

HB 4065 A STAFF MEASURE SUMMARY

Carrier: Rep. Scharf

House Committee On Agriculture, Land Use, Natural Resources, and Water

Action Date: 02/11/26

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 11-0-0-0

Yea: 11 - Boice, Cate, Hartman, Helm, Levy B, Marsh, McDonald, McLain, Munoz, Owens, Scharf

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 2/9, 2/11

WHAT THE MEASURE DOES:

The measure requires seed dealers to submit proof of payment to the Oregon Department of Agriculture (ODA) within 30 days of notice. The measure also revises the interest rates on delinquent amounts and the maximum fees ODA may charge for payment verification and delinquency notices. The measure declares an emergency, effective on its passage.

Detailed Summary:

- Changes the interest a seed dealer has to pay on delinquent amounts to 1 percent above the current bank prime loan interest, as set by the Federal Reserve Statistical Release H.15
- Requires a seed dealer to provide notice and supporting documentation of payment to ODA within 30 days of receiving notice
- Increases the maximum fees for the following:
 - Payment verification for agricultural and grass seed contracts from \$50 to \$100
 - Delinquency notices for agricultural and grass seed from \$200 to \$400
 - Delinquency notices for other seed from \$50 to \$400
- Reduces the maximum fee for payment verification for other seed contracts from \$200 to \$100

ISSUES DISCUSSED:

- Methodology to determine applicable interest rate

EFFECT OF AMENDMENT:

The amendment changes the interest to 1 percent above the current bank prime loan interest, as set by the Federal Reserve Statistical Release H.15.

BACKGROUND:

The Slow Pay/No Pay statutes (ORS 576.700–576.814) establish minimum contract standards for seed production and authorize ODA to help growers resolve delayed or missed payments. Originally, these protections applied only to grass seed commonly sold for turf or forage through the passage of House Bill 2159 (2011). In 2018, House Bill 4068 expanded the program to cover all other seed kinds, including agricultural, vegetable, and flower seeds.