



# HB4065

## IMPROVING OREGON'S SLOW-PAY-NO-PAY LAWS

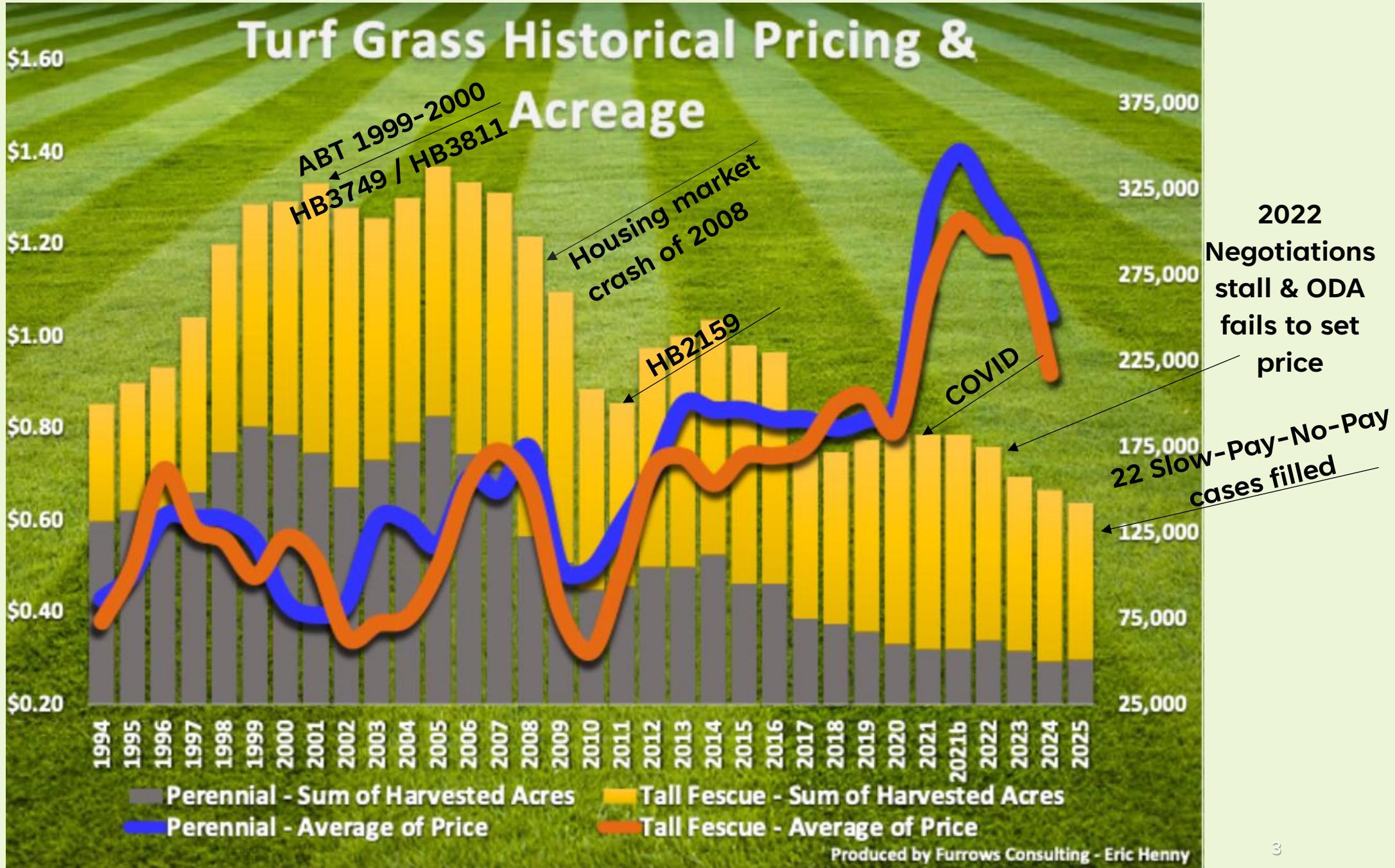
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## HISTORY OF PRBA & OGSBA LAWS PASSED TO PROTECT GROWERS

- **1994** – PRBA (Perennial Ryegrass Bargaining Assoc) formed to help growers get fair prices for the seed they were growing
- **2001** – Legislation: (HB3749) is brought forward after the ABT crisis and passed to protect farmers from seed companies. (HB3811) is also passed to allow for collective bargaining of grass seed between growers and seed dealers
- **2005** – PRBA becomes OGSBA (Oregon Grass Seed Bargaining Assoc)
- **2011** – Legislation: (HB2159) passed to close a loophole discovered after the 2008 housing crisis and an over production of seed. It established default terms and conditions when contracts were not signed prior to planting, addressed seed not meeting spec (VNS) and authorized ODA to revoke dealer's license for non-payment by May 1.
- **2018** – Legislation: (HB4068) passed and expanded the 2011 legislation to ALL seeds grown under a contract.



# 2024 price negotiations...

## Who participated



# SLOW PAY NO PAY LAWS PUT TO THE TEST...



Complaints surge about missed grass seed payments  
– July



## Capital Press

EMPOWERING PRODUCERS OF FOOD & FIBER

Enforcing Oregon grass seed payment rules poses challenge to regulators – September



Oregon regulators accuse grass seed company of underpaying – August



Seed dealer accused of trying to conceal underpayments to farmers – October

ODA: Farmers face loan defaults, bankruptcy due to contract violations – October



## What it does – puts the Legislative intent from 2011 into law:

1. Clarify the notification process and timing for ODA when ODA determines that a seed dealer has failed to pay for seed by the May 1 (July 1 for other seed) date or 30 days after shipment of the seed by the grower (current law).
2. Clarifies that the payment to the grower must be made within 30 days of written notification by the department to the dealer that the grower has met the requirements of the law and has a valid claim under the statute.
3. States that the seed dealer must also provide proof to the department that they made the payment (this is already in rule).
4. Increases the fees paid to the department to cover the cost of the program.
5. Further defines the interest to be paid on the amount owed to the grower and how it is calculated.

## What it does NOT do:

1. It does NOT remove the administrative procedures portion and the ability of the dealer to go through that process before their license is suspended or revoked.
2. It does NOT address or alter the price negotiation statutes.
3. It does NOT alter default contract terms in statute used when a contract is NOT in place prior to planting.



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Questions