Chapter 577

1981 REPLACEMENT PART

Oregon Beef Council; Oregon Sheep Commission

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OREGON BEEF COUNCIL

577.110 Definitions. As used in ORS 577.110 to 577.605, unless the context requires otherwise:

(1) "Beef" includes veal.

(2) "Council" means the Oregon Beef Council.

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

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

(5) "Fiscal year" means the fiscal year commencing on July 1 and ending on June 30.

(6) "Producer" means any person who raises, breeds or grows cattle or calves for beef or dairy production. [1959 c 685 §2, 1977 c 198 §17]

577.120 Legislative findings and declaration of policy. (1) It is hereby declared, as a matter of legislative determination, that ORS 577.110 to 577.605 is enacted in the exercise of the power of this state for the purposes of protecting and furthering the public health and welfare. It is further declared that the cattle industry of this state is affected with a public interest in that, among other things:

(a) The production, processing, manufacture and distribution of beef and beef products constitute a paramount industry of this state which not only provides substantial and required revenues for the state and its political subdivisions, and employment and a means of livelihood for many thousands of its population, but also furnishes essential foods that are vital to the public health and welfare.

(b) The stabilization, maintenance and expansion of the cattle industry of Oregon, and of the state, nation-wide and foreign markets for its products, are necessary to assure the consuming public an adequate supply of foods which are indispensable in a proper human diet, to protect, for the state and its political subdivisions, a necessary source of tax revenue, to provide and maintain an adequate standard of living for a great segment of the population of this state, to maintain proper wage scales for those engaged in the cattle industry and to maintain existing employment.

(c) The essentiality of beef and beef products in a proper human nutrition and to the maintenance of a high level of public health is such as to require that the public be made thoroughly aware thereof, and be protected against misrepresentation and deception, by the dissemination of accurate and scientific information relative to the healthful qualities of beef and beef products, their various classifications and the food values and industrial and medicinal uses thereof, the methods, care and precautions necessary to their proper production, processing, manufacture and distribution, and the necessary costs and expenses thereof, and the necessity and desirability on the part of the public of using and consuming beef and beef products of the highest standards of quality.

(2) The purposes of ORS 577.110 to 577.605 are:

(a) To enable the cattle industry, with the aid of the state, to develop, maintain and expand the state, nation-wide and foreign markets for beef and beef products produced, processed or manufactured in this state, and the use and consumption of such beef and beef products therein.

(b) In aid, but not in limitation, of the purpose in paragraph (a) of this subsection, to authorize and enable the council to formulate and effectuate, directly or in cooperation with other agencies and instrumentalities specified in ORS 577.110 to 577.605, sales stimulation and consumer or other educational programs designed to increase the use and consumption of beef and beef products.

(c) To provide funds for the administration and enforcement of ORS 577.110 to 577.605 by voluntary contributions to be collected in the manner prescribed in ORS 577.110 to 577.605. [1959 c 685 §1]

577.210 Oregon Beef Council created; members. (1) There hereby is created the Oregon Beef Council.

(2) The council shall be composed of:

(a) Two dairy producers. For the purpose of this paragraph, "dairy producer" means a person engaged in the production on a dairy farm of fluid milk.

(b) Three beef producers. For the purpose of this paragraph, "beef producer" means a person who raises, breeds or grows cattle or calves for beef production.

(c) One person actively engaged in the business of feeding cattle and usually operating a feedlot.

(d) One handler. For the purpose of this paragraph, "handler" means a person actively engaged in processing, slaughtering, handling or marketing of cattle.

(3) The director shall appoint the members of the council. In making such appointments, the director shall take into consideration nominations and recommendations made to him by organizations who represent or who are engaged in the same type of production or business as the person so nominated or recommended for appointment as a member of the council. Each member shall continue in office until his successor is appointed and qualified.

(4) The director and the Dean of the School of Agriculture of Oregon State University, or their respective official representative, shall be ex officio members of the council, without the right to vote. [1959 c 685 §3, 1977 c.198 §18]

577.220 Qualifications of members. Each member of the council shall have the following qualifications which shall continue during his term of office:

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

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

(3) Each shall have demonstrated through membership in a producer's organization or an organization representing this type of production or business, or public service or otherwise, an active interest in the development of the beef industry in Oregon.

