

Testimony before Joint Subcommittee on Natural Resources Senate Bill 5502 - Relating to the financial administration of the State Department of Agriculture

By Jeff Stone, Executive Director, Oregon Association of Nurseries March 26, 2025

Co-Chairs Sen. Frederick and Rep. Levy, members of the committee, my name is Jeff Stone, and I serve as the Executive Director of the Oregon Association of Nurseries. The association and its members are enthusiastic supporters of Senate Bill 5502 – which funds the Oregon Department of Agriculture.

Background on the Nursery and Greenhouse Industry

The nursery and greenhouse industry is the state's largest agricultural sector, with over \$1.2 billion in sales across the nation and the globe. Nationally, Oregon ranks third in nursery production. **Traded Sector:** Nearly 80% of the nursery stock grown in our state leaves our borders – with over 50% reaching markets east of the Mississippi River. **By the numbers:** #1 in US: sales of conifers, shade trees, Christmas trees, and flowering trees. \$443.2 million in annual payroll - \$44,108 average annual pay. We send ecologically friendly, carbon sequestering, green products out of the state, and we bring traded sector dollars back to Oregon. **Who we are:** Nursery association members represent wholesale plant growers, Christmas tree growers, retailers, and greenhouse operators. Our members are located throughout the state, with our largest nursery growing operations found in Clackamas, Marion, Washington, Yamhill, and Multnomah Counties.

ODA programs help the industry thrive and protect plant production

The Nursery and Christmas Tree Program assists the nursery and greenhouse industry in the production, marketing and protection from pests and diseases. Oregon is recognized as a leader in pest and disease protection by assisting operations in their efforts to propagate nursery stock that is free of dangerous pathogens.

ODA staff have earned a national reputation among state plant health officials for their leadership, effectiveness, dedication and innovative approach to plant pest and disease issues. It is vitally important to preserve those ODA staff and programs that allow Oregon to quickly and effectively address emerging pest and disease threats. The OAN and ODA worked jointly to create and distribute the "Safe Procurement and Production Manual: A System Approach for the Production of Health Nursery Stock". While the manual was designed to deal with Sudden Oak Death (P. ramorum), it applies to all production methods and types to prevent myriad production issues. This effort has been shared with the Oregon Department of Forestry as a guide to slow down the spread of SOD.

The nursery industry pays for the program through its license fees. The license and inspection provide certainty for growers and their customers and the certification is critical for the shipment of plant material throughout the United States and abroad. The inspection of plant material entering the state is a joint venture between ODA and the United States Department of Agriculture, Animal Plant Health Inspection Service (USDA - APHIS). Oregon growers are very careful about bringing plants into the state and the behavior of a plant can vary depending on the climate. No grower benefits for bringing in an invasive species or plant into our state.

Since the industry is a significant contributor to the nursery program at ODA, it is essential for the economic well-being of the industry that this program is adequately funded.

ODA is the first line of defense against harmful plant pests

Inspections of nursery stock serve as a first line of defense against invasive species. Early detection reduces the likelihood of potentially harmful plant pests entering a nurseries' production system and into the environment. In cooperation with our Plant Health Program, the Nursery Program ensures clean nursery stock for growers is available through our certification programs for blueberries, fruit tree and grapevine.

The ODA works closely with our partners at USDA APHIS PPQ to execute cooperative agreements, allowing some growers to participate in federal programs, such as US Greenhouse Certification Program which streamline exports to Canada. Our partnership executing the *Phytophthora ramorum* Program continues to be a priority as we work towards upholding the federal quarantine, ensuring that Oregon nursery industry at large is able to ship interstate without restrictions. In times of emergency pest response, our relationship has fostered response plans which have resulted in successfully removing potentially harmful material. In recent years ODA and AHPIS PPQ have coordinated responses to *Ralstonia solanocearum*, boxtree moth, citrus canker and *Phytophthora austrocedri*.

These responses can be a hard pill to swallow for nursery operators, but that tension has been alleviated with the partnership between the ODA and the OAN. Bad news does not get better with time and the association and its members which to resolve emerging issues and are open to productive dialogue. ODA threads the needle between their regulatory mission while supporting the health of the Oregon nursery industry.

Here are some statistics for your review

- Oregon continues to be the #1 producer of Christmas trees with 322 licensed growers. Approximately 4.8 million trees sold around the world, valued at ~ \$160 million (USDA-NASS 2022).
- Historical export patterns hold true as Canada and Mexico continue to be the top importers of Oregon grown nursery stock and Christmas trees.

2024	CAN	MX
Nursery	55%	22%
Xmas	8%	80%

• 322 Christmas tree growers and ~10% ship out of state.

Number of Nursery Licenses

	Dealer	Nursery Stock	Greenhouse
2019	1,740	811	293
2020	1,644	745	270
2021	1,721	804	309
2022	1,745	812	310
2023	1,681	838	308
2024	1,636	907	310

 $[\]rightarrow$ Total for 2024 = 2,853

The 2025-27 Budget is relatively flat and should be approved

Overall, the ODA budget is flat. The governor's budget is lean and makes reductions in economic development and through vacancy savings. I would encourage the subcommittee to evaluate and approve funding that does not necessarily show up in the budget - Vine Mealybug, Invasive Species Council one-time funds as examples. We are supportive of the ODA priority for bond funds to pay for IT modernization.

The OAN, through Senate Bill 576, is requesting \$2 million to eradicate the Japanese Beetle and support \$3 million in funding through the ODF budget for Sudden Oak Death.

These investments pay off and there is tremendous uncertainty for many of the department's IPPM and weeds programs, which are dependent on federal funds. I merely wish to flag these uncertainties as it directly impacts the state's plant and disease work.

The nursery industry is a partner and investor in ODA

It is our strong opinion that the legislature needs to adequately invest in the ODA and the programs that promote and protect Oregon's agricultural sectors. Please support Senate Bill 5502. Thank you for your time and attention.