OFFICE OF THE SECRETARY OF STATE

TOBIAS READ SECRETARY OF STATE

MICHAEL KAPLAN
DEPUTY SECRETARY OF STATE



ARCHIVES DIVISION

STEPHANIE CLARK DIRECTOR

800 SUMMER STREET NE SALEM, OR 97310 503-373-0701

NOTICE OF PROPOSED RULEMAKING

INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 603

DEPARTMENT OF AGRICULTURE

FILED

08/28/2025 2:51 PM ARCHIVES DIVISION SECRETARY OF STATE

FILING CAPTION: Increases to Brand Fees

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 10/03/2025 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:

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Sunny Summers

Rules Coordinator

HEARING(S)

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

DATE: 09/30/2025

TIME: 10:00 AM - 10:30 AM OFFICER: Sunny Summers

REMOTE HEARING DETAILS

MEETING URL: Click here to join the meeting

PHONE NUMBER: 503-446-4951 CONFERENCE ID: 2429630745199

SPECIAL INSTRUCTIONS:

Meeting ID: 242 963 074 519 9

Passcode: Dt2EZ3bc

Dial in by phone

+1503-446-4951,,70979394#

NEED FOR THE RULE(S)

The amendments to OAR 603-014-0045, 603-014-0047, and 603-014-0095 are necessary to implement the statutory fee adjustments authorized under SB 1019 (2025). These rule changes update the fee amounts for brand inspection services and for the activation and renewal of livestock brands. The updated fees will help ensure that ODA can continue to administer and enforce Oregon's livestock identification and traceability program.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

Senate Bill 1019 - Oregon Legislative Website

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

ODA does not anticipate a direct impact on racial equity as a result of the proposed fee increases to brand inspection and brand registration services. The fee adjustments apply uniformly to all livestock owners and brand holders and do not differentiate based on race, ethnicity, or other protected characteristics.

However, ODA acknowledges that access to land, capital, and participation in livestock production has historically been inequitable, with Black, Indigenous, and other people of color facing systemic barriers in agriculture. While these rule changes are intended to support the financial sustainability of Oregon's livestock identification program, even incremental increases in fees could disproportionately affect historically underserved producers operating with narrower profit margins.

FISCAL AND ECONOMIC IMPACT:

The program has endeavored over time to match fees with the value of the service provided. The costs of administering the program have increased significantly and this increase is needed to continue providing services at this time. Among the 11,699 farms reporting cattle and calves' inventory in the 2022 Census of Agriculture, nearly 90% of those farms run fewer than 100 head. Thus, the increase of \$0.40 per head for brand inspection fees will cost an average of \$40-\$50 more per year, depending on how often they need services from the brand program. Additionally, the Department has about 11,000 brands recorded in the state. The fee increase will cost those brand owners an additional \$25 per year (for a total of \$100) for their 4-year brand registration cycle.

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):

The proposed rule amendments will primarily affect livestock owners and brand holders who are members of the public. These individuals and businesses will experience increased costs for brand inspections and brand registration or renewal.

No direct economic impact is anticipated for other state agencies or units of local government.

- (2) Effect on small businesses:
- (a) Estimate the number and type of small businesses subject to the rule(s):

The rule amendments may affect an estimated 10,000 small livestock producers and brand holders in Oregon. These include ranchers, small family farms, and operators of small livestock-based businesses (e.g., cattle, equine, sheep, and goat operations). Many of these entities meet the definition of small business under ORS 183.310(10).

(b) Describe the expected reporting, recordkeeping, and administrative activities and cost required to comply with the rule(s):

The proposed rules do not create new reporting or recordkeeping requirements. Existing procedures remain unchanged; only the fee amounts are being updated. Livestock producers and brand holders will continue to follow standard processes for requesting inspections and submitting brand registration or renewal forms. Administrative burden is not expected to increase.

(c) Estimate the cost of professional services, equipment, supplies, labor, and increased administration required to comply with the rule(s):

The only additional cost to small businesses will be the increased fees for ODA services. These may include:

- Brand inspection fees (per head to provide service)
- Brand activation or renewal fees

While exact costs will vary by operation size and frequency of inspections, the estimated additional annual cost per small business is likely to range from \$25 to \$300, depending on service use. No new equipment, professional services, or labor costs are expected to result from the rule changes.