(4) Each shall have been actively engaged in the type of production or business which he will represent on the council, for a period of at least five years, and shall derive a substantial proportion of his income from that type of production or business. [1959 c.685 §4]

577.230 Terms of members. (1) The director shall appoint members on the council, as far as practicable and possible, from the various geographical areas of the state.

(2) Upon the expiration of the term of a member of the council, his successor shall be appointed for a term of three years, except in case of a vacancy, when the appointee shall serve the unexpired part of the term of the member he replaced. [1959 c 685 §5; 1977 c 198 §19]

577.240 Declaring office of member vacant. The director shall immediately declare the office of any member of the council vacant whenever the director finds that:

(1) The member no longer is actively engaged in the type of beef or dairy production or business he was engaged in at the time of his appointment;

(2) The member has become a resident of another state; or

(3) The member is unable to perform the duties of his office. [1959 c 685 §6, 1977 c 198 §20]

577.250 Removal of member. (1) The director may remove any member of the council 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. [1959 c 685 §7; 1977 c 198 §21]

577.260 Expenses of members. Members, officers and employes of the council may receive their actual and necessary travel and other expenses incurred in the performance of their official duties. The council shall adopt uniform and reasonable regulations governing the incurring and paying of such expenses. [1959 c.685 §8]

577.270 Meeting place. The council shall establish a meeting place anywhere within this state, 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 council or be affected by its acts. [1959 c.685 §9]

577.280 Meetings. The council shall meet as soon as practicable for the purpose 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

council. Thereafter, the council 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 council. [1959 c 685 §10]

577.290 Duties and powers of council. The council may:

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

(2) Disseminate reliable information founded upon the research undertaken under ORS 577.110 to 577.605, showing the value of beef 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 beef industry, and represent and protect the interests of the beef industry with respect to any legislation or proposed legislation or executive action which may affect that industry.

(4) Sue and be sued as a council, without individual liability for acts of the council within the scope of the powers conferred upon it by ORS 577.110 to 577.605.

(5) Enter into contracts which it deems appropriate to the carrying out of the purposes of the council as authorized by ORS 577.110 to 577.605.

(6) Borrow money, not in excess of its estimate of its revenue from the current year's contributions, so that the beef 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 council as authorized by ORS 577.110 to 577.605.

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

(9) Cooperate with any local, state or nation-wide organization or agencies, whether created by law or voluntary, engaged in work or activities similar to that of the council; 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 council to be beneficial to the beef industry of this state, and expend funds in connection therewith, provided that such program is compatible with the powers conferred by ORS 577.110 to 577.605.

(11) 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 council's orders, other than orders referred to in ORS 577.460 and 577.540, shall be filed with the department, and a copy mailed to the county extension agent of the counties in which the beef is produced.

(12) Enter into contracts for advertising beef and to develop new markets through such advertising.

(13) Establish a reasonable per diem allowance, in addition to expenses under ORS 577.260, to members of the council while actually engaged in the performance of their official duties, including necessary travel time. [1959 c.685 §11]

577.300 Acceptance of grants and gifts. The council may accept grants, donations, contributions or gifts, from any source, for expenditures for any purpose consistent with the powers conferred on the council. [1959 c 685 §12]

577.310 Payments to national organizations. From the contributions it receives, the council may pay, as authorized by ORS 577.290, 20 percent of such moneys to the National Livestock and Meat Board and 20 percent of such moneys to the National Beef Council to carry out certain work and programs for and as approved by the council on a national basis. [1959 c.685 §14]

577.320 Services, facilities and materials. (1) Upon request by the council, 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 council and for the furnishing of professional services rendered by independent contractors with the state to the council under ORS 279.710 to 279.748.

(b) Provide for the furnishing of printing and multiple duplication work to the council 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 council under ORS 283.230.

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

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

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

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

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

(3) Upon request by the council, the Executive Department may design and supervise the installation of an accounting system for the council. The council shall pay to the Executive Department such amount for services performed by that department under this subsection as such department determines is adequate to reimburse it for the costs necessary to perform such services. [1959 c.685 §25, 1967 c 419 §36]

577.330 Council furnishing services, facilities and materials to other state agencies. The council may elect to furnish services, facilities and materials to 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 council, any 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 council under ORS 283.110. [1959 c 685 §26]

577.340 Council exempt from certain financial administration laws. 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 council or to the administration and enforcement of ORS 577.110 to 577.605. [1959 c.685 §29]

577.350 Rules and regulations. The council is authorized to promulgate regulations necessary to carry out the intent and purposes of ORS 577.110 to 577.605. [1959 c 685 §28]

