

**A-Engrossed**  
**House Bill 2656**

Ordered by the House April 13  
Including House Amendments dated April 13

Sponsored by Representative GILMAN (at the request of Glen Stonebrink, Oregon Cattlemen's Association)

**SUMMARY**

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

Makes Oregon Beef Council assessment on cattle mandatory. Specifies minimum assessment of 50 cents per head of cattle. Increases maximum permissible assessment to \$1 per head. Specifies use for assessment up to 50 cents per head.

**A BILL FOR AN ACT**

1  
2 Relating to assessments on cattle; creating new provisions; amending ORS 577.512; and appropriating  
3 money.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Expenditures by the Oregon Beef Council of moneys received from the as-**  
6 **essment levied under ORS 577.512 (2) shall include, at a minimum, the following:**

7 (1) **An amount equal to 10 cents for each head of cattle assessed to be expended for**  
8 **funding selected research projects related to rangeland. The council shall make the research**  
9 **moneys available to Oregon State University, except that if the council determines that the**  
10 **university is unable to conduct the research, the council may select an alternative creditable**  
11 **institution. The council shall select the research projects after consultation with represen-**  
12 **tatives of beef and dairy associations.**

13 (2) **An amount equal to 10 cents for each head of cattle assessed to be expended for**  
14 **funding selected research projects related to cattle production. The council shall make the**  
15 **research moneys available to Oregon State University, except that if the council determines**  
16 **that the university is unable to conduct the research, the council may select an alternative**  
17 **creditable institution. The council shall select the research projects after consultation with**  
18 **representatives of beef and dairy associations.**

19 (3) **An amount equal to 10 cents for each head of cattle assessed to be expended for**  
20 **funding projects to promote and project a positive image of beef and dairy producers and**  
21 **operations to the public. The projects may include, but need not be limited to, videos for**  
22 **television, brochures and printed reports. The council shall select the projects after consul-**  
23 **tation with representatives of beef and dairy associations. The council shall present the**  
24 **completed projects to the representatives for review prior to disseminating the projects to**  
25 **the public.**

26 (4) **An amount equal to 10 cents for each head of cattle assessed to be expended for**  
27 **carrying out council activities described in ORS 577.290 (1)(c).**

28 (5) **An amount equal to 10 cents for each head of cattle assessed, or the assessment**

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

1 **amount remaining after deduction of the amounts described in subsections (1) to (4) of this**  
2 **section, whichever is less, to be expended by the council for administrative costs to carry**  
3 **out programs involving the projects or activities described in subsections (1) to (4) of this**  
4 **section.**

5 **SECTION 2.** ORS 577.512 is amended to read:

6 577.512. (1) If the United States Secretary of Agriculture orders an assessment pursuant to the  
7 Beef Promotion and Research Act of 1985, 7 U.S.C. 2901 to 2918, that applies to sales of cattle in  
8 this state, the Oregon Beef Council may act pursuant to any authority granted under that order to  
9 provide for collection of the assessment. The council may order the collection of an assessment un-  
10 der this subsection only on cattle sold for payment that are subject to the federal assessment order  
11 and for which the assessment has not otherwise been paid. The council may collect the federal as-  
12 sessment on cattle that are exempt from the brand inspection fee under ORS 604.066 (3).

13 (2) In addition to any assessment collected under subsection (1) of this section or any fee for  
14 brand inspection services, the council, by rule, [*may levy an assessment, not to exceed 50 cents*] **shall**  
15 **levy an assessment of not less than 50 cents per head and not more than \$1** per head, on the  
16 same cattle, cattle hides and calves for which the council makes brand inspections and collects  
17 brand inspection fees. **Moneys from the assessments are continuously appropriated to the**  
18 **council for expenditure as provided in ORS 577.295 and section 1 of this 2005 Act.**

19 (3) The operator of a stockyard, slaughterhouse, packing plant or livestock auction market shall  
20 deduct any assessment ordered collected by the council pursuant to subsection (1) or (2) of this  
21 section from the proceeds of sale owed to the operator by the owner of an animal. The operator  
22 shall pay the assessment to the State Department of Agriculture. When the operator provides a  
23 written statement of sale proceeds to the owner of an animal, the operator shall include a statement  
24 of the amount deducted from the proceeds for state and federal assessments and for brand inspection  
25 services.

26 (4) The department shall act as agent for the council to collect any assessment ordered collected  
27 by the council pursuant to subsection (1) or (2) of this section and any brand inspection fees on  
28 cattle or cattle hides adopted by department rule pursuant to ORS 604.066. The department shall  
29 collect any assessment that the council orders collected under subsection (1) or (2) of this section  
30 in the same time, manner and place that the department collects brand inspection fees on cattle,  
31 cattle hides and calves. This subsection does not apply to:

- 32 (a) Cattle and calves leaving this state solely for the purpose of pasturing in another state;  
33 (b) Cattle presented at a recognized livestock show or rodeo;  
34 (c) Cattle presented at a livestock auction market but not sold;  
35 (d) Cattle delivered outside this state, provided ownership of the cattle remains unchanged;  
36 (e) Cattle slaughtered for personal consumption; and  
37 (f) Cattle resold within 10 days after purchase.

38 (5) The department shall transfer or pay to the council, not less frequently than once every two  
39 months, the amounts collected by the department on behalf of the council, reduced by:

- 40 (a) The collection and administrative costs to the department in carrying out the requirements  
41 of this section, as determined by the department; and  
42 (b) Refunds by the department of amounts improperly collected under this section.

43 (6) A person who believes that an assessment collected from the person under this section is  
44 incorrect may apply to the department for a refund not later than 60 days after the department  
45 collects the assessment.

1 (7) To the extent consistent with this section, the council shall assess, levy and collect an as-  
2 sessment under this section using the same process used by a commodity commission under ORS  
3 576.325 for the assessment, levying and collection of an assessment on an agricultural commodity.

4 **SECTION 3. (1) Section 1 of this 2005 Act applies to the expenditure of moneys received**  
5 **by the Oregon Beef Council from assessments levied on or after the 60th day following the**  
6 **effective date of this 2005 Act.**

7 (2) The council may submit to the Director of Agriculture an amendment to the council's  
8 fiscal year budget that is in effect on the effective date of this 2005 Act, for the purpose of  
9 including any revenues from an assessment adopted or proposed to be adopted by the council  
10 under authority of the amendments to ORS 577.512 by section 2 of this 2005 Act and the  
11 expenditures required by section 1 of this 2005 Act. The council and the director shall adopt,  
12 submit and review the amended budget in the manner prescribed by ORS 576.416.  
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