

**HB 5002 A BUDGET REPORT and MEASURE SUMMARY**

**Carrier:** Sen. Girod

**Joint Committee On Ways and Means**

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**Action Date:** 05/24/19

**Action:** Do pass the A-Eng bill.

**Senate Vote**

**Yeas:** 9 - Beyer, Hansell, Heard, Johnson, Manning Jr, Roblan, Steiner Hayward, Thomsen, Wagner

**Exc:** 3 - Frederick, Girod, Winters

**House Vote**

**Yeas:** 7 - Gomberg, Holvey, McLain, McLane, Nosse, Piluso, Rayfield

**Exc:** 2 - Smith G, Stark

**Prepared By:** Ali Webb, Department of Administrative Services

**Reviewed By:** John Terpening, Legislative Fiscal Office

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**Department of Agriculture**

**2019-21**

## **Budget Summary\***

|                       | 2017-19 Legislatively<br>Approved Budget <sup>(1)</sup> | 2019-21 Current Service<br>Level | 2019-21 Committee<br>Recommendation | Committee Change from 2017-19 Leg.<br>Approved |          |
|-----------------------|---|----------------------------------|-------------------------------------|--|----------|
|                       |   |                                  |                                     | \$ Change                                      | % Change |
| General Fund          | \$ 23,529,248   | \$ 25,206,997                    | \$ 24,307,876                       | \$ 778,628                                     | 3.3%     |
| Lottery Funds         | \$ 10,360,960   | \$ 7,366,847                     | \$ 10,636,822                       | \$ 275,862                                     | 2.7%     |
| Other Funds Limited   | \$ 68,154,857   | \$ 71,565,017                    | \$ 74,354,048                       | \$ 6,199,191                                   | 9.1%     |
| Federal Funds Limited | \$ 17,615,623   | \$ 15,857,812                    | \$ 17,524,647                       | \$ (90,976)                                    | (0.5%)   |
| Total                 | \$ 119,660,688  | \$ 119,996,673                   | \$ 126,823,393                      | \$ 7,162,705                                   | 6.0%     |

## **Position Summary**

|                                      |        |        |        |      |
|--------------------------------------|--------|--------|--------|------|
| Authorized Positions                 | 505    | 475    | 505    | 0    |
| Full-time Equivalent (FTE) positions | 376.86 | 359.09 | 380.64 | 3.78 |

<sup>(1)</sup> Includes adjustments through December 2018

\* Excludes Capital Construction expenditures

## **Summary of Revenue Changes**

The Oregon Department of Agriculture (ODA) is supported with General Fund, Measure 76 Lottery Funds, Other Funds, and Federal Funds. Measure 76 Lottery Funds are intended to support efforts to enhance, restore, and protect Oregon's native salmonid populations, watersheds, fish and wildlife habitat, and water quality, while sustaining a healthy economy. The primary sources of Other Funds revenue for the 2019-21 biennium includes licenses and fees of \$35.4 million, charges for services of \$20.1 million, federal revenues from service contracts of \$1.5 million, fines of \$0.3 million, interest income of \$1.0 million, and other miscellaneous revenues. The United States Department of Agriculture (USDA) and other federal agencies also provide funding for the agency budget.

The budget includes increased Other Funds revenue from several bills and one package approved by the Subcommittee. HB 5003 ratifies fees that were increased administratively during the 2017-19 biennium, including a 3% increase in annual license fees for the Food Safety Program, two annual 5% increases in license fees for the Weights and Measures Program, and changes to the fees for the Certifications Program to align fees with the USDA for services ODA conducts on behalf of the USDA. In addition to the fees requiring ratification, the Subcommittee approved three new fee bills. HB 2057 increases the statutory maximum limits on license fees for commercial weights and measuring devices by 15% and limits the annual rate of fee increases allowable per year to 3% beginning July 1, 2020 until June 30, 2026. HB 2059 extends the sunset on ODA's authority to increase certain annual fees for food establishments by 3% per year from July 1, 2018 to July 1, 2025. HB 2061 increases the statutory maximum for the annual permit fees for small, medium, and large confined animal feeding operations and authorizes ODA to adopt rules to establish size category tiers by rule for the purpose of the annual permit fee assessment. Finally, Package 801 (LFO Analyst Adjustments)

includes additional Other Funds revenue from the restructure of registration fees from hemp grow sites to more accurately align revenue with expenditures.

