

## Legislative Fiscal Office

Oregon State Capitol  
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## Joint Committee on Ways and Means

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Representative Tawna Sanchez, House Co-Chair

Senator Fred Girod, Senate Co-Vice Chair  
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Amanda Beitel, Legislative Fiscal Officer  
Tom MacDonald, Deputy Legislative Fiscal Officer (Budget)  
Paul Siebert, Deputy Legislative Fiscal Officer (Audit/IT)

**To:** Natural Resources Subcommittee

**From:** April McDonald, Legislative Fiscal Office

**Date:** May 30, 2023

**Subject:** HB 5002 – Department of Agriculture  
Work Session Recommendations

### Department of Agriculture – Agency Totals

	2019-21 Actual	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 LFO Recommended
General Fund	24,476,536	80,505,340	31,868,878	37,663,733
Lottery Funds	8,674,081	11,588,227	8,859,764	8,859,764
Other Funds	67,997,962	123,504,515	86,735,866	90,668,150
Federal Funds	12,049,488	18,626,329	17,293,002	19,670,411
<b>Total Funds</b>	<b>113,198,067</b>	<b>234,224,411</b>	<b>144,757,510</b>	<b>156,862,058</b>
Positions	514	536	500	517
FTE	385.77	407.50	384.09	397.48

Attached are Legislative Fiscal Office (LFO) recommendations for the 2023-25 biennial budget and key performance measures for the Department of Agriculture.

The recommended budget of nearly \$157 million total funds supports 517 positions (397.48 FTE) and represents a 33% decrease from the 2021-23 legislatively approved budget (LAB), and an 8.4% increase over the 2023-25 current service level (CSL). The decrease from LAB is predominantly due to the phase-out of \$89 million in one-time investments from the 2021 and 2022 legislative sessions. This includes \$48 million General Fund and \$40 million Other Funds expenditure limitation. The increase above CSL is driven by the inclusion of 14 policy packages including \$12 million total funds and 17 positions (13.39 FTE). The investments include support for ODA laboratories; resources for community engagement and equity work; expenditure limitation for continued federal programs; pesticide enforcement capacity; funding for continued Japanese beetle eradication efforts; support for the Farm to School Infrastructure grants; and position related technical adjustments.

## **Adjustments to Current Service Level**

See attached “Work Session Presentation Report.”

Note: Statewide adjustments and six-year capital construction expenditures are not included in these recommendations. Any needed adjustments will be made in end of session bills.

**Accept** LFO Recommendation:

**MOTION: I move the LFO recommendation to HB 5002. (VOTE)**

**OR**

**Change** LFO Recommendation:

**MOTION: I move the LFO recommendation to HB 5002, with modifications. (VOTE)**

## **Performance Measures**

See attached “Legislatively Proposed 2023-25 Key Performance Measures.”

**Accept** LFO Recommendation:

**MOTION: I move the LFO recommendation on Key Performance Measures. (VOTE)**

**OR**

**Change** LFO Recommendation:

**MOTION: I move the LFO recommendation on Key Performance Measures, with modifications. (VOTE)**

## **Budget Notes**

### **#1 Budget Note: Cannabis Reference Lab Agreement**

The Oregon Liquor and Cannabis Commission (OLCC) and the Oregon Department of Agriculture (ODA) shall enter into an inter-agency agreement that specifies OLCC contributions and ODA services provided by a reference laboratory. The reference laboratory shall provide a means of reviewing private lab test results for compliance with health and safety regulations related to accuracy, purity, potency and compliance of cannabis, hemp, and derived products. The agreement shall incorporate a statement of work that specifies expectations and commitments that include but are not limited to the following issues:

- Financial information, including funds available and authorized, basis for method of contribution, frequency of payment, and periodic evaluation of costs and payments;

- Responsibilities regarding receiving, tracking, quality assurance, protocols, archiving and reporting results of samples and associated testing;
- Development of standardized testing content and timeliness and availability of results;
- Use of facilities and supplies, and how time and costs will be shared between users;
- Assistance with contested case and legal proceedings, including documentation, testimony, and other expertise; and
- Respective relationships with private laboratories, including interactions, oversight, and communications.

ODA shall track and report lab utilization, staff time, and costs attributable to the OLCC compared with other users for purposes of developing a fee schedule and biennial budget estimate for future biennia.

