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ARCHIVES DIVISION

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NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 603
DEPARTMENT OF AGRICULTURE

FILED

06/27/2024 12:30 PM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Livestock brand inspection fee rule update including per head, waiting, and cancellations.

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 07/26/2024 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

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Filed By:
Sunny Summers
Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 07/15/2024

TIME: 3:00 PM - 4:00 PM

OFFICER: Sunny Summers

REMOTE HEARING DETAILS

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 503-446-4951

CONFERENCE ID: 283133357631

SPECIAL INSTRUCTIONS:

Meeting ID: 283 133 357 631

Passcode: GAVHJV

Or, by phone

+1 503-446-4951,,471516507#

NEED FOR THE RULE(S)

Livestock ID program is fully supported by inspection fees. For the program to maintain the program at its current service levels a fee increase is required. In addition, the industry seeks to have the program operate more efficiently, so options for fees associated with inspection related delays and added resource needs are included to recover costs incurred outside the programs ability to control.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

ORS 604.046 & 604.066

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

Amendments to these rules will not impact racial equity.

FISCAL AND ECONOMIC IMPACT:

The Livestock Identification Program is 100% fee based. The effect of the rule changes is that an additional estimated \$200,000 will be collected annually from cattle per head inspection fee.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s):

Increase in fees will impact the cattle industry, including ranches, auction yards, dairy farms, and feed lots.

(2) Effect on small businesses: (a) estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

Fees will impact entire cattle industry, estimated at 15,000 farming operations throughout the state, including cattle ranch operations, dairy farms, feed lots, auction yards, and processing facilities. The rule changes are not expected to change the reporting or administrative costs as the fee collection system is existing infrastructure.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Livestock Brand advisory committee involved with rule drafting process and provided substantial input into rule language creation and approval.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES

RULES PROPOSED:

603-014-0055, 603-014-0065, 603-014-0095

AMEND: 603-014-0055

RULE SUMMARY: Adds language for a discretionary waiting fee if livestock are not presented in a timely manner.

Adds provisions for billing of department costs associated with a 'no show' for scheduled inspections.

Adds language for hourly billing and mile traveled rates for services provided that do not fall under the per head model.

CHANGES TO RULE:

603-014-0055

Service Fee ¶¶

(1) The service fee provided for in ORS 604.046(2) shall apply any time a livestock program employee travels specifically with the intent to conduct a brand inspection.¶¶

(2) The service fee is \$35 per travel location.¶¶

(3) At the discretion of the livestock program, a waiting fee may apply any time a livestock inspector travels specifically or the responsible person are unavailable at the scheduled inspection time or if there is an interruption of the inspection where a livestock program employee is unable to perform their inspection duties. The time spent waiting by the livestock program employee shall be considered waiting time. ¶¶

(a) The program employee must notify a representative of the person requesting the inspection of the initiation of

~~wait with the intent to conduct a brand inspection.~~¶

~~(b) Waiting time shall be charged as detailed in section 6 of this rule.~~¶

~~(4) Waiting time shall be charged in addition to any service fee incurred.~~¶

~~(5) If a brand inspection has been scheduled and the person requesting the inspection is unavailable or unable to present livestock for inspection, the hourly inspector rate, including travel time and mileage associated with the scheduled inspection shall apply to the "no show" event.~~¶

~~(2a) The service fee is \$35 per travel location; time spent traveling will be billed at the rate detailed in section 6 of this rule.~~¶

~~(b) When travel is incurred, mileage will be charged at the rate per mile established by the Department of Administrative Services.~~¶

~~(6) In situations where the inspection fee detailed in OAR 603-014-0095 is not applicable to the activity conducted by the livestock program employee, including, but not limited to waiting time or an inspection "no show," rates are billed at \$50 per hour rounded to the nearest quarter hour.~~

Statutory/Other Authority: ORS 561.190

Statutes/Other Implemented: ORS 604.046(2)

AMEND: 603-014-0065

RULE SUMMARY: Modified Service Fee billing to allow for a fee for each inspector.

Clarified that a Service Fees exemption exists for a brand inspector that is in training by the department.

CHANGES TO RULE:

603-014-0065

Service Fee Exemptions ¶

~~(1) The service fee required described by in OAR 603-014-0055 shall not apply to the following:¶~~

~~(1) Cattle and equine~~ when livestock that are presented for inspection at place where a livestock ~~inspector~~ program employee is present, and the owner or occupant of that place allows the use of their property to conduct the inspection. The service charge may or may not have already been paid by the person who caused the inspector to be at that place.¶

~~(2) At auction markets where multiple inspectors are required~~ livestock program employees are necessary to adequately inspect ~~cattle~~ livestock prior to ~~their sale, only sale,~~ one service fee will be charged ~~per sale~~ for each assigned livestock program employee per sale event.¶

~~(3) A service fee may not be charged for a livestock program employee that is in training by the Department.~~

Statutory/Other Authority: ORS 561.190

Statutes/Other Implemented: ORS 604.046(2)

AMEND: 603-014-0095

RULE SUMMARY: Increases inspection per head to \$1.35.

Modifies Transportation book fees to match updated cost and includes cost of shipping/handling.

CHANGES TO RULE:

603-014-0095

Brand Inspection Fee ¶

(1) The brand inspection fee for cattle, ~~as provided by ORS 604.066(2)~~, shall be \$1.135 per head.¶

(2) The brand inspection fee for cattle hides shall be \$1.50 per hide.¶

(3) The brand inspection fee for self-inspection (E-certificates) on cattle shall be \$1.135 per head.¶

(4) The charge for cattle transportation certificates, ~~as authorized by ORS 561.180(4)~~, printed by the Department shall be \$43.50 per book plus postal or freight charges for shipping the requested certificate books sent first class or bulk rate based on weight.

Statutory/Other Authority: ORS 561.180075, ORS 604.027, ORS 607.261

Statutes/Other Implemented: ORS 604.066