

# TITLE 47

## AGRICULTURAL MARKETING AND WAREHOUSING

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### Chapter 576

1977 REPLACEMENT PART  
(1979 reprint)

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## AGRICULTURAL MARKETING AND WAREHOUSING

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| <p>Administrative procedures and rules of state agencies, 183.310 to 183.500</p> <p>Agricultural produce liens, 87.700 to 87.740</p> <p>Budget provisions of this chapter apply to.</p> <p style="padding-left: 20px;">Oregon Potato Commission, 579.165</p> <p style="padding-left: 20px;">Oregon Wheat Commission, 578.150</p> <p>Department to administer and enforce legislation applying to production, processing and distribution of food products, 616.010</p> <p>Enjoining violations of law, 561.280</p> <p>Fish and shellfish, marketing names, 506.800</p> <p>Fryers, labeling, 619.350 to 619.380</p> <p>Interstate agricultural marketing agreements, 561.240</p> <p>Legislative review of need for agency, 182.615</p> <p>Milk production and distribution controls, Ch. 583</p> | <p>Oregon Beef Council, public policy and purposes, 577.120</p> <p>Picketing places of agricultural production, 662.805 to 662.825</p> <p>Producer cooperative bargaining associations, 646.515 to 646.545</p> <p>Product test reports, publication and distribution by State Department of Agriculture, 561.315</p> <p>Services by department for commodity commissions and beef council, 561.250</p> <p>State agencies generally, Ch. 182</p> <p style="text-align: center;"><b>576.013</b></p> <p>Economic Development Department, promotional activities, 184.125</p> <p>Market development, 561.020</p> |
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## AGRICULTURAL MARKETING GENERALLY

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### COMMODITY COMMISSIONS GENERALLY

Commodity commissions operative in 1979

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Oregon Dungeness Crab Commission  
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**576.265**

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**MARKET DEVELOPMENT  
AND RESEARCH**

Note: Section 20, chapter 842, Oregon Laws 1977, is operative July 1, 1984, and repeals ORS 576.006, 576.009, 576.013, 576.019 and 576.022 relating to the Department of Agriculture.

**576.005** [1953 c.489 §1; 1955 c.732 §1; renumbered 576.051]

**576.006 Definitions for ORS 576.006 to 576.022.** As used in ORS 576.006 to 576.022:

(1) "Department" means the State Department of Agriculture of the State of Oregon.

(2) "Farm products" means all agricultural, floricultural, vegetable and fruit products of the soil, livestock and meats, poultry, eggs, dairy products, and any and all products which have their situs of production on the farm.

(3) "Food products" means any and all products either in a natural or processed state used by man or animal as food. [1955 c.572 §1]

**576.009 Division of market development of State Department of Agriculture.** The department may establish a division of market development which shall have the powers conferred by ORS 576.006 to 576.022 and subsection (1) of ORS 576.991. [1955 c.572 §2]

**576.010** [Repealed by 1953 c.119 §2]

**576.013 Purpose of division; powers; limitations.** (1) The purpose of the division shall be to assist in the development of new markets or expand existing markets for farm and food commodities produced or processed in this state.

(2) In furthering said purposes, the department may at its discretion:

(a) Disseminate information relating to the availability, quality and uses of such products.

(b) Serve as an intermediary between prospective purchasers and sellers of such products as to source of supply and demand.

(c) After notice to and with the approval of the Governor, represent the state in matters of legislation or rulemaking affecting the development of markets for farm and food products.

(d) To cooperate with and aid farmers and other producers of farm and food products and distributors and consumers thereof in improving and maintaining an efficient system of

distribution and marketing in reaching advantageous markets.

(e) To investigate delays, embargoes, conditions and practices, charges, and rates in the marketing, transportation and handling of farm and food products, and when such investigation discloses a probable violation of state or federal law, to make recommendations to the proper state or federal authorities for appropriate action thereon.

(f) Engage in negotiations with common and contract carriers and initiate or participate in the prosecution of proceedings before agencies engaged in freight rate regulation within or without this state in matters relating to the establishment of new freight rates, the modification of existing freight rates or to unjust, unreasonable or discriminatory rates or practices affecting the cost of transportation, production or processing of farm or food products produced or processed in this state.

(g) To investigate the advisability and need for establishment of terminal, regional, assembly, dock and other distributing facilities for the delivery, sale and distribution of farm and food products at or near the point of consumption or use, and to advise and cooperate with public or private agencies or organizations to promote the establishment, construction or acquisition of such facilities for public use and make recommendations as to the operations thereof.

(h) To accept and receive grants from public or private agencies for expenditure in furtherance of the purposes of ORS 576.006 to 576.022. Any such grant shall be deemed a trust fund within the meaning of ORS chapters 291 and 293.

(i) To consult with other states in development of joint programs for the establishment and development of markets on a mutual or regional basis.

(j) To cooperate in the development and operation of commodity commissions established under this chapter.

(3) Nothing in ORS 576.006 to 576.022 shall authorize the department to:

(a) Engage in any commercial transaction involving farm or food products as purchaser, seller, broker or dealer.

(b) Acquire or own any farm or food product or real property. [1955 c.572 §3]

**576.015** [1953 c.489 §37; renumbered 576.053]

**576.017** [1955 c.572 §4; repealed by 1973 c.794 §34]

**576.019 Discrimination against any product or dealer prohibited.** In the performance of his duties, under ORS 576.006 to 576.022, no official or employe of the department shall discriminate against any farm or food product, or against any producer, processor, distributor or dealer of any such products. [1955 c.572 §5]

**576.020** [Repealed by 1953 c.119 §2]

**576.022 Authority and functions of Oregon State University unaffected; department may seek information from university.** Nothing in ORS 576.006 to 576.022 shall be construed to limit, alter, repeal or duplicate the existing authority and functions of Oregon State University enumerated in ORS 561.080 and full effect shall be given to the provisions of ORS 561.090 and 561.100. The department may call upon Oregon State University for such technical and statistical information as it may need and as the university may be able to provide. [1955 c.572 §7]

**576.024 Department authorized to inspect records and businesses for economic study purposes.** (1) It is necessary for the economy of this state, the livestock industry and the welfare of the consuming public that the department obtain statistical information for economic studies of the livestock industry including the volume of production of livestock in this state; the channels into which such livestock is marketed; the total consumption of meat in this state; the types and quantities consumed and the sources thereof; and such other information as is pertinent to reveal additional potential markets for livestock produced in this state.

(2) In order to carry out and maintain this continuing study, the department is authorized during business hours to inspect the records of places or businesses which handle, store or sell meat animals, or meat as defined in the applicable provisions of this section and ORS 616.025, 616.080, 619.010 to 619.071, 619.370 and 619.993.

(3) The department, after public hearing under ORS 183.310 to 183.500, may require periodic reporting from the places or businesses described in this section and require the furnishing to the department of the data or information which may be needed in continuing the comprehensive study as authorized in this section. [1967 c.388 §2; 1973 c.174 §19; 1973 c.794 §29]

**576.030** [Repealed by 1953 c.119 §2]

**576.035 Market news service in Klamath Basin, central Oregon and Malheur areas.** The State Board of Higher Education, acting through the Federal Cooperative Extension Service of Oregon State University, shall cooperate with the Agriculture Marketing Service of the United States Department of Agriculture and with the appropriate offices of adjoining states to establish and maintain a food product market news service in the Klamath Basin and provide such services for the central Oregon and Malheur areas. [1961 c.560 §1]

**576.040** [Repealed by 1953 c.119 §2]

**576.041** [1967 c.265 §1; repealed by 1971 c.28 §1]

**576.043** [1967 c.265 §2; repealed by 1971 c.28 §1]

## COMMODITY COMMISSIONS GENERALLY

**576.044 General supervisory authority of Department.** Notwithstanding any other provision of this chapter and ORS 577.110 to 577.605 and ORS chapters 578 and 579, in order to facilitate the performance of commodity commissions in attaining their intended purposes, the State Department of Agriculture has the following duties, functions and powers:

(1) To monitor the practices or methods used or proposed by any commission in carrying out its goals and needs as disclosed by its budget;

(2) To promote cooperation between the several commissions and to assist in the interchange of information and experience between the commissions;

(3) To carry out the assigned organizational procedures under this chapter and ORS chapters 577, 578 and 579 relating to the creation, modification or dissolution of any commission, including the election or appointment of members of the commission;

(4) To examine and comment on any final budget or order submitted to the Director of Agriculture pursuant to any provision of this chapter and ORS chapters 577, 578 or 579; and

(5) To promulgate rules to carry out the provisions of this chapter, ORS 577.110 to 577.605 and ORS chapters 578 and 579. [1977 c.198 §6]

**576.045** [1967 c.265 §3; repealed by 1971 c.28 §1]

576.047 [1967 c 265 §4; repealed by 1971 c.28 §1]

576.049 [1967 c 265 §5; repealed by 1971 c.28 §1]

576.050 [Repealed by 1953 c 119 §2]

**576.051 Definitions for ORS 576.051 to 576.584.** As used in ORS 576.051 to 576.584, unless the context requires otherwise:

(1) "Commercial channels" means the sale of the commodity for which a commission is established for use as food, industrial, agricultural or chemurgic use, when sold to any commercial buyer or to any person who resells the commodity or any product derived therefrom.

