

**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 3, 2019  
**Subject:** HB 2061 – Relating to fees for animal feeding operations

House Bill 2061 increases the statutory cap for the annual permit fees for small, medium, and large confined animal feeding operations and authorizes the Department to adopt rules to establish size category tiers by rule, for the purposes of the annual permit fee assessment. The Department’s budget bill (HB 5002) assumes passage of HB 2061 and the subsequent fee increases that would be effective July 1, 2020 to support one existing position within the program. The fee increase is anticipated to generate \$77,966 Other Funds in the 2019-21 biennium and \$155,932 Other Funds in 2021-23.

**Final Subcommittee Action**

MOTION: I move HB 2061 to the Full Committee with a do pass recommendation.  
(VOTE)

**Carriers**

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

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

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

**FISCAL IMPACT OF PROPOSED LEGISLATION**

Measure: HB 2061 - A

80th Oregon Legislative Assembly – 2019 Regular Session  
Legislative Fiscal Office**Only Impacts on Original or Engrossed  
Versions are Considered Official**Prepared by: Krista Dauenhauer  
Reviewed by: John Terpening  
Date: 4/5/2019**Measure Description:**

Changes structure for annual permit fees for confined animal feeding operations.

**Government Unit(s) Affected:**

Oregon Department of Agriculture (ODA)

**Summary of Fiscal Impact:**

Costs related to the measure may require budgetary action - See analysis.

**Summary of Revenue Impact:**

|                    | 2019-21 Biennium | 2021-23 Biennium |
|--------------------|------------------|------------------|
| Other Funds        | 77,966           | 155,392          |
| <b>Total Funds</b> | <b>\$77,966</b>  | <b>\$155,392</b> |

**Analysis:**

The legislation increases the statutory cap for each existing small, medium and large Confined Animal Feeding Operation (CAFO) within the Department of Agriculture (ODA); the tiers for small, medium and large CAFOs would be defined in rule. The fee increases would also apply to National Pollutant Discharge Elimination System Discharge (NPDES) permit holders, and Wastewater Pollution Control Facilities (WPCF) permit holders, as well as the application fee for new individual NPDES and WPCF permits.

This legislation corresponds with *Policy Option Package (POP) #340 - CAFO Fee Increase* within the ODA budget (HB 5002). Revenue estimates are based on fee increases becoming effective July 1, 2020. Fee revenue will fund an existing position (1.00 FTE) which supports the CAFO Program. The fee increase is anticipated to generate an additional \$77,966 Other Funds (OF) in the 2019-21 biennium and \$155,932 OF in the 2021-23 biennium.

| Fee Title/Description            | Current Fee | Proposed Fee | Statutory Cap | Amount of Proposed Fee Change | Impact on 2019-21 Revenue | Impact on 2021-23 Revenue |
|----------------------------------|-------------|--------------|---------------|-------------------------------|---------------------------|---------------------------|
| CAFO Annual Fee Small - Tier 1   | 100         | 125          | 125           | 25                            | 600                       | 1,200                     |
| CAFO Annual Fee Small - Tier 2   | 100         | 125          | 125           | 25                            | 3,775                     | 7,550                     |
| CAFO Annual Fee Medium - Tier 1  | 200         | 250          | 250           | 50                            | 4,800                     | 9,600                     |
| CAFO Annual Fee Medium - Tier 2  | 200         | 250          | 250           | 50                            | 5,850                     | 11,700                    |
| CAFO Annual Fee Large - Tier 1   | 300         | 400          | 900           | 100                           | 7,200                     | 14,400                    |
| CAFO Annual Fee Large - Tier 2   | 300         | 900          | 900           | 600                           | 27,600                    | 55,200                    |
| Individual NPDES & WPCF Permit   | 2,452       | 3,500        | 10,000        | 1,048                         | 2,096                     | 4,192                     |
| General NPDES & WPCF Permit      | 2,452       | 10,000       | 10,000        | 7,548                         | 22,644                    | 45,288                    |
| Application Fee Small Operation  | 50          | 100          | 100           | 50                            | 300                       | 600                       |
| Application Fee Medium Operation | 50          | 150          | 150           | 100                           | 300                       | 600                       |
| Application Fee Large Operation  | 50          | 300          | 300           | 250                           | 250                       | 500                       |
| NPDES/WPCF transfers             | -           | -            | 200           | -                             | -                         | -                         |
| Application Fee NPDES and WPCF   | 12,449      | 15,000       | 15,000        | 2,551                         | 2,551                     | 5,102                     |
| <b>Total</b>                     |             |              |               |                               | <b>\$ 77,966</b>          | <b>\$ 155,932</b>         |