PRELIMINARY STAFF MEASURE SUMMARY

Senate Committee on Environment and Natural Resources

MEASURE: HB 2444 CARRIER:

| REVENUE: No revenue impact | |
|----------------------------|----------------------------|
| FISCAL: No fiscal impact | |
| SUBSEQUENT REFERRAL: None | |
| ` | |
| Action: | |
| Vote: | |
| Yeas: | |
| Nays: | |
| Exc.: | |
| Prepared By: | Beth Reiley, Administrator |
| Meeting Dates: | 5/6 |

WHAT THE MEASURE DOES: Requires State Department of Agriculture (Department) to coordinate agricultural mediation services for disputes directly related to activities of Department and agricultural issues under Department's jurisdiction. Removes cap on fee charged for agricultural mediation services. Requires Department to develop procedures for accepting applications for agricultural mediation services and notifying affected persons. Requires agricultural mediation services for mediation from persons engaged in certain agricultural production activities and at discretion of Department and clarifies that mediation activities are voluntary. Requires written mediation agreement be signed by all parties if agreement is reached. Removes language relating to mediation of foreclosure on agricultural properties. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

BACKGROUND: Presently, Oregon's Farm Mediation program provides professional mediators for agricultural and rural disputes. The goal of the program is to provide a lower-cost and faster alternative to the court system to resolve agricultural disputes. The program is consistent with Oregon law as defined in ORS 36.100, which identifies mediation as a preferred alternative to leaving a dispute unresolved or addressing the dispute through the court system.

The program was established initially during the farm credit crisis of the 1980s to help resolve foreclosure disputes between farmers and banks. The program was certified by the United States Department of Agriculture as a foreclosure mediation service. Eventually, the Oregon Department of Agriculture discontinued using the program to mediate foreclosures. In the 1990s, the mediation program began to focus its work on other types of agricultural disputes. In 1997, the Oregon Legislature passed legislation (House Bill 3737) which broadened the types of work the program could do from foreclosure to "other disputes directly related to department activities and agricultural issues under the jurisdiction of the department." The Legislature also provided for court filing fees to assist in funding mediation for labor disputes and other farm-related mediation.

House Bill 2444 would authorize the Department of Agriculture to coordinate agricultural mediation services for disputes directly related to activities of the department and agricultural issues under jurisdiction of the department. The measure would also remove language regarding foreclosure mediations as well as remove a regulation on a price cap for mediation services.