(2) "Commission" means a commodity commission established under ORS 576.051 to 576.584.

(3) "Commodity" means any distinctive type of agricultural, horticultural (including floricultural), viticultural, vegetable, animal or seafood product, or any class, variety or utilization thereof, in its natural or processed state, including bees and honey but not including timber or timber products. The director may determine what types or subtypes of commodity may be classed together as a commodity for the purposes of ORS 576.051 to 576.584.

(4) "Department" means the State Department of Agriculture.

(5) "Director" means the Director of Agriculture.

(6) "First purchaser" means any person who buys the commodity for which a commission is created from the producer in the first instance, or handler who received the commodity in the first instance from the producer for resale or processing.

(7) "Handler" means any producer, processor, distributor or other person engaged in the handling or marketing of or dealing in the commodity for which a commission is created, whether as an owner, agent, employe, broker or otherwise.

(8) "Producer" means a person producing within this state or procuring within the state, its rivers or the offshore waters, but not the Columbia River, for commercial handling within the state, a commodity for market, or receiving a share thereof as landowner, landlord, tenant, sharecropper, boat skipper or otherwise. [Formerly 576.005; amended by 1957 c.447 §1; 1959 c 596 §1; 1977 c.198 §7]

**576.053 Short title.** ORS 576.051 to 576.584 and subsections (3) and (4) of 576.991

may be known and cited as the Commodity Commission Act. [Formerly 576.015]

**576.055 Petition for establishment of commission for a particular commodity.**

(1) Any 25 or more persons interested in the production of a particular commodity for which it is proposed to establish a commission may file a petition with the department asking that a commission be established for such commodity. The petition shall set forth:

(a) The name of the commodity for which the commission is to be established, and a description of it by genus, class, variety or other accurate and definite term.

(b) A concise statement of the reasons the establishment of a commission is requested.

(c) A request that a referendum be held among the producers of the commodity on the question of the establishment of a commission.

(d) Any desired limitation of the powers and duties provided for in ORS 576.305.

(e) The name and address of the individual who is authorized to represent the petitioners in all matters related to the establishment of the proposed commission as attorney in fact.

(2) The petition may also provide:

(a) Within the limits prescribed by ORS 576.205, for the number of commissioners on the commission or for their election by the producers in a referendum, or both. If the petition includes provisions for election of commissioners, it shall also provide, subject to reasonable rules and regulations made by the department, for qualifications and nomination of candidates, including a requirement that candidates reside in an area producing the commodity, terms of office and recall of commissioners, the filling of vacancies and the conduct of the election.

(b) That the several commissioners be appointed or elected from stated geographical areas.

(c) That the maximum permissible assessment under ORS 576.325 be limited to a designated amount or percent.

(d) For an alternative method of levy, assessment and collection of an assessment upon producers for the support of the commission. [1953 c.489 §2; subsection (2) formerly part of 576.295; 1957 c.447 §2; 1959 c.596 §2; 1965 c.515 §1]

576.060 [Repealed by 1953 c 119 §2]

**576.065 Petition filing fee; advancing moneys to pay cost of proposed hearing and referendum.** (1) The petitions provided for in ORS 576.055 shall be accompanied by a filing fee of \$250.

(2) The department shall prepare and deliver to the attorney in fact of the petitioners an original budget estimate, which shall include the cost of the preparation of the estimate, the cost of the proposed hearings and the cost of the proposed referendum. The petitioners, within 30 days after their receipt of the original budget estimate by their attorney in fact, shall remit to the department the difference between the filing fee of \$250 and the original budget estimate.

(3) The department at any time after delivery of the original budget estimate may prepare and deliver to the attorney in fact of the petitioners an additional budget estimate to cover the costs of holding the hearings and the referendum. The petitioners, within 30 days after their receipt of the additional budget estimate by their attorney in fact, shall remit to the department the amount of the additional budget estimate.

(4) If the petitioners fail to remit as provided in subsection (2) or (3) of this section, or if for any other reason the proceedings for the establishment of a commission are terminated, or if as a result of the referendum the commission is created or is disapproved, the balance of the filing fee or total budget estimate or both remaining unexpended by the department shall be returned to the petitioners by the department. The commission shall return to the petitioners from the first moneys collected by it the difference between the filing fee and the total budget estimate and the amount, if any, returned by the department. [1953 c.489 §3; 1957 c.447 §3; 1959 c.596 §3]

**576.070** [Repealed by 1953 c.119 §2]

**576.075 Hearings regarding establishment of commodity commission; notice of hearings.** (1) Within 60 days after the petition has been filed with the department and upon payment of the difference between the filing fee of \$250 and the total budget estimate, the department shall cause notices to be given of the proposed hearings in each of the counties of the state where the commodity is grown or produced upon the question of the desirability and necessity of creating such a commission, upon the propriety of the petition and other proceedings under ORS 576.051 to 576.584 and upon other relevant questions.

All producers and all other interested parties have a right to attend such hearings and to be heard.

(2) The department shall hold a hearing or hearings in each congressional district in which during the last preceding crop season or year at least five percent of the total production of the commodity unit was produced, as determined by the department.

(3) The notices of hearing shall be:

(a) Published once at least 14 days prior to the date of hearing in a newspaper of general circulation in the state, and once in a newspaper of general circulation in each congressional district in which a hearing is to be held. In the discretion of the department such notice may also be published in a newspaper of general circulation in each county in which during the last preceding crop season or year at least five percent of the total production of the commodity unit was produced.

(b) Forwarded to the county clerk of all counties in this state. The county clerk shall post such notice in a conspicuous place in the county courthouse. [1953 c.489 §4; 1957 c.447 §4; 1959 c.596 §4]

**576.078 When hearings may be dispensed with.** Notwithstanding any other provision of ORS 576.051 to 576.584, if a petition filed with the department as provided by ORS 576.055 is signed by more than 50 percent of the producers of the commodity in the state, or if it is signed by producers who produced more than 50 percent of the total quantity of the commodity produced by producers in the state during the last preceding crop season or year, and if such petition contains a statement that the petitioners do not desire that hearings be held prior to a referendum upon the proposition of the creation of a commission:

(1) No hearings shall be held and no determination of need for the creation of a commission sufficient to justify the holding of a referendum thereon shall be made by the department prior to the referendum upon the proposition of the creation of a commission.

(2) Upon payment of the difference between the filing fee of \$250 and the total budget estimate, the department shall set the date for and hold a referendum upon the proposition of the creation of a commission, to be held within four months. [Formerly part of 576.085; 1959 c.596 §5]

**576.080** [Repealed by 1953 c.119 §2]

**576.085 Determination by department regarding need for commodity commission.** (1) After the hearings provided for in ORS 576.075, the department shall determine upon the facts presented and other relevant data and information available to it whether or not there is need for the creation of a commission in the interest of the general welfare of the producers of the commodity sufficient to justify the holding of a referendum thereon. It shall record the determination, with its reasons for it, in the office of the Secretary of State.

(2) Subsequent petitions relating to the same commodity may not be filed or action taken thereon within one year from the date the department has recorded a determination denying the need for the creation of a commission as to such commodity.

(3) The department's determination of need for the creation of a commission shall be based upon a consideration of the following factors as they may be applicable to any commodity:

- (a) The current market price to producers.
- (b) The costs of production, including all elements of cost.
- (c) Market price trends.
- (d) Stability of prices.
- (e) Relationship between the factors set forth in paragraphs (a), (b), (c) and (d) of this subsection.