By March 2025, the OLCC and ODA shall report to the Joint Committee on Ways and Means on the status of reference laboratory information, including actual expenditures, staffing, utilization of lab services by entity, tests performed and anticipated, and other information as may be requested for inclusion by the Legislative Fiscal Office.

**#2 Budget Note: Japanese Beetle Eradication**

During the 2024 legislative session, the Oregon Department of Agriculture is directed to produce a detailed report for presentation to the Joint Committee on Ways and Means on the status of the agency’s surveillance and treatment against the Japanese beetle and other emerging pests, such as the vine mealybug. At a minimum, the Department’s report shall include the following:

- Program strategies and partnerships to further eradication efforts;
- Size and general location of the currently affected area(s);
- Results of surveys with comparative annual data, where available;
- Annual program costs, funded activities, and the change in both over time; and
- Projections, and the Department’s eradication plan.

**Accept** LFO Recommendation:

**MOTION: I move the LFO recommendation on Budget Notes. (VOTE)**

**OR**

**Change** LFO Recommendation (any changes must be approved by the co-chairs):

**MOTION: I move the LFO recommendation on Budget Notes, with modifications. (VOTE)**

**Recommended Changes**

LFO recommends a budget of \$37,663,733 General Fund, \$8,859,764 Lottery Funds, \$90,668,150 Other Funds, \$19,670,411 Federal Funds and 517 positions (397.48 FTE), which is reflected in the –2 amendment.

**MOTION: I move adoption of the –2 amendment to HB 5002. (VOTE)**

**Final Subcommittee Action**

LFO recommends that HB 5002, as amended by the –2 amendment, be moved to the Ways and Means Full Committee.

**MOTION: I move HB 5002, as amended, to the Full Committee with a do pass recommendation. (VOTE)**

**Carriers**

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

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

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

	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
<b>2021-23 Agy. Leg. Adopted</b>	<b>33,818,652</b>	<b>10,375,039</b>	<b>81,365,433</b>	<b>18,411,423</b>	-	-	<b>143,970,547</b>	<b>518</b>	<b>397.60</b>
2021-23 Ebds, SS & Admin Act	46,686,688	1,213,188	42,139,082	214,906	-	-	90,253,864	18	9.90
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2021-23 Leg Approved Budget</b>	<b>80,505,340</b>	<b>11,588,227</b>	<b>123,504,515</b>	<b>18,626,329</b>	-	-	<b>234,224,411</b>	<b>536</b>	<b>407.50</b>
<b>2021-23 Leg Approved Budget (Base)</b>	<b>78,763,099</b>	<b>11,588,227</b>	<b>123,504,515</b>	<b>18,626,329</b>	-	-	<b>232,482,170</b>	<b>535</b>	<b>407.17</b>
Summary of Base Adjustments	158,681	(1,437,557)	1,366,539	(1,082,693)	-	-	(995,030)	(35)	(23.08)
<b>2023-25 Base Budget</b>	<b>78,921,780</b>	<b>10,150,670</b>	<b>124,871,054</b>	<b>17,543,636</b>	-	-	<b>231,487,140</b>	<b>500</b>	<b>384.09</b>
010: Non-PICS Pers Svc/Vacancy Factor	(91,379)	(52,683)	(326,312)	43,252	-	-	(427,122)	-	-
020: Phase In / Out Pgm & One-time Cost	(47,641,948)	(1,409,591)	(39,460,540)	(763,439)	-	-	(89,275,518)	-	-
030: Inflation & Price List Adjustments	680,425	171,368	1,651,664	469,553	-	-	2,973,010	-	-
<b>2023-25 Current Service Level</b>	<b>31,868,878</b>	<b>8,859,764</b>	<b>86,735,866</b>	<b>17,293,002</b>	-	-	<b>144,757,510</b>	<b>500</b>	<b>384.09</b>
070: Revenue Reductions/Shortfall	-	-	(84,155)	-	-	-	(84,155)	-	-
<b>Adjusted 2023-25 Current Service Level</b>	<b>31,868,878</b>	<b>8,859,764</b>	<b>86,651,711</b>	<b>17,293,002</b>	-	-	<b>144,673,355</b>	<b>500</b>	<b>384.09</b>
<b>Total LFO Recommended Packages</b>	<b>5,794,855</b>	-	<b>4,016,439</b>	<b>2,377,409</b>	-	-	<b>12,188,703</b>	<b>17</b>	<b>13.39</b>
<b>2023-25 Legislative Actions</b>	<b>37,663,733</b>	<b>8,859,764</b>	<b>90,668,150</b>	<b>19,670,411</b>	-	-	<b>156,862,058</b>	<b>517</b>	<b>397.48</b>
Net change from 2021-23 Leg Approved Budget	(42,841,607)	(2,728,463)	(32,836,365)	1,044,082	-	-	(77,362,353)	(19)	(10.02)
Percent change from 2021-23 Leg Approved Budget	(53.2%)	(23.6%)	(26.6%)	5.6%	0.0%	0.0%	(33.0%)	(3.5%)	(2.5%)
Net change from 2023-25 Adj Current Service Level	5,794,855	-	4,016,439	2,377,409	-	-	12,188,703	17	13.39
Percent change from 2023-25 Adj Current Service Level	18.2%	0.0%	4.6%	13.8%	0.0%	0.0%	8.4%	3.4%	3.5%

