

**Legislative  
Fiscal Office**

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**Joint Committee on  
Ways and Means**

Sen. Betsy Johnson, Senate Co-Chair  
Sen. Elizabeth Steiner Hayward, Senate Co-Chair  
Rep. Dan Rayfield, House Co-Chair

Sen. Jackie Winters, Senate Co-Vice Chair  
Rep. David Gomberg, House Co-Vice Chair  
Rep. Greg Smith, House Co-Vice Chair

**To:** Natural Resources Subcommittee  
**From:** John Terpening, Legislative Fiscal Office  
**Date:** May 8, 2019  
**Subject:** HB 5002 – Department of Agriculture  
Work Session Recommendations

**Department of Agriculture – Agency Totals**

	<b>2015-17 Actual</b>	<b>2017-19 Legislatively Approved</b>	<b>2019-21 Current Service Level</b>	<b>2019-21 LFO Recommended</b>
General Fund	24,497,951	23,529,248	25,206,997	24,307,876
Lottery Funds	7,077,309	10,360,960	7,366,847	10,636,822
Other Funds	52,663,810	68,154,857	71,565,017	74,354,048
Federal Funds	12,712,955	17,615,623	15,857,812	17,524,647
<b>Total Funds</b>	<b>96,952,025</b>	<b>119,660,688</b>	<b>119,996,673</b>	<b>126,823,393</b>
Positions	527	505	475	505
FTE	378.48	376.86	359.09	380.64

The LFO recommended budget for the Department of Agriculture represents a 6% increase from the 2017-19 legislatively approved budget. The budget recognizes fee increases in the Food Safety Program, Weights and Measures Program, Certifications Program, Confined Animal Feeding Operations, and Hemp Program. The budget includes fund shifts to achieve Co-Chair target reductions to the General Fund and provides \$2.5 million of one-time Measure 76 Lottery Funds for the eradication of Japanese Beetle.

Maximum Supervisory Ratio section (include this for subject agencies):  
The agency reported a maximum supervisory ratio of 1:9 for the 2019-21 biennium.

**Adjustments to Current Service Level**

See attached “Work Session Presentation Report.”

Note: Statewide adjustments and six-year capital construction expenditures are not included in these recommendations. Any needed adjustments will be made in end of session bills.

**Accept** LFO Recommendation:

MOTION: I move the LFO recommendation to HB 5002. (VOTE)

**OR**

**Change** LFO Recommendation:

MOTION: I move the LFO recommendation to HB 5002, with modifications. (VOTE)

### **Performance Measures**

See attached "Legislatively Proposed 2019-21 Key Performance Measures."

**Accept** LFO Recommendation:

MOTION: I move the LFO recommendation on Key Performance Measures. (VOTE)

**OR**

**Change** LFO Recommendation:

MOTION: I move the LFO recommendation on Key Performance Measures, with modifications. (VOTE)

### **Budget Notes**

#1 Budget Note: Cannabis testing

The Oregon Department of Agriculture is directed to work with the Oregon Liquor Control Commission (OLCC) and the Oregon Health Authority (OHA) to determine an appropriate funding mechanism for the reimbursement of the Department's laboratory expenses related to the testing of cannabis in cases referred by OLCC and OHA, and report back to the Joint Committee on Ways and Means during the 2020 session.

**Accept** LFO Recommendation:

MOTION: I move the LFO recommendation on Budget Notes. (VOTE)

**OR**

**Change** LFO Recommendation (any changes must be approved by the co-chairs):

MOTION: I move the LFO recommendation on Budget Notes, with modifications.  
(VOTE)

**Recommended Changes**

LFO recommends a budget of \$24,307,876 General Fund, \$10,636,822 Lottery Funds, \$74,354,048 Other Funds, \$17,524,647 Federal Funds and 505 positions (380.64 FTE), which is reflected in the -1 amendment.

MOTION: I move adoption of the -1 amendment to HB 5002. (VOTE)

**Final Subcommittee Action**

LFO recommends that HB 5002, as amended by the -1 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 5002, as amended, to the Full Committee with a do pass recommendation. (VOTE)