577.410 Expenditures prohibited unless budget procedure complied with. Except as otherwise provided in section 18, chapter 685, Oregon Laws 1959, no expenditures of moneys for a fiscal year may be made or incurred by or under the authority of the council under ORS 577.110 to 577.605 unless ORS 577.420 and 577.430 are complied with. [1959 c 685 §19]

577.420 Proposed budget; sending copies to county extension agents; public meeting. (1) Except as otherwise provided in section 18, chapter 685, Oregon Laws 1959, the council shall prepare each year a proposed budget of the council for the next succeeding fiscal year. The council 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 council shall call and hold at least one public meeting upon the proposed budget. In selecting a time and place for a meeting, the council shall be guided by consideration for the convenience of the majority of the producers of beef and dairy cattle. At a meeting any producer of beef and dairy cattle has a right to be heard with respect to the proposed budget.

(3) The council 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 beef and dairy cattle who is known to the council; 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 calendar year at least five percent of the total production of beef and dairy cattle were produced. [1959 c 685 §20]

577.430 Final budget; filing; certification by Director of Agriculture. (1) After the public meeting or meetings upon the proposed budget as provided in ORS 577.420, the council shall prepare a final budget and adopt it as the budget of the council for the next succeeding fiscal year. At least one copy of the final budget, together with an affidavit of the council setting forth the pertinent facts relating to the proceedings under ORS 577.420 and the preparation and adoption of the final budget, shall be filed in the office of the council, and shall be available for public inspection under reasonable circumstances.

(2) The council 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 council and are appropriate to accomplish the goals and needs of the council and that the facts set forth in the affidavit indicate that ORS 577.420 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 council of the particular failures and the council, 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 685 §21, 1977 c 198 §22]

577.440 Form and contents of budget. (1) The final budget prepared by the council under section 18, chapter 685, Oregon Laws 1959, and the proposed and final budgets prepared by the council under ORS 577.420 and 577.430 shall show the estimated receipts and expenditures by or under the authority of the council under ORS 577.110 to 577.605, 561.250 and 599.245 for the fiscal year for which the budget is adopted. The proposed budget prepared by the council under ORS 577.420 shall also show the actual receipts and expenditures by or under the authority of the council 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 council 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 budget 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 ORS 291.002 (6) and 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 685 §22]

577.450 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 council under ORS 577.110 to 577.605:

(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 council under ORS 577.110 to 577.605 in excess of the amount of expenditures estimated as provided in ORS 577.440 (3). [1959 c 685 §23]

577.460 Unforeseen expenditures. (1) Subject to ORS 577.450 (2), 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 council under ORS 577.110 to 577.605 by an order of the council. 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 council, and shall be available for public inspection under reasonable circumstances.

(2) The council 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 and 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 council, shall certify such determinations on both copies of the order and send one such certified copy to the Secretary of State. If the director determines that the order fails to meet these requirements in any respect, he shall immediately notify the council of the particular failures and the council, 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 685 §24, 1977 c 198 §23]

577.510 [1959 c 685 §13; 1961 c 384 §1, repealed by 1963 c 590 §1 (577 511 enacted in lieu of 577 510)]

577.511 Collection of contributions for purposes of ORS 577.110 to 577.605; exemptions; custody and disbursement. (1) In order for the council to carry out the provisions and the intent of ORS 577.110 to 577.605, the department shall collect an additional 50 cents per head on cattle, cattle hides and calves, as a part of brand inspection services and brand inspection made of such animals and hides under the same authority and at the same time, place and manner and upon the same animals and hides that it makes brand inspection and collects brand inspection fees. Such amount, which is a contribution for the council, is in addition to and a part of the brand inspection fee, and increases the maximum established by law, by such amount. The provisions of this subsection do not apply to cattle and calves leaving this state solely for the purpose of pasturing in another state

(2) The contribution amount collected as provided by this section shall be deposited to the account of the department in any bank or banks in the state authorized as a depository of the state funds and shall be disbursed therefrom by the department as provided by law.

(3) From such account the department shall, at least once each two months, transfer or pay to the council the contributions collected, less:

(a) Such amounts as determined by the department to be adequate to reimburse it for only the collection and administrative costs necessary in carrying out the provisions of this section;

(b) Refunds made by the department; and

(c) A reserve amount to be maintained by the department to insure payment of such refunds.