	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
<b>2021-23 Agy. Leg. Adopted</b>	<b>2,916,225</b>	-	<b>11,252,580</b>	<b>196,471</b>	-	-	<b>14,365,276</b>	<b>39</b>	<b>39.00</b>
2021-23 Ebds, SS & Admin Act	40,049,296	-	40,288,219	-	-	-	80,337,515	4	3.00
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2021-23 Leg Approved Budget</b>	<b>42,965,521</b>	-	<b>51,540,799</b>	<b>196,471</b>	-	-	<b>94,702,791</b>	<b>43</b>	<b>42.00</b>
<b>2021-23 Leg Approved Budget (Base)</b>	<b>42,965,521</b>	-	<b>51,540,799</b>	<b>196,471</b>	-	-	<b>94,702,791</b>	<b>43</b>	<b>42.00</b>
Summary of Base Adjustments	80,077	-	7,164	-	-	-	87,241	(4)	(3.00)
<b>2023-25 Base Budget</b>	<b>43,045,598</b>	-	<b>51,547,963</b>	<b>196,471</b>	-	-	<b>94,790,032</b>	<b>39</b>	<b>39.00</b>
010: Non-PICS Pers Svc/Vacancy Factor	(24,862)	-	(61,077)	-	-	-	(85,939)	-	-
020: Phase In / Out Pgm & One-time Cost	(40,400,000)	-	(39,438,332)	-	-	-	(79,838,332)	-	-
030: Inflation & Price List Adjustments	48,468	-	147,968	8,252	-	-	204,688	-	-
<b>2023-25 Current Service Level</b>	<b>2,669,204</b>	-	<b>12,196,522</b>	<b>204,723</b>	-	-	<b>15,070,449</b>	<b>39</b>	<b>39.00</b>
<b>Adjusted 2023-25 Current Service Level</b>	<b>2,669,204</b>	-	<b>12,196,522</b>	<b>204,723</b>	-	-	<b>15,070,449</b>	<b>39</b>	<b>39.00</b>
<b>Total LFO Recommended Packages</b>	<b>926,620</b>	-	<b>358,722</b>	-	-	-	<b>1,285,342</b>	<b>1</b>	<b>0.75</b>
<b>2023-25 Legislative Actions</b>	<b>3,595,824</b>	-	<b>12,555,244</b>	<b>204,723</b>	-	-	<b>16,355,791</b>	<b>40</b>	<b>39.75</b>
Net change from 2021-23 Leg Approved Budget	(39,369,697)	-	(38,985,555)	8,252	-	-	(78,347,000)	(3)	(2.25)
Percent change from 2021-23 Leg Approved Budget	(91.6%)	0.0%	(75.6%)	4.2%	0.0%	0.0%	(82.7%)	(7.0%)	(5.4%)
Net change from 2023-25 Adj Current Service Level	926,620	-	358,722	-	-	-	1,285,342	1	0.75
Percent change from 2023-25 Adj Current Service Level	34.7%	0.0%	2.9%	0.0%	0.0%	0.0%	8.5%	2.6%	1.9%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 110 NVC - ODA Labs**

Package Description This package is to support the increased rent and moving costs associated with moving the ODA labs into the North Valley Complex.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	<b>640,750</b>	-	-	-	-	-	<b>640,750</b>	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 120 Community Engagement and Equity**

Package Description This package abolishes a vacant Procurement and Contract Assistant (1.00 FTE) to fund establishment of a permanent, full-time Operations and Policy Analyst 3 (0.75 FTE) intended to provide the capacity to renew the Department's Strategic Plan, and prepare official communications and documents for the legislature, state agencies, and community partners. This position has a start date of January 1, 2024.