### **Summary of Natural Resources Subcommittee Action**

The threefold mission of the ODA is to ensure food safety, and consumer protection, protect agricultural natural resources, and promote economic development in the agriculture industry. The Department delivers services to enhance Oregon's economy as well as the environment in which we work and live. ODA is comprised of four program units: Administration and Support Services, Food Safety/Consumer Protection Policy Area, Natural Resource Policy Area, and the Market Access, Development, Certification/Inspection Policy Area.

The Subcommittee recommended a budget of \$24,307,876 General Fund, \$10,636,822 Measure 76 Lottery Funds, \$74,354,048 Other Funds expenditure limitation and \$17,524,647 Federal Funds expenditure limitation for the 2019-21 biennium. The total funds budget of \$126,823,393 is 6% higher than the 2017-2019 Legislatively Approved Budget.

### **Administration and Support Services**

The Administration and Support Services program includes the Director's Office, the Information Office, and the Administrative Services Office, which manages the executive functions of ODA and provides related business, accounting, and technical support. The program is responsible for general policy development, agency administration and board support, financial management, development and maintenance of computer systems, personnel, purchasing, facilities management, and fleet operations. The Subcommittee approved a budget of \$13,088,068 total funds and 39 positions (39.00 FTE).

The Subcommittee approved the following packages:

Package 140, Limitation for Merchant Fees. This package provides expenditure limitation of \$200,000 Other Funds in Services and Supplies for increased merchant fees assessed due to online 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.

Package 461, Legal Cost Limitation. This package provides \$47,025 Other Funds expenditure limitation for anticipated increases in ODA's legal costs for services provided by the Department of Justice. There are corresponding packages to increase limitation for legal costs in the Food Safety and Natural Resource program areas.

## **Food Safety/Consumer Protection Policy Area**

The Food Safety/Consumer Protection Policy Area inspects all facets of Oregon's food distribution system (except restaurants) to ensure food is safe for consumption. In addition, this program unit protects and maintains animal health and ensures animal feeds meet nutritional and labeling standards. Program services include the Food Safety, Measurement Standards, Laboratory Services, Animal Health and Livestock, and Predator Control programs. The Subcommittee approved a budget of \$39,392,391 total funds and 180 positions (122.86 FTE). The Subcommittee approved the following Budget Note:

### **Budget Note:**

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.

The approved budget includes the following packages:

Package 081, September 2018 Emergency Board. This package provides a one-time General Fund appropriation of \$182,212 and continuation of a limited duration Chemist 3 position (0.29 FTE) originally approved at the September 2018 meeting of the Emergency Board. This position is developing a standardized method of testing to determine the presence of cyanotoxins in food products in the event food processors potentially use water containing harmful algal blooms. The project is anticipated to be completed in early 2020.

Package 230, Food Safety Fee Increase. This package is contingent on the passage of House Bill 2059, which allows for the continuation of 3% annual increases for certain licenses supporting the Food Safety program. This is anticipated to generate revenue of \$107,233 Other Funds in the 2019-21 biennium based on a 3% increase, taking effect in 2020. It should be noted, due to the Legislature's decision to shift \$1.7 million of General Fund program expenses onto the Other Funds license fees in 2017, the 3% annual increase is not sufficient to keep up with expenses and the program anticipates a 20% fee increase will be necessary in 2020 to support the program in the 2021-23 biennium.

Package 240, Laboratory Equipment Replacement & Operations. This package provides \$94,629 Other Funds expenditure limitation for a permanent full-time Principal Executive Manager C (0.50 FTE) beginning July 1, 2020. The ODA lab staffing ratio is currently one manager to 21 staff. The package also includes \$249,000 Other Funds expenditure limitation for vendor hosting fees for the Laboratory Information Management System (LIMS) and Qualtrax databases that are required to be maintained for lab accreditation. The revenue to support this limitation comes from lab service fees.

Package 260, Agency Lab Consolidation Planning. This package provides a one-time expenditure limitation of \$200,000 Other Funds to conduct a pre-design study for a needs assessment and site analysis in Salem for possible consolidation of the five laboratories ODA operates in the state.

Four labs 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 related to the Food Safety, Shellfish, Pesticide, Fertilizer, and Hemp programs.