**Carriers**

Full Committee: \_\_\_\_\_

House Floor: \_\_\_\_\_

Senate Floor: \_\_\_\_\_

	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
<b>2017-19 Agy. Leg. Adopted</b>	<b>22,307,042</b>	<b>8,103,745</b>	<b>66,605,463</b>	<b>17,452,844</b>	-	-	<b>114,469,094</b>	<b>489</b>	<b>370.46</b>
2017-19 Ebds, SS & Admin Act	1,222,206	2,257,215	1,549,394	162,779	-	-	5,191,594	16	6.40
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2017-19 Leg Approved Budget</b>	<b>23,529,248</b>	<b>10,360,960</b>	<b>68,154,857</b>	<b>17,615,623</b>	-	-	<b>119,660,688</b>	<b>505</b>	<b>376.86</b>
<b>2017-19 Leg Approved Budget (Base)</b>	<b>22,698,953</b>	<b>9,001,307</b>	<b>68,154,857</b>	<b>17,615,623</b>	-	-	<b>117,470,740</b>	<b>501</b>	<b>375.73</b>
Summary of Base Adjustments	756,257	(434,352)	1,566,428	(1,585,126)	-	-	303,207	(26)	(16.64)
<b>2019-21 Base Budget</b>	<b>23,455,210</b>	<b>8,566,955</b>	<b>69,721,285</b>	<b>16,030,497</b>	-	-	<b>117,773,947</b>	<b>475</b>	<b>359.09</b>
010: Non-PICS Pers Svc/Vacancy Factor	580,046	160,840	1,582,116	185,604	-	-	2,508,606	-	-
020: Phase In / Out Pgm & One-time Cost	(50,000)	(1,473,729)	(493,793)	(307,761)	-	-	(2,325,283)	-	-
030: Inflation & Price List Adjustments	434,734	112,781	1,126,279	365,609	-	-	2,039,403	-	-
050: Fundshifts and Revenue Reductions	787,007	-	(370,870)	(416,137)	-	-	-	-	-
<b>2019-21 Current Service Level</b>	<b>25,206,997</b>	<b>7,366,847</b>	<b>71,565,017</b>	<b>15,857,812</b>	-	-	<b>119,996,673</b>	<b>475</b>	<b>359.09</b>
<b>Adjusted 2019-21 Current Service Level</b>	<b>25,206,997</b>	<b>7,366,847</b>	<b>71,565,017</b>	<b>15,857,812</b>	-	-	<b>119,996,673</b>	<b>475</b>	<b>359.09</b>
<b>Total LFO Recommended Packages</b>	<b>(899,121)</b>	<b>3,269,975</b>	<b>2,789,031</b>	<b>1,666,835</b>	-	-	<b>6,826,720</b>	<b>30</b>	<b>21.55</b>
<b>2019-21 Legislative Actions</b>	<b>24,307,876</b>	<b>10,636,822</b>	<b>74,354,048</b>	<b>17,524,647</b>	-	-	<b>126,823,393</b>	<b>505</b>	<b>380.64</b>
Net change from 2017-19 Leg Approved Budget	778,628	275,862	6,199,191	(90,976)	-	-	7,162,705	-	3.78
Percent change from 2017-19 Leg Approved Budget	3.3%	2.7%	9.1%	(0.5%)	0.0%	0.0%	6.0%	0.0%	1.0%
Net change from 2019-21 Adj Current Service Level	(899,121)	3,269,975	2,789,031	1,666,835	-	-	6,826,720	30	21.55
Percent change from 2019-21 Adj Current Service Level	(3.6%)	44.4%	3.9%	10.5%	0.0%	0.0%	5.7%	6.3%	6.0%