LFO Recommendation Approve the package.

LFO Recommended	-	-	71,002	-	-	-	71,002	-	(0.25)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 461 Agency Position Clean Up**

Package Description The purpose of this package is to clean up agency position classifications across the agency and establish positions to resolve double-fills. This package moves an Operations and Policy Analyst 3 position and a Business Operations Manager 2 position into the Administration and Support Services division and includes several reclassifications. In order to cover the associated General Fund personal services expenditures, the balance has been shifted from capital outlay.

LFO Recommendation Approve the package.

LFO Recommended	336,170	-	382,344	-	-	-	718,514	2	2.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 462 Deferred Maintenance**

Package Description This package requests two percent of the current replacement value of the Department's owned buildings for compliance with SB 1067 (2017). Funding would go towards deferred maintenance projects in the Department's Hawthorne facility.

LFO Recommendation

<b>LFO Recommended</b>	-	-	31,077	-	-	-	31,077	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 802 Vacant Position Reductions**

Package Description This package reduces one long-term vacancy and the associated services and supplies supporting the position. This Administrative Specialist 1 position (1.00 FTE) has been vacant for more than 22 months.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	<b>(50,300)</b>	<b>-</b>	<b>(125,701)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(176,001)</b>	<b>(1)</b>	<b>(1.00)</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2021-23 Agy. Leg. Adopted</b>	<b>14,619,309</b>	-	<b>28,792,477</b>	<b>1,556,409</b>	-	-	<b>44,968,195</b>	<b>181</b>	<b>125.07</b>
2021-23 Ebds, SS & Admin Act	550,952	-	743,232	9,384	-	-	1,303,568	2	1.06
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2021-23 Leg Approved Budget</b>	<b>15,170,261</b>	-	<b>29,535,709</b>	<b>1,565,793</b>	-	-	<b>46,271,763</b>	<b>183</b>	<b>126.13</b>
<b>2021-23 Leg Approved Budget (Base)</b>	<b>15,170,261</b>	-	<b>29,535,709</b>	<b>1,565,793</b>	-	-	<b>46,271,763</b>	<b>183</b>	<b>126.13</b>
Summary of Base Adjustments	93,372	-	485,636	(170,937)	-	-	408,071	(3)	(2.06)
<b>2023-25 Base Budget</b>	<b>15,263,633</b>	-	<b>30,021,345</b>	<b>1,394,856</b>	-	-	<b>46,679,834</b>	<b>180</b>	<b>124.07</b>
010: Non-PICS Pers Svc/Vacancy Factor	1,574	-	(228,299)	11,605	-	-	(215,120)	-	-
020: Phase In / Out Pgm & One-time Cost	(2,380,000)	-	-	-	-	-	(2,380,000)	-	-
030: Inflation & Price List Adjustments	256,803	-	500,537	48,004	-	-	805,344	-	-
<b>2023-25 Current Service Level</b>	<b>13,142,010</b>	-	<b>30,293,583</b>	<b>1,454,465</b>	-	-	<b>44,890,058</b>	<b>180</b>	<b>124.07</b>
<b>Adjusted 2023-25 Current Service Level</b>	<b>13,142,010</b>	-	<b>30,293,583</b>	<b>1,454,465</b>	-	-	<b>44,890,058</b>	<b>180</b>	<b>124.07</b>
<b>Total LFO Recommended Packages</b>	<b>1,693,715</b>	-	<b>2,631,689</b>	<b>977,409</b>	-	-	<b>5,302,813</b>	<b>4</b>	<b>3.64</b>
<b>2023-25 Legislative Actions</b>	<b>14,835,725</b>	-	<b>32,925,272</b>	<b>2,431,874</b>	-	-	<b>50,192,871</b>	<b>184</b>	<b>127.71</b>
Net change from 2021-23 Leg Approved Budget	(334,536)	-	3,389,563	866,081	-	-	3,921,108	1	1.58
Percent change from 2021-23 Leg Approved Budget	(2.2%)	0.0%	11.5%	55.3%	0.0%	0.0%	8.5%	0.6%	1.3%
Net change from 2023-25 Adj Current Service Level	1,693,715	-	2,631,689	977,409	-	-	5,302,813	4	3.64
Percent change from 2023-25 Adj Current Service Level	12.9%	0.0%	8.7%	67.2%	0.0%	0.0%	11.8%	2.2%	2.9%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 110 NVC - ODA Labs**