Package 270, Weights & Measures Fee Cap Increase. This package is contingent on passage of HB 2057, which increases the statutory caps for Weights and Measures license fees by 15% with a maximum annual increase of 3%. The first 3% increase is effective in July of 2020 and is anticipated to generate \$102,649 Other Funds revenue. The license fee revenue will fund the Weights and Measures Program and allows ODA to continue inspecting approximately 60,000 licensed devices to ensure accuracy and compliance with standards.

Package 280, Food Safety Fee Ratification. This package includes increased revenue of \$212,163 Other Funds due to increasing food safety license fees by three percent 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 fee increase will fund the Food Safety Program and assist ODA in reducing the food safety inspections backlog.

Package 290, Weights & Measures Fee Ratification. This package includes increased revenue of \$679,780 Other Funds due to increasing the Weights and Measures annual license fees. This package assumes two 5% fee increases approved administratively in 2017-19, one effective July 1, 2018 and another effective July 1, 2019. The last time fees were increased was 2009. The revenue from this increase will fund the Weights and Measures Program, which allows ODA to continue inspecting approximately 60,000 devices to ensure accuracy and compliance with standards.

Package 295, Avian Influenza Limited Duration Position. This package provides \$152,486 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 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.

Package 461, Legal Cost Limitation. This package provides \$142,015 Other Funds expenditure limitation for expected increases in ODA'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 Resource programs.

### **Natural Resource Policy Area**

The Natural Resource Policy Area conserves, protects and develops natural resources. It maintains fertilizer and pesticide standards. Staff also inspect and certify nursery stock, Christmas trees, and seed crops. The Natural Resource Policy Area contains the following programs: Agriculture Water Quality, Confined Animal Feeding Operations, Soil and Water Conservation District, Pesticides, Fertilizer, Weed and Integrated

Pest Management, Nursery/Christmas Tree, and Native Plant Conservation. The Subcommittee approved a budget of \$46,071,021 total funds and 151 positions (128.69 FTE).

The Subcommittee approved the following packages:

Package 320, Japanese Beetle Eradication Funding. This package provides \$2,581,772 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 2017-19 biennium. Traps indicate the infestation has grown outside the boundaries of the original treatment area. This package includes 13 limited duration positions (6.00 FTE) of which 10 are seasonal Survey Biotechnicians.

Package 340, CAFO Fee Increase. This package is contingent on passage of HB 2061 and allows for fee increases to Confined Animal Feeding Operation (CAFO) permits. The last time these fees were increased was 2011. The increase is anticipated to generate revenue of \$77,966 Other Funds in the 2019-21 biennium based on a fee implementation effective July 2020. The fee revenue supports one permanent position to conduct CAFO inspections, which aligns with a long-standing agreement with industry for use of fee revenue within the CAFO program.

Package 370, Worker Protection Standard Training. This package provides \$204,203 Other Funds expenditure limitation and one limited duration Natural Resource Specialist 3 position (0.92 FTE) beginning September 1, 2019. 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.

Package 380, Invasive Species Council Base Funding. 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 the 2019-21 biennium to \$155,907 of dedicated M76 Lottery Funds.

Package 385, Align Pesticide Stewardship Program Funding. 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. This fund shift brings the program back into that historical alignment.

Package 390, Fertilizer Registration Staffing. This package provides \$202,741 Other Funds expenditure limitation and position authority for a permanent Natural Resource Specialist 3 (0.92 FTE) beginning 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 ODA notes that approval of this package will result in the need to raise fees by January 2022 for continued funding for this program.

Package 395, Plant Program Staffing. 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. One of the permanent positions is a Natural Resource Specialist 1 (1.00 FTE) for the Nursery Program to conduct additional inspections, funded through a fee increase approved by the 2017 Legislature. The second permanent position is an Administrative Specialist 1 (1.00 FTE) for the Hemp Program to assist the existing positions in the program, funded through a proposed fee increase in Package 801. The three limited duration positions (3.00 FTE) 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.

Package 461, Legal Cost Limitation. This package provides \$143,896 Other Funds expenditure limitation for ODA's expected increases in legal costs for services provided by the Department of Justice. There are corresponding packages to increase expenditure limitation for rising legal costs in the Administration and Food Safety programs.

Package 801, LFO Analyst Adjustments. This package includes \$725,500 Other Funds revenue from the restructure of registration fees from hemp grow sites. Currently, there is a flat registration fee for industrial hemp growers of \$1,300. ODA has proposed to reduce this fee to \$250 and establish 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 fees 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 to achieve targeted reductions to General Fund: a shift of \$114,349 General Fund for a Plant Conservation Biologist to Federal Funds; a shift of \$370,870 General Fund for Pesticide Analytical Response Center funding to Other Funds (pesticide license fees); a shift of \$588,322 General Fund for the Noxious Weed Control program to M76 Lottery Funds. These fund shifts are ongoing and not one-time.

