



OREGON
ASSOCIATION OF
NURSERIES

**Comments related to Department of Environmental Quality 2021-2023 Budget
HB 5516 and HB 5517 Comments**

By Jeff Stone, Executive Director, Oregon Association of Nurseries
April 12, 201

Co-Chairs Taylor and Reardon and Members of the Committee, my name is Jeff Stone and I serve as the Executive Director of the Oregon Association of Nurseries. Please consider my comments on behalf of the industry as it relates to the budget for the Department of Environmental Quality (DEQ). DEQ is a critical player in agricultural production through a myriad of programs and active rulemaking on climate. We have a significant and vested interest in DEQ's budget.

The Economic Footprint of the Nursery and Greenhouse Industry

The nursery and greenhouse industry are the state's largest agricultural sector, and the industry ranks third in the nation, with over \$1.02 billion in sales annually to customers in Oregon, the rest of the United States, and abroad. In fact, nearly 75% of the nursery stock grown in our state leaves our borders – with over half reaching markets east of the Mississippi River. Oregon's elite growers send ecologically friendly green products out of the state and bring traded sector dollars back to Oregon. Nursery association members represent wholesale plant growers, Christmas tree growers, retailers, greenhouse operators and the entire supply chain that get product to market. Our members are located throughout the state, with our largest nursery growing operations found in Clackamas, Marion, Washington, Yamhill and Multnomah Counties.

Agricultural interests span numerous state agencies.

It is clear to the OAN that the DEQ is important to all segments of agricultural production in the state. It is important that the agency focus on core programs and does not create unnecessary confusion for agency staff or agricultural producers on responsibilities. Over the last several years the outreach by DEQ has been excellent. Director Richard Whitman and Justin Green, Water Quality Division Administrator, deserve recognition. The OAN is solution oriented appreciates the straightforward engagement by these two individuals. It is the association's intent to obtain a better working relationship with the Environmental Quality Commission on critical issues facing the state.

OAN members see DEQ attempt to have regulatory influence in areas that have traditionally belonged to other agencies, causing confusion. For this reason, we are concerned with Governor Brown's Recommended Budget (GRB) proposes cuts to core

program areas, while scaling up program costs in other areas that may be better addressed by other agencies.

Collaboration and Clear Lines of Authority is needed as well as fiscal balance

It is essential that programs that intersect with the nursery and greenhouse industry provide opportunity to create efficiencies and transparency for public facing applications. While it is a delicate budgeting challenge for the state to meet these expectations with regulatory authority consistency – issues such as climate, water and pesticides all have unique interactions with the agricultural community.

A couple of areas of concern are below:

- **Agency proposed cut of \$311,326 to defund groundwater tracking** within the groundwater management area (GWMA) program. This program is moving backward with austere funding and limited success on the ground with increased management areas. Groundwater is very important to the nursery and greenhouse industry and understanding this resource is critical to not only the Governor’s 100-year water vision but the delicate evaluation of resources that touch farms, families, and fish. The OAN would be a willing partner to work along side advocates and agencies to create a decade long plan to address the groundwater issue.
- **Workplan for TMDLs:** The DEQ has been tasked with completing many temperature total maximum daily loads (TMDL) and has policy option packages to increase staff for this purpose. The OAN has no problem with proper resourcing of the agency to accomplish much needed work. However, it is important to recognize the fact that a significant part of TMDL implementation is done by other agencies. Not all areas are the same and for this reason the Oregon Department of Agriculture (ODA) is the “designated management agency” for implementation of TMDLs on agricultural lands. What is incongruous is that ODA is facing cuts across their water quality program.
- **The issue of climate** is important for agencies to come together and provide multiple perspectives on solutions. I am part of the 33+ member advisory committee working on the issues surrounding climate policy. It is complex work and the DEQ is to be commended for including the nursery industry’s voice – as we grow environmentally beneficial plants and trees are part of the climate change solution. With that said, the possible outlay of **additional \$2 million for its climate protection work** may be best served to be put on hold until additional clarity is provided by national policy and federal treaties and given that the Biden Administration has an incredibly proactive climate agenda, we urge that those precious dollars be used to act as incentives for industries to reduce their carbon footprint or be recognized for carbon reducing products.

Thank you for your attention to our comments. We will continue to participate as a good faith stakeholder to achieve a balance between good policy and adequate funding of DEQ.