Package Description This package is to support the increased rent and moving costs associated with moving the ODA labs into the North Valley Complex.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	<b>2,212,562</b>	-	-	-	-	-	<b>2,212,562</b>	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 230 Cannabis Lab Capacity**

Package Description Oregon’s cannabis laws and programs are shared between the Oregon Liquor and Cannabis Commission (marijuana) and ODA (hemp). This package requests three Chemists (2.64 FTE) and resources to increase capacity for cannabis testing using ODA’s lab infrastructure. This package is supported by a transfer of marijuana licensee revenue from OLCC and has an accompanying budget note for both agencies, outlining the necessity for an inter-agency agreement.

LFO Recommendation Approve the package.

LFO Recommended	-	-	2,281,689	-	-	-	2,281,689	3	2.64
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 260 Avian Influenza Program**

Package Description This package will continue a limited duration Program Analyst (1.00 FTE) in the Animal Health Program for ongoing work with the U.S. Department of Agriculture (USDA). The position will continue to serve as the Avian Coordinator, which has been addressing an ongoing body of work for the last three biennia, including outreach and education to reduce avian influenza threats and disease prevention planning with poultry producers. Federal Funds are provided by the USDA, through the umbrella cooperative agreement.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	-	177,409	-	-	177,409	1	1.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 270 Weights & Measures Revenue and Limitation**

Package Description This package requests ratification of administrative fee increases, as well as an increase in expenditure limitation supported by the additional revenue anticipated in the Weights and Measures Program during the 2023-25 biennium. The program licenses and inspects commercial weighing and measuring devices to ensure equity across commercial operations and is entirely supported by license and fee revenue. The increase in expenditure limitation will predominantly cover replacement of laboratory equipment and vehicles.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	<b>350,000</b>	-	-	-	<b>350,000</b>	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 463 Agency Fee Ratification**

Package Description This revenue package ratifies fees that were adopted administratively by the agency during the 2021-23 biennium. This includes a 7% increase for Food Safety license fees, as well as an increase to the fee caps for the Livestock ID program.

LFO Recommendation Approve the package.

LFO Recommended	-	-	-	-	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 801 LFO Analyst Adjustments**

Package Description This package reduces rent associated with the lease for the Food Innovation Center in Portland. The Department will be moving out of this space and into the North Valley Complex in Wilsonville.

Additionally, this package provides Federal Funds expenditure limitation for the Food Safety Policy Area related to the Meat Inspection program created by HB 4206 during the 2020 1st Special Session. This reimbursement-based funding supports the Food Safety positions that are already established within the Department.