(f) Commodity utilization and the possibility of increasing commodity utilization by research, promotive advertising, improved marketing practices, and improving time or place utility. [1953 c.489 §5; 1957 c.447 §5; part renumbered 576.078; 1959 c.596 §6]

**576.090** [Repealed by 1953 c.119 §2]

**576.091 Withdrawal of petition.** (1) At any time after a petition is filed with the department under ORS 576.055 and before the date set for the referendum by the department under ORS 576.095, a written request may be filed with the department asking that the petition be withdrawn and that the department take no further action or proceedings to establish a commission as requested in the petition.

(2) The written request shall be signed by more than two-thirds of the persons whose signatures appear on the petition.

(3) Upon receiving the written request, the department shall take no further action or

proceedings to establish a commission as requested in the petition. The balance of the filing fee or total budget estimate or both remaining unexpended by the department shall be returned to the petitioners or their attorney in fact by the department.

(4) If a petition is withdrawn and the department takes no further action or proceedings to establish a commission as requested in the petition as provided in this section, subsequent petitions relating to the same commodity may be filed and action and proceedings taken thereon. [1959 c.596 §72]

**576.095 Referendum regarding establishment of commodity commission after determination by department.** (1) After the department has made and recorded its determination that there is need for the creation of a commission sufficient to justify the holding of a referendum thereon, it shall within a reasonable time thereafter hold a referendum upon the proposition of the creation of the commission.

(2) Notice of a referendum upon the proposition of the creation of a commission shall be given in the same manner as notice of hearings is required to be given by ORS 576.075. The question shall be submitted by ballots upon which the words "For creation of a \_\_\_\_\_ (here to be inserted the name of the commodity) commission" and "Against creation of a \_\_\_\_\_ (here to be inserted the name of the commodity) commission" are printed, with a square before each proposition and a direction to insert an "X" mark in the square before the proposition which the voter favors. All producers of the particular commodity in the state are eligible to vote in the referendum, provided they shall register with the department their names and such other pertinent information as the department may require. The department shall provide a period of not less than 20 days during which the producers may register. [1953 c.489 §6; 1957 c.447 §6; 1959 c.596 §7]

**576.100** [Repealed by 1953 c.119 §2]

**576.105 Payment of expenses of hearings and referendum.** The department shall pay, from the amounts paid to it under ORS 576.065, all the expenses resulting from the giving of notices mentioned in ORS 576.075 and 576.095, and from conducting the hearings and referenda, held for the purpose of creating a commission. [1953 c.489 §7]

**576.110** [Repealed by 1953 c.119 §2]

**576.115 Supervision of hearings and referendum by department; informalities do not invalidate referendum.** (1) The department shall supervise and conduct any referenda and hearings held under ORS 576.051 to 576.584.

(2) No informalities in the conduct of a referendum or in any matters relating thereto shall invalidate any referendum held under ORS 576.051 to 576.584, or the result thereof, if notice was given in substantially the same manner as provided in ORS 576.051 to 576.584 and if the referendum was fairly conducted.

(3) No proposition submitted by a referendum under ORS 576.051 to 576.584 shall be declared approved unless the proposition is favored in the manner as necessary for the creation of a commission, as provided in subsection (1) of ORS 576.125.

(4) Preceding any referendum held pursuant to ORS 576.051 to 576.584, the department shall determine the number of producers in this state and their total production in the last preceding crop season or year of the commodity for which a commission is proposed. The department's determination shall be predicated upon available relevant and reliable information tending to establish such facts, from statistics of the U. S. Department of Agriculture, U. S. Department of Commerce, Oregon State University or other recognized authoritative sources; or from a survey of the commodity industry in the state conducted by the department, if reliable information needed is not available from such recognized authoritative sources. At the request of the department any handlers or other persons shall furnish to the department any information available relevant to the determination required of the department.

(5) All information submitted by a handler or other person shall be confidential and shall not be disclosed by the department or any of its officials or employes except to the extent that such disclosure is necessary in any proceeding instituted to challenge the correctness of the department's determination as permitted in subsection (6) of this section.

(6) The department's determination of the number of producers and their total production shall be filed with the county clerk and in the office of the county agent of each county. Any appeal from such determination must be instituted by filing a complaint or other pleading in an appropriate proceeding in the circuit

court within 30 days after the date the determination is filed. [1953 c.489 §8; 1957 c.447 §7]

576.120 [Repealed by 1953 c.119 §2]

**576.125 Creation of commission; filing referendum result.** (1) The department shall declare a commission created, if the proposition received an affirmative vote in the referendum of two-thirds of the producers voting and if the total voting producers are the producers of more than one-third of the total quantity of the commodity produced by producers in the state in the last preceding crop season or year, as determined by the department.

(2) Within 10 days of the date of a referendum the department shall file with the Secretary of State a declaration of the result of the referendum. The Secretary of State shall record the declaration in an appropriate book in his office.

(3) If a referendum does not result in the creation of a commission, subsequent petitions relating to the same commodity may not be filed or action taken thereon within one year from the date of the filing of the department's declaration of the result of the referendum with the Secretary of State. [1953 c.489 §9; 1955 c.732 §2; 1957 c.447 §8]

576.130 [Repealed by 1953 c.119 §2]

**576.135 Oregon Dairy Products Commission.** The Oregon Dairy Products Commission, established by ORS chapter 582, shall continue in full force and effect as a commission established pursuant to ORS 576.051 to 576.584 from the time the rights, powers, privileges and immunities of such commission expire pursuant to the laws relating thereto. At the time ORS 576.051 to 576.584 become applicable to such commission, it shall be deemed to have been created in all respects pursuant to ORS 576.051 to 576.584 and shall be vested with all of the rights, powers, privileges and immunities duly conferred upon commissions created pursuant to ORS 576.051 to 576.584. [1953 c.489 §34]

576.140 [Repealed by 1953 c.119 §2]

**576.145 Oregon Filbert Commission.** The Oregon Filbert Commission, established by ORS chapter 580, shall continue in full force and effect as a commission established pursuant to ORS 576.051 to 576.584 from the time the rights, powers, privileges and immunities of such commission expire pursuant to the laws relating thereto. At the time ORS

576.051 to 576.584 become applicable to such commission, it shall be deemed to have been created in all respects pursuant to ORS 576.051 to 576.584 and shall be vested with all of the rights, powers, privileges and immunities duly conferred upon commissions created pursuant to ORS 576.051 to 576.584. [1953 c.489 §35]

576.150 [Repealed by 1953 c.119 §2]

**576.155 Oregon Dungeness Crab Commission.** (1) There is created the Oregon Dungeness Crab Commission. The commission shall be considered to have been created in all respects pursuant to ORS 576.051 to 576.584 and is vested with all the duties, functions, powers, rights and liabilities of commissions created pursuant to ORS 576.051 to 576.584. All producers and handlers of dungeness crab are subject to the duties, rights and liabilities provided in ORS 576.051 to 576.584.

(2) The commission shall consist of seven members appointed by the Director of Agriculture. Five members shall be producers and two shall be handlers who are not producers. In making appointments the director shall consider recommendations made to him by producers or producers' organizations. [1977 c.526 §2]

576.160 [Repealed by 1953 c.119 §2]

576.170 [Repealed by 1953 c.119 §2]

576.180 [Repealed by 1953 c.119 §2]

576.190 [Repealed by 1953 c.119 §2]

576.200 [Repealed by 1953 c.119 §2]

**576.205 Appointment of members of commission; number of producers and handlers.** (1) Subject to paragraph (a) of subsection (2) of ORS 576.055, the commission shall be composed of from 5 to 11 members, as the director determines, all of whom shall be appointed by the director. In making appointments of members of the commission the director shall take into consideration any nominations or recommendations made to him by producers or producers' organizations. Each member shall continue in office until his successor is appointed.

(2) A majority of the members shall be producers and at least one member may be a handler. All members other than handlers shall be producers. [1953 c.489 §11; 1957 c.447 §9; 1959 c 596 §8; 1977 c.198 §8]

576.210 [Repealed by 1953 c.119 §2]

**576.215 Ex officio members of commission.** The Director of Agriculture and the dean of the school of agriculture of Oregon State University, or their respective official representative, shall be ex officio members of the commission, without right to vote. In the case of a seafoods commission, the chairman of the State Fish and Wildlife Commission or his official representative shall also be an ex officio member of the commission, without right to vote. ORS 576.205 and 576.225 to 576.255 do not apply to ex officio members.

[1953 c.489 §12; 1957 c.447 §10; 1959 c.596 §9]

576.220 [Repealed by 1953 c.119 §2]

**576.225 Qualifications of members.** (1) Each member of the commission shall have the following qualifications which shall continue during his term of office:

(a) Each shall be a citizen of the United States.