#### **Market Access, Development, Certification/Inspection Policy Area**

The Market Access, Development, Certification/Inspection Policy Area assists Oregon's agricultural producers with successfully selling and shipping products to local, national, and international markets. The marketing program seeks to promote and create demand for Oregon agricultural products. The Inspection and Certification program provides services to facilitate product movement to destination markets. It also

assists agricultural producers to overcome trade barriers and technical constraints of the agricultural trade sectors. The Subcommittee approved a budget of \$28,271,913 total funds and 135 positions (90.09 FTE).

The Subcommittee approved the following packages:

Package 430, Food Safety Modernization Act. 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 ODA received a five-year award through August 2021 from the Food and Drug Administration 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.

Package 440, Shipping Point Staffing. This package provides \$565,098 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 is anticipated to begin September 1, 2019. Revenue to support the package is generated from license fees from producers.

Package 450, Certifications Fee Ratification. This package includes increased revenue of \$325,232 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 (HB 5003) and were administratively approved in May 2018. These fees were last raised in 2012.

### **Summary of Maximum Supervisory Ratio**

The Subcommittee reviewed the agency's proposed Maximum Supervisory Ratio of 1:9 for the 2019-21 biennium.

### **Summary of Performance Measure Action**

See attached "Legislatively Approved 2019-2021 Key Performance Measures."



## DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Department of Agriculture  
Ali Webb -- 503-378-4588

| DESCRIPTION  | GENERAL FUND  | LOTTERY FUNDS | OTHER FUNDS   |            | FEDERAL FUNDS |            | TOTAL ALL FUNDS | POS | FTE    |
|--|---------------|---------------|---------------|------------|---------------|------------|-----------------|-----|--------|
|  |               |               | LIMITED       | NONLIMITED | LIMITED       | NONLIMITED |                 |     |        |
| 2017-19 Legislatively Approved Budget at Dec 2018 *          | \$ 23,529,248 | \$ 10,360,960 | \$ 68,154,857 | \$ -       | \$ 17,615,623 | \$ -       | 119,660,688     | 505 | 376.86 |
| 2019-21 Current Service Level (CSL)*                         | \$ 25,206,997 | \$ 7,366,847  | \$ 71,565,017 | \$ -       | \$ 15,857,812 | \$ -       | 119,996,673     | 475 | 359.09 |
| <b>SUBCOMMITTEE ADJUSTMENTS (from CSL)</b>                   |               |               |               |            |               |            |                 |     |        |
| <b>SCR 010 - Administration and Support Services</b>         |               |               |               |            |               |            |                 |     |        |
| Package 140: Limitation for Merchant Fees                    |               |               |               |            |               |            |                 |     |        |
| Services and Supplies  | \$ -          | \$ -          | \$ 200,000    | \$ -       | \$ -          | \$ -       | 200,000         |     |        |
| <b>SCR 010 - Administration and Support Services</b>         |               |               |               |            |               |            |                 |     |        |
| Package 461: Legal Cost Limitation                           |               |               |               |            |               |            |                 |     |        |
| Services and Supplies  | \$ -          | \$ -          | \$ 47,025     | \$ -       | \$ -          | \$ -       | 47,025          |     |        |
| <b>SCR 030 - Food Safety/Consumer Protection Policy Area</b> |               |               |               |            |               |            |                 |     |        |
