

## Legislative Fiscal Office

Oregon State Capitol  
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## Joint Committee on Ways and Means

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**To:** Natural Resources Subcommittee

**From:** John Terpening, Legislative Fiscal Office

**Date:** June 14, 2021

**Subject:** SB 5502 – Department of Agriculture  
Work Session Recommendations

### Department of Agriculture – Agency Totals

	2017-19 Actual	2019-21 Legislatively Approved	2021-23 Current Service Level	2021-23 LFO Recommended
General Fund	23,393,923	24,535,085	26,580,755	29,515,983
Lottery Funds	9,439,215	10,866,818	8,554,981	10,450,969
Other Funds	59,882,893	78,590,27	81,162,267	81,942,462
Federal Funds	11,662,188	17,797,21	16,664,830	18,470,782
<b>Total Funds</b>	<b>104,378,219</b>	<b>131,789,137</b>	<b>132,962,833</b>	<b>140,380,196</b>
Positions	503	514	484	515
FTE	375.82	385.36	368.09	394.68

The LFO recommended budget for the Department of Agriculture represents a 6.5% increase in total funds from the 2019-21 legislatively approved budget. The budget includes funding for Japanese Beetle eradication efforts, the Hemp Program, and pesticide work around cannabis. Overall, the General Fund is 20.3% higher than the 2019-21 legislatively approved budget, with investments in wolf depredation grants, the State Meat Inspection Program, Klamath water quality, and the Food Safety Program.

### 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.

**Performance Measures**

See attached “Legislatively Proposed 2021-23 Key Performance Measures.”

**Budget Notes**

None

**Recommended Changes**

LFO recommends a budget of \$29,515,983 General Fund, \$10,450,969 Lottery Funds, \$81,942,462 Other Funds, \$18,470,782 Federal Funds and 515 positions (394.68 FTE), which is reflected in the -1 amendment.

**Final Subcommittee Action**

LFO recommends that SB 5502, as amended by the -1 amendment, be moved to the Ways and Means Full Committee.

