



February 6, 2019

**Joint Ways & Means, Natural Resources Subcommittee
Co-Chairs Senator Kathleen Taylor and Representative Jeff Reardon**

Re: HB 5002, Oregon Department of Agriculture’s Budget

Thank you for the opportunity to testify in support, with amendments, of HB 5002, the Oregon Department of Agriculture’s (ODA) Budget for the 2019-21 biennium.

Agriculture is the state’s second largest traded sector, and ODA’s services and programs are critical to that success. Oregon’s farmers, ranchers and processors compete in a global market and the department’s programs are needed to maintain a competitive advantage. The department has a unique dual mission: regulation and promotion of the industry. ODA’s regulatory programs protect consumers and natural resources. Some examples include; food safety, pest and disease control and prevention, and water quality management. The department also promotes economic development and the expansion of market opportunities for Oregon agricultural products. The crop inspection and certification work is also critical for farmers and ranchers to maintain their market access; let alone expand.

The Oregon Department of Agriculture is a well-managed, fiscally responsible agency with both general fund support and industry paid fees. We support the Governor’s proposed budget for the Oregon Department of Agriculture. We also submit the following specific comments regarding the budget:

- **Predator Control:** Support APHIS Wildlife Services funding (\$481,840). These dollars are leveraged at every level of government to provide crucial depredation support to landowners and communities.
- **Water quality (Policy Packages 310, 330 & 350):** Support full funding the agency’s original funding request in Policy Package 310 – Strategic Implementation Areas. Oregon agriculture has made a strong commitment to water quality. Fully funding this package would add four positions to expand the areas of the state the agency can focus work in. We are also supportive the other

water programs, Klamath Ag Water Quality Monitoring and Lower Umatilla Groundwater Monitoring and Coordination.

- **Japanese Beetle Eradication Funding (Policy Package 320):** Fully fund to implement the critical and on-going eradication program to protect our agriculture sector and ecosystems from this invasive pest.
- **Food Safety Funding (Policy Package 210): Shift \$1,470,431 from other funds** to general fund. Would restore the historical agreement for a 50/50 split in the program. These fees are paid by dairy farmers, food processors and grocery stores. Due to the Federal Food Safety Modernization Act, the work load of this program has increased. Without this fund shift, the program risks not having adequate funds on hand to address a food safety crisis.
- **Cannabis (Policy Package 210):** Support reimbursement for the Pesticides Division's increased workload in investigations and laboratory costs. Unfortunately, illegal pesticide use on marijuana continues to be a new issue the agency must address. Over half of their investigations are off-label use of pesticides on marijuana crops. This cost is \$500,000 to \$1.5 million depending on regulatory system that is used to regulate pesticides on marijuana. HB 2673 would allow for these costs to be reimbursed by the pesticide fees collected through the marijuana permitting program.
- **Strengthening State Noxious Weed Program (Policy Package 360):** Support a partial fund shift to move the program onto general funds from federal funds. The federal funding source is unstable and requires the agency to conduct work on federal products instead of addressing state noxious weed issues. The addition of an Invasive Aquatic Weeds Specialist is also an important addition to the program to address our growing aquatic weed risks.
- **Wolf compensation:** Support funding of \$800,000 (GF/FF) for wolf-depredation compensation, non-lethal deterrence and technical assistance to landowners. This request will leverage \$188,000 in federal funds and address the unmet need for increased reimbursements to ranchers for livestock loss and to fund non-lethal measures to avoid wolf-livestock conflict. It will also significantly enhance counties' ability to employ range riders and provide real-time updates on wolf locations.