19 lowing the date of its issuance unless sooner revoked and may be renewed
20 upon application of the licensee. Each application for a license or annual
21 renewal of a license shall be accompanied by a license fee.

22 “(7) The department may adopt rules establishing license fee schedules
23 for:

24 “(a) Milk samplers and graders;

25 “(b) Producer-distributors, distributors and nonprocessing distributors;
26 and

27 “(c) Producers.

28 “(8) The department may determine the license fee for a producer-
29 distributor, distributor or nonprocessing distributor based upon the annual
30 gross dollar volume of sales and services by the applicant. In establishing

1 the amount of the license fee for an applicant under this subsection, the de-
2 partment shall use the annual gross dollar volume of sales and services by
3 that applicant within Oregon during the prior calendar year or, if the ap-
4 plicant maintains sales and service records on a fiscal basis, the prior fiscal
5 year. If the applicant applying for an original license or for a renewal license
6 cannot provide the annual gross dollar volume of sales and services for a full
7 calendar year, the department shall base the fee on estimated annual gross
8 sales and services by the applicant. If an applicant whose previous year's fee
9 was determined using an estimated gross sales and services figure applies for
10 renewal of that license, the fee for the previous license year shall be adjusted
11 to reflect the actual gross dollar volume of sales and services by the appli-
12 cant.

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

25 “(10) *[Except as provided in this subsection, the department may not adopt*
26 *a rule under this section to establish a license fee that is more than three*
27 *percent higher than the fee charged during the preceding year for a milk*
28 *sampler and grader, for a producer-distributor, distributor or nonprocessing*
29 *distributor having the same volume of gross sales and services or for a pro-*
30 *ducer having the same volume of gross sales. When adopting a rule establish-*

1 *ing a license fee, notwithstanding the three percent limit, the department may*
2 *round the fee amount to the next higher whole dollar amount.]* **The depart-**
3 **ment may not adopt or enforce a rule under this section establishing**
4 **a license fee for a milk sampler and grader that is higher than the li-**
5 **cence fee charged for the license year that began July 1, 2018, for a**
6 **milk sampler and grader. The department may not adopt or enforce a**
7 **rule under this section establishing a license fee for a producer-**
8 **distributor, distributor or nonprocessing distributor that is higher**
9 **than the license fee charged for the license year that began July 1,**
10 **2018, for a producer-distributor, distributor or nonprocessing distribu-**
11 **tor having the same volume of gross sales and services. The depart-**
12 **ment may not adopt or enforce a rule under this section establishing**
13 **a license fee for a producer that is higher than the license fee charged**
14 **for the license year that began July 1, 2018, for a producer having the**
15 **same volume of gross sales.** Fee schedules adopted under this section may
16 not change the amount of the same license fee more frequently than once
17 each year.

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

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

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

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

1 and is used to transport fluid milk, milk or milk products.

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

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

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

14 “(a) Mobile milk tankers; and

15 “(b) Dairy products plants.

16 “(5) The department may determine the license fee for a dairy products
17 plant based upon the annual gross dollar volume of sales and services by the
18 applicant. In establishing the amount of the license fee for an applicant, the
19 department shall use the annual gross dollar volume of sales and services
20 by that applicant within Oregon during the prior calendar year or, if the
21 applicant maintains sales and service records on a fiscal basis, the prior
22 fiscal year. If the applicant applying for an original license or for a renewal
23 license cannot provide the annual gross dollar volume of sales or services for
24 a full calendar year, the department shall base the fee on estimated annual
25 gross sales and services by the applicant. If an applicant whose previous
26 year’s fee was determined using an estimated gross sales and services figure
27 applies for renewal of that license, the fee for the previous license year shall
28 be adjusted to reflect the actual gross dollar volume of sales and services
29 by the applicant.

30 “(6) *[Except as provided in this subsection, the department may not adopt*

1 a rule under this section to establish a license fee that is more than three
2 percent higher than the fee charged during the preceding year for an equiv-
3 alent mobile milk tanker or for a dairy products plant having the same volume
4 of gross sales and services. When adopting a rule establishing a license fee,
5 notwithstanding the three percent limit, the department may round the fee
6 amount to the next higher whole dollar amount.] **The department may not**
7 **adopt or enforce a rule under this section establishing a license fee for**
8 **a mobile milk tanker that is higher than the license fee charged for**
9 **the license year that began July 1, 2018, for an equivalent mobile milk**
10 **tanker. The department may not adopt or enforce a rule under this**
11 **section establishing a license fee for a dairy products plant that is**
12 **higher than the license fee charged for the license year that began**
13 **July 1, 2018, for a dairy products plant having the same volume of**
14 **gross sales and services.** Fee schedules adopted under this section may not
15 change the amount of the same license fee more frequently than once each
16 year.

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

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

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

23 “(a) A bakery distributor;

24 “(b) A domestic kitchen bakery; and

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

26 “(3) The department may determine the license fee for a bakery or bakery
27 distributor based upon the annual gross sales by the applicant. In establish-
28 ing the amount of the license fee for a bakery or bakery distributor, the de-
29 partment shall use the annual gross sales by that bakery or distributor
30 within Oregon during the prior calendar year or, if the bakery or distributor

1 maintains sales records on a fiscal basis, the prior fiscal year. If the bakery
2 or distributor applying for an original license or for a renewal license cannot
3 provide the annual gross sales for a full calendar year, the department shall
4 base the fee on estimated annual gross sales by the bakery or distributor. If
5 a bakery or distributor whose previous year's fee was determined using an
6 estimated gross sales figure applies for renewal of that license, the fee for
7 the previous license year shall be adjusted to reflect the actual gross sales
8 by the bakery or distributor.