LFO Recommendation

<b>LFO Recommended</b>	<b>(518,847)</b>	-	-	<b>800,000</b>	-	-	<b>281,153</b>	-	-
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	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
<b>2021-23 Agy. Leg. Adopted</b>	<b>12,543,434</b>	<b>10,375,039</b>	<b>22,138,269</b>	<b>8,679,065</b>	-	-	<b>53,735,807</b>	<b>160</b>	<b>140.63</b>
2021-23 Ebds, SS & Admin Act	6,003,953	1,213,188	650,281	130,283	-	-	7,997,705	12	5.84
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2021-23 Leg Approved Budget</b>	<b>18,547,387</b>	<b>11,588,227</b>	<b>22,788,550</b>	<b>8,809,348</b>	-	-	<b>61,733,512</b>	<b>172</b>	<b>146.47</b>
<b>2021-23 Leg Approved Budget (Base)</b>	<b>16,805,146</b>	<b>11,588,227</b>	<b>22,788,550</b>	<b>8,809,348</b>	-	-	<b>59,991,271</b>	<b>171</b>	<b>146.14</b>
Summary of Base Adjustments	(75,751)	(1,437,557)	222,714	(95,936)	-	-	(1,386,530)	(23)	(13.02)
<b>2023-25 Base Budget</b>	<b>16,729,395</b>	<b>10,150,670</b>	<b>23,011,264</b>	<b>8,713,412</b>	-	-	<b>58,604,741</b>	<b>148</b>	<b>133.12</b>
010: Non-PICS Pers Svc/Vacancy Factor	(47,267)	(52,683)	34,290	30,946	-	-	(34,714)	-	-
020: Phase In / Out Pgm & One-time Cost	(4,861,948)	(1,409,591)	(22,208)	(159,242)	-	-	(6,452,989)	-	-
030: Inflation & Price List Adjustments	293,298	171,368	641,022	170,963	-	-	1,276,651	-	-
<b>2023-25 Current Service Level</b>	<b>12,113,478</b>	<b>8,859,764</b>	<b>23,664,368</b>	<b>8,756,079</b>	-	-	<b>53,393,689</b>	<b>148</b>	<b>133.12</b>
<b>Adjusted 2023-25 Current Service Level</b>	<b>12,113,478</b>	<b>8,859,764</b>	<b>23,664,368</b>	<b>8,756,079</b>	-	-	<b>53,393,689</b>	<b>148</b>	<b>133.12</b>
<b>Total LFO Recommended Packages</b>	<b>2,174,798</b>	-	<b>903,496</b>	-	-	-	<b>3,078,294</b>	<b>7</b>	<b>4.00</b>
<b>2023-25 Legislative Actions</b>	<b>14,288,276</b>	<b>8,859,764</b>	<b>24,567,864</b>	<b>8,756,079</b>	-	-	<b>56,471,983</b>	<b>155</b>	<b>137.12</b>
Net change from 2021-23 Leg Approved Budget	(4,259,111)	(2,728,463)	1,779,314	(53,269)	-	-	(5,261,529)	(17)	(9.35)
Percent change from 2021-23 Leg Approved Budget	(23.0%)	(23.6%)	7.8%	(0.6%)	0.0%	0.0%	(8.5%)	(9.9%)	(6.4%)
Net change from 2023-25 Adj Current Service Level	2,174,798	-	903,496	-	-	-	3,078,294	7	4.00
Percent change from 2023-25 Adj Current Service Level	18.0%	0.0%	3.8%	0.0%	0.0%	0.0%	5.8%	4.7%	3.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 110 NVC - ODA Labs**

Package Description This package is to support the increased rent and moving costs associated with moving the ODA labs into the North Valley Complex.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	<b>1,629,782</b>	-	-	-	-	-	<b>1,629,782</b>	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 310 Japanese Beetle Eradication**

Package Description ODA has been working towards Japanese beetle eradication in Oregon since 2017. The objective of the Japanese Beetle Eradication program is to protect agriculture in the Western United States and prevent the spread of the beetle from the Eastern states. Each state is categorized by their pest status, with Category 1 being the most desirable. Oregon has successfully maintained its Category 1 status, which classifies the state as a pest-free area due to continued surveys, an active eradication program, and maintenance of a quarantine against the Japanese beetle.

This package includes continuation of six limited duration positions (3.00 FTE) as well as services and supplies to continue limited operations of the Japanese Beetle eradication program. This package also has an associated budget note requiring ODA to report to the Legislature during the 2024 legislative session with the current status and results of the agency’s surveillance and treatment.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	<b>979,147</b>	-	-	-	-	-	<b>979,147</b>	<b>6</b>	<b>3.00</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 370 Pesticide Enforcement Capacity**

Package Description This package establishes two permanent, full-time Natural Resource Specialist 3 positions (2.00 FTE) to provide capacity to respond to pesticide incidents related to cannabis. This is a reestablishment of positions previously funded by a transfer from the Oregon Liquor and Cannabis Commission (OLCC). However, the transfer is not assumed in this package; instead the positions are being established and supported by pesticide fee revenue.

LFO Recommendation Approve the package.

