



**Written Testimony of the Oregon Association of Nurseries to the Joint Interim Committee
On Ways and Means Subcommittee On Natural Resources**

January 16, 2026

Co-Chairs Sen. Courtney Neron Misslin, Rep. Emerson Levy, members of the committee

On behalf of the Oregon Association of Nurseries (OAN), I write to express support for the Oregon Department of Agriculture's request for a \$372,490 increase in Other Funds limitation and authorization of two permanent positions (1.26 FTE) to establish a Japanese Beetle compliance program. This is an industry funded request to an immediate crisis in Oregon's largest agricultural sector.

The nursery and greenhouse industry is Oregon's leading agricultural commodity, valued at over \$1.22 billion annually. Critically, we are a traded sector: 74% of our sales flow to customers outside Oregon, making this commodity essential to the state's trade profile and economic resilience. Nursery association members represent wholesale plant growers, Christmas tree growers, retailers, and greenhouse operators. Our members are located throughout the state, with our largest nursery growing operations found in Clackamas, Marion, Washington, Yamhill, and Multnomah Counties.

For eight years, Oregon's state-funded eradication program successfully maintained our "Category 1" status under the U.S. Domestic Japanese Beetle Harmonization Plan, designation as "Uninfested/Quarantine Pest." This status was a competitive shield, allowing our products to move freely to key western markets including California, Washington, and Idaho without inspection delays or treatment mandates.

When state funding concluded in October 2025, Oregon transitioned to "Category 2" status. The regulatory consequence is immediate and brutal: every shipment of rooted nursery stock destined for a Category 1 state now requires a state-issued Compliance Agreement, typically mandating chemical dips, drenches, or intensive trapping protocols. Without regulatory infrastructure to review, sign, and audit these agreements, the supply chain and our 2026 shipping season is challenged.

In 2015, we partnered with the Legislature to pass Senate Bill 256, amending ORS 571.057, ensuring ODA had the statutory mandate to "administer and enforce... the protection of the nursery industry." We honor that statute by stepping up.

Our growers have voluntarily committed to an 18.7% fee increase, the first in a decade, to self-fund this compliance infrastructure. This increase will generate approximately \$348,268 in Other Funds revenue during the remainder of the 2025-27 biennium, beginning April 1, 2026. Japanese Beetle is a polyphagous pest feeding on over 300 plant species. While the nursery industry bears the immediate regulatory burden, the beetle's presence poses secondary risks to other Oregon agricultural sectors:

- Hazelnuts: Oregon produces 99% of the U.S. hazelnut crop. European hazelnut orchards have experienced severe defoliation and yield impacts from JB infestations.
- Wine Grapes and Hops: JB skeletonizes leaf tissue, reducing photosynthesis and sugar content critical for wine quality. Hop vines can be stripped in days during peak season.

More broadly, unmanaged invasive species represent exponential biological threats. Allowing JB to establish without management capacity risks multiplication across the state's horticultural and agricultural portfolio.

Governor Kotek's Executive Order 25-26 (October 2025) directs state agencies to "promote the resilience of our communities and natural and working lands." Invasive species like the Japanese Beetle represent an exponential threat. Biology does not move in a linear fashion; it multiplies. If we meet an exponential biological threat with a scarcity mindset or a linear funding model, we will lose.

We recognize the state's significant fiscal constraints. We also recognize that the Japanese Beetle represents a long-term invasive species management challenge that may require a sustainable, recalibrated approach to ODA's Insect Pest Prevention & Management (IPPM) programs. General Fund is needed in 2026 to ensure we do not lose valuable knowledge on the current population and set up with permanent funding in 2027.

The nursery and greenhouse industry is actively working with agricultural, municipal and environmental advocates to work toward a long-term funding plan and I look forward to leading this effort and working with you over the next few years. It is imperative that this funding be realized and the use of nursery license fee dollars speaks to our commitment as a fiscal and policy partner.

We urge the Committee to approve the \$372,490 Other Funds limitation increase and the authorization of two permanent positions during this 2026 session to deploy the market access compliance infrastructure our growers have already committed to fund.

Thank you for considering our comments.

Jeff Stone, Executive Director

CC: Sen. Kate Lieber; Rep. Tawna Sanchez; Jonathan Sandau

OAN Comments to the JWM NR Sub Committee regarding Japanese Beetle funding
(January 16, 2026)