**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>2019-21 Agy. Leg. Adopted</b>	<b>25,991,367</b>	<b>10,568,358</b>	<b>74,372,889</b>	<b>17,472,153</b>	-	-	<b>128,404,767</b>	<b>509</b>	<b>383.77</b>
2019-21 Ebds, SS & Admin Act	(1,456,282)	298,460	4,217,138	325,054	-	-	3,384,370	5	1.59
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2019-21 Leg Approved Budget</b>	<b>24,535,085</b>	<b>10,866,818</b>	<b>78,590,027</b>	<b>17,797,207</b>	-	-	<b>131,789,137</b>	<b>514</b>	<b>385.36</b>
<b>2019-21 Leg Approved Budget (Base)</b>	<b>25,991,367</b>	<b>10,568,358</b>	<b>74,372,889</b>	<b>17,472,153</b>	-	-	<b>128,404,767</b>	<b>509</b>	<b>383.77</b>
Summary of Base Adjustments	1,475,486	(402,817)	5,071,257	(915,192)	-	-	5,228,734	(25)	(15.68)
<b>2021-23 Base Budget</b>	<b>27,466,853</b>	<b>10,165,541</b>	<b>79,444,146</b>	<b>16,556,961</b>	-	-	<b>133,633,501</b>	<b>484</b>	<b>368.09</b>
010: Non-PICS Pers Svc/Vacancy Factor	113,297	21,371	401,365	78,035	-	-	614,068	-	-
020: Phase In / Out Pgm & One-time Cost	(1,525,085)	(1,824,000)	(725,148)	(405,273)	-	-	(4,479,506)	-	-
030: Inflation & Price List Adjustments	668,108	192,069	1,899,486	435,107	-	-	3,194,770	-	-
050: Fundshifts and Revenue Reductions	(142,418)	-	142,418	-	-	-	-	-	-
<b>2021-23 Current Service Level</b>	<b>26,580,755</b>	<b>8,554,981</b>	<b>81,162,267</b>	<b>16,664,830</b>	-	-	<b>132,962,833</b>	<b>484</b>	<b>368.09</b>
070: Revenue Reductions/Shortfall	-	-	(896,611)	-	-	-	(896,611)	(2)	(2.00)
080: E-Boards	926,195	-	1,113,326	-	-	-	2,039,521	5	5.00
<b>Adjusted 2021-23 Current Service Level</b>	<b>27,506,950</b>	<b>8,554,981</b>	<b>81,378,982</b>	<b>16,664,830</b>	-	-	<b>134,105,743</b>	<b>487</b>	<b>371.09</b>
<b>Total LFO Recommended Packages</b>	<b>2,009,033</b>	<b>1,895,988</b>	<b>563,480</b>	<b>1,805,952</b>	-	-	<b>6,274,453</b>	<b>28</b>	<b>23.59</b>
<b>2021-23 Legislative Actions</b>	<b>29,515,983</b>	<b>10,450,969</b>	<b>81,942,462</b>	<b>18,470,782</b>	-	-	<b>140,380,196</b>	<b>515</b>	<b>394.68</b>
Net change from 2019-21 Leg Approved Budget	4,980,898	(415,849)	3,352,435	673,575	-	-	8,591,059	1	9.32
Percent change from 2019-21 Leg Approved Budget	20.3%	(3.8%)	4.3%	3.8%	0.0%	0.0%	6.5%	0.2%	2.4%
Net change from 2021-23 Adj Current Service Level	2,009,033	1,895,988	563,480	1,805,952	-	-	6,274,453	28	23.59
Percent change from 2021-23 Adj Current Service Level	7.3%	22.2%	0.7%	10.8%	0.0%	0.0%	4.7%	5.8%	6.4%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2019-21 Agy. Leg. Adopted</b>	<b>2,346,407</b>	-	<b>10,441,191</b>	<b>188,371</b>	-	-	<b>12,975,969</b>	<b>39</b>	<b>39.00</b>
2019-21 Ebds, SS & Admin Act	(332,976)	-	592,395	-	-	-	259,419	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2019-21 Leg Approved Budget</b>	<b>2,013,431</b>	-	<b>11,033,586</b>	<b>188,371</b>	-	-	<b>13,235,388</b>	<b>39</b>	<b>39.00</b>
<b>2019-21 Leg Approved Budget (Base)</b>	<b>2,346,407</b>	-	<b>10,441,191</b>	<b>188,371</b>	-	-	<b>12,975,969</b>	<b>39</b>	<b>39.00</b>
Summary of Base Adjustments	131,703	-	674,664	-	-	-	806,367	-	-
<b>2021-23 Base Budget</b>	<b>2,478,110</b>	-	<b>11,115,855</b>	<b>188,371</b>	-	-	<b>13,782,336</b>	<b>39</b>	<b>39.00</b>
010: Non-PICS Pers Svc/Vacancy Factor	7,702	-	35,379	-	-	-	43,081	-	-
030: Inflation & Price List Adjustments	40,533	-	133,567	8,100	-	-	182,200	-	-
<b>2021-23 Current Service Level</b>	<b>2,526,345</b>	-	<b>11,284,801</b>	<b>196,471</b>	-	-	<b>14,007,617</b>	<b>39</b>	<b>39.00</b>
<b>Adjusted 2021-23 Current Service Level</b>	<b>2,526,345</b>	-	<b>11,284,801</b>	<b>196,471</b>	-	-	<b>14,007,617</b>	<b>39</b>	<b>39.00</b>
<b>Total LFO Recommended Packages</b>	<b>400,000</b>	-	-	-	-	-	<b>400,000</b>	-	-
<b>2021-23 Legislative Actions</b>	<b>2,926,345</b>	-	<b>11,284,801</b>	<b>196,471</b>	-	-	<b>14,407,617</b>	<b>39</b>	<b>39.00</b>
Net change from 2019-21 Leg Approved Budget	912,914	-	251,215	8,100	-	-	1,172,229	-	-
Percent change from 2019-21 Leg Approved Budget	45.3%	0.0%	2.3%	4.3%	0.0%	0.0%	8.9%	0.0%	0.0%
Net change from 2021-23 Adj Current Service Level	400,000	-	-	-	-	-	400,000	-	-
Percent change from 2021-23 Adj Current Service Level	15.8%	0.0%	0.0%	0.0%	0.0%	0.0%	2.9%	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 801 LFO Analyst Adjustments**

Package Description This package includes a one-time General Fund appropriation of \$400,000 to increase funding for Wolf Depredation Compensation and Financial Assistance Grant Program. This program administers grants to counties that have created and implemented a county wolf depredation compensation program