9 “(4) *[Except as provided in this subsection, the department may not adopt*
10 *a rule under this section to establish a license fee that is more than three*
11 *percent higher than the license fee charged during the preceding year for a*
12 *bakery distributor having the same volume of gross sales or for a bakery of the*
13 *same type and having the same volume of gross sales. When adopting a rule*
14 *establishing a license fee, notwithstanding the three percent limit, the depart-*
15 *ment may round the fee amount to the next higher whole dollar amount.]* **The**
16 **department may not adopt or enforce a rule under this section estab-**
17 **lishing a license fee for a bakery distributor that is higher than the**
18 **license fee charged for the license year that began July 1, 2018, for a**
19 **bakery distributor having the same volume of gross sales. The de-**
20 **partment may not adopt or enforce a rule under this section estab-**
21 **lishing a license fee for a bakery that is higher than the license fee**
22 **charged for the license year that began July 1, 2018, for a bakery of**
23 **the same type and having the same volume of gross sales.** Fee schedules
24 adopted under this section may not change the amount of the same license
25 fee more frequently than once each year.

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

28 “628.240. (1) An applicant for a refrigerated locker plant license shall pay
29 a license fee to the State Department of Agriculture. The department may
30 adopt rules establishing a license fee for a refrigerated locker plant. *[Except*

1 *as provided in this subsection, the department may not adopt a rule under this*
2 *section to establish a license fee that is more than three percent higher than*
3 *the fee charged during the preceding year. When adopting a rule establishing*
4 *a license fee, notwithstanding the three percent limit, the department may*
5 *round the fee amount to the next higher whole dollar amount.]* **The depart-**
6 **ment may not adopt or enforce a rule under this section establishing**
7 **a license fee for a refrigerated locker plant that is higher than the li-**
8 **cence fee charged for the license year that began July 1, 2018, for a**
9 **refrigerated locker plant.** The department may not change the amount of
10 the refrigerated locker plant license fee more frequently than once each year.

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

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

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

20 “632.720. An applicant for an egg handler’s license shall pay an annual
21 license fee to the State Department of Agriculture with each application. The
22 department may adopt rules establishing a license fee for an egg handler.
23 [*Except as provided in this section, the department may not adopt a rule under*
24 *this section to establish a license fee that is more than three percent higher*
25 *than the fee charged during the preceding year. When adopting a rule estab-*
26 *lishing a license fee, notwithstanding the three percent limit, the department*
27 *may round the fee amount to the next higher whole dollar amount.]* **The de-**
28 **partment may not adopt or enforce a rule under this section estab-**
29 **lishing an egg handler license fee that is higher than the egg handler**
30 **license fee charged for the license year that began July 1, 2018.** The

1 department may not change the amount of the egg handler's license fee more
2 frequently than once each year.

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

5 “635.030. (1) Any person desiring to or who does engage in the business
6 of a nonalcoholic beverage manufacturer shall apply to the State Department
7 of Agriculture for a license for each plant operated by such person. The ap-
8 plication shall be in such form and contain such information as the depart-
9 ment may prescribe.

10 “(2) The department may adopt rules establishing license fee schedules for
11 nonalcoholic beverage manufacturers. The department may determine the li-
12 cense fee for a manufacturer based upon the annual gross sales by the man-
13 ufacturer. In establishing the amount of the license fee for a manufacturer,
14 the department shall use the annual gross sales by that manufacturer within
15 Oregon during the prior calendar year or, if the manufacturer maintains
16 sales records on a fiscal basis, the prior fiscal year. If the manufacturer ap-
17 plying for an original license or for a renewal license cannot provide the
18 annual gross sales for a full calendar year, the department shall base the fee
19 on estimated annual gross sales by the manufacturer. If a manufacturer
20 whose previous year's fee was determined using an estimated gross sales
21 figure applies for renewal of that license, the fee for the previous license
22 year shall be adjusted to reflect the actual gross sales by the manufacturer.

23 “(3) *[Except as provided in this subsection, the department may not adopt*
24 *a rule under this section to establish a license fee that is more than three*
25 *percent higher than the license fee charged during the preceding year for a*
26 *manufacturer having the same volume of gross sales. When adopting a rule*
27 *establishing a license fee, notwithstanding the three percent limit, the depart-*
28 *ment may round the fee amount to the next higher whole dollar amount.]* **The**
29 **department may not adopt or enforce a rule under this section estab-**
30 **lishing a license fee that is higher than the license fee charged for the**

1 **license year that began July 1, 2018, for a nonalcoholic beverage man-**
2 **ufacturer having the same volume of gross sales.** Fee schedules adopted
3 under this section may not increase the amount of the same license fee more
4 frequently than once each year.

5 “(4) Licenses issued under this section shall expire on June 30 next fol-
6 lowing the date of issuance or on such date as may be specified by depart-
7 ment rule. The department shall collect a license fee for each license and for
8 each renewal of a license. The fee shall be remitted by the department to
9 the State Treasurer. The State Treasurer shall place all moneys received
10 under this section in the Department of Agriculture Service Fund. Moneys
11 from fees imposed under this section are continuously appropriated to the
12 department for the purpose of administering and enforcing the provisions of
13 this chapter.

14 **“SECTION 45. The amendments to ORS 603.025, 616.706, 619.031,**
15 **621.072, 621.166, 625.180, 628.240, 632.720 and 635.030 by sections 36 to 44**
16 **of this 2012 Act become operative July 1, 2019.”**

17