	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
<b>2017-19 Agy. Leg. Adopted</b>	<b>2,178,216</b>	-	<b>9,528,775</b>	<b>181,475</b>	-	-	<b>11,888,466</b>	<b>39</b>	<b>38.92</b>
2017-19 Ebds, SS & Admin Act	19,490	-	206,905	-	-	-	226,395	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2017-19 Leg Approved Budget</b>	<b>2,197,706</b>	-	<b>9,735,680</b>	<b>181,475</b>	-	-	<b>12,114,861</b>	<b>39</b>	<b>38.92</b>
<b>2017-19 Leg Approved Budget (Base)</b>	<b>2,197,706</b>	-	<b>9,735,680</b>	<b>181,475</b>	-	-	<b>12,114,861</b>	<b>39</b>	<b>38.92</b>
Summary of Base Adjustments	53,213	-	234,541	-	-	-	287,754	-	0.08
<b>2019-21 Base Budget</b>	<b>2,250,919</b>	-	<b>9,970,221</b>	<b>181,475</b>	-	-	<b>12,402,615</b>	<b>39</b>	<b>39.00</b>
010: Non-PICS Pers Svc/Vacancy Factor	86,908	-	217,934	-	-	-	304,842	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	4,579	-	-	-	4,579	-	-
030: Inflation & Price List Adjustments	33,490	-	88,621	6,896	-	-	129,007	-	-
<b>2019-21 Current Service Level</b>	<b>2,371,317</b>	-	<b>10,281,355</b>	<b>188,371</b>	-	-	<b>12,841,043</b>	<b>39</b>	<b>39.00</b>
<b>Adjusted 2019-21 Current Service Level</b>	<b>2,371,317</b>	-	<b>10,281,355</b>	<b>188,371</b>	-	-	<b>12,841,043</b>	<b>39</b>	<b>39.00</b>
<b>Total LFO Recommended Packages</b>	-	-	<b>247,025</b>	-	-	-	<b>247,025</b>	-	-
<b>2019-21 Legislative Actions</b>	<b>2,371,317</b>	-	<b>10,528,380</b>	<b>188,371</b>	-	-	<b>13,088,068</b>	<b>39</b>	<b>39.00</b>
Net change from 2017-19 Leg Approved Budget	173,611	-	792,700	6,896	-	-	973,207	-	0.08
Percent change from 2017-19 Leg Approved Budget	7.9%	0.0%	8.1%	3.8%	0.0%	0.0%	8.0%	0.0%	0.2%
Net change from 2019-21 Adj Current Service Level	-	-	247,025	-	-	-	247,025	-	-
Percent change from 2019-21 Adj Current Service Level	0.0%	0.0%	2.4%	0.0%	0.0%	0.0%	1.9%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 140 Limitation for Merchant Fees**

Package Description This package provides expenditure limitation of \$100,000 Other Funds in Services and Supplies for increased merchant fees assessed to online license fee renewals. Merchant fees are charged by credit card companies as a percentage of the dollar value processed and have increased over the past few years with more fee payers renewing online. The revenue source for the merchant fees is the underlying license fee revenue.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	200,000	-	-	-	200,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 461 Legal Cost Limitation**

Package Description This package provides additional Other Funds limitation in the amount of \$47,025 for anticipated increases in the Department's legal costs for services provided by the Department of Justice. There are also corresponding packages to increase limitation for legal costs in the Food Safety and Natural Resources program areas.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	47,025	-	-	-	47,025	-	-
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	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
<b>2017-19 Agy. Leg. Adopted</b>	<b>8,543,857</b>	-	<b>25,380,954</b>	<b>3,283,870</b>	-	-	<b>37,208,681</b>	<b>185</b>	<b>128.41</b>
2017-19 Ebds, SS & Admin Act	1,024,856	-	1,141,687	96,835	-	-	2,263,378	1	0.38
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2017-19 Leg Approved Budget</b>	<b>9,568,713</b>	-	<b>26,522,641</b>	<b>3,380,705</b>	-	-	<b>39,472,059</b>	<b>186</b>	<b>128.79</b>
<b>2017-19 Leg Approved Budget (Base)</b>	<b>8,838,418</b>	-	<b>26,522,641</b>	<b>3,380,705</b>	-	-	<b>38,741,764</b>	<b>185</b>	<b>128.41</b>
Summary of Base Adjustments	151,877	-	413,146	(1,313,876)	-	-	(748,853)	(8)	(7.34)
<b>2019-21 Base Budget</b>	<b>8,990,295</b>	-	<b>26,935,787</b>	<b>2,066,829</b>	-	-	<b>37,992,911</b>	<b>177</b>	<b>121.07</b>
010: Non-PICS Pers Svc/Vacancy Factor	203,034	-	590,786	(23,829)	-	-	769,991	-	-
020: Phase In / Out Pgm & One-time Cost	(50,000)	-	(226,372)	(727,790)	-	-	(1,004,162)	-	-
030: Inflation & Price List Adjustments	199,920	-	380,374	33,015	-	-	613,309	-	-
<b>2019-21 Current Service Level</b>	<b>9,343,249</b>	-	<b>27,680,575</b>	<b>1,348,225</b>	-	-	<b>38,372,049</b>	<b>177</b>	<b>121.07</b>
<b>Adjusted 2019-21 Current Service Level</b>	<b>9,343,249</b>	-	<b>27,680,575</b>	<b>1,348,225</b>	-	-	<b>38,372,049</b>	<b>177</b>	<b>121.07</b>
<b>Total LFO Recommended Packages</b>	<b>182,212</b>	-	<b>685,644</b>	<b>152,486</b>	-	-	<b>1,020,342</b>	<b>3</b>	<b>1.79</b>
<b>2019-21 Legislative Actions</b>	<b>9,525,461</b>	-	<b>28,366,219</b>	<b>1,500,711</b>	-	-	<b>39,392,391</b>	<b>180</b>	<b>122.86</b>
Net change from 2017-19 Leg Approved Budget	(43,252)	-	1,843,578	(1,879,994)	-	-	(79,668)	(6)	(5.93)
Percent change from 2017-19 Leg Approved Budget	(0.5%)	0.0%	7.0%	(55.6%)	0.0%	0.0%	(0.2%)	(3.2%)	(4.6%)
Net change from 2019-21 Adj Current Service Level	182,212	-	685,644	152,486	-	-	1,020,342	3	1.79
Percent change from 2019-21 Adj Current Service Level	2.0%	0.0%	2.5%	11.3%	0.0%	0.0%	2.7%	1.7%	1.5%