(4) In the event there is a fee established for exemptions from brand inspection, the department shall collect an additional 50 cents per exemption allowance. [1963 c.590 §2 (enacted in lieu of 577 510), 1967 c 637 §15, 1975 c 168 §1, 1981 c 123 §1, 1981 c 248 §22]

577.520 Collection procedure. (1) The operators of all stockyards, slaughterhouses, packing plants and livestock auction markets shall deduct from the proceeds of sale owing by them to the respective owners of animals the contributions as authorized by ORS 577.511

(2) When an operator sends or gives any written statement to an owner or agent relating to the proceeds owing such owner, the operator shall include a statement of the amount deducted from such proceeds for council purposes under ORS 577.511 and the amount deducted from such proceeds for brand inspection.

(3) In accordance with the provisions of law, operators shall promptly pay directly to the department all contributions collected by them. [1959 c 685 §27, 1961 c 384 §2, 1963 c 590 §2a, 1981 c 248 §23]

577.530 [1959 c 685 §15, 1961 c 384 §3, repealed by 1963 c 590 §3 (577 531 enacted in lieu of 577 530)]

577.531 [1963 c 590 §4 (enacted in lieu of 577 530); repealed by 1973 c 111 §3]

577.535 Brand inspection refunds. (1) Any person entitled to a brand inspection refund may, upon receipt of the refund, apply to the department for the refund of the contri-

bution collected by the department under ORS 577.511.

(2) Claim for refund must be made to the department on the form prescribed by the department and within 60 days of receipt of any money refunded. Claims will be honored only from those persons who paid the contribution. [1973 c.111 §2; 1981 c.248 §24]

577.540 Payment of council money to authorized agent; deposits and withdrawals. (1) All moneys received by the council shall be paid to the authorized agent of the council. 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 council. The council 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 council, and upon checks or other orders upon such accounts signed by the secretary-treasurer or such other member of the council as the council designates and countersigned by such other member, officer or employe of the council as the council 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 council for the payment of the expenses of the council in carrying out the power conferred on the council. Such moneys hereby are continuously appropriated to and shall be used by the council for such purposes. [1959 c.685 §16, 1967 c 451 §26]

577.550 Bond required of person authorized to receive or disburse council moneys. Any person authorized by the council to receive or disburse moneys as provided in ORS 577.110 to 577.605, shall file with the council a fidelity bond executed by a surety company authorized to do business in this state in such amount equal to the maximum amount of moneys the council determines such person will have subject to his control at any one time and upon such conditions as the council shall prescribe. The cost of the bond shall be paid by the council. [1959 c.685 §17]

577.560 Definitions for ORS 577.560 to 577.605. As used in ORS 577.560 to 577.605 a "person eligible to vote" or to sign petitions is a producer who owns or is producing in Oregon one or more of the animals described in ORS 577.110 (6) at the time of the signing of a petition or at the time his vote is cast in a referendum, or both. [Formerly 577 806]

577.565 Referendum on continuance of council; petition or request; limitation on subsequent referenda; reimbursement of petitioners. (1) After July 1, 1964, a referendum upon the question of continuance of the council, and all procedures relating thereto, shall be conducted by the department after it receives either of the following:

(a) A petition, which has the prior approval of the department as to wording before being distributed and signed, signed by at least 20 percent of the producers or 200, whichever is less. The department's determination of the number of producers eligible to sign a petition shall be predicated upon relevant information and statistics available from the United States Department of Agriculture, the United States Department of Commerce, Oregon State University and other recognized authoritative sources. All pages of the petition shall be dated prior to the date they are circulated for signatures and all pages shall bear the same date. The department is not authorized to accept or to use a page in a petition, unless it is filed with the department within 90 days of the date on the page. The petition shall designate the name and address of the individual who is authorized to represent the petitioners in all matters related to the referendum as its attorney in fact. Except as provided by paragraph (b) of subsection (2) of this section, the petitioners shall pay to the department the entire cost of holding a referendum in the manner provided in ORS 576.065.

(b) A written request signed by a majority of the members of the council asking for a referendum upon the question of continuance of the council. The council may submit such request at any time and they shall pay the department the entire cost of holding the referendum in the manner provided in ORS 576.065.

(2) In the event a referendum is held at the request of the petitioners as authorized by paragraph (a) of subsection (1) of this section:

(a) No additional referendum on such question shall be held at the request of petitioners, within two years from the date the result of the previous referendum is filed with the Secretary of State, by the department under the provisions of ORS 577.590 (4).