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	<b>400,000</b>	-	-	-	-	-	<b>400,000</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>2019-21 Agy. Leg. Adopted</b>	<b>10,713,604</b>	-	<b>28,254,015</b>	<b>1,493,889</b>	-	-	<b>40,461,508</b>	<b>183</b>	<b>125.11</b>
2019-21 Ebds, SS & Admin Act	(615,759)	-	1,237,308	35,241	-	-	656,790	3	0.75
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2019-21 Leg Approved Budget</b>	<b>10,097,845</b>	-	<b>29,491,323</b>	<b>1,529,130</b>	-	-	<b>41,118,298</b>	<b>186</b>	<b>125.86</b>
<b>2019-21 Leg Approved Budget (Base)</b>	<b>10,713,604</b>	-	<b>28,254,015</b>	<b>1,493,889</b>	-	-	<b>40,461,508</b>	<b>183</b>	<b>125.11</b>
Summary of Base Adjustments	333,459	-	2,517,135	(152,355)	-	-	2,698,239	(4)	(2.04)
<b>2021-23 Base Budget</b>	<b>11,047,063</b>	-	<b>30,771,150</b>	<b>1,341,534</b>	-	-	<b>43,159,747</b>	<b>179</b>	<b>123.07</b>
010: Non-PICS Pers Svc/Vacancy Factor	32,853	-	146,420	13,310	-	-	192,583	-	-
020: Phase In / Out Pgm & One-time Cost	(1,074,688)	-	(200,000)	-	-	-	(1,274,688)	-	-
030: Inflation & Price List Adjustments	267,338	-	627,523	45,487	-	-	940,348	-	-
050: Fundshifts and Revenue Reductions	(142,418)	-	142,418	-	-	-	-	-	-
<b>2021-23 Current Service Level</b>	<b>10,130,148</b>	-	<b>31,487,511</b>	<b>1,400,331</b>	-	-	<b>43,017,990</b>	<b>179</b>	<b>123.07</b>
070: Revenue Reductions/Shortfall	-	-	(896,611)	-	-	-	(896,611)	(2)	(2.00)
080: E-Boards	926,195	-	-	-	-	-	926,195	3	3.00
<b>Adjusted 2021-23 Current Service Level</b>	<b>11,056,343</b>	-	<b>30,590,900</b>	<b>1,400,331</b>	-	-	<b>43,047,574</b>	<b>180</b>	<b>124.07</b>
<b>Total LFO Recommended Packages</b>	<b>1,462,488</b>	-	<b>(1,596,900)</b>	<b>161,778</b>	-	-	<b>27,366</b>	<b>1</b>	<b>1.00</b>
<b>2021-23 Legislative Actions</b>	<b>12,518,831</b>	-	<b>28,994,000</b>	<b>1,562,109</b>	-	-	<b>43,074,940</b>	<b>181</b>	<b>125.07</b>
Net change from 2019-21 Leg Approved Budget	2,420,986	-	(497,323)	32,979	-	-	1,956,642	(5)	(0.79)
Percent change from 2019-21 Leg Approved Budget	24.0%	0.0%	(1.7%)	2.2%	0.0%	0.0%	4.8%	(2.7%)	(0.6%)
Net change from 2021-23 Adj Current Service Level	1,462,488	-	(1,596,900)	161,778	-	-	27,366	1	1.00
Percent change from 2021-23 Adj Current Service Level	13.2%	0.0%	(5.2%)	11.6%	0.0%	0.0%	0.1%	0.6%	0.8%

	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 070 Revenue Shortfalls**

Package Description This package reduces Other Funds limitation by \$896,611 to reflect revenue shortfalls in the Food Safety Policy Area. The reductions include two vacant positions, an Office Specialist in the Animal Health program and a Principle Executive Manager C in the laboratory, along with associated services and supplies.

LFO Recommendation Approve the package.

LFO Recommended	-	-	(896,611)	-	-	-	(896,611)	(2)	(2.00)
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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 084 June 2020 Special Session**

Package Description This package includes \$926,195 General Fund and three positions as part of the rollup costs for the State Meat Inspection Program that was established by HB 4206 (June 2020 Special Session). The three positions are a District Veterinarian, Microbiologist 3, and a Natural Resources Specialist 4 that were first approved in 2019-21 but did not make into the 2021-23 base budget so are included in this pkg 084.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	<b>926,195</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>926,195</b>	<b>3</b>	<b>3.00</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 099 Microsoft 365 Consolidation**

Package Description Microsoft 365 is being consolidated within the Office of the State Information Officer and corresponding costs for each agency will be included in State Government Service Charges. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365.