	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 081 September 2018 Emergency Board**

Package Description This package provides a one-time General Fund appropriation of \$182,212 and continuation of a limited duration Chemist 3 position first approved at the September 2018 Emergency Board. This position is developing a standardized method of testing to determine the presence of cyanotoxins in food products in the event of food processors potentially using water that was subject to harmful algal bloom in processing. The project is anticipated to be complete in early 2020.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	<b>182,212</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>182,212</b>	<b>1</b>	<b>0.29</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 230 Food Safety Fee Increase**

Package Description This package is contingent on passage of HB 2059, which will allow for the continuation of 3% annual increases for certain licenses that support the Food Safety program. This is anticipated to generate revenue of \$107,233 Other Funds in 2019-21 based on a 3% increase taking effect in 2020.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	-	-	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 240 Laboratory Equipment Replacement & Operations**

Package Description This package provides Other Funds expenditure limitation for a permanent full-time Principal Executive Manager C (0.50 FTE) beginning on July 1, 2020, totaling \$94,629. The ODA lab staffing is currently 1 manager to 21 staff. The package also includes \$249,000 for vendor hosting fees for the lab's LIMS and Qualtrax databases that are required to be maintained for lab accreditation.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	<b>343,629</b>	-	-	-	<b>343,629</b>	<b>1</b>	<b>0.50</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 260 Agency Lab Consolidation Planning**

Package Description This package provides one-time expenditure limitation of \$200,000 Other Funds to conduct a pre-design study for a need's assessment and site analysis in Salem for possible consolidation of the five laboratories the Department operates in the state. Four are currently located in Salem, with the largest, the Regulatory Lab, located in Portland. The revenue to support this limitation increase is from lab service fees that are charged related to the Food Safety, Shellfish, Pesticide, Fertilizer and Hemp programs.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	200,000	-	-	-	200,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 270 Weights & Measures Fee Cap Increase**

Package Description This package is contingent on passage of HB 2057, which increases the statutory caps for Weights and Measures license fees by 15% with maximum annual increases of 3%. The first 3% increase is effective July 2020 and is anticipated to generate \$102,649 Other Funds revenue. The license fee revenue will fund the Weights and Measures Program and allows the department to continue inspecting approximately 60,000 licensed devices to ensure accuracy and compliance with standards.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	-	-	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 280 Food Safety Fee Ratification**

Package Description This package includes increased revenue of \$212,163 Other Funds due to increasing food safety license fees by 3% annually. This fee increase was approved administratively in March 2018, and requires ratification in HB 5003. The last time fees were increased was 2009. The revenue from this increase will fund the Food Safety Program and assist the department in reducing the food safety inspections backlog.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	-	-	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 290 Weights & Measures Fee Ratification**

Package Description This package includes increased revenue of \$679,780 Other Funds due to increasing the weights and measures annual license fees. This assumes two 5% fee increases that were approved administratively, one for July 2018 and another to take effect July 2019. The last time fees were increased was 2009. The revenue from this increase will fund the Weights and Measures Program and allows the Department to continue inspecting approximately 60,000 licensed devices to ensure accuracy and compliance with standards.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	-	-	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 295 Avian Influenza Limited Duration Position**

Package Description This package provides \$152,486 Federal Funds limitation to continue a limited duration Program Analyst 1 (1.00 FTE) in the Animal Health Program. The position will continue the avian coordinator work that has been ongoing for the last two biennia. The focus of the position will include outreach and education to reduce avian influenza threats and disease prevention planning with poultry producers. The funding source is Federal Funds provided by the USDA through the umbrella cooperative agreement in the Animal Health Program. The grant does not require state matching funds.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	-	152,486	-	-	152,486	1	1.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 461 Legal Cost Limitation**