(b) If, as a result of such referendum, the vote is in favor of discontinuance of the council, the council shall, if moneys are available, reimburse the petitioners for the costs which they have paid to the department as required by paragraph (a) of subsection (1) of this section. [Formerly 577.810]

577.570 Provisions relating to withdrawal of petition or request govern proceedings under ORS 577.560 to 577.605. The provisions of ORS 576.575 apply to ORS 577.560 to 577.605. [Formerly 577.815]

577.575 Form of ballot; eligibility to vote and sign petition. (1) If a referendum upon the question of continuance of the council is held, the question shall be submitted by ballot upon which the words "For continuance of the Oregon Beef Council" and "Against continuance of the Oregon Beef Council" are printed, with a square before each proposition and a direction to insert an "X" in the square before the proposition which the person eligible to vote favors. The ballot may contain additional wording which in the opinion of the department is necessary to clarify the voting procedure.

(2) Only persons eligible to vote may vote in a referendum upon the question of continuance of the council and sign a petition as authorized by ORS 577.565 (1)(a). [Formerly 577 820]

577.580 Registration of eligible voters; filing list; date of referendum. (1) After a petition is received or a written request is received from the council as authorized by ORS 577.565, all persons eligible to vote may vote in the referendum provided they register with the department their names and such other pertinent information as is required. The department shall provide a period of not less than 20 days during which such persons may register. The department thereafter shall compile and file the list of persons eligible to vote, in the Salem office of the department and may publish such list as it deems necessary for the benefit of producers.

(2) Within 60 days after the list is filed, the department shall conduct the referendum. [Formerly 577.826]

577.585 Notice of referendum; manner of voting. (1) Notices of a referendum upon the question of continuance of the council shall be:

(a) Published once by the department at least 14 days prior to the date of such referendum in a newspaper of general circulation in Oregon.

(b) Forwarded by the department at least 14 days prior to the date of such referendum to the county clerk of all counties in Oregon. The county clerk shall post such notice in a conspicuous place in the county courthouse.

(2) In addition to the provisions of subsection (1) of this section, the department may forward notices of a referendum to persons eligible to vote.

(3) The department shall provide a period of at least 14 days during which persons eligible to vote may cast their ballot. The department may in its discretion permit ballots to be cast by mail, or by depositing such ballots in ballot boxes at designated locations within the state, or by both methods. [Formerly 577.830]

577.590 Determining result of referendum; filing declaration of result. (1) The department, in accordance with the provisions of ORS 577.600, shall declare the council to be discontinued if more than two-thirds of the persons voting in an election called under the provisions of ORS 577.560 to 577.605 voted against continuance of the Oregon Beef Council, and further providing that the total voting persons in the referendum are currently producing more than one-third of the total number of cattle produced in Oregon during the calendar year preceding the year in which the election is held.

(2) In determining as of the date of the referendum, the total number of cattle each person voting is "currently producing," the department in its discretion may base its decision upon the answer it receives by the person voting on such question, which question may be made a part of the ballot or attached thereto, or by another reliable procedure or method.

(3) In arriving at the total number of cattle produced in Oregon during the calendar year preceding the year in which the election is held, the department may take into consideration the statistics and information furnished by the United States Department of Agriculture, Oregon State University and other governmental agencies, as of any given date or on any other fair and reasonable basis.

(4) Within 15 days after the close of the period during which a referendum is held, the department shall file with the Secretary of

State a declaration of the result of such referendum. The Secretary of State shall file or record such declaration. [Formerly 577 835]

577.600 Procedure when result favors discontinuance of council. If the vote in the referendum provided in ORS 577.590 does not favor continuance, the council shall discontinue and terminate its activities not later than the end of the fiscal year during which the result of such referendum was filed with the Secretary of State. Notwithstanding the provisions of ORS 577.410, before the termination of such activities, any funds remaining in possession of the council may be expended as authorized by ORS 577.290 and any funds remaining thereafter shall be paid to the Department of Agriculture to be expended by the department in a manner which will best carry out the purposes of this chapter. [Formerly 577 840]

577.605 Paying expenses of referendum; effect of informalities in conduct thereof. (1) The department shall pay, from the moneys it receives under ORS 577.565, all the expenses resulting from the procedures necessary to carry out a referendum upon the question of the continuance of the council.

