



Legislative Fiscal Office
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Bill Title: Relating to seed contract payments; declaring an emergency.

Government Unit(s) Affected: Employment Department, Department of Agriculture

Summary of Fiscal Impact:

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

Measure Description

The measure modifies enforcement and payment requirements for seed production and seed purchase contracts administered by the Oregon Department of Agriculture (ODA), including timelines, interest calculations, and related fee caps. Changes include:

- Requires seed dealers to pay delinquent amounts within 30 days of written notice, plus interest calculated at one percent above the bank prime loan rate per month;
- Requires seed dealers to provide documentation verifying payment within the 30-day period;
- Increases the maximum fee for determining payment from \$50 to \$100 and increases the maximum amount for the related notice fee from \$200 to \$400;
- Adjusts fees by decreasing the maximum determination fee from \$200 to \$100 and increasing the maximum notice fee from \$50 to \$400.

The measure also clarifies that department notices are subject to administrative appeal procedures and requires suspension of a seed dealer license if payment is not made within the required timeframe.

Fiscal Analysis

The fiscal impact to ODA is minimal and limited to Other Funds. By increasing the statutory caps on seed contract payment determination and notice fees, ODA may administratively adjust fee amounts to recover the costs of reviewing delinquent payment complaints under seed production and seed purchase contracts. The fees are assessed on a per-instance basis and transaction volume varies by growing season, resulting in an indeterminate revenue impact that depends on complaint activity and whether the agency elects to adjust fees by rule. Any fee changes would require rulemaking and legislative ratification, and ODA will evaluate program costs and community input before proposing adjustments.

Other entities

The measure is estimated to have no fiscal Impact on the Employment Department, Office of Administrative Hearings.

Relevant Dates

The measure declares an emergency and takes effect on passage.