Package Description This package provides additional Other Funds limitation in the amount of \$142,015 for increases in the Department's legal costs for services provided by the Department of Justice. There are corresponding packages to increase limitation for rising legal costs in the Administration and the Natural Resources programs.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	142,015	-	-	-	142,015	-	-
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	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
<b>2017-19 Agy. Leg. Adopted</b>	<b>8,761,541</b>	<b>8,103,745</b>	<b>16,117,944</b>	<b>7,732,878</b>	-	-	<b>40,716,108</b>	<b>133</b>	<b>117.85</b>
2017-19 Ebds, SS & Admin Act	172,307	2,257,215	112,748	58,474	-	-	2,600,744	16	6.12
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2017-19 Leg Approved Budget</b>	<b>8,933,848</b>	<b>10,360,960</b>	<b>16,230,692</b>	<b>7,791,352</b>	-	-	<b>43,316,852</b>	<b>149</b>	<b>123.97</b>
<b>2017-19 Leg Approved Budget (Base)</b>	<b>8,833,848</b>	<b>9,001,307</b>	<b>16,230,692</b>	<b>7,791,352</b>	-	-	<b>41,857,199</b>	<b>146</b>	<b>123.22</b>
Summary of Base Adjustments	423,463	(434,352)	429,857	(375,783)	-	-	43,185	(15)	(7.37)
<b>2019-21 Base Budget</b>	<b>9,257,311</b>	<b>8,566,955</b>	<b>16,660,549</b>	<b>7,415,569</b>	-	-	<b>41,900,384</b>	<b>131</b>	<b>115.85</b>
010: Non-PICS Pers Svc/Vacancy Factor	213,859	160,840	324,178	170,625	-	-	869,502	-	-
020: Phase In / Out Pgm & One-time Cost	-	(1,473,729)	-	420,029	-	-	(1,053,700)	-	-
030: Inflation & Price List Adjustments	133,222	112,781	391,792	122,785	-	-	760,580	-	-
050: Fundshifts and Revenue Reductions	513,041	-	(370,870)	(142,171)	-	-	-	-	-
<b>2019-21 Current Service Level</b>	<b>10,117,433</b>	<b>7,366,847</b>	<b>17,005,649</b>	<b>7,986,837</b>	-	-	<b>42,476,766</b>	<b>131</b>	<b>115.85</b>
<b>Adjusted 2019-21 Current Service Level</b>	<b>10,117,433</b>	<b>7,366,847</b>	<b>17,005,649</b>	<b>7,986,837</b>	-	-	<b>42,476,766</b>	<b>131</b>	<b>115.85</b>
<b>Total LFO Recommended Packages</b>	<b>(1,081,333)</b>	<b>3,269,975</b>	<b>1,291,264</b>	<b>114,349</b>	-	-	<b>3,594,255</b>	<b>20</b>	<b>12.84</b>
<b>2019-21 Legislative Actions</b>	<b>9,036,100</b>	<b>10,636,822</b>	<b>18,296,913</b>	<b>8,101,186</b>	-	-	<b>46,071,021</b>	<b>151</b>	<b>128.69</b>
Net change from 2017-19 Leg Approved Budget	102,252	275,862	2,066,221	309,834	-	-	2,754,169	2	4.72
Percent change from 2017-19 Leg Approved Budget	1.1%	2.7%	12.7%	4.0%	0.0%	0.0%	6.4%	1.3%	3.8%
Net change from 2019-21 Adj Current Service Level	(1,081,333)	3,269,975	1,291,264	114,349	-	-	3,594,255	20	12.84
Percent change from 2019-21 Adj Current Service Level	(10.7%)	44.4%	7.6%	1.4%	0.0%	0.0%	8.5%	15.3%	11.1%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 320 Japanese Beetle Eradication Funding**

Package Description This package provides \$2,581,772 of one-time Ballot Measure 76 Lottery Funds for continue Japanese Beetle eradication efforts. The Japanese Beetle threatens Oregon’s economy by feeding on agricultural products and nursery plants. Eradication efforts first began in the 2015-17 biennium and have continued through 2017-19. Traps indicate the infestation has grown outside the boundaries of the original treatment area. The package includes 13 limited duration positions (6.00 FTE), of which 11 are seasonal Survey Biotechnicians.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	<b>2,581,772</b>	-	-	-	-	<b>2,581,772</b>	<b>13</b>	<b>6.00</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 340 CAFO Fee Increase**

Package Description This package is contingent on passage of HB 2061 that allows for fee increases to Confined Animal Feeding Operation (CAFO) permits. The increase is anticipated to generate revenue of \$77,966 Other Funds in 2019-21 based on fee implementation of July 2020. The fee revenue supports one permanent position to conduct CAFO inspections.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	-	-	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 370 Worker Protection Standard Training**