LFO Recommendation Approve the package.

LFO Recommended	(37,512)	-	(96,900)	-	-	-	(134,412)	-	-
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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 210 Food Safety Funding**

Package Description This package includes a General Fund appropriation of \$1.5 million in order to support the Food Safety program. With this influx of General Fund, the necessary fee increase to fund the program in 2021-23 which is reflected in Pkg 220 and SB 33, can be reduced from 15% down to 7% for the fiscal year beginning 2022.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	<b>1,500,000</b>	<b>-</b>	<b>(1,500,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</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 220 Food Safety Fee Increase**

Package Description This package is contingent on passage of SB 33 which will allow for a fee increase for the Food Safety program in the second fiscal year of 2021-23 and the first fiscal year of 2023-25. Originally this package was based on 15% increases in both of those fiscal years, however with the one-time General Fund included in Pkg 210, the fee increase can be reduced to 7% for the fiscal year beginning July 1, 2022.

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 260 Feeds Fee Increase**

Package Description This package is contingent on passage of SB 36, which increases the statutory caps for the Commercial Feeds Program fees. By increasing the statutory cap, the Department will be able to administratively adjust fee amounts to ensure the program has sufficient revenue going forward. Currently the program is expected to reach a negative fund balance by August 2022 absent a fee increase. Any fee amounts increased administratively under the new cap will require ratification from the Legislature.

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 Avian Influenza Limited Duration Position**

Package Description This package provides \$161,778 Federal Funds expenditure limitation to continue a limited duration Program Analyst (1.00 FTE) in the Animal Health Program. The position will continue the avian coordinator work that has been ongoing for the last three 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>	-	-	-	161,778	-	-	161,778	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 801 LFO Analyst Adjustments**

Package Description This package is a revenue only package to reflect the annual 3% increase to certain licenses supporting the Food Safety program. This annual 3% increase was approved with passage of House Bill 2059 (2019). This is anticipated to generate revenue of \$254,142 Other Funds in the 2021-23 biennium based on the 3% increase, taking effect July 2021. It should be noted, this annual increase is separate from the fee increase included in Pkg. 220.

LFO Recommendation Approve the package.

<b>LFO Recommended</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>2019-21 Agy. Leg. Adopted</b>	<b>9,603,452</b>	<b>10,568,358</b>	<b>18,142,140</b>	<b>8,075,802</b>	-	-	<b>46,389,752</b>	<b>152</b>	<b>129.57</b>
2019-21 Ebds, SS & Admin Act	(334,747)	298,460	1,942,468	227,142	-	-	2,133,323	2	0.84
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2019-21 Leg Approved Budget</b>	<b>9,268,705</b>	<b>10,866,818</b>	<b>20,084,608</b>	<b>8,302,944</b>	-	-	<b>48,523,075</b>	<b>154</b>	<b>130.41</b>
<b>2019-21 Leg Approved Budget (Base)</b>	<b>9,603,452</b>	<b>10,568,358</b>	<b>18,142,140</b>	<b>8,075,802</b>	-	-	<b>46,389,752</b>	<b>152</b>	<b>129.57</b>
Summary of Base Adjustments	671,301	(402,817)	916,563	(267,188)	-	-	917,859	(17)	(9.72)
<b>2021-23 Base Budget</b>	<b>10,274,753</b>	<b>10,165,541</b>	<b>19,058,703</b>	<b>7,808,614</b>	-	-	<b>47,307,611</b>	<b>135</b>	<b>119.85</b>
010: Non-PICS Pers Svc/Vacancy Factor	40,572	21,371	71,312	66,914	-	-	200,169	-	-
020: Phase In / Out Pgm & One-time Cost	(450,397)	(1,824,000)	(30,042)	444,093	-	-	(1,860,346)	-	-
030: Inflation & Price List Adjustments	264,732	192,069	761,749	144,055	-	-	1,362,605	-	-
060: Technical Adjustments	-	-	(1,094,350)	-	-	-	(1,094,350)	(1)	(0.73)
<b>2021-23 Current Service Level</b>	<b>10,129,660</b>	<b>8,554,981</b>	<b>18,767,372</b>	<b>8,463,676</b>	-	-	<b>45,915,689</b>	<b>134</b>	<b>119.12</b>
080: E-Boards	-	-	1,113,326	-	-	-	1,113,326	2	2.00
<b>Adjusted 2021-23 Current Service Level</b>	<b>10,129,660</b>	<b>8,554,981</b>	<b>19,880,698</b>	<b>8,463,676</b>	-	-	<b>47,029,015</b>	<b>136</b>	<b>121.12</b>
<b>Total LFO Recommended Packages</b>	<b>162,274</b>	<b>1,895,988</b>	<b>2,446,343</b>	<b>244,174</b>	-	-	<b>4,748,779</b>	<b>21</b>	<b>16.59</b>
<b>2021-23 Legislative Actions</b>	<b>10,291,934</b>	<b>10,450,969</b>	<b>22,327,041</b>	<b>8,707,850</b>	-	-	<b>51,777,794</b>	<b>157</b>	<b>137.71</b>
Net change from 2019-21 Leg Approved Budget	1,023,229	(415,849)	2,242,433	404,906	-	-	3,254,719	3	7.30
Percent change from 2019-21 Leg Approved Budget	11.0%	(3.8%)	11.2%	4.9%	0.0%	0.0%	6.7%	2.0%	5.6%
Net change from 2021-23 Adj Current Service Level	162,274	1,895,988	2,446,343	244,174	-	-	4,748,779	21	16.59
Percent change from 2021-23 Adj Current Service Level	1.6%	22.2%	12.3%	2.9%	0.0%	0.0%	10.1%	15.4%	13.7%



