

Enrolled
House Bill 2581

Sponsored by Representative SCOTT; Senator SCHRADER (at the request of Dan Holcombe for Oregon Soil Corporation)

CHAPTER

AN ACT

Relating to vermiculture; creating new provisions; and amending ORS 30.930, 36.250, 87.700, 307.325, 467.120 and 632.900.

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

SECTION 1. (1) As used in this section, “vermiculture” means the commercial raising and breeding of worms for use as bait or as an animal food protein source or to produce castings.

(2) The practice of vermiculture is an agricultural activity that is subject to regulation by the State Department of Agriculture. Vermiculture products are subject to department regulation as agricultural commodities or agricultural products.

SECTION 2. ORS 30.930 is amended to read:

30.930. As used in ORS 30.930 to 30.947:

(1) “Farm” means any facility, including the land, buildings, watercourses and appurtenances thereto, used in the commercial production of crops, nursery stock, livestock, poultry, livestock products, poultry products, **vermiculture products** or the propagation and raising of nursery stock.

(2) “Farming practice” means a mode of operation on a farm that:

(a) Is or may be used on a farm of a similar nature;

(b) Is a generally accepted, reasonable and prudent method for the operation of the farm to obtain a profit in money;

(c) Is or may become a generally accepted, reasonable and prudent method in conjunction with farm use;

(d) Complies with applicable laws; and

(e) Is done in a reasonable and prudent manner.

(3) “Forestland” means land that is used for the growing and harvesting of forest tree species.

(4) “Forest practice” means a mode of operation on forestland that:

(a) Is or may be used on forestland of similar nature;

(b) Is a generally accepted, reasonable and prudent method of complying with ORS 527.610 to 527.770 and the rules adopted pursuant thereto;

(c) Is or may become a generally accepted, reasonable and prudent method in conjunction with forestland;

(d) Complies with applicable laws;

(e) Is done in a reasonable and prudent manner; and

(f) May include, but is not limited to, site preparation, timber harvest, slash disposal, road construction and maintenance, tree planting, precommercial thinning, release, fertilization, animal damage control and insect and disease control.

(5) "Pesticide" has the meaning given that term in ORS 634.006.

SECTION 3. ORS 36.250 is amended to read:

36.250. As used in ORS 36.250 to 36.270:

(1) "Agricultural producer" means a person who owns or is purchasing agricultural property for use in agriculture whose gross sales in agriculture averaged \$20,000 or more for the preceding three years.

(2) "Agricultural property" means real property that is principally used for agriculture.

(3) "Agriculture" means the production of livestock, poultry, field crops, fruit, dairy, fur-bearing animals, Christmas trees, **vermiculture products**, food fish or other animal and vegetable matter.

(4) "Coordinator" means the Director of Agriculture or a designee of the Director of Agriculture.

(5) "Creditor" means the holder of a mortgage or trust deed on agricultural property, a vendor of a real estate contract for agricultural property, a person with a perfected security interest in agricultural property or a judgment creditor with a judgment against an agricultural producer.

(6) "Financial analyst" means a person knowledgeable in agriculture and financial matters that can provide financial analysis to aid the agricultural producer in preparing the financial information required under ORS 36.256. Financial analyst may include county extension agents or other persons approved by the coordinator.

(7) "Mediation" means the process by which a mediator assists and facilitates an agricultural producer and a creditor in a controversy relating to the mortgage, trust deed, real estate contract, security interest or judgment that the creditor has in the agricultural property of the agricultural producer in reaching a mutually acceptable resolution of the controversy and includes all contacts between the mediator and the agricultural producer or the creditor, until such time as a resolution is agreed to by the agricultural producer and the creditor or until the agricultural producer or the creditor discharges the mediator.

(8) "Mediation service" means a person selected by the coordinator to provide mediation under ORS 36.250 to 36.270.

(9) "Mediator" means an impartial third party who performs mediations.

(10) "Person" means the state or a public or private corporation, local government unit, public agency, individual, partnership, association, firm, trust, estate or any other legal entity.