Package Description This package provides \$204,203 Other Funds expenditure limitation and one limited duration Natural Resources Specialist 3 position (.92 FTE) beginning on September 1, 2019. The position will provide compliance assistance and support the implementation of the Worker Protection Standard. The WPS is a federal regulation created to protect agricultural workers from exposure to pesticides. The revenue source for this package is pesticide license fees.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	204,203	-	-	-	204,203	1	0.92
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 380 Invasive Species Council Base Funding**

Package Description This package provides \$99,881 of Ballot Measure 76 Lottery Funds to provide additional base funding for the Oregon Invasive Species Council. The Council seeks to eradicate invasive species in Oregon by facilitating coordination between agencies, engaging in public outreach, advocating for invasive species prevention, implementing the 2017 Invasive Species Strategic Plan, and organizing meetings with contributing agencies and stakeholders. The additional funding will bring the Council's base funding in 2019-21 up to \$155,907 of dedicated M76 Lottery Funds.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	99,881	-	-	-	-	99,881	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 385 Align Pesiticide Stewardship Prgm Funding**

Package Description This package is a fund shift with the net effect of reducing General Fund by \$7,792 and increasing Other Funds by the same amount. The Pesticide Stewardship Partnership Program monitors pesticides in watersheds across the state and works proactively with pesticide users to mitigate problems with pesticides. Funding is provided to the Department of Environmental Quality (DEQ) through Special Payments and supports positions at DEQ. The funding for the program has historically been split 50% General Fund and 50% Other Funds, and this shift brings the program back into that historical alignment.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	(7,792)	-	7,792	-	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 390 Fertilizer Registration Staffing**

Package Description This package provides \$202,741 Other Funds expenditure limitation and position authority for a permanent Natural Resource Specialist 3 (.92 FTE) beginning on September 1, 2019. The position will review new fertilizer product registrations and product labels and perform routine monitoring of fertilizer samples to ensure safety and label accuracy. The current program has three technical review staff for over 11,000 products. The Department notes that, with approval of this package, a fee increase will be needed by January 2022 for this program.

LFO Recommendation Approve the package.

LFO Recommended	-	-	202,741	-	-	-	202,741	1	0.92
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 395 Plant Program Staffing**

Package Description This package provides \$361,762 Other Funds expenditure limitation and position authority for five positions within the Plant Program. Two of the positions are permanent, and three are limited duration. The permanent positions are a Natural Resource Specialist 1 for the Nursery Program to conduct additional inspections, funded through a fee increase approved by the 2017 Legislature, and an Administrative Specialist 1 for the Hemp program to assist the existing positions in the program, funded through a proposed fee increase in Pkg. 801. The three limited duration positions are in the Insect Pest Prevention & Management program and are funded by shifting \$425,784 Federal Funds between the personal services and services and supplies budget categories for a net zero effect.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	<b>361,762</b>	-	-	-	<b>361,762</b>	<b>5</b>	<b>5.00</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 461 Legal Cost Limitation**

Package Description This package provides additional Other Funds limitation in the amount of \$143,896 for increases in the Department's legal costs for services provided by the Department of Justice. There are corresponding packages to increase limitation for rising legal costs in the Administration and the Food Safety program.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	143,896	-	-	-	143,896	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 801 LFO Analyst Adjustments**

Package Description This package includes \$725,500 Other Funds revenue from the restructure of registration fees for hemp grow sites. Currently there is a flat registration fee for industrial hemp growers of \$1,300. The Department is proposing to reduce this fee to \$250 and established a new fee of \$500 per grow site. The fee change is expected to reduce the fee for small scale growers (considered two or less sites) and increase for growers that have three or more sites. Additionally, the registration fee for a hemp seed producer is changed from \$120 to \$500. The revenue generated will allow the program to more accurately align expenditures.