	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 087 August 2020 Special Session**

Package Description This package includes \$1,113,326 Other Funds expenditure limitation and 2 positions as part of the rollup costs for funding approved during the August 2020 Special Session for the Department's Hemp Program. The rapid growth of the program, especially after passage of the 2018 Federal Farm Bill that reclassified industrial hemp as a legal commercial product, has increased the workload beyond the Department's internal capacity. The two new positions were approved be used primarily for inspection and enforcement work around registration compliance, sampling and testing requirements, and technical assistance to growers and handlers.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	1,113,326	-	-	-	1,113,326	2	2.00
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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 099 Microsoft 365 Consolidation**

Package Description Microsoft 365 is being consolidated within the Office of the State Information Officer and corresponding costs for each agency will be included in State Government Service Charges. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365.

LFO Recommendation Approve the package.

LFO Recommended	(15,087)	(28,473)	(89,322)	-	-	-	(132,882)	-	-
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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 310 Japanese Beetle Eradication**

Package Description This package provides \$1,924,461 of one-time Ballot Measure 76 Lottery Funds to 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 the 2019-21 biennium. Traps indicate the infestation has grown outside the boundaries of the original treatment area. This package includes 9 limited duration positions (5.75 FTE) to continue eradication efforts.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	<b>1,924,461</b>	-	-	-	-	<b>1,924,461</b>	<b>9</b>	<b>5.75</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 320 Worker Protection Standard Position**

Package Description This package provides \$229,935 Other Funds expenditure limitation and makes permanent a Natural Resource Specialist 3 position (1.00 FTE) first provided in 2019-21 as limited duration. The position will provide compliance assistance and support the implementation of the Worker Protection Standard (WPS). 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>	-	-	229,935	-	-	-	229,935	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 360 Continue Klamath Water Quality Imprvmnt Work**

Package Description This package includes a one-time \$75,000 General Fund appropriation to continue work around the collection and testing of water samples from Klamath Lake to analyze for nutrients, including phosphorous, which can lead to harmful algae bloom. Funding for this collection and testing was first provided in HB 5050 (2019).

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	<b>75,000</b>	-	-	-	-	-	<b>75,000</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 365 Soil Health Position**

Package Description This package includes \$346,535 Federal Funds limitation and a limited duration Natural Resource Specialist 3 position (1.00 FTE) for work around soil health, inventory and assessments. The funding for this position comes from a cooperative agreement from the USDA Natural Resources Conservation Service.

LFO Recommendation Approve the package.