(b) Each shall be a bona fide resident of the state.

(c) Each shall have demonstrated through membership in a producers' organization, the public service or otherwise, an active interest in the development of the commodity industry in Oregon.

(2) The producer members shall be and have been actively engaged in producing, and the handler members in the handling of, the commodity for which the commission is established, in this state, for a period of at least five years, and shall derive a substantial proportion of their incomes from the sale of the commodity. [1953 c.489 §13; 1957 c.447 §11]

**576.235 Terms of members.** Except when provision is made for their election, members of the commission shall be appointed within 30 days after the filing of the declaration by the department with the Secretary of State, and the original members shall be appointed as follows:

(1) Approximately, as the director determines, one-third of the members for a term ending June 30 next following.

(2) One-third of the members for a term ending one year from June 30 next following.

(3) One-third of the members for a term ending two years from June 30 next following.

Thereafter, each member shall be appointed for a term ending three years from the date of expiration of the term for which his predecessor was appointed, except in case of a vacancy when the appointee shall serve the unexpired

part of the term of the member whom he replaced. [1953 c.489 §14; 1965 c.515 §2; 1977 c.198 §9]

**576.245 Office vacant when member ceases to be qualified.** The director shall immediately declare the office of any appointed member of the commission vacant whenever the director finds that such member has ceased to be an active producer or handler in this state, has become a resident of another state or is unable to perform the duties of his office. [1953 c.489 §15; 1957 c.447 §12; 1965 c.515 §3; 1977 c.198 §10]

**576.255 Removal of members.** (1) The director may remove any member of the commission for inefficiency, neglect of duty or misconduct in office, after a public hearing thereon and after serving upon the member a copy of the charges against him, together with a notice of the time and place of the hearing, at least 10 days prior to such hearing. At the hearing the member shall be given an opportunity to be heard in person or by counsel and shall be permitted to present evidence to answer the charges and explain the facts alleged against him.

(2) In every case of removal, the director shall file in the office of the Secretary of State a complete statement of all charges against the member, and his findings thereon, together with a record of the entire proceedings had in connection therewith. [1953 c.489 §16; 1965 c.515 §4; 1977 c.198 §11]

**576.265 Travel and other expenses of members.** Members, officers and employes of the commission shall receive their actual and necessary travel and other expenses incurred in the performance of their official duties. The commission shall adopt uniform and reasonable regulations governing the incurring and paying of such expenses. [1953 c.489 §17; 1959 c.596 §10]

**576.275 Meeting place of commission.** The commission shall establish a meeting place anywhere within this state it selects, but the selection of the location shall be guided by consideration for the convenience of the majority of those most likely to have business with the commission or be affected by its acts. [1953 c.489 §18]

**576.285 Commission organization; meetings.** The commission shall meet as soon as practicable for the purposes of organizing. It shall elect a chairman and a secretary-

treasurer from among its members. It shall adopt a general statement of policy for guidance, and shall transact such other business as is necessary to start the work of the commission. Thereafter, the commission shall meet regularly once each six months, and at such other times as called by the chairman. The chairman may call special meetings at any time, and shall call a special meeting when requested by two or more members of the commission. [1953 c.489 §19]

**576.295 Limitation on commission's powers and duties by original petition or subsequent referendum.** The commission established by the department's declaration after the referendum as provided in ORS 576.125 has the powers and duties provided in ORS 576.051 to 576.584, except as those powers and duties are limited in the petition as provided in paragraph (d) of subsection (1) of ORS 576.055, or pursuant to a referendum held under ORS 576.555 to 576.575. [1953 c.489 §10; 1955 c.732 §3; part renumbered 576.055; 1959 c.596 §11]

**576.305 Authority of commission generally.** The commission may:

(1) Conduct scientific research to discover and develop the commercial value of the commodity and products thereof.

(2) Disseminate reliable information founded upon the research undertaken under ORS 576.051 to 576.584, showing the value of the commodity and its products for any purpose for which they may be found useful and profitable.

(3) Study legislation, state and federal, with respect to tariffs, duties, reciprocal trade agreements, import quotas and other matters concerning the effect on the commodity industry, and represent and protect the interests of the commodity industry with respect to any legislation or proposed legislation or executive action which may affect that industry.

(4) Sue and be sued as a commission, without individual liability for acts of the commission within the scope of the powers conferred upon it by ORS 576.051 to 576.584.

(5) Enter into contracts which it deems appropriate to the carrying out of the purposes of the commission as authorized by ORS 576.051 to 576.584.

(6) Borrow money, not in excess of its estimate of its revenue from the current year's crop, catch or animals, so that the crop, catch or animals responsible for the accumulation of

funds may receive the benefits of the efforts for which the funds are used.

(7) Make grants to research agencies for financing special or emergency studies or for the purchase or acquisition of facilities necessary to carry out the purposes of the commission as authorized by ORS 576.051 to 576.584.

(8) Appoint subordinate officers and employes of the commission and prescribe their duties and fix their compensation.

(9) Cooperate with any local, state or national organization or agencies, whether created by law or voluntary, engaged in work or activities similar to that of the commission; and enter into contracts with such organizations or agencies for carrying on joint programs.

(10) Act jointly and in cooperation with the Federal Government or any agency thereof in the administration of any program of the government or a governmental agency deemed by the commission to be beneficial to the commodity industry of this state, and expend funds in connection therewith, provided that such program is compatible with the powers conferred by ORS 576.051 to 576.584.

(11) Prosecute, in the name of the State of Oregon, any suit or action for the collection of the assessment provided for in ORS 576.325.

(12) Adopt, rescind, modify or amend all proper regulations, orders and resolutions for the exercise of its powers and duties. A copy of any of the commission's orders, other than orders referred to in ORS 576.375, 576.391 and 576.445, shall be filed with the department, and a copy mailed to the county extension agent of the counties in which the commodity is produced.

(13) Enter into contracts for advertising the commodity and to develop new markets through such advertising.

(14) Establish a reasonable per diem allowance, in addition to expenses under ORS 576.265, to members of the commission while actually engaged in the performance of their official duties, including necessary travel time. [1953 c.489 §20; 1957 c.447 §13; 1959 c.596 §12]

**576.307 Services, facilities and materials for commission.** (1) Upon request by the commission, the Department of General Services may:

(a) Purchase or otherwise provide for the acquisition or furnishing of supplies, materials, equipment and services other than personal required by the commission and for the

furnishing of professional services rendered by independent contractors with the state to the commission under ORS 279.710 to 279.748.

(b) Provide for the furnishing of printing and multiple duplication work to the commission under ORS 282.010 to 282.050, except that printing and binding which advertises or promotes products, agricultural or manufactured, shall not be considered state printing.

(c) Provide for the furnishing of services relating to the disposition of surplus, obsolete or unused supplies, materials and equipment to the commission under ORS 283.230.

(d) Provide for the furnishing of central telephone service and central mail or messenger services to the commission under ORS 283.140.

(e) Provide for the furnishing of central repair and maintenance services to the commission under ORS 283.150.

(f) Provide for the furnishing of clerical and stenographic pool services to the commission under ORS 283.160.

(g) Provide for the furnishing of motor vehicles for use by members, officers and employes of the commission under ORS 283.305 to 283.350.

(2) The commission shall pay to the Department of General Services such amount for services performed by the department under subsection (1) of this section as the department determines is adequate to reimburse it for the costs necessary to perform such services.

(3) Upon request by the commission, the Executive Department may design and supervise the installation of an accounting system for the commission. The commission shall pay to the Executive Department such amount for services performed by the department under this subsection as the department determines is adequate to reimburse it for the costs necessary to perform such services. [1959 c.596 §32; 1967 c.419 §35]

**576.309 Commission furnishing services, facilities and materials to other state agencies.** The commission may elect to furnish services, facilities and materials to other commodity commissions created under ORS 576.051 to 576.584 or ORS chapter 578 or 579 and to state agencies and officers under ORS 283.110. Upon requisition by the commission, any other commodity commission created under ORS 576.051 to 576.584 or ORS

chapter 578 or 579 or any state agency or officer may furnish services, facilities and materials to the commission under ORS 283.110. [1959 c.596 §33]

**576.311 Commission exempt from certain financial administration laws.** Except as otherwise provided in ORS 576.051 to 576.584, ORS 291.026, 291.202 to 291.222, 291.232 to 291.260, 291.322 to 291.336, 292.210 to 292.250, 293.260 to 293.280, 293.295 to 293.346 and 293.590 to 293.640 do not apply to the commission or to the administration and enforcement of ORS 576.051 to 576.584. [1959 c.596 §34]

**576.315 Gifts and grants.** The commission may accept grants, donations or gifts, from any source for expenditures for any purposes consistent with the powers conferred on the commission. [1953 c.489 §29]

**576.325 Levy of assessment on commodity sales; use of assessment proceeds.** (1) The commission may assess, levy and collect an assessment, the amount of which the commission shall determine, on all units or animals of the commodity grown or produced in this state, or procured from its rivers or the offshore waters, but not the Columbia River, for handling within this state, and sold in commercial channels; but no such assessment shall apply to any transaction which occurred prior to the date the commission order assessing such assessment was entered. All casual sales of the commodity made by the producer direct to the consumer shall be exempt from the assessment.