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

Small businesses were involved through the legislative process for SB 1019 (2025). ODA also discussed the proposed fee increases with a Brands Advisory Group, which includes representatives from the livestock industry and service users, including members who operate small businesses. Input from this advisory group helped inform the structure and timing of the proposed fee adjustments.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

The Brands Advisory Group was used.

RULES PROPOSED:

603-014-0045, 603-014-0047, 603-014-0095

AMEND: 603-014-0045

RULE SUMMARY: Increases Application and Activation Fees for New Certificates of Recordation of Brands

CHANGES TO RULE:

603-014-0045

Application and Activation Fees for New Certificates of Recordation of Brands ¶

- (1) If a person desires to record a distinctive brand on a location on a species of livestock, the person may apply for a certificate of recordation as provided in this section.¶
- (2) To receive a certificate of recordation, the person shall submit a written application, submit all other requested documents, and pay an application fee plus an activation fee.¶
- (a) The person may submit a written application for a certificate of recordation. The application fee must accompany the application. The amount of the application fee is \$25 for each location on each species of livestock.¶
- (b) If the department determines after a review of the application that the requested brand is available, the department will project an expiration date for a certificate of recordation, inform the applicant of the projected expiration date and of the amount of the activation fee, and may request additional documents from the applicant.¶
- (c) The amount of the activation fee for each certificate of recordation will be calculated based on the livestock species and on the number of days between the date that the department determined that the requested brand is available and the projected expiration date. For all livestock species except sheep, the activation fee for a certificate of recordation shall be \$.070.14 per day, up to a maximum of \$4200. For sheep, the activation fee for a certificate of recordation shall be \$0.036 per day, up to a maximum of \$450.9
- (d) Upon receiving the information described in paragraph ($\underline{B}\underline{b}$), the applicant may submit the activation fee to the department. If the applicant does not submit the activation fee and all requested documents to the department so that the department receives them within three months of the date that the department determined that the requested brand is available, then the department's determination will be deemed rescinded without further action \P
- (3) Upon receipt of a written application, the application fee, the activation fee, and all other requested documents as provided in this section, the department will issue a certificate of recordation for the distinctive brand on the location on the species of livestock. The certificate shall allow use of the brand until the expiration date. Statutory/Other Authority: ORS 561.180, 604.027, 607.261

Statutes/Other Implemented: ORS 604.027, SB 1019 (2025)

AMEND: 603-014-0047

RULE SUMMARY: Increases renewal fees for certificates of recordation of brands

CHANGES TO RULE:

603-014-0047

Renewal Fees for Certificates of Recordation of Brands ¶

- (1) All certificates of recordation expire on their expiration dates, unless the department receives the renewal fee by the first January 4th that follows an attempt by the department to notify the holder of the need to renew.¶
- (2) The department will attempt to notify the holder during the September that precedes the expiration date of the certificate of recordation that the certificate needs to be renewed.¶
- (3)(a) The amount of the renewal fee depends on whether the new expiration date will be adjusted under OAR $603-014-0046.\P$
- (ab) If the new expiration date will not be adjusted, the certificate of recordation will be effective for four years and the amount of the renewal fee will be based on the species of livestock. For all livestock species except sheep, the renewal fee shall be 1200. For sheep, the renewal fee shall be 1200.
- (b) If the new expiration date will be adjusted, the department will attempt to notify the holder of the adjusted expiration date and of the amount of the renewal fee. The amount of the renewal fee will be calculated based on the number of years that the certificate of recordation will be effective and on the species of livestock. For livestock species except sheep, the renewal fee shall be \$25 per year. For sheep, the renewal fee shall be \$10 per year 50.¶
- (4) The department will mail the notifications described in this section to a holder of a certificate of recordation at the holder's last known address as shown on the department's records.

Statutory/Other Authority: ORS 561

Statutes/Other Implemented: ORS 604.027(1), 604.027(2), SB 1019 (2025)

AMEND: 603-014-0095

RULE SUMMARY: Increases brand inspection fee for cattle hides.

CHANGES TO RULE:

603-014-0095

Brand Inspection Fee ¶

- (1) The brand inspection fee for cattle shall be \$1.375 per head.
- (2) The brand inspection fee for cattle hides shall be \$1.52.00 per hide.¶
- (3) The brand inspection fee for self-inspection (E certificates) on cattle shall be \$1.375 per head.
- (4) The charge for cattle transportation certificates printed by the Department shall be \$3.50 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 561.075, ORS 604.027, ORS 607.261

Statutes/Other Implemented: ORS 604.066, SB 1019 (2025)