SECTION 4. ORS 87.700 is amended to read:

87.700. As used in ORS 87.228 and 87.700 to 87.736, unless the context otherwise requires:

(1) "Agricultural produce" means horticultural products, viticultural products, fruit, berries, vegetables, hops, mint oil, hazelnuts or other nuts, dairy products, bee products, **vermiculture products**, hay or straw baled and prepared for market, meat animals and Christmas trees as defined in ORS 571.505.

(2) "Agricultural producer" means a person that engages in or has engaged in the business of growing or producing agricultural produce for market or for delivery or transfer to others owning or holding title to the produce. "Agricultural producer" includes a landowner, producer, landlord, tenant, sharecropper or other person who participates in the growing of agricultural produce and receives a share of the produce.

(3) "Meat animal" has the meaning for that term provided in ORS 603.010.

(4) "Person" means individual, corporation, partnership, association, joint stock company, trust, limited liability company, limited liability partnership, cooperative, government entity, unincorporated organization or other business entity.

(5) "Purchaser" does not include a cooperative organized and operating under ORS chapter 62, including a foreign cooperative authorized to do business in this state under ORS chapter 60, if the agricultural producer is a member of the cooperative.

(6) "Security interest" has the meaning given that term in ORS 71.2010 (37).

SECTION 5. ORS 307.325 is amended to read:

307.325. (1) The items of personal property described in subsection (2) of this section which, on the assessment date, are owned and in the actual or constructive possession of the farmer who produced them or who has procured them for use or consumption in the farm operations of the farmer, shall be exempt from taxation.

(2) The items referred to in subsection (1) of this section are as follows:

- (a) Grain.
- (b) Seed.
- (c) Hay.
- (d) Fruit.
- (e) Vegetables.
- (f) Nuts.
- (g) Hops.
- (h) Wool.
- (i) Fish.
- (j) Poultry.
- (k) Butter, cheese and evaporated, condensed or concentrated milk.
- (L) Mint.
- (m) Bivalve mollusks.
- (n) Livestock.
- (o) Fur-bearing animals.
- (p) Bees.

(q) Vermiculture supplies and products.

SECTION 6. ORS 467.120 is amended to read:

467.120. (1) Except as provided in subsection (3) of this section, agricultural operations and forestry operations are exempt from the provisions of this chapter.

(2) As used in this section:

(a) "Agricultural operations" means the current employment of land and buildings on a farm for the purpose of obtaining a profit in money by raising, harvesting and selling crops or by the feeding, breeding, management and sale of, or the produce of, livestock, poultry, fur-bearing animals, **vermiculture products** or honeybees or for dairying and the sale of dairy products or any other agricultural or horticultural operations or any combination thereof including the propagation and raising of nursery stock and the preparation and storage of the products raised for human use and animal use and disposal by marketing or otherwise by a farmer on such farm.

(b) "Forestry operations" means an activity related to the growing or harvesting of forest tree species on forestland as defined in ORS 526.324 (1).

(3) The following operations are not exempt from the provisions of subsections (1) and (2) of this section:

(a) The mining or processing of rock, aggregate or minerals within one-half mile of a noise sensitive area, if:

(A) The operation operates more than nine hours per day during the period subject to the day-time standards established by the Environmental Quality Commission under ORS 467.030; or

(B) The operation operates more than five days per week.

(b) Any mining or processing of rock, aggregate or minerals within one-half mile of a noise sensitive area during the period subject to the nighttime noise emission standards established by the Environmental Quality Commission under ORS 467.030.

SECTION 7. ORS 632.900 is amended to read:

632.900. As used in ORS 632.900 to 632.940 and 632.955 to 632.980, "horticultural and agricultural products":

(1) Includes articles of food, drinks, dairy products, forage products, livestock products, poultry products, apiary products, **vermiculture products**, nursery stock as defined in ORS 571.005 and

seeds, bulbs and tubers that are not nursery stock, grown or produced in this state. [*Horticultural and agricultural products*]

(2) Does not include bakery products and alcoholic liquors.

Passed by House April 12, 2005

.....
Chief Clerk of House

.....
Speaker of House

Passed by Senate July 14, 2005

.....
President of Senate

Received by Governor:

.....M,....., 2005

Approved:

.....M,....., 2005

.....
Governor

Filed in Office of Secretary of State:

.....M,....., 2005

.....
Secretary of State