

**2007 Regular Legislative Session**  
**FISCAL ANALYSIS OF PROPOSED LEGISLATION**  
**Prepared by the Oregon Legislative Fiscal Office**

**MEASURE NUMBER:** SB 236

**STATUS:** A-Engrossed

**SUBJECT:** Livestock brand inspection fees

**GOVERNMENT UNIT AFFECTED:** Department of Agriculture

**PREPARED BY:** Dawn Farr

**REVIEWED BY:** Paul Siebert

**DATE:** March 27, 2007

**EXPENDITURES:** See Comments

**REVENUES:**

Fees – Other Funds	\$ 1,201,909	\$ 1,201,909
--------------------	--------------	--------------

**EFFECTIVE DATE:** On Passage

**GOVERNOR’S BUDGET:** This bill is anticipated by the Governor’s recommended budget.

**LOCAL GOVERNMENT MANDATE:** This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**COMMENTS:** The bill creates a voluntary lifetime brand inspection for Equidae; expands the Department of Agriculture's authority to collect brand inspection fees; removes brand inspection certification requirements for certain livestock; replaces fee fund system with fee exemption for certain cattle transport; and, increases certain livestock fee caps.

The Oregon Department of Agriculture’s (ODA) estimates that the bill will generate an incremental Other Fund fee revenue increase of \$1,201,909 for the next two biennia. ODA assumes higher fees would take effect July 1, 2007. Additional fee revenues generated will cover program revenue shortfalls for the next two biennia.

**Summary of Anticipated Revenues Increases by Fee Type**

Fee type	Units per Biennium	Incremental Increase	Fees Revenues
Service Fees	29,200	\$15 <small>Previous: \$10/ Proposed: \$25</small>	\$438,000
Lifetime Equidae Inspection	2,525	\$10 <small>Previous: \$20/ Proposed: \$30</small>	\$25,245
Annual Equidea Inspection	15,545	\$5 <small>Previous: \$5/ Proposed: \$10</small>	\$77,725
Annual Cattle Inspection	1,836	\$5 <small>Previous: \$5/ Proposed: \$10</small>	\$9,180
Cattle Brand Inspection	2,457,036	\$0.25 <small>Previous: \$0.75/ Proposed: \$1</small>	\$614,259
Hide Inspection	30,000	\$1.25 <small>Previous: \$0.75/ Proposed: \$2</small>	\$37,500
<b>Total</b>			<b>\$1,201,909</b>

Note: ODA unit estimates are based on industry forecasts and developed collaboratively with the industry. They also take into account Equidae Inspections being voluntary.

ODA anticipates that revenues generated will cover program costs for 23 positions (11.80 FTE) and the following expenditures:

Personal Services:	\$1,011,659
Services and Supplies:	<u>188,411</u>
Total Other Fund Expenditures:	\$1,200,070