LFO Recommended	-	-	555,532	-	-	-	555,532	2	2.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 461 Agency Position Clean Up**

Package Description The purpose of this package is to clean up agency position classifications across the agency and establish positions to resolve double-fills. This package reclassifies several positions and establishes a Business Operations Manager 1 position (1.00 FTE) in the Pesticides Program. Agencywide, this package balances General Fund to net zero.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	<b>29,169</b>	<b>-</b>	<b>347,964</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>377,133</b>	<b>1</b>	<b>1.00</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 463 Agency Fee Ratification**

Package Description This revenue package ratifies fees that were adopted administratively by the agency during the 2021-23 biennium. This includes a \$40, or 12.5% increase for the pesticide product registration fee. The fee was last increased in 2016, and the additional revenue from this increase will help to maintain current service levels and stabilize funding.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	-	-	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 802 Vacant Position Reductions**

Package Description This package reduces two long-term vacancies, and the associated services and supplies supporting the positions. The vacancies include an Office Manager 1 (1.00 FTE) and a Natural Resources Specialist 4 (1.00 FTE) which have both been vacant for more than two years.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	<b>(463,300)</b>	-	-	-	-	-	<b>(463,300)</b>	<b>(2)</b>	<b>(2.00)</b>
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	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
<b>2021-23 Agy. Leg. Adopted</b>	<b>3,739,684</b>	-	<b>19,182,107</b>	<b>7,979,478</b>	-	-	<b>30,901,269</b>	<b>138</b>	<b>92.90</b>
2021-23 Ebds, SS & Admin Act	82,487	-	457,350	75,239	-	-	615,076	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2021-23 Leg Approved Budget</b>	<b>3,822,171</b>	-	<b>19,639,457</b>	<b>8,054,717</b>	-	-	<b>31,516,345</b>	<b>138</b>	<b>92.90</b>
<b>2021-23 Leg Approved Budget (Base)</b>	<b>3,822,171</b>	-	<b>19,639,457</b>	<b>8,054,717</b>	-	-	<b>31,516,345</b>	<b>138</b>	<b>92.90</b>
Summary of Base Adjustments	60,983	-	651,025	(815,820)	-	-	(103,812)	(5)	(5.00)
<b>2023-25 Base Budget</b>	<b>3,883,154</b>	-	<b>20,290,482</b>	<b>7,238,897</b>	-	-	<b>31,412,533</b>	<b>133</b>	<b>87.90</b>
010: Non-PICS Pers Svc/Vacancy Factor	(20,824)	-	(71,226)	701	-	-	(91,349)	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	-	(604,197)	-	-	(604,197)	-	-
030: Inflation & Price List Adjustments	81,856	-	362,137	242,334	-	-	686,327	-	-
<b>2023-25 Current Service Level</b>	<b>3,944,186</b>	-	<b>20,581,393</b>	<b>6,877,735</b>	-	-	<b>31,403,314</b>	<b>133</b>	<b>87.90</b>
070: Revenue Reductions/Shortfall	-	-	(84,155)	-	-	-	(84,155)	-	-
<b>Adjusted 2023-25 Current Service Level</b>	<b>3,944,186</b>	-	<b>20,497,238</b>	<b>6,877,735</b>	-	-	<b>31,319,159</b>	<b>133</b>	<b>87.90</b>
<b>Total LFO Recommended Packages</b>	<b>999,722</b>	-	<b>122,532</b>	<b>1,400,000</b>	-	-	<b>2,522,254</b>	<b>5</b>	<b>5.00</b>
<b>2023-25 Legislative Actions</b>	<b>4,943,908</b>	-	<b>20,619,770</b>	<b>8,277,735</b>	-	-	<b>33,841,413</b>	<b>138</b>	<b>92.90</b>
Net change from 2021-23 Leg Approved Budget	1,121,737	-	980,313	223,018	-	-	2,325,068	-	-
Percent change from 2021-23 Leg Approved Budget	29.4%	0.0%	5.0%	2.8%	0.0%	0.0%	7.4%	0.0%	0.0%
Net change from 2023-25 Adj Current Service Level	999,722	-	122,532	1,400,000	-	-	2,522,254	5	5.00
Percent change from 2023-25 Adj Current Service Level	25.4%	0.0%	0.6%	20.4%	0.0%	0.0%	8.1%	3.8%	5.7%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 070 Revenue Shortfalls**

Package Description This package reduces Other Funds expenditure limitation to balance the current service level budget with available resources for the Smoke Management Program.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	(84,155)	-	-	-	(84,155)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 110 NVC - ODA Labs**

Package Description This package is to support the increased rent and moving costs associated with moving the ODA labs into the North Valley Complex.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	<b>1,160,056</b>	-	-	-	-	-	<b>1,160,056</b>	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 420 Farm to School Infrastructure Grants**

