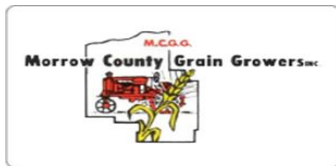




We Feed You



FARMERS AND AG COOPERATIVES OPPOSE SB 468 AND SB 469

Oregon agriculture cooperatives are critical to Oregon family farms. These cooperatives allow farmers to market their Oregon goods at a competitive price and at a marketable scale. Some of Oregon’s iconic agricultural brands started as farmers and ranchers that saw an opportunity to band together, responsibly produce high quality food and fiber, and market to consumers the highest quality products that remain in high demand today. Similarly, agriculture cooperatives allow many small and medium sized farms to compete in the marketplace with larger companies in purchasing farm supplies at competitive prices. In short, Ag cooperatives are essential to the success of many family farms.

Oregon’s agriculture and farmer owned cooperatives were surprised by the introduction of SB 468 and SB 469 as we were never approached about existing problems with agriculture cooperatives or how to best address those problems. In fact, we still do not understand the problem that proponents are trying to solve. It is true that not all cooperatives have had the same success. And like many businesses, some have been unable to compete in an increasingly competitive global market. We continue to hope for the success of all ag co-ops. SB 468 and SB 469, however, aim to undermine farmer and agriculture cooperatives and as a result, we cannot support the bills as proposed.

Our agriculture organizations oppose SB 468 because:

- The bill does not address any apparent or actual problem.
- The proposal would create new unnecessary litigation risk for agriculture cooperatives, their officers, and Oregon farmers.
- The bill proposes to single out and treat agriculture cooperatives differently from other cooperatives and businesses for no identifiable reason. Other than for dissolution purposes, all cooperatives have been and should be treated similarly as it relates to corporate liability. There is no reason to change that precedent and unfairly burden Oregon farmers and their co-ops.

- The bill is unnecessary. Oregon law already provides that a person shall not knowingly or maliciously spread any false report about a co-ops finances or management or be subjective to a civil action. ORS 62.370

Our agriculture organizations oppose SB 469 because:

- The bill does not address or fix any apparent or actual problem.
- Proponents are asking current ag coop businesses, owned by farmers and ranchers, to disclose sensitive business information and trade secrets with no regard for co-op members' financial wellbeing.
- Oregon statute already requires that all cooperatives, including agriculture cooperatives, keep records. Ag-Cooperatives are mandated under Oregon law to allow a cooperative member, shareholder, or attorney an opportunity to “examine for any proper purpose any books or records.” ORS 62.440
- The proposed bill lacks important protections for agriculture cooperatives to protect sensitive business information and trade secrets. Currently, a cooperative shall provide members reasonable access to review books and records but may put in place reasonable conditions – such as disclosure restrictions – and may deny access to information when “a request to examine books and records if the board determines that the purpose is not directly related to the business or affairs of the cooperative and is contrary to the best interests of the cooperative.” ORS 62.440
- The bill proposes to single out and treat agriculture cooperatives differently for no identifiable reason.
- Other than for dissolution purposes, all cooperatives have been and should be treated similarly as it relates to record requirements and disclosure. There is no reason to change that precedent and unfairly burden Oregon farmers and their co-ops.

Please support farmers, ranchers, and agricultural cooperatives and **OPPOSE SB 468 & SB 469.**

Sincerely,

Northwest Agricultural Cooperative Council
Tillamook County Creamery Association
Diamond Fruit Growers, Inc.
Food Northwest
Grange Cooperative Supply Association
Morrow County Grain Growers
Oregon Dairy Farmers Association
Oregon Wheat Growers League
Hood River Supply
Wilco
Hazelnut Growers of Oregon