(2) No informalities or technicalities in the conduct of such referendum or in any matters relating thereto shall invalidate any referendum if it is fairly and reasonably conducted by the department. [Formerly 577.845]

OREGON SHEEP COMMISSION

577.700 Definitions for ORS 577.700 to 577.795. As used in ORS 577.700 to 577.795, unless the context requires otherwise:

(1) "Casual sale" means any sale of wool by the Future Farmers of America or a member.

(2) "Commercial channels" means the sale of wool, in the grease, for any purpose, when sold to any commercial buyer, dealer, processor, cooperative marketing agency, other producer, or any other public or private person.

(3) "Commission" means the Oregon Sheep Commission.

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

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

(6) "First purchaser" means any person who buys wool in the first instance.

(7) "Fiscal year" means the period of time commencing on July 1 and ending on June 30 of a calendar year.

(8) "Handler" includes persons engaged in buying, processing or distributing wool.

(9) "Producer" means any person who raises, breeds, grows or feeds sheep and sells the wool derived therefrom through commercial channels, and includes a person as defined in ORS 174.100.

(10) "Sheep" includes but is not limited to ewes, feeders and market lambs that are 12 months of age or older.

(11) "Wool" means the shorn or pulled fleece or fiber of sheep, in the grease basis, in the natural state before cleaning or scouring. Shorn wool is also deemed to include Murrain and other wool removed from dead sheep and other off wool such as black wool, tags and crutchings. [1977 c.480 §1]

577.705 Findings and policy. (1) It is a legislative finding that the sheep industry of this state is affected with a public interest in the following respects:

(a) The production, slaughtering, manufacturing and distributing of sheep, and the products and wool derived therefrom are deemed to constitute an important industry of this state which not only provides substantial and necessary revenues for the state and employment for its citizens, but also furnishes essential foods and fiber vital to the public health and welfare.

(b) The stabilization, maintenance and expansion of the sheep industry of Oregon, and of its local, national and foreign markets, are deemed necessary to assure the consuming public of a continuous supply of these vital foods and fiber, and to assure the continuation of these revenues and employment, including the maintenance of needed levels of income for those engaged in the sheep industry of this state.

(c) Human nutrition and public benefit being enhanced by the consumption of the products and wool derived from sheep, it is deemed necessary that the public be made aware of such, and that the public be protected against misrepresentation or deception concerning such, through the dissemination of accurate and scientific information relative to the beneficial qualities of sheep and the products and wool therefrom and the values and

uses thereof, and to the production and distribution costs necessary to make sheep, and the products and wool derived therefrom, of high quality available to the consuming public.

(2) In consideration of these legislative findings, the purposes of ORS 577.700 to 577.795 are:

(a) To enable the sheep industry, with the aid of the state, to develop, maintain and expand the local, national and foreign markets for sheep, and the products and wool derived therefrom, which are produced, processed or manufactured in this state;

(b) To enable the commission created by ORS 577.700 to 577.795 to formulate and carry out, directly or in cooperation with other agencies, sales stimulation and consumer educational programs designed to increase the use and consumption of sheep, and the products and wool derived therefrom; and

(c) To provide necessary funds for the administration of ORS 577.700 to 577.795. [1977 c.480 §2]

577.710 Oregon Sheep Commission; members' terms; residence requirements. (1) There is hereby created the Oregon Sheep Commission.

(2) The commission shall be composed of seven members to be appointed by the director for terms of three years, each to continue in office until his successor is appointed and qualified. In making appointments of members of the commission the director shall take into consideration any nominations or recommendations made to him by sheep producers or producers' organizations. The appointments shall be made so that each major sheep-producing area of the state is represented in accordance with the following:

(a) One producer from the area comprised of the Counties of Klamath, Lake, Harney and Malheur;

(b) One producer from the area comprised of the Counties of Grant, Baker, Gilliam, Morrow, Umatilla, Union and Wallowa;

(c) One producer from the area comprised of the Counties of Hood River, Sherman, Jefferson, Wheeler, Crook, Deschutes and Wasco;

(d) One producer from the area comprised of the Counties of Lane, Douglas, Coos, Curry, Josephine and Jackson;

(e) One producer from the area comprised of the Counties of Clatsop, Columbia, Washington, Tillamook, Clackamas, Marion, Polk, Yamhill, Linn, Benton, Lincoln and Multnomah; and

(f) Two handlers from the state-at-large.