LFO Recommended	-	-	-	346,535	-	-	346,535	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 380 Plant Threatened and Endangered (T&E)**

Package Description This package reverses a 2019 fund shift that eliminated the General Fund supporting part of a position in the Native Plant Conservation Program and shifted the costs to Federal Funds. However, this fund shift reduced the ability of the program to conduct State-priority work. By reversing the fund shift, this will allow the Department to respond to State related work.

LFO Recommendation Approve the package.

LFO Recommended	102,361	-	-	(102,361)	-	-	-	-	-
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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 Readjust S&S Budget in CAFO Program**

Package Description This package adjusts the General Fund budget within the Confined Animal Feeding Operation program between categories in order to better align with actual expenditures. There is a net zero change for the budget adjustments.

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 395 Hemp**

Package Description This package increases Other Funds limitation by \$1,817,833 and includes eight permanent positions within the Hemp Program due to exponential growth and workload increase, particularly in Southern Oregon. The positions include a Program Manager, Office Specialist, and six Natural Resource Specialist 3's, four of which phase-in January 2022. This package is funded with license fees from Hemp growers and handlers.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	1,817,833	-	-	-	1,817,833	8	7.00
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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 801 LFO Analyst Adjustments**

Package Description This package provides a one-time increase of \$487,897 in Other Funds limitation and two limited duration full-time Natural Resource Specialist 3 positions (1.84 FTE) within the Pesticides Program. These positions, phased-in to start September 2021, will provide additional support to the pesticide workload around cannabis cases that come from the Oregon Liquor Control Commission. The revenue for this package comes from a transfer from OLCC, with long-term funding contingent on the Commission reporting back to the Legislature on an appropriate revenue mechanism.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	487,897	-	-	-	487,897	2	1.84
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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)
<b>2019-21 Agy. Leg. Adopted</b>	<b>3,327,904</b>	-	<b>17,535,543</b>	<b>7,714,091</b>	-	-	<b>28,577,538</b>	<b>135</b>	<b>90.09</b>
2019-21 Ebds, SS & Admin Act	(172,800)	-	444,967	62,671	-	-	334,838	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2019-21 Leg Approved Budget</b>	<b>3,155,104</b>	-	<b>17,980,510</b>	<b>7,776,762</b>	-	-	<b>28,912,376</b>	<b>135</b>	<b>90.09</b>
<b>2019-21 Leg Approved Budget (Base)</b>	<b>3,327,904</b>	-	<b>17,535,543</b>	<b>7,714,091</b>	-	-	<b>28,577,538</b>	<b>135</b>	<b>90.09</b>
Summary of Base Adjustments	339,023	-	962,895	(495,649)	-	-	806,269	(4)	(3.92)
<b>2021-23 Base Budget</b>	<b>3,666,927</b>	-	<b>18,498,438</b>	<b>7,218,442</b>	-	-	<b>29,383,807</b>	<b>131</b>	<b>86.17</b>
010: Non-PICS Pers Svc/Vacancy Factor	32,170	-	148,254	(2,189)	-	-	178,235	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(495,106)	(849,366)	-	-	(1,344,472)	-	-
030: Inflation & Price List Adjustments	95,505	-	376,647	237,465	-	-	709,617	-	-
060: Technical Adjustments	-	-	1,094,350	-	-	-	1,094,350	1	0.73
<b>2021-23 Current Service Level</b>	<b>3,794,602</b>	-	<b>19,622,583</b>	<b>6,604,352</b>	-	-	<b>30,021,537</b>	<b>132</b>	<b>86.90</b>
<b>Adjusted 2021-23 Current Service Level</b>	<b>3,794,602</b>	-	<b>19,622,583</b>	<b>6,604,352</b>	-	-	<b>30,021,537</b>	<b>132</b>	<b>86.90</b>
<b>Total LFO Recommended Packages</b>	<b>(15,729)</b>	-	<b>(285,963)</b>	<b>1,400,000</b>	-	-	<b>1,098,308</b>	<b>6</b>	<b>6.00</b>
<b>2021-23 Legislative Actions</b>	<b>3,778,873</b>	-	<b>19,336,620</b>	<b>8,004,352</b>	-	-	<b>31,119,845</b>	<b>138</b>	<b>92.90</b>
Net change from 2019-21 Leg Approved Budget	623,769	-	1,356,110	227,590	-	-	2,207,469	3	2.81
Percent change from 2019-21 Leg Approved Budget	19.8%	0.0%	7.5%	2.9%	0.0%	0.0%	7.6%	2.2%	3.1%
Net change from 2021-23 Adj Current Service Level	(15,729)	-	(285,963)	1,400,000	-	-	1,098,308	6	6.00
Percent change from 2021-23 Adj Current Service Level	(0.4%)	0.0%	(1.5%)	21.2%	0.0%	0.0%	3.7%	4.6%	6.9%