(2) The amount of the assessment provided for in subsection (1) of this section shall not exceed one and one-half percent of the average unit price received by the producer on the farm after severance, or in the boat after catch, and before packaging or processing, during the three years immediately preceding, unless a greater assessment, which in no case shall exceed 10 percent, is specifically provided:

(a) In the petition provided for in ORS 576.055; or

(b) By a referendum held under ORS 576.555 to 576.575.

(3) A commission of livestock producers may, in lieu of the levy and assessment procedures provided in subsections (1) and (2) of this section, provide that an identical assessment shall be levied and collected against each animal, but in such case the assessment

shall not exceed one and one-half percent of the average price per animal received by livestock producers during the three years immediately preceding, for the class of animals in Oregon for which the commission was created, such as cattle, sheep or swine, unless a greater assessment, which in no case shall exceed 10 percent, is specifically provided as authorized by paragraph (a) or (b) of subsection (2) of this section. The commission in ascertaining the average price received by producers may take into consideration data and estimates of the United States Department of Agriculture, Oregon State University and other reliable sources for the three calendar years immediately preceding the date of the determination.

(4) The assessment shall be levied and assessed to the producer at the time of sale and shall be deducted by the first purchaser from the price paid to the producer. [1953 c.489 §21; 1957 c.447 §14; 1959 c.596 §13]

**576.335 First purchaser of commodity to make reports and pay assessment moneys.** (1) The first purchaser shall make reports to the commission on forms prescribed by the commission.

(2) No first purchaser shall fail to make the report, or make the report falsely.

(3) The commission shall fix dates upon which reports shall be made thereto by all first purchasers. Upon such dates all assessment moneys collected by the purchaser shall be turned over to the commission which shall issue receipts therefor and make suitable records thereof.

(4) Any first purchaser who fails to deduct an assessment at the time of sale shall report and pay to the commission the assessment which was due thereon. The provisions of ORS 576.355 also apply to a producer required to report and pay assessments. [1953 c.489 §§24, 26; 1959 c.596 §14; subsection (4) enacted as 1965 c.211 §3]

**576.345 Producer to make reports of and pay assessment moneys on certain sales.** (1) When a first purchaser lives or has his office in another state or is a federal or other governmental agency, the producer shall report all sales made to such purchaser on forms provided by and pay the assessment moneys directly to the commission, unless such first purchaser voluntarily makes the proper deduction and remits the proceeds to the commission.

(2) Any producer who performs the handling or processing functions on all or a part of his production of the commodity, which normally would be performed by another person as the first purchaser thereof, shall report his sales of such commodity of his own production on forms provided by and pay the assessment moneys directly to the commission, unless the first purchaser from such producer voluntarily makes the proper deduction and remits the proceeds to the commission. [1953 c.489 §25; 1959 c.596 §15; subsection (2) enacted as 1959 c.596 §74]

**576.350** [1957 c.447 §18; repealed by 1959 c.596 §90]

**576.351 Records of person required to pay assessment.** (1) Each person required to pay an assessment on a commodity under ORS 576.051 to 576.584 shall keep accurate records sufficient to enable the commission to determine by inspection and audit the accuracy of assessments paid or due to the commission and of reports made or due to the commission.

(2) The commission or any person authorized by the commission may inspect and audit the records referred to in subsection (1) of this section for the purpose referred to in subsection (1) of this section. The commission or any person authorized by the commission may also inspect and audit the records of a producer who sells a commodity to a first purchaser if such inspection and audit are necessary for the purpose referred to in subsection (1) of this section.

(3) No person shall refuse to permit an inspection and audit under subsection (2) of this section during business hours. [1959 c.596 §76]

**576.355 Penalty for delaying transmittal of funds.** In addition to the penalties prescribed in ORS 576.991, any first purchaser or other person who delays transmittal of funds beyond the time set by the commission shall pay five percent of the amount due for the first month of delay and one percent of the amount due for each month of delay thereafter. [1953 c.489 §28]

**576.365 Penalty for refusal to turn over assessment moneys to commission.** If any first purchaser, or other person responsible for transmittal of the assessment moneys to the commission, wilfully refuses to turn over assessment moneys collected, he shall pay an additional fine equal to twice the

amount of the assessment moneys so withheld. [1953 c.489 §27; 1959 c.596 §16]

**576.375 Payment of commission moneys to authorized agent; deposits and withdrawals.** (1) All moneys received by any person from the assessment levied under the authority of ORS 576.325 and all other moneys received by the commission shall be paid to the authorized agent of the commission. As soon as possible after he receives such moneys, the authorized agent shall deposit such moneys in one or more separate accounts in the name of the commission. The commission shall designate such accounts and such banks or trust companies.

(2) No moneys shall be withdrawn from or paid out of such accounts except upon order of the commission, and upon checks or other orders upon such accounts signed by the secretary-treasurer or such other member of the commission as the commission designates and countersigned by such other member, officer or employe of the commission as the commission designates. A receipt, voucher or other written record, showing clearly the nature and items covered by each check or other order, shall be kept.

(3) All moneys referred to in subsection (1) of this section shall be used by the commission only for the payment of the expenses of the commission in carrying out the powers conferred on the commission. [1953 c.489 §22; 1959 c.596 §17; 1967 c.451 §25]

**576.380** [1957 c.447 §16; repealed by 1959 c.596 §90]

**576.385 Bond required of person authorized to receive or disburse commission moneys.** Any person authorized by the commission to receive or disburse moneys as provided in ORS 576.375 shall file with the commission a fidelity bond executed by a surety company authorized to do business in this state in favor of the commission and the State of Oregon, in such amount equal to the maximum amount of moneys the commission determines such person will have subject to his control at any one time and upon such conditions as the commission shall prescribe. The cost of the bond shall be paid by the commission. [1953 c.489 §23; 1957 c.447 §20; 1959 c.596 §19]

**576.390** [1957 c.447 §15; repealed by 1959 c.596 §90]

**576.391 Cancellation of uncollectible assessments.** (1) The commission by order may cancel an assessment which has been

delinquent for five years or more, if it determines that:

(a) The amount of the assessment is less than \$1 and that further collection effort or expense does not justify the collection thereof, or

(b) The assessment is wholly uncollectible.

(2) The order shall contain adequate information as to why the assessment cannot be collected. [1959 c.596 §73]

**576.395 Records and accounts of commission.** The commission shall keep accurate books, records and accounts of all its dealings which shall be open to inspection and audit by the Secretary of State. [1953 c.489 §30; subsection (2) enacted as 1959 c.596 §75; 1973 c.794 §30]

**576.405 Nonliability of state for acts or omissions of commission or agents.** The State of Oregon is not liable for the acts or the omissions of the commission or agents or officers thereof. [1953 c.489 §36]

**576.410 "Fiscal year" defined.** As used in ORS 576.415 to 576.445, "fiscal year" means the fiscal year commencing on July 1 and ending on June 30. [1959 c.596 §21]

**576.415 Limitation of expenditures of newly created commission; preparation of first budget.** (1) If the commission is created during the period commencing on April 1 and ending on June 30 of a fiscal year, no expenditures of moneys for such fiscal year may be made or incurred by or under the commission under ORS 576.051 to 576.584 other than:

(a) Moneys returned to petitioners by the commission under subsection (4) of ORS 576.065.

(b) Moneys reasonably necessary to pay the organizational expenses of the commission.

(c) Moneys reasonably necessary to pay expenses in connection with the assessment, levy and collection of the first assessment under ORS 576.325 by the commission.

(d) Moneys reasonably necessary to pay expenses in connection with the preparation and adoption of the first budget of the commission.