This package also includes the following fund shifts approved by the Co-Chairs of the Joint Committee on Ways and Means to achieve targeted reductions to General Fund: shift \$114,349 General Fund for a Plant Conservation Biologist to Federal Funds; shift \$370,870 General Fund for Pesticide Analytical Response Center funding to Other Funds (pesticide license fees); shift \$588,322 General Fund for the Noxious Weed Control program to M76 Lottery Funds.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	<b>(1,073,541)</b>	<b>588,322</b>	<b>370,870</b>	<b>114,349</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
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	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
<b>2017-19 Agy. Leg. Adopted</b>	<b>2,823,428</b>	-	<b>15,577,790</b>	<b>6,254,621</b>	-	-	<b>24,655,839</b>	<b>132</b>	<b>85.28</b>
2017-19 Ebds, SS & Admin Act	5,553	-	88,054	7,470	-	-	101,077	(1)	(0.10)
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2017-19 Leg Approved Budget</b>	<b>2,828,981</b>	-	<b>15,665,844</b>	<b>6,262,091</b>	-	-	<b>24,756,916</b>	<b>131</b>	<b>85.18</b>
<b>2017-19 Leg Approved Budget (Base)</b>	<b>2,828,981</b>	-	<b>15,665,844</b>	<b>6,262,091</b>	-	-	<b>24,756,916</b>	<b>131</b>	<b>85.18</b>
Summary of Base Adjustments	127,704	-	488,884	104,533	-	-	721,121	(3)	(2.01)
<b>2019-21 Base Budget</b>	<b>2,956,685</b>	-	<b>16,154,728</b>	<b>6,366,624</b>	-	-	<b>25,478,037</b>	<b>128</b>	<b>83.17</b>
010: Non-PICS Pers Svc/Vacancy Factor	76,245	-	449,218	38,808	-	-	564,271	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(272,000)	-	-	-	(272,000)	-	-
030: Inflation & Price List Adjustments	68,102	-	265,492	202,913	-	-	536,507	-	-
050: Fundshifts and Revenue Reductions	273,966	-	-	(273,966)	-	-	-	-	-
<b>2019-21 Current Service Level</b>	<b>3,374,998</b>	-	<b>16,597,438</b>	<b>6,334,379</b>	-	-	<b>26,306,815</b>	<b>128</b>	<b>83.17</b>
<b>Adjusted 2019-21 Current Service Level</b>	<b>3,374,998</b>	-	<b>16,597,438</b>	<b>6,334,379</b>	-	-	<b>26,306,815</b>	<b>128</b>	<b>83.17</b>
<b>Total LFO Recommended Packages</b>	-	-	<b>565,098</b>	<b>1,400,000</b>	-	-	<b>1,965,098</b>	<b>7</b>	<b>6.92</b>
<b>2019-21 Legislative Actions</b>	<b>3,374,998</b>	-	<b>17,162,536</b>	<b>7,734,379</b>	-	-	<b>28,271,913</b>	<b>135</b>	<b>90.09</b>
Net change from 2017-19 Leg Approved Budget	546,017	-	1,496,692	1,472,288	-	-	3,514,997	4	4.91
Percent change from 2017-19 Leg Approved Budget	19.3%	0.0%	9.6%	23.5%	0.0%	0.0%	14.2%	3.1%	5.8%
Net change from 2019-21 Adj Current Service Level	-	-	565,098	1,400,000	-	-	1,965,098	7	6.92
Percent change from 2019-21 Adj Current Service Level	0.0%	0.0%	3.4%	22.1%	0.0%	0.0%	7.5%	5.5%	8.3%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 430 Food Safety Modernization Act**

Package Description This package provides \$1,400,000 Federal Funds expenditure limitation to hire four limited duration positions to continue implementing the federal Food Safety Modernization Act (FSMA). The FSMA is a federal law intended to protect consumers from food borne illnesses and focuses on prevention controls and outreach. The department received a five-year award through August 2021 from the Food and Drug Administration (FDA) to implement the FSMA. The grant award provides at least \$1,400,000 per biennium in Federal Funds and does not require state matching funds. The positions added include three limited duration Natural Resource Specialist 1 positions (3.00 FTE) to provide outreach and education to producers in designated regions and a limited duration Administrative Specialist 1 position (1.00 FTE) to provide administrative support to the outreach specialists.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	-	<b>1,400,000</b>	-	-	<b>1,400,000</b>	<b>4</b>	<b>4.00</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 440 Shipping Point Staffing**

Package Description This package provides \$569,822 Other Funds expenditure limitation and position authority for three permanent positions in the Shipping Point Inspection Program. The three positions are Shipping Point Inspection Assistant Manager positions (2.92 FTE) to provide management coverage in the Ontario, Hermiston, and Hood River districts. Two of the positions are currently on a triple-filled position, and the third one is anticipated to begin September 1, 2019. Revenue to support the package is generated from license fees from producers.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	565,098	-	-	-	565,098	3	2.92
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 450 Certifications Fee Ratification**

Package Description This package includes increased revenue of \$325,232 Other Funds from changes to certain fees within the Certifications program, including aligning fees with US Department of Agriculture levels for services provided on behalf of the USDA. These fees are included in the fee ratification bill (HB 5003) and were administratively approved in May 2018. These fees were last raised in 2012.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	-	-	-	-	-	-	-
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# Legislatively Proposed 2019 - 2021 Key Performance Measures

Published: 5/7/2019 9:54:20 AM

**Agency:** Agriculture, Department of

**Mission Statement:**

The Oregon Department of Agriculture has a threefold mission: 1) ensure food safety and provide consumer protection; 2) protect agricultural natural resources; and 3) promote economic development in the agricultural industry.