	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 099 Microsoft 365 Consolidation**

Package Description Microsoft 365 is being consolidated within the Office of the State Information Officer and corresponding costs for each agency will be included in State Government Service Charges. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365.

LFO Recommendation Approve the package.

LFO Recommended	(15,729)	-	(76,026)	-	-	-	(91,755)	-	-
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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 410 General ODA Inspectors**

Package Description This package reduces certain budget categories, including temporary appointments and capital outlay in order to fund two new permanent Natural Resource Specialist 1 positions. These two positions will be utilized as general inspectors for the Department, creating more flexibility for the Department's programs on managing and assigning workload. The package includes the position authority, but is a net zero Other Funds.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	-	-	-	-	-	2	2.00
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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 440 Certification Fees**

Package Description This package includes increased revenue of \$21,000 Other Funds from changes to certain fees within the Certifications program, including aligning fees with USDA levels for services provided on behalf of the USDA. These fees are included in the fee ratification bill (SB 5503) and were administratively approved in February 2021. These fees were last raised in 2018, but shortly thereafter USDA increased the rate again from \$108 to \$115.

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 450 Food Safety Modernization Act**

Package Description This package provides \$1,400,000 Federal Funds expenditure limitation and five 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. ODA receives funding from the Food and Drug Administration to implement the FSMA through ongoing cooperative agreements. 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 and a limited duration Ops and Policy Analyst 3 position (1.00 FTE).

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	-	1,400,000	-	-	1,400,000	5	5.00
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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 460 Program Director Position Adjustment**

Package Description This package modifies the funding of the Market Access & Certification Program Area Director position. Currently, the position is funded entirely on Other Funds programs within the Market Access area, but is responsible for all programs, including those with General Fund. This package will shift the funding of the position from 100% Other Funds to 57% General Fund and 43% Other Funds to better reflect the work being done. This shift is accomplished by abolishing a vacant Operations and Policy Analyst 3 position in the Agricultural Development Program.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	(209,937)	-	-	-	(209,937)	(1)	(1.00)
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# Legislatively Proposed 2021 - 2023 Key Performance Measures

Published: 6/8/2021 11:35:10 PM

**Agency:** Agriculture, Department of

**Mission Statement:**

Ensure healthy natural resources, environment, and economy for Oregonians now and in the future through inspection and certification, regulation, and promotion of agriculture and food

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
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	97%	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	91.30%	90%	92%
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%	90%	95%
4. Noxious Weed Control - Percentage of state "A & T" listed noxious weed populations successfully excluded from the state are decreasing or stable.		Approved	0%	50%	50%
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%	50%	50%
6. Pesticide Investigations - Percent of pesticide investigations that result in enforcement actions.		Approved	33%	30%	25%
7. Non-traditional 3rd party certification services - Percentage of certifications issued within 15 days of audit completion.		Approved	82%	80%	85%
8. Trade Activities - Sales as a result of trade activities with Oregon producers and processors.		Approved	\$8,940,000.00	\$10,000,000.00	\$10,000,000.00
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	178	160	175
10. CAFOs - Percent of permitted Oregon Confined Animal Feeding Operations (CAFOs) found to be in compliance with their permit during annual inspections.		Approved	98.40%	95%	95%
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	10	5	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%	25%	50%
	b) Percent of monitored stream sites associated with predominantly agriculture use with water quality in good to excellent condition.		44%	50%	50%
	c) Percent of monitored stream sites associated with predominantly agriculture use with decreasing trends in water quality.		10%	8%	5%

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
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	81%	90%	90%
	b) Helpfulness		83%	90%	90%
	c) Timeliness		81%	90%	90%
	d) Accuracy		84%	90%	90%
	e) Expertise		86%	90%	90%
	f) Overall		86%	90%	90%

**LFO Recommendation:**

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

**SubCommittee Action:**