## Senate Bill 507

Sponsored by Senators GOLDEN, WEBER; Representative HELM (Presession filed.)

## **SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced.** 

Makes certain changes to farm direct marketing law. Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

Relating to farm direct marketing; creating new provisions; amending ORS 616.683; and prescribing an effective date.

## Be It Enacted by the People of the State of Oregon:

**SECTION 1.** ORS 616.683 is amended to read:

616.683. (1)[(a)] Except as provided in subsection [(7)] (9) of this section, the following are not subject to ORS 616.695 to 616.755:

- (a) The use of space by a farm direct marketer for the sale, or exposure or offering for sale, of agricultural products described in subsections (2) and (3) of this section by a farm direct marketer [does not make the space used by the farm direct marketer subject to ORS 616.695 to 616.755].
- (b) [Except as provided in subsection (7) of this section,] The sale, or exposure or offering for sale, of agricultural products described in subsections (2) and (3) of this section by a farm direct marketer [does not make the farm direct marketer or a consigning agricultural producer subject to ORS 616.695 to 616.755].
- (c) [Except as provided in subsection (7) of this section,] The storage or preparation of agricultural products identified for sale by a farm direct marketer [does not make the farm direct marketer subject to ORS 616.695 to 616.755].
- (2) Subsection (1) of this section applies to farm direct marketer sales of the following types of agricultural products:
- (a) Fresh fruit, vegetables and herbs.
- (b) Fruit, vegetables and herbs[, if those items] that are:
- 22 (A) Cured or dried by the agricultural producer as part of routine post-harvest handling[.];
  - (B) Freeze dried; or
    - (C) Steam canned.
  - (c) Dried fruits, vegetables and herbs for which drying is not part of routine post-harvest handling, or herbal tea or a blend of dried herbs, if:
    - (A) The principal ingredients are grown by the agricultural producer; and
  - (B) The product is labeled with a list of ingredients and the name and address of the agricultural producer.
    - (d) Pasteurized fruit or vegetable juices that are producer-processed products.
    - [(d)] (e) Shelled nuts and unshelled nuts, if those items are cured or dried by the agricultural

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

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- 1 producer as part of routine post-harvest handling.
- 2 [(e)] (f) Fruit-based syrups, preserves, jams, fruits and vegetables, if those items are:
- (A) Producer-processed products;
- 4 (B) Acidic foods;

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- 5 (C) Labeled with a list of ingredients and the name and address of the agricultural producer; 6 and
  - (D) Bottled, packaged or canned by an agricultural producer that during the preceding calendar year had annual sales of fruit-based syrups, preserves and jams, fruits and vegetables described in subparagraphs (A) to (C) of this paragraph that in total did not exceed \$20,000 or a higher limit established by State Department of Agriculture rule under ORS 616.686.
  - [f] (g) Shell eggs.
- 12 [(g)] (h) Honey, if not combined with other food ingredients.
- 13 [(h)] (i) Olive oil.
- [(i)] (j) Whole, hulled, crushed or ground grains, legumes and seeds, if of a type customarily cooked before consumption.
  - [(j)] (k) Parched or roasted grains, if of a type customarily cooked before consumption.
- [(k)] (L) Popcorn, nuts, peppers and corn on the cob, if those items are roasted at the place of purchase by the agricultural producer after purchase and not sold for immediate consumption.
  - [(L)] (m) Products identified by the department by rule.
  - (3) Subsection (1) of this section applies to consignment sales of the following types of agricultural products:
- 22 (a) Fresh fruits, vegetables and herbs.
  - (b) Fruit, vegetables and herbs, if those items are cured or dried by the agricultural producer as part of routine post-harvest handling.
  - (c) Dried fruits, vegetables and herbs for which drying is not part of routine post-harvest handling, if:
    - (A) The principal ingredients are grown by the agricultural producer; and
  - (B) The product is labeled with a list of ingredients and the name and address of the agricultural producer.
  - [(c)] (d) Unshelled nuts that are cured or dried by the agricultural producer as part of routine post-harvest handling.
    - (e) Fruit-based syrups, preserves, jams, fruits and vegetables, if those items are:
  - (A) Producer-processed products;
    - (B) Acidic foods:
  - (C) Labeled with a list of ingredients and the name and address of the agricultural producer; and
  - (D) Bottled, packaged or canned by an agricultural producer that during the preceding calendar year had annual sales of fruit-based syrups, preserves and jams, fruits and vegetables described in subparagraphs (A) to (C) of this paragraph that in total did not exceed \$20,000 or a higher limit established by State Department of Agriculture rule under ORS 616.686.
  - [(d)] (f) Shell eggs, if the producer or the seller is licensed as an egg handler.
  - [(e)] (g) Honey, if not combined with other food ingredients.
- 44 [(f)] (**h**) Olive oil.
- 45 [(g)] (i) Products identified by the department by rule.

- (4) Subsection (1) of this section does not apply to foods that have been commingled.
- (5) Title to agricultural products sold on consignment remains with the consigning agricultural producer until the products are sold to consumers. Agricultural products sold on consignment must be clearly and conspicuously labeled with the name and business address of the consigning agricultural producer.
- (6) Subsection (1) of this section applies to Internet sales of agricultural products described in subsection (2) of this section by a farm direct marketer, as long as the Internet sales:
  - (a) Are to persons within this state; or

- (b) Comply with any applicable federal requirements concerning interstate sales of agricultural products.
- (7) A farm direct marketer may contract with a third party for delivery, marketing or other facilitation of sales of agricultural products described in subsection (2) of this section, subject to the provisions of this section and any rules adopted under ORS 616.686.
- [(6)(a)] (8)(a) In addition to any other required labeling, agricultural products described in subsections  $[(2)(e) \ to \ (j)]$  (2)(d) and (f) to (k) or  $[(3)(d) \ to \ (f)]$  (3)(e) to (h) of this section shall bear on the label a statement informing consumers that the product is not prepared in an inspected food establishment. Except as provided in paragraph (b) of this subsection, the required wording for the label statement is: "This product is homemade and is not prepared in an inspected food establishment."
- (b) The department may adopt rules specifying alternative wording for the label statement required under paragraph (a) of this subsection to the extent that the alternative wording is necessary in order to comply with federal requirements.
- [(7)] (9) The department may require that a farm direct marketer or the space used by the farm direct marketer be licensed under ORS 616.695 to 616.755, if the farm direct marketer or the person in control of the space used by the farm direct marketer refuses to comply with a department rule adopted under ORS 616.686 or 616.700 for keeping the space used by the farm direct marketer in a clean, healthful and sanitary condition or for ensuring the condition and safety of the food the farm direct marketer provides to retail purchasers.
- <u>SECTION 2.</u> The State Department of Agriculture shall adopt rules to implement the amendments to ORS 616.683 by section 1 of this 2023 Act as soon as practicable after the effective date of this 2023 Act.
  - SECTION 3. Section 2 of this 2023 Act is repealed on January 2, 2024.
- <u>SECTION 4.</u> This 2023 Act takes effect on the 91st day after the date on which the 2023 regular session of the Eighty-second Legislative Assembly adjourns sine die.