



Legislative Fiscal Office
83rd Oregon Legislative Assembly
2025 Regular Session

Prepared by: Twais Broadus
Reviewed by: Katie Bannikov
Date: February 11, 2025

Bill Title: Relating to food establishment licenses.

Government Unit(s) Affected: Department of Agriculture

<Corrected effective date.>

Summary of Fiscal Impact

There is minimal fiscal impact for the Department of Agriculture - see explanatory analysis.

Measure Description

The measure authorizes the Oregon Department of Agriculture (ODA) to adjust food establishment license fees under ORS 616.706. ODA may adopt rules increasing license fees annually, provided the increase does not exceed 3% of the previous year's fee for establishments of the same type and gross sales volume. The measure allows ODA to round fees to the next whole dollar and limits fee adjustments to once per year. The measure removes the end date on annual fee increases for the food establishment licenses, thereby allowing annual increases beyond the license year that begins July 1, 2025.

Fiscal Analysis

The measure authorizes ODA to increase food establishment license fees annually by up to 3%. The Food Safety Program, which regulates and inspects food establishments other than restaurants, is funded through a combination of fee revenue (Other Funds) and General Fund support. The program collaborates with the Food Safety Advisory Committee to maintain industry engagement and program sustainability.

The measure is projected to generate an increase of approximately \$140,152 in fee revenue for a total of \$9.1 million in Other Funds revenue for the 2025-27 biennium from food establishment license fees. The actual revenue impact will depend on the number of licensed establishments and ODA's implementation of the fee adjustment. Administrative and rulemaking costs associated with the measure are expected to be minimal.

This measure is linked to Policy Option Package 210: Food Safety Fee Adjustment in the ODA 2025-27 Governor's budget. The package includes a placeholder revenue amount since actual fee levels for 2025-27 are not yet finalized.

Relevant Dates

The measure takes effect on January 1, 2026.