| Package 081: September 2018 Emergency Board                  |               |               |               |            |               |            |                 |     |        |
| Personal Services  | \$ 59,475     | \$ -          | \$ -          | \$ -       | \$ -          | \$ -       | 59,475          | 1   | 0.29   |
| Services and Supplies  | \$ 122,737    | \$ -          | \$ -          | \$ -       | \$ -          | \$ -       | 122,737         |     |        |
| <b>SCR 030 - Food Safety/Consumer Protection Policy Area</b> |               |               |               |            |               |            |                 |     |        |
| Package 240: Laboratory Equipment Replacement & Operations   |               |               |               |            |               |            |                 |     |        |
| Personal Services  | \$ -          | \$ -          | \$ 94,629     | \$ -       | \$ -          | \$ -       | 94,629          | 1   | 0.50   |
| Services and Supplies  | \$ -          | \$ -          | \$ 249,000    | \$ -       | \$ -          | \$ -       | 249,000         |     |        |
| <b>SCR 030 - Food Safety/Consumer Protection Policy Area</b> |               |               |               |            |               |            |                 |     |        |
| Package 260: Agency Lab Consolidation Planning               |               |               |               |            |               |            |                 |     |        |
| Services and Supplies  | \$ -          | \$ -          | \$ 200,000    | \$ -       | \$ -          | \$ -       | 200,000         |     |        |
| <b>SCR 030 - Food Safety/Consumer Protection Policy Area</b> |               |               |               |            |               |            |                 |     |        |
| Package 295: Avian Influenza Limited Duration Position       |               |               |               |            |               |            |                 |     |        |
| Personal Services  | \$ -          | \$ -          | \$ -          | \$ -       | \$ 152,486    | \$ -       | 152,486         | 1   | 1.00   |
| <b>SCR 030 - Food Safety/Consumer Protection Policy Area</b> |               |               |               |            |               |            |                 |     |        |
| Package 461: Legal Cost Limitation                           |               |               |               |            |               |            |                 |     |        |
| Services and Supplies  | \$ -          | \$ -          | \$ 142,015    | \$ -       | \$ -          | \$ -       | 142,015         |     |        |
| <b>SCR 040 - Natural Resource Policy Area</b>                |               |               |               |            |               |            |                 |     |        |
| Package 320: Japanese Beetle Eradication Funding             |               |               |               |            |               |            |                 |     |        |
| Personal Services  | \$ -          | \$ 757,772    | \$ -          | \$ -       | \$ -          | \$ -       | 757,772         | 13  | 6.00   |
| Services and Supplies  | \$ -          | \$ 1,824,000  | \$ -          | \$ -       | \$ -          | \$ -       | 1,824,000       |     |        |
| <b>SCR 040 - Natural Resource Policy Area</b>                |               |               |               |            |               |            |                 |     |        |
| Package 370: Worker Protection Standard Training             |               |               |               |            |               |            |                 |     |        |
| Personal Services  | \$ -          | \$ -          | \$ 162,583    | \$ -       | \$ -          | \$ -       | 162,583         | 1   | 0.92   |
| Services and Supplies  | \$ -          | \$ -          | \$ 41,620     | \$ -       | \$ -          | \$ -       | 41,620          |     |        |