(3) The director and the Dean of the School of Agriculture of Oregon State University, or their respective designated representatives, shall be ex officio members of the commission without right to vote. [1977 c.480 §3]

577.715 Qualifications of members. Each member of the commission shall have the following qualifications which shall continue during his term of office:

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

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

(3) Each shall have demonstrated through membership in a producers' organization, public service or otherwise, an active interest in the development of the sheep and wool industry in this state.

(4) Each shall be and have been actively engaged in the production, selling or handling of sheep, or the products and wool derived therefrom, for a period of at least five years. [1977 c 480 §4]

577.720 Removal of members. (1) The director may remove any member of the commission for failure to maintain the qualifications set forth in ORS 577.715, or for inefficiency, neglect of duty or misconduct in office, after a public hearing and after serving upon the member a copy of any 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 members 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 finding thereon, together with a record of the entire proceedings had in connection therewith. [1977 c 480 §6]

577.725 Expenses of members; location of commission office; meetings. (1) Members of the commission shall be paid a per diem allowance in accordance with ORS 292.495 and receive their actual and necessary travel or other expenses incurred in the performance of their official duties. The commission shall adopt uniform administrative

rules governing the incurring and paying of such expenses.

(2) The commission shall establish an office at any place 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.

(3) The commission shall meet at least once each quarter, 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. [1977 c 480 §§7, 8, 9]

577.730 Powers of commission. The commission has the authority to:

(1) Conduct scientific research to discover and develop the commercial value of sheep, and the products and wool derived therefrom.

(2) Disseminate reliable information founded upon the research undertaken under ORS 577.700 to 577.795, showing the value of sheep, and the products and wool derived therefrom, 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 relating to the sheep and wool industry, and represent and protect the interests of the sheep and wool 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 the acts of the commission within the scope of the powers conferred upon it by ORS 577.700 to 577.795.

(5) Enter into contracts which it deems appropriate to the carrying out of the purposes of the commission as authorized by ORS 577.700 to 577.795.

(6) Borrow money, not in excess of its estimate of its revenue from the current year's assessments and contributions.

(7) Make grants to research agencies for 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 577.700 to 577.795.

(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 agency, whether created by law or otherwise, engaged in work or activities similar to that of the commission, and enter into contracts with such organizations or agencies for carrying out joint programs.

(10) Act jointly and in cooperation with the Federal Government or any agency thereof in the administration of any program of the Federal Government or governmental agency deemed by the commission to be beneficial to the sheep and wool industry of this state, and expend funds in connection therewith, provided that such program is compatible with the powers conferred upon the commission by ORS 577.700 to 577 795.

(11) Conduct biological studies concerning the control and eradication of noxious weeds, the elimination of which would be beneficial to the sheep and wool industry and entire livestock industry of this state as well as the overall economy of this state.

(12) Conduct studies concerning the utilization by the sheep and wool industry of straw or other similar products that are currently considered to be waste products of other agricultural pursuits, which would result in greater feed utilization.

(13) Adopt, rescind or amend administrative rules, orders or resolutions necessary and proper to the exercise of the powers and duties of the commission under ORS 577.700 to 577.795.

(14) Enter into contracts for advertising sheep, and the products and wool derived therefrom, and for the development of new markets through such advertising.

(15) Accept grants, donations, contributions or gifts from any source for expenditure for any purpose consistent with the powers conferred upon the commission under ORS 577.700 to 577.795.

(16) Expend a portion of the moneys received to the National Wool Growers Association or any other organization deemed appropriate to carry out specified and approved programs for the commission on a national basis.

(17) Establish, and amend as necessary, the commission assessment provided in ORS 577.785. [1977 c 480 §10]

577.735 Fidelity bond required of persons handling commission moneys. Any person authorized to receive or disburse

moneys received by the commission 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. [1977 c 480 §11]

577.740 State not liable for commission acts. The State of Oregon is not liable for any act or omission of the commission or any member, officer, agent or employe thereof. [1977 c 480 §12]

577.760 Applicability of financial administration statutes. (1) ORS 576.307, 576.309, 576.425 and 576.435 are applicable to the commission.

