

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 36

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Date: February 19, 2021

Measure Description:

Amends fee cap for registration of commercial feed brand.

Government Unit(s) Affected:

Oregon Department of Agriculture (ODA)

Summary of Fiscal Impact:

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

Analysis:

SB 36 increases the statutory caps on fees for commercial feed. Every brand, formula, and formulation of commercial feed that is manufactured, compounded, delivered or distributed in Oregon must be registered with the Oregon Department of Agriculture (ODA). ODA also licenses certain animal feed manufacturers and distributors. Under this measure, the statutory cap on commercial feed registration fees increases from \$20 to \$60, and the licensing fee cap increases from \$500 to \$1,000. Registrations and licenses are renewed annually.

By increasing the statutory cap, ODA will be able to administratively adjust the annual fee amounts to ensure the program has sufficient revenue going forward. ODA has stated they do not plan to initially raise fees up to the statutory caps outlined in this bill. Should the commercial feed fee be increased to \$36 per year, as per ODA’s preliminary estimates, then the program anticipates an additional \$153,600 Other Funds revenue from this fee each biennium, and \$345,600 total in Commercial Feed Registration Fee revenue for 2021-23. ODA does not anticipate an increase to the licensing fee at this time. However, the Department will need to continue to evaluate its budget needs along with stakeholder input to determine the appropriate fee levels to be adopted by rule, which will then require ratification by the Legislature.

This measure is linked to Policy Option Package 260: Feeds Fee Increase in the ODA 2021-23 request budget. This Package includes a placeholder revenue amount since actual fee levels for 2021-23 are not yet finalized.

This measure includes an emergency clause and takes effect on passage.