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2020	Target 2021
1. Food Safety - Percentage of retail stores that meet high levels of compliance with each of the ten risk factors identified by the Centers for Disease Control.		Approved	91.40%	95%	95%
2. Weighing and Measuring Devices - Percentage of all weighing and measuring devices examined that were found in compliance with Oregon's weights and measures laws.		Approved	86.70%	90%	90%
3. Top 100 Exclusions - Percent of plant pests, diseases, or weeds on the Oregon 100 Most Dangerous Invaders list successfully excluded each year.		Approved	90%	99%	99%
4. Noxious Weed Control - Percentage of state "A" & "T" listed noxious weed populations successfully excluded from the state or kept decreasing or stable.		Approved	89%	90%	90%
5. Threatened & Endangered Plants - Percent of listed T&E plants with stable or increasing populations as a result of department management and recovery efforts.		Approved	32%	40%	50%
6. Pesticide Investigations - Percent of pesticide investigations that result in enforcement actions.		Approved	21%	15%	10%
7. Non-traditional 3rd party certification services - Percentage of certifications issued within 15 days of audit completion.		Approved	78%	80%	80%
8. Trade Activities - Sales as a result of trade activities with Oregon producers and processors.		Approved	\$22,270,000.00	\$35,000,000.00	\$35,000,000.00
9. Ag Employment - Number of jobs saved or created as a result of activities to retain or expand existing Oregon agricultural and food processing capacity. Measured in numbers of jobs based on telephone and email surveys of companies assisted.		Approved	77	160	160
10. CAFOs - Percent of permitted Oregon Confined Animal Feeding Operations (CAFOs) found to be in compliance with their permit during annual inspections.		Approved	98.68%	95%	99%
11. Smoke Management - Total hours of 'significant smoke intrusions' due to field burning, in key cities in the Willamette Valley, above 2002 levels as measured by nephelometer readings.		Approved	0	7	5
12. Water Quality - Percent of monitored stream sites associated with predominantly agriculture use with significantly increasing trends in water quality.	a) Percent of monitored stream sites associated with predominantly agriculture use with significantly increasing trends in water quality	Approved	15%	40%	50%
	b) Percent of monitored stream sites associated with predominantly agriculture use with water quality in good to excellent condition.		32%	65%	70%
	c) Percent of monitored stream sites associated with predominantly agriculture use with decreasing trends in water quality.		6%	5%	5%



Legislatively Proposed KPMS	Metrics	Agency Request	Last Reported Result	Target 2020	Target 2021
13. Customer Service - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	a) Availability of Information	Approved	84%	95%	95%
	b) Helpfulness		89%	95%	95%
	c) Timeliness		89%	95%	95%
	d) Accuracy		90%	95%	95%
	e) Expertise		90%	95%	95%
	f) Overall		88%	95%	95%

**LFO Recommendation:**

The Legislative Fiscal Office recommends approval of the proposed Key Performance Measures and targets.

**SubCommittee Action:**

Requested by JOINT COMMITTEE ON WAYS AND MEANS

**PROPOSED AMENDMENTS TO  
HOUSE BILL 5002**

1 On page 1 of the printed bill, line 9, delete “\$2,630,878” and insert  
2 “\$2,371,317”.

3 In line 10, delete “\$9,163,780” and insert “\$9,525,461”.

4 In line 11, delete “\$10,569,338” and insert “\$9,036,100”.

5 In line 12, delete “\$3,606,308” and insert “\$3,374,998”.

6 In line 20, delete “\$10,686,751” and insert “\$10,528,380”.

7 In line 21, delete “\$27,901,243” and insert “\$28,366,219”.

8 In line 22, delete “\$17,813,201” and insert “\$18,296,913”.

9 In line 23, delete “\$17,087,305” and insert “\$17,162,536”.

10 In line 25, delete “\$7,570,661” and insert “\$10,636,822”.

11 On page 2, line 8, delete “\$1,495,282” and insert “\$1,500,711”.

12 In line 9, delete “\$7,965,485” and insert “\$8,101,186”.

13 In line 10, delete “\$7,722,199” and insert “\$7,734,379”.

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