| DESCRIPTION   | GENERAL FUND  | LOTTERY FUNDS | OTHER FUNDS   |            | FEDERAL FUNDS |            | TOTAL ALL FUNDS | POS  | FTE    |
|---|---------------|---------------|---------------|------------|---------------|------------|-----------------|------|--------|
|   |               |               | LIMITED       | NONLIMITED | LIMITED       | NONLIMITED |                 |      |        |
| <b>SCR 040 - Natural Resource Policy Area</b>             |               |               |               |            |               |            |                 |      |        |
| Package 380: Invasive Species Council Base Funding        |               |               |               |            |               |            |                 |      |        |
| Services and Supplies                                     | \$ -          | \$ 99,881     | \$ -          | \$ -       | \$ -          | \$ -       | 99,881          |      |        |
| <b>SCR 040 - Natural Resource Policy Area</b>             |               |               |               |            |               |            |                 |      |        |
| Package 385: Align Pesticide Stewardship Prgm Funding     |               |               |               |            |               |            |                 |      |        |
| Personal Services   | \$ 116,233    | \$ -          | \$ (116,233)  | \$ -       | \$ -          | \$ -       | -               | 0    | 0.00   |
| Services and Supplies                                     | \$ 260,898    | \$ -          | \$ (260,898)  | \$ -       | \$ -          | \$ -       | -               |      |        |
| Special Payments  | \$ (384,923)  | \$ -          | \$ 384,923    | \$ -       | \$ -          | \$ -       | -               |      |        |
| <b>SCR 040 - Natural Resource Policy Area</b>             |               |               |               |            |               |            |                 |      |        |
| Package 390: Fertilizer Registration Staffing             |               |               |               |            |               |            |                 |      |        |
| Personal Services   | \$ -          | \$ -          | \$ 162,583    | \$ -       | \$ -          | \$ -       | 162,583         | 1    | 0.92   |
| Services and Supplies                                     | \$ -          | \$ -          | \$ 40,158     | \$ -       | \$ -          | \$ -       | 40,158          |      |        |
| <b>SCR 040 - Natural Resource Policy Area</b>             |               |               |               |            |               |            |                 |      |        |
| Package 395: Plant Program Staffing                       |               |               |               |            |               |            |                 |      |        |
| Personal Services   | \$ -          | \$ -          | \$ 267,762    | \$ -       | \$ 425,784    | \$ -       | 693,546         | 5    | 5.00   |
| Services and Supplies                                     | \$ -          | \$ -          | \$ 69,000     | \$ -       | \$ (425,784)  | \$ -       | (356,784)       |      |        |
| Capital Outlay  | \$ -          | \$ -          | \$ 25,000     | \$ -       | \$ -          | \$ -       | 25,000          |      |        |
| <b>SCR 040 - Natural Resource Policy Area</b>             |               |               |               |            |               |            |                 |      |        |
| Package 461: Legal Cost Limitation                        |               |               |               |            |               |            |                 |      |        |
| Services and Supplies                                     | \$ -          | \$ -          | \$ 143,896    | \$ -       | \$ -          | \$ -       | 143,896         |      |        |
| <b>SCR 040 - Natural Resource Policy Area</b>             |               |               |               |            |               |            |                 |      |        |
| Package 801: LFO Analyst Adjustments                      |               |               |               |            |               |            |                 |      |        |
| Personal Services   | \$ (524,810)  | \$ 410,461    | \$ -          | \$ -       | \$ 114,349    | \$ -       | -               | 0    | 0.00   |
| Services and Supplies                                     | \$ (377,978)  | \$ 177,861    | \$ 200,117    | \$ -       | \$ -          | \$ -       | -               |      |        |
| Special Payments  | \$ (170,753)  | \$ -          | \$ 170,753    | \$ -       | \$ -          | \$ -       | -               |      |        |
| <b>SCR 050 - Mkt Access, Dvlpmt,Cert/Insp Policy Area</b> |               |               |               |            |               |            |                 |      |        |
| Package 430: Food Safety Modernization Act                |               |               |               |            |               |            |                 |      |        |
| Personal Services   | \$ -          | \$ -          | \$ -          | \$ -       | \$ 550,634    | \$ -       | 550,634         | 4    | 4.00   |
| Services and Supplies                                     | \$ -          | \$ -          | \$ -          | \$ -       | \$ 849,366    | \$ -       | 849,366         |      |        |
| <b>SCR 050 - Mkt Access, Dvlpmt,Cert/Insp Policy Area</b> |               |               |               |            |               |            |                 |      |        |
| Package 440: Shipping Point Staffing                      |               |               |               |            |               |            |                 |      |        |
| Personal Services   | \$ -          | \$ -          | \$ 435,749    | \$ -       | \$ -          | \$ -       | 435,749         | 3    | 2.92   |
| Services and Supplies                                     | \$ -          | \$ -          | \$ 104,349    | \$ -       | \$ -          | \$ -       | 104,349         |      |        |
| Capital Outlay  | \$ -          | \$ -          | \$ 25,000     | \$ -       | \$ -          | \$ -       | 25,000          |      |        |
| TOTAL ADJUSTMENTS   | \$ (899,121)  | \$ 3,269,975  | \$ 2,789,031  | \$ -       | \$ 1,666,835  | \$ -       | 6,826,720       | 30   | 21.55  |
| SUBCOMMITTEE RECOMMENDATION *                             | \$ 24,307,876 | \$ 10,636,822 | \$ 74,354,048 | \$ -       | \$ 17,524,647 | \$ -       | 126,823,393     | 505  | 380.64 |
| % Change from 2017-19 Leg Approved Budget                 | 3.3%          | 2.7%          | 9.1%          | 0.0%       | (0.5%)        | 0.0%       | 6.0%            | 0.0% | 1.0%   |
| % Change from 2019-21 Current Service Level               | (3.6%)        | 44.4%         | 3.9%          | 0.0%       | 10.5%         | 0.0%       | 5.7%            | 6.3% | 6.0%   |

\*Excludes Capital Construction Expenditures

# Legislatively Approved 2019 - 2021 Key Performance Measures

Published: 5/21/2019 2:00:16 PM

**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 Approved 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 Approved 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:**

The Natural Resources Subcommittee approved the Key Performance Measures and targets.