(2) Unless otherwise provided in ORS 577.700 to 577.795, 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 577.700 to 577.795. [1977 c.480 §§13, 14]

577.765 Compliance with budgetary laws required. No expenditures of money for a fiscal year may be made or incurred by or under the authority of the commission under ORS 577.700 to 577.795 unless ORS 576.425 and 576.430 are complied with. [1977 c 480 §15]

577.770 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 577.700 to 577.795:

(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; or

(b) With respect to any major group or category of estimated expenditures, for any purpose different than 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 was prepared may be made or incurred by or under the authority of the commission under ORS 577.700 to 577.795 in excess of the amount of expenditures estimated as provided in ORS 576.435 (3). [1977 c 480 §16]

577.775 Unforeseen expenditures. (1) Subject to ORS 577.770 (2), expenditures of moneys for a fiscal year unforeseen at the time the budget was prepared may be made or incurred by or under the authority of the commission under ORS 577.700 to 577.795 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 and 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 immediate goals and needs of the commission, he shall certify such determinations on both copies of the order and send one such certified copy to the Secretary of State. If the director determines that the order 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 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. [1977 c 480 §17]

577.780 Final budget; filing; certification by director. (1) After the public meeting or meetings upon the proposed budget, 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 and the preparation and adoption of the final budget, shall be filed in the office of the com-

mission, 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 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 immediate goals and needs of the commission, 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, he 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. [1977 c.480 §19]

577.785 Assessments; first purchaser to make report; penalty for failure to report. (1) In order for the commission to carry out the provisions and the intent of ORS 577.700 to 577.795, the commission shall assess, levy and collect an assessment established by the commission not to exceed one and one-half cents per pound on all wool, in the grease basis, sold through commercial channels. Such assessment shall be levied and assessed to the producer at the time of the first sale of wool and shall be deducted by the first purchaser from the price paid to the producer at the time of such first sale. The assessment provided in this section shall not be levied or collected on any casual sale.

(2) If the first purchaser lives or has his principal office in another state, the producer shall make the reports and pay the assessments to the commission as required under this section unless the first purchaser agrees in writing with the producer to voluntarily make such reports and pay such assessments.

(3) The first purchaser shall specify the amounts of assessments withheld in any written statements made to the producer.

(4) The first purchaser shall make reports to the commission on forms prescribed by the commission, and no first purchaser shall fail to make such reports or falsify any such reports. The assessment deducted and withheld by a first purchaser, as required in subsection (1) of this section shall be paid to this commission on a quarterly calendar year basis, and shall be due and payable within 30 days after the end of the quarter.

(5) A first purchaser who delays transmittal of reports and payment of assessments beyond the time stated in subsection (4) of this section 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. [1977 c.480 §20]

577.790 Disposition of moneys received by commission. (1) All 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, trust companies or savings and loan associations

(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 authorized agent of the commission and countersigned by such 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 and other order shall be kept.

(3) All moneys referred to in subsection (1) of this section shall be used by the commission for the payment of the expenses of the commission in carrying out the powers conferred on the commission under ORS 577.700 to 577.795. Such moneys are hereby continuously appropriated to and shall be used by the commission for such purposes. [1977 c 480 §21]

577.795 Records of persons required to pay assessment; inspection. (1) Each person required to pay an assessment on wool under ORS 577.700 to 577.795 shall keep accurate records sufficient to enable the commission to determine by inspection and audit the accuracy of assessments paid or due the commission and of reports made or due 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. The commission or any person authorized by the commission may also inspect and audit the records of a producer who sells wool to a first purchaser if such inspection and audit are deemed 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 regular business hours. [1977 c 480 §22]

577.805 [1961 c 384 §5, repealed by 1963 c 590 §5 (577 806 enacted in lieu of 577 805)]

577.806 [1963 c 590 §6 (enacted in lieu of 577 805); 1977 c 198 §24, renumbered 577 560]

577.810 [1961 c 384 §6; 1963 c 590 §7, renumbered 577 565]

577.815 [1961 c 384 §13; renumbered 577.570]

577.820 [1961 c 384 §7;renumbered 577 575]

577.825 [1961 c 384 §9; repealed by 1963 c 590 §8 (577 826 enacted in lieu of 577 825)]

577.826 [1963 c 590 §9 (enacted in lieu of 577 825); 1973 c 794 §31, renumbered 577.580]

577.830 [1961 c.384 §8; renumbered 577 585]

577.835 [1961 c.384 §10, 1963 c 590 §2b; renumbered 577 590]

577.840 [1961 c.384 §11; renumbered 577 600]

577.845 [1961 c 384 §12, renumbered 577.605]