(2) (a) If the commission is created during the period commencing on April 1 and ending on the following March 31, no expenditures of moneys for the fiscal year commencing on July 1 following the commencement of such period may be made or incurred by or under

the authority of the commission under ORS 576.051 to 576.584 unless paragraphs (b) and (c) of this subsection are complied with.

(b) As soon as possible after it is organized, the commission shall prepare a final budget and adopt it as the budget of the commission for the fiscal year referred to in paragraph (a) of this subsection. At least one copy of the final budget, together with an affidavit of the commission setting forth the pertinent facts relating to the preparation and adoption thereof, shall be filed in the office of the commission, and shall be available for public inspection under reasonable circumstances.

(c) The commission shall send two copies of the final budget and two copies of the affidavit to the director. The director shall examine the final budget and the affidavit and, if he determines that the estimated expenditures in the final budget are in conformity with the authority of the commission and are appropriate to accomplish the goals and needs of the commission and that the facts set forth in the affidavit indicate that the final budget was prepared and adopted in accordance with law, shall certify such determinations on both copies of the final budget and send one such certified copy to the Secretary of State. If the director determines that the final budget fails to meet these requirements in any respect, he shall immediately notify the commission of the particular failures and the commission, as soon as possible, shall take such steps as are possible and necessary to remedy the defects. The certified copy of the final budget sent to the Secretary of State shall be filed in his office, and shall be available for public inspection under reasonable circumstances. [1959 c.596 §§22, 23; 1977 c.198 §12]

**576.420 Expenditures prohibited unless budget procedure complied with.** Except as otherwise provided in subsection (1) or (2) of ORS 576.415, no expenditures of moneys for a fiscal year may be made or incurred by or under the authority of the commission under ORS 576.051 to 576.584 unless ORS 576.425 and 576.430 are complied with. [1959 c.596 §24]

**576.425 Proposed budget; sending copies to county extension agents; public meeting.** (1) Except as otherwise provided in subsection (2) of ORS 576.415, the commission shall prepare each year a proposed budget of the commission for the next succeeding fiscal year. The commission shall send at least one copy of the proposed budget to each county

extension agent, and such copy or copies shall be available for public inspection under reasonable circumstances in the office of such county extension agent.

(2) The commission shall call and hold at least one public meeting upon the proposed budget. In selecting a time and place for a meeting the commission shall be guided by consideration for the convenience of the majority of the producers of the commodity for which the commission was created. At a meeting any producer of the commodity for which the commission was created has a right to be heard with respect to the proposed budget.

(3) The commission shall cause notice of a meeting to be given at least 14 days prior to the date of the meeting. The notice shall set forth the purpose of the meeting, the time and place at which the meeting is to be held and that a copy of the proposed budget is available for public inspection under reasonable circumstances in the office of each county extension agent. The notice shall be given by:

(a) Mailing a copy of the notice to each producer of the commodity for which the commission was created who is known to the commission; or

(b) Publishing a copy of the notice at least once in a newspaper of general circulation in the state and, if such newspaper of general circulation in the state does not also have general circulation in such county, at least once in a newspaper of general circulation in each county in which during the last preceding crop season or year at least five percent of the total production of the commodity unit was produced. [1959 c.596 §25]

**576.430 Final budget; filing; certification by Director of Agriculture.** (1) After the public meeting or meetings upon the proposed budget as provided in ORS 576.425, the commission shall prepare a final budget and adopt it as the budget of the commission for the next succeeding fiscal year. At least one copy of the final budget, together with an affidavit of the commission setting forth the pertinent facts relating to the proceedings under ORS 576.425 and the preparation and adoption of the final budget, shall be filed in the office of the commission, and shall be available for public inspection under reasonable circumstances.

(2) The commission shall send two copies of the final budget and two copies of the affidavit to the director. The director and board shall jointly examine the final budget and the

affidavit and, if it is determined that the form of the final budget is in accordance with law and estimated expenditures are in conformity with statutory requirements and that the facts set forth in the affidavit indicate that ORS 576.425 was complied with and that the final budget was prepared and adopted in accordance with law, shall certify such determinations on both copies of the final budget and send one such certified copy to the Secretary of State. If the director determines that the final budget fails to meet these requirements in any respect, he shall immediately notify the commission of the particular failures and the commission, as soon as possible, shall take such steps as are possible and necessary to remedy the defects. The certified copy of the final budget sent to the Secretary of State shall be filed in his office, and shall be available for public inspection under reasonable circumstances. [1959 c.596 §26; 1977 c.198 §13]

**576.435 Form and contents of budget.**

(1) The final budget prepared by the commission under subsection (2) of ORS 576.415 and the proposed and final budgets prepared by the commission under ORS 576.425 and 576.430 shall show the estimated receipts and expenditures by or under the authority of the commission under ORS 576.051 to 576.584 for the fiscal year for which the budget is adopted. The proposed budget prepared by the commission under ORS 576.425 shall also show the actual receipts and expenditures by or under the authority of the commission for the fiscal year preceding the fiscal year in which the proposed budget is prepared, if any, and the estimated receipts and expenditures by or under the authority of the commission for the fiscal year in which the proposed budget is prepared, if any.

(2) Estimated receipts and expenditures for the fiscal year for which the budget is adopted shall be fully itemized in the proposed and final budgets and shall be prepared and arranged to show in plain and succinct language each particular item of such receipts and expenditures. Such items of receipts and expenditures shall be arranged under major groups or categories as nearly as practicable the same as the most recent classifications of revenue and expenditures established under subsection (6) of ORS 291.002 and ORS 291.206.

(3) The proposed and final budgets shall contain one estimate only for the fiscal year

for which the budget is adopted for emergency or other expenditures unforeseen at the time the budget is prepared. [1959 c.596 §27]

**576.440 Limitation on expenditures.**

(1) Except as otherwise provided in subsection (2) of this section, no expenditures of moneys for a fiscal year may be made or incurred by or under the authority of the commission under ORS 576.051 to 576.584:

(a) In excess of the total amount of expenditures estimated for the fiscal year in the budget adopted for the fiscal year or, with respect to any major group or category of estimated expenditures, in excess of the total amount of expenditures estimated for the major group or category for the fiscal year in the budget adopted for the fiscal year.

(b) With respect to any major group or category of estimated expenditures, for any purpose different than that indicated by the major group or category for the fiscal year in the budget adopted for the fiscal year.

(2) No expenditures of moneys for a fiscal year unforeseen at the time the budget is prepared may be made or incurred by or under the authority of the commission under ORS 576.051 to 576.584 in excess of the amount of expenditures estimated as provided in subsection (3) of ORS 576.435. [1959 c.596 §28]

**576.445 Unforeseen expenditures.**

(1) Subject to subsection (2) of ORS 576.440, expenditures of moneys for a fiscal year unforeseen at the time the budget is prepared may be made or incurred by or under the authority of the commission under ORS 576.051 to 576.584 by an order of the commission. The order shall indicate the amount of the expenditure, the purpose thereof and the facts constituting the unforeseen nature thereof. At least one copy of the order shall be filed in the office of the commission, and shall be available for public inspection under reasonable circumstances.

(2) The commission shall send two copies of the order to the director. The director shall examine the order and the budget to which it relates and, if he determines that the form of the order is in accordance with law, that the facts set forth in the order and the budget to which it relates indicate that the order is in accordance with law, and that the proposed unforeseen expenditure is appropriate to accomplish the goals and needs of the commission, shall certify such determinations on both copies of the order and send one such certified

copy to the Secretary of State. If the director and board determine because of a failure to comply with ORS 576.425 or because the final budget, its preparation or adoption, is defective or estimated expenditures are not in conformity with statutory requirements, the commission shall immediately be notified. The commission, as soon as possible, shall take such steps as are possible and necessary to remedy the defects. The certified copy of the order shall be filed in the office of the Secretary of State with the budget to which it relates, and shall be available for public inspection under reasonable circumstances. [1959 c.596 §29; 1977 c.198 §14]

**576.450 Exemptions from application of ORS 576.415 to 576.445.** Subsection (2) of ORS 576.415 and ORS 576.420 to 576.445 do not apply to:

(1) Moneys returned to petitioners by the commission under subsection (4) of ORS 576.065.

(2) Moneys reasonably necessary to pay the organizational expenses of a newly created commission.

(3) Moneys reasonably necessary to pay expenses in connection with the assessment, levy and collection of the first assessment under ORS 576.325 by a newly created commission.

