HB 2041 STAFF MEASURE SUMMARY

House Committee On Economic Development and Trade

Action Date: 04/05/17

Action: Do pass and be referred to Ways and Means by prior reference

Vote: 9-0-0-0

Yeas: 9 - Clem, Gomberg, Helm, Lewis, Lininger, Marsh, Post, Reschke, Smith DB

Fiscal: Fiscal impact issued **Revenue:** No revenue impact

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WHAT THE MEASURE DOES:

Establishes the Certified Oregon Program (Program) within the Oregon Business Development Department (Business Oregon) to certify for-profit and nonprofit businesses to use the term "Certified Oregon" when advertising. Creates the Certified Oregon Advisory Group (Advisory Group) to advise and make recommendations to Business Oregon to implement the Program and certify businesses. Specifies Advisory Group membership. Requires Business Oregon and Advisory Group to report to the Legislative Assembly on or before September 15, 2019 regarding the implementation of the Program.

ISSUES DISCUSSED:

- The Oregon brand in international markets
- Voluntary certification systems
- Advisory committee membership appointing authorities

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon products, from wheat, to wine and beer, can often command price premiums over products produced in other states. Generally speaking, this price premium is a result of the actual or perceived quality of the product, how it was made, or an indication of consumer support for Oregon-made products. However, under current Oregon law there is no state-run product certification program indicating whether products originated in Oregon.

House Bill 2041 would create the Certified Oregon Program in Business Oregon to authorize the use of the term "Certified Oregon" on products and labels, in advertising and media by Oregon businesses. The measure would require Business Oregon to establish and work with an advisory group to make program recommendations and certify businesses.