

**76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: SB 805-B

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. McLane
Carrier – Senate: Sen. Courtney**

Action: Do Pass the A-Engrossed Measure as Amended and as Printed B-Engrossed

Vote: 22 – 0 – 3

House – Yeas: Beyer, Buckley, Cowan, Garrard, Komp, McLane, Nathanson, Nolan, Richardson, G. Smith, Thatcher, Whisnant
– Nays:
– Exc: Freeman, Kotek

Senate – Yeas: Devlin, Edwards, Girod, Johnson, Monroe, Nelson, Thomsen, Verger, Whitsett, Winters
– Nays:
– Exc: Bates

Prepared By: Art Ayre, Department of Administrative Services

Reviewed By: John Terpening, Legislative Fiscal Office

Meeting Date: May 20, 2011

Agency
Department of Agriculture

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Budget Summary*

	2009-11		2011-13		2011-13		Committee Change from 2009-11 Leg Approved				
	Legislatively Approved Budget (1)		Current Service Level		Governor's Budget		Committee Recommendation	\$ Change	% Change		
General Fund	\$	0	\$	0	\$	0	\$	65,470	\$	65,470	0.0%

Position Summary

Authorized Positions	0	0	0	0	0	0
Full-time Equivalent (FTE) Positions	0.00	0.00	0.00	0.00	0.00	0.00

(1) Includes adjustments through March 2011.

* Excludes Capital Construction expenditures

Summary of Revenue Changes

Senate Bill 805-A authorizes a civil penalty not to exceed \$2,500 for violations of the provisions of the act. The civil penalty revenue as a result of this measure is indeterminate.

Summary of Natural Resources Subcommittee Action

Senate Bill 805-A creates the offense of unlawfully confining an egg-laying hen that does not comply with rules adopted by the Department of Agriculture. The measure defines the minimum standards for enclosure and allows the Department to impose a maximum civil penalty of \$2,500. The penalties recovered are paid into the General Fund. The measure requires commercial farm owners or operators that engage in egg production to submit a business plan describing plans to comply with the Department's rules on confinement at time of licensure renewal. These requirements become operative January 1, 2012.

The measure directs the Department to inspect commercial farms engaged in egg production for compliance beginning July 1, 2015, and allows the Department to collect fees for the inspections. The moneys from the fees collected must be deposited into the Department of Agriculture Service Fund and are continuously appropriated to the Department for compliance enforcement. The Department is directed to report annually to the Legislative Assembly on the commercial farm compliance rates.

The measure adjusts the confinement rules beginning July 1, 2017; requires that 25 percent or more of enclosures meet certain standards by 2020; requires that 65 percent or more of enclosures meet certain standards by 2023; and beginning July 1, 2026 the measure removes the requirement for commercial farms to submit business plans and the annual reporting requirements of the Department to the Legislative Assembly.

The Subcommittee recommends one-time startup costs for the program at \$65,470 General Fund in 2011-13. Included in these costs are rule-making, consultation fees for expertise, and public outreach. The Department assumes that the anticipated workload for startup costs and reviewing business plans will be accomplished by existing staff through reprioritizing duties and responsibilities.

The Department further assumes that additional General Fund support would be required in 2015-17 to begin implementation of the inspections until fees generated from the inspections can fund the program.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 805-B

Oregon Department of Agriculture
 Art Ayre -- (503) 378-3108

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2009-11 Legislatively Approved Budget at March 2011 *	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0	0.00
2011-13 ORBITS printed Current Service Level (CSL)*	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0	0.00
2011-13 Governor's Recommended Budget*	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0	0.00
<u>SUBCOMMITTEE ADJUSTMENTS (from GRB)</u>									
<u>Food Services Policy Area</u>									
Senate Bill 805-A Implementation									
Personal Services	\$ 32,900	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 32,900	0	0.00
Services and Supplies	\$ 32,570	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 32,570	0	0.00
TOTAL ADJUSTMENTS	\$ 65,470	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 65,470	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$ 65,470	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 65,470	0	0.00
% Change from 2009-11 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Change from 2011-13 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Change from 2011-13 Gov's Recommended Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

*Excludes Capital Construction Expenditures