Package Description The Farm to School Equipment and Infrastructure Grant program enhances access to school meal programs for small and local farms and food manufacturers. The funding for the program has historically been appropriated to the Oregon Department of Education (ODE), and made available to ODA to administer the grant through an interagency agreement and funds transfer. This package shifts \$249,299 General Fund appropriation from ODE to ODA in order to reduce the administrative work associated with the funds transfer and increase the timeframe available to awardees to complete their projects. This package also provides an additional \$250,701 General Fund to increase the program to a total of \$500,000.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	<b>500,000</b>	-	-	-	-	-	<b>500,000</b>	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 440 Food Safety Modernization Act**

Package Description The Food Safety Modernization Act (FSMA) is a comprehensive federal law that protects consumers from food-borne illnesses. This package provides Federal Funds expenditure limitation, supported by grant funds, to support the continued implementation of the Food Safety Modernization Act. These funds allow ODA to continue five limited duration staff (5.00 FTE) to provide extensive outreach, education, and technical assistance to produce farmers, as well as build a farm inventory, as required by the grant.

LFO Recommendation Approve the package.

<b>LFO Recommended</b>	-	-	-	1,400,000	-	-	1,400,000	5	5.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 461 Agency Position Clean Up**

Package Description The purpose of this package is to clean up agency position classifications across the agency and establish positions to resolve double-fills. This package establishes two permanent, full-time Shipping Point Inspector positions (2.00 FTE), and moves two positions to the Administration and Support Services division. Agencywide, this package balances General Fund to net zero.

LFO Recommendation Approve the package.

LFO Recommended	(365,339)	-	100,269	-	-	-	(265,070)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 462 Deferred Maintenance**

Package Description This package requests two percent of the current replacement value of the Department's owned buildings for compliance with SB 1067 (2017). Funding would go towards deferred maintenance projects in the Department's Hawthorne facility.

LFO Recommendation

<b>LFO Recommended</b>	-	-	22,263	-	-	-	22,263	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 463 Agency Fee Ratification**

Package Description This revenue package ratifies fees that were adopted administratively by the agency during the 2021-23 biennium in the Certifications and Seed programs.

LFO Recommendation

LFO Recommended	-	-	-	-	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 801 LFO Analyst Adjustments**

Package Description This package reduces rent associated with the lease for the Food Innovation Center in Portland. The Department will be moving out of this space and into the North Valley Complex in Wilsonville.

LFO Recommendation

<b>LFO Recommended</b>	<b>(294,995)</b>	-	-	-	-	-	<b>(294,995)</b>	-	-
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# Legislatively Proposed 2023 - 2025 Key Performance Measures

Published: 5/23/2023 11:31:23 PM

**Agency:** Department of Agriculture

**Mission Statement:**

Ensure healthy natural resources, environment, and economy for Oregonians now and in the future through inspection and certification, regulation, and promotion of agriculture and food

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2024	Target 2025
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	91.80%	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	90.40%	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	91%	90%	90%
4. Noxious Weed Control - Percentage of state "A & T" listed noxious weed populations successfully excluded from the state are decreasing or stable.		Approved	77%	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	37%	50%	50%
6. Pesticide Investigations - Percent of pesticide investigations that result in enforcement actions.		Approved	32%	30%	30%
7. Non-traditional 3rd party certification services - Percentage of certifications issued within 15 days of audit completion.		Approved	60%	80%	80%
8. Trade Activities - Sales as a result of trade activities with Oregon producers and processors.		Approved	\$38,640,000.00	\$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	164	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	97.78%	95%	95%
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	8	5	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	14%	25%	25%
	b) Percent of monitored stream sites associated with predominantly agriculture use with water quality in good to excellent condition.		49%	60%	60%
	c) Percent of monitored stream sites associated with predominantly agriculture use with decreasing trends in water quality.		17%	8%	8%

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2024	Target 2025
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	85%	90%	90%
	b) Helpfulness		86%	90%	90%
	c) Timeliness		85%	90%	90%
	d) Accuracy		87%	90%	90%
	e) Expertise		89%	90%	90%
	f) Overall			87%	90%

**LFO Recommendation:**

The Legislative Fiscal Office recommends approval of the proposed Key Performance Measures and targets.

**SubCommittee Action:**