(4) Moneys reasonably necessary to pay expenses in connection with the preparation and adoption of the first budget of a newly created commission. [1959 c.596 §30]

**576.505 Referendum on continuance of commission.** After five years from the date any commission was created, a referendum may be held at the petition of the producers of the commodity or at the request of the commission upon the question of the discontinuance of the commission. The question shall be submitted by ballots upon which the words "For discontinuance of the \_\_\_\_\_ (here insert the name of the commodity) commission" and "Against discontinuance of the \_\_\_\_\_ (here insert the name of the commodity) commission" are printed, with a square before each proposition and a direction to insert an "X" mark in the square before the proposition which the voter favors. In the event a referendum is held as provided in this section, no further referendum on the question of the discontinuance of such commission shall be held within five years from the date

the result of the previous referendum was declared. [1953 c.489 §31; 1957 c.447 §21; 1959 c.596 §77]

**576.515** [1953 c.489 §32; repealed by 1959 c.596 §90]

**576.525 Winding up commission's affairs if vote is in favor of discontinuance.** If the vote at the referendum provided in ORS 576.505 is in favor of discontinuation, the commission shall as rapidly as possible terminate its activities, convert its assets into cash and do all other things necessary to terminate its activities. At the termination of such activities, any funds remaining in possession of the commission shall be paid to Oregon State University for research regarding the commodity for which the commission was created. [1953 c.489 §33]

**576.555 Referendum to limit or expand commission's powers or for election or appointment of commissioners.** (1) A referendum may be held once annually for any one or more of the following purposes:

(a) Increasing or decreasing the maximum permissible assessment under ORS 576.325, which in no case shall exceed 10 percent.

(b) Limiting or expanding the powers and duties of the commission; but no powers and duties shall be granted to or imposed upon the commission which are not permitted under ORS 576.051 to 576.584.

(c) Changing any matter which was provided for in the petition under paragraph (a), (b) or (d) of subsection (2) of ORS 576.055, or which was provided for by a prior referendum; but such change shall be within the limits permitted under ORS 576.051 to 576.584.

(d) Providing for the election, and the election, of commissioners instead of their appointment by the director, or providing for the appointment of commissioners by the director instead of their election by referendum.

(2) A referendum on any proposition referred to in subsection (1) of this section may be held at the same time as a referendum provided for in ORS 576.505. [1959 c.596 §78; 1965 c.515 §7; 1977 c.198 §15]

**576.565 Department to conduct referendum; procedure.** (1) A referendum provided for in ORS 576.505 or 576.555 shall be conducted by the department upon its receiving either of the following:

(a) A petition signed by 20 percent of the producers of the commodity or 200 producers

of the commodity, whichever is less. The petitioners shall pay the cost of such referendum in the same manner as provided in ORS 576.065, except that the commission shall not return to the petitioners any of such cost.

(b) A written request from the commission. The commission shall pay the cost of such referendum.

(2) The referendum shall be held, notice thereof given, expenses thereof paid and the result thereof determined, declared and recorded in as nearly as possible the same manner as provided for a referendum upon the proposition of the creation of a commission. No hearing shall be held and no determination of need shall be made by the department prior to the referendum. The department shall adjust the wording on the ballots so that the voters may clearly know and cast their vote upon the question or questions submitted. [1959 c.596 §79]

**576.570 Termination of office of commissioners elected prior to referendum.** (1) If at any time a referendum is held pursuant to ORS 576.555 on the question of providing for the election of commissioners or for the appointment of commissioners, and the vote is favorable to such change, the terms of office of those commissioners holding office immediately prior to the date of taking office of the commissioners elected or appointed as a result of such referendum shall cease.

(2) If the vote on such referendum is favorable on the question of providing for the appointment of commissioners, the director shall appoint such commissioners within 30 days of the date of the referendum as provided in ORS 576.205 and 576.235. [1965 c.515 §6; 1977 c.198 §16]

**576.575 Withdrawal of petition or request for referendum.** (1) At any time after a petition or written request is filed with the department under ORS 576.565 and before the date set for the referendum by the department, a written request may be filed with the department by the petitioners with respect to a petition filed under paragraph (a) of subsection (1) of ORS 576.565, or by the commission with respect to a written request filed under paragraph (b) of subsection (1) of ORS 576.565, asking that the petition or written request be withdrawn and that the department take no further action or proceedings with respect to the referendum.

(2) The written request shall be signed by more than two-thirds of the persons whose signatures appear on the petition, or by a person authorized by the commission, as the case may be.

(3) Upon receiving the written request, the department shall take no further action or proceedings with respect to the referendum. Amounts paid to the department to cover the costs of the referendum and remaining unexpended shall be returned to the petitioners or the commission, as the case may be, by the department.

(4) If a petition or written request is withdrawn and the department takes no further action or proceedings with respect to the referendum, subsequent petitions or written requests relating to the same referendum proposition may be filed and action and proceedings taken thereon. [1959 c.596 §80]

**576.578 "Regional commission" defined as sweet cherry commission.** As used in ORS 576.580 and 576.582, "regional commission" means a sweet cherry commission whose functions are to be performed only within a specified area of this state. Any such area shall consist of one or more entire counties. [1971 c.486 §2]

**576.580 Regional commission formation; duties and powers.** In addition to those commissions presently existing, there may be formed a regional commission for sweet cherries. Except as provided in ORS 576.582:

(1) Any such regional commission shall be established, administered and dissolved in the manner provided in ORS 576.051 to 576.584.

(2) Any such regional commission shall have all the same rights, duties, powers, privileges and immunities as are conferred upon any other commission by ORS 576.051 to 576.584. [1971 c.486 §3]

**576.582 Establishment; administration and dissolution of regional commissions.** In establishing, administering and dissolving a regional commission:

(1) The petition referred to in ORS 576.055 shall contain a list or description of those counties in which the regional commission is to function.

(2) The notices and hearings referred to in ORS 576.075 need only be given and held in those counties in which the regional commission is to function.

(3) Determinations regarding the requirement for a hearing referred to in ORS 576.078 shall be based upon the number of producers and the quantity of sweet cherries produced in those counties in which the regional commission is to function.

(4) Subsequent petitions relating to the same regional commission may not be filed nor action taken thereon within one year from the date the department makes a determination denying the need for the regional commission pursuant to ORS 576.085.

(5) The ballots referred to in ORS 576.095 and 576.505 shall contain a listing or description of the counties in which the regional commission functions or is to function, and only those producers within such counties shall be eligible to vote.

(6) Determinations regarding the number of producers and filings by the department referred to in ORS 576.115 shall be limited to those counties in which the regional commission is to function.

(7) Determinations regarding the number of producers referred to in ORS 576.125 shall be limited to those counties in which the regional commission is to function. If the referendum does not result in the creation of the regional commission, subsequent petitions relating to the same regional commission may not be filed nor action taken thereon within one year from the date of the filing referred to in ORS 576.125.

(8) The power to assess, levy and collect an assessment referred to in ORS 576.325 is limited to that amount of sweet cherries produced in those counties in which the regional commission functions.

(9) At the budget hearing referred to in ORS 576.425, only those producers in those counties in which the regional commission functions may be heard. The notice required to be given by ORS 576.425 need only be given in those counties in which the regional commission functions.

(10) The referendum referred to in ORS 576.555 may also be for the purpose of increasing or decreasing by one or more entire counties the area in which the regional commission functions.

(11) Determinations regarding the number of producers referred to in ORS 576.565 shall be limited to those counties in which the regional commission functions. [1971 c.486 §4]

**576.584 Rulemaking authority.** The

department may promulgate rules to carry out the provisions of ORS 576.578 to 576.584. [1971 c 486 §5]

**576.585 Rules for "handling," "processing" and "casual sales."** (1) After public hearing and as provided in ORS 183.310 to 183.500, the commission shall consider, and may:

(a) Further define and prescribe rules for "handling," "processing" and "casual sales."

(b) Establish quantities of the commodity, or a type of sale thereof, or a type of producer subject thereto, which may be exempted from assessment.

(2) In carrying out the provisions of this section, the commission shall take into consideration:

(a) The laws and rules of the Federal Government and other states relating to commodity commissions, boards and marketing orders.

(b) The practices, procedures and customs peculiar to the production, handling, processing and trading of its particular commodity and the producers or growers subject thereto.

(c) The cost of collecting the particular assessment and the practical problems relating thereto.

(3) In order for an application for exemption to be considered, or to be maintained, as set forth in subsection (1) of this section, a producer shall furnish periodic reports and information as may be deemed necessary by the commission to substantiate the exemptions which may be prescribed thereunder.

[1965 c.211 §2]

**576.595 Sales are in commercial channels.** Notwithstanding other laws to the contrary, any sale of a commodity by a grower or producer is, for the purposes of ORS 576.051 to 576.991, deemed to be a sale in commercial channels. [1965 c.211 §1]

**MEDIATION OF MARKETING DISPUTES**

**576.610 Definitions for ORS 576.610 to 576.650.** As used in ORS 576.610 to 576.650, unless the context requires otherwise:

(1) "Agricultural commodity" means any agricultural, horticultural or viticultural product, but does not include milk, timber or timber products.

(2) "Department" means the State Department of Agriculture.

(3) "Director" means the Director of Agriculture.

(4) "Handler" means any person who purchases an agricultural commodity and thereafter grades, packs, cans, freezes, distills, crushes or otherwise preserves or changes the form of the commodity for the purpose of marketing the commodity.

(5) "Producer" means a person engaged in the business of growing, raising or otherwise producing an agricultural commodity for sale or an association of such persons organized under ORS chapter 62.

(6) "Representative group of producers" means those producers who produced, in the previous crop season, more than 59 percent of the amount of the commodity handled by each separate handler with whom such producers are involved in a dispute. [1969 c.238 §1]

**576.620 Department to perform mediation services; employes; qualifications.** In addition to such other duties as may be prescribed by law, the department shall perform mediation services for producers and handlers involved in agricultural marketing disputes in the manner provided in ORS 576.610 to 576.650. Subject to any applicable provision of the State Merit System Law, the director may appoint such employes as he considers necessary to perform the mediation services required by ORS 576.610 to 576.650. In addition to or in place of any permanent employes appointed to perform mediation services, the director may appoint persons, on a temporary basis, to perform such services. Such temporary employes serve at the pleasure of the director, and need not be members of the classified service, as defined in ORS 240.210. The director may set the hours, salaries, expense allowances and other terms and conditions of employment of such temporary employes. Any person designated to act for the director in a mediation proceeding shall be a disinterested person who is not a producer or handler of the commodity involved in the dispute, or interested in the ownership or management of such a producer or handler.

[1969 c.238 §2]

**576.630 Request by producers for mediation; meeting with parties.** Whenever a representative group of producers of an agricultural commodity are unable to reach an

agreement on price or other marketing term with a handler, either side may request in writing mediation assistance from the department in settling the dispute. Not later than 10 days after receiving such a request for assistance, the department shall meet with the parties to the dispute and shall assist the parties in attempting to reach a settlement. [1969 c.238 §3]

**576.640 Rules.** In accordance with ORS 183.310 to 183.500, the department may promulgate rules to carry out ORS 576.610 to 576.650. [1969 c.238 §4]

**576.650 Cooperation by state agencies.** All governmental agencies and officers shall cooperate with the department and furnish such information and advice as the department considers necessary for the performance of its mediation services. [1969 c.238 §5]

### PAYMENT FOR AGRICULTURAL COMMODITIES

**576.700 Definitions for ORS 576.700 to 576.710.** As used in ORS 576.700 to 576.710:

(1) "Commodity" has the meaning for that term provided in ORS 576.051.

(2) "Processor" means any person who purchases, offers to purchase or contracts to purchase in this state any commodity from a producer or his agent for the purpose of packaging, processing or marketing such commodity. "Processor" does not include any cooperative, formed pursuant to ORS chapter 62.

(3) "Producer" means any person other than a processor who produces a commodity in this state for commercial purposes.

(4) "Meat animal" has the meaning for that term provided in ORS 603.010. [1971 c.531 §1; 1975 c.703 §8]

**576.705 Processors required to pay for commodities within 30 days after delivery; interest on late payments.** Notwithstanding any other provision of law:

(1) In the absence of a contract providing otherwise, any processor who purchases a commodity from a producer shall make full payment therefor not later than the 30th day after the day the processor takes delivery of the harvested commodity.

(2) Any processor who fails to make payment as required by subsection (1) of this section shall pay, in addition to the amount

due, interest thereon at the rate of one percent per month. [1971 c.531 §2]

**576.710 Applicability of ORS 576.705.** ORS 576.705 does not apply to any processor:

(1) Who purchases from a producer seed that requires cleaning and germination tests; or

(2) Of sugar beets whose contract with a producer for sale of the crop provides for profit sharing; or

(3) Of fish or seafood products; or

(4) Of meat animals. [1971 c.531 §3; 1975 c.703 §9]

### TABLE WINE RESEARCH

**576.750 Definitions for ORS 576.750 to 576.765.** As used in ORS 576.750 to 576.765, unless the context requires otherwise:

(1) "Board" means the Table Wine Research Advisory Board.

(2) "Grape product" means any juice, must, concentrate or extract made from vinifera grapes, true or hybrid, whether or not partially fermented. It does not include alcoholic liquor as defined in ORS 471.005.

(3) "Table wine" means a fermented beverage made all or in part from vinifera grapes, true or hybrid. It does not include malt beverages or beverages containing four percent or less alcohol by volume or more than 14 percent alcohol by volume.

(4) "Wine growing" means the cultivation in commercial quantities of vinifera grapes in this state.

(5) "Wine making" means the ownership and control of or the management of a licensed winery in this state. [1977 c.690 §1]

Note: 576.750 to 576.765 were enacted into law by the Legislative Assembly but were not added to or made a part of ORS chapter 576 or any series therein by legislative action. See the Preface to Oregon Revised Statutes for further explanation.

**576.755 Table Wine Research Advisory Board; functions.** There is established a Table Wine Research Advisory Board in the State Department of Agriculture for the purpose of encouraging and promoting enological and viticultural research and experimentation to develop maximum yields and quality from Oregon lands suitable to the production of table wines. [1977 c.690 §2]

Note: See note under 576.750.

**576.760 Board membership, terms and qualifications.** (1) The Table Wine Research Advisory Board shall consist of seven members appointed by the Director of Agriculture for terms of four years, each to continue in office until a successor is appointed and qualified. In making appointments, the director shall take into consideration any nominations or recommendations made by table wine industry organizations. The appointments shall be made so that each major wine growing area of the state is represented. At least three members shall be winegrowers, and at least two members shall be wine makers.

(2) Each member of the board shall have the following qualifications which shall continue during his term of office:

(a) Each shall be a bona fide resident of the state.

(b) Each shall have demonstrated through membership in an industry organization, public service or otherwise an active interest in the development of the Oregon table wine industry.

(3) Upon expiration of the term of a member of the board, the successor shall be appointed for a term of four years, except in case of a vacancy, when the appointee shall serve the unexpired term of the member he replaces. [1977 c.690 §3]

Note: See note under 576.750

**576.765 Table Wine Research Account; use of funds.** There is established in the General Fund of the State Treasury a Table Wine Research Account. Funds collected pursuant to ORS 473.045 shall be credited to such account and shall be continuously appropriated exclusively for the expenses of the Table Wine Research Advisory Board. [1977 c.690 §6]

Note: See note under 576.750.

**PENALTIES**

**576.990** [Repealed by 1953 c.119 §2]

**576.991 Penalties.** (1) Violation of ORS 576.017 by any official or employe of the State Department of Agriculture of the State of Oregon shall constitute grounds for dismissal of such person and shall be a misdemeanor.

(2) Violation of the provisions of ORS 576.024 is punishable, upon conviction, by a fine of not exceeding \$250.

(3) Violation of any provision of ORS 576.051 to 576.584 is punishable, upon conviction, by a fine of not more than \$500, or by imprisonment in the county jail for not more than 90 days, or both.

(4) District and justice courts shall have concurrent jurisdiction with circuit courts in all prosecutions under ORS 576.051 to 576.584. [1953 c.489 §38; subsection (1) enacted as 1955 c.572 §6; subsection (4) of 1957 Replacement Part enacted as 1957 c.447 §19; subsection (5) of 1957 Replacement Part enacted as 1957 c.447 §17; 1959 c.596 §81; subsection (2) enacted as 1967 c.388 §3]

**CERTIFICATE OF LEGISLATIVE COUNSEL**

Pursuant to ORS 173.170, I, Thomas G. Clifford, Legislative Counsel, do hereby certify that I have compared each section printed in this chapter with the original section in the enrolled bill, and that the sections in this chapter are correct copies of the enrolled sections, with the exception of the changes in form permitted by ORS 173.160 and other changes specifically authorized by law.

Done at Salem, Oregon,  
October 1, 1977

Thomas G. Clifford  
Legislative Counsel

