



# Memo

Date:	November 3, 2025
To:	The Honorable Senator Kate Lieber, Co-Chair The Honorable Representative Tawna Sanchez, Co-Chair Interim Joint Committee on Ways and Means
From:	Lisa Charpillouz Hanson, Director, Oregon Department of Agriculture
Subject:	Reduction Cover Letter

## MISSION AND REDUCTION STRATEGY

The mission of the Oregon Department of Agriculture (ODA) is to **Protect. Promote. Prosper.** In responding to statewide budget challenges, this mission is our compass, guiding every decision we make on behalf of the people of Oregon.

This is a complex challenge. ODA’s programs are deeply interconnected, meaning any reduction sends ripples through our agency, our partners, and the communities we serve. Therefore, our strategy is designed to protect our core operations, the foundational duties the people of Oregon have entrusted to us. While these choices are difficult and will limit our ability to tackle new or expanding responsibilities, they are essential to sustaining our capacity to perform our most critical functions and fulfilling our role as part of the solution for Oregon.

## REDUCTION OPTIONS:

All proposed reductions are one-time, except where noted.

### Reductions

We have designed these General Fund options to be as strategic and minimally disruptive as possible. First, we honor all existing contracts; no proposed reductions affect funds already committed. Second, to support our partners at the Department of Environmental Quality, the reduction to the Pesticide Stewardship Partnership is phased over time to allow for a smooth transition. Finally, many of these options, particularly the Special Payment reductions, are scalable, providing crucial flexibility.

To achieve the Lottery Funds target, we propose a one-time fund shift. This can be temporarily covered by the Nursery Program's revenues, which are sufficient to bear this shift without compromising its essential services.

The options presented for Other Funds are intended to realign dedicated fee revenue with the specific responsibilities for which it is statutorily authorized. Over time, these funds have borne costs previously funded by the General Fund and have been used to support new programs without adequate resources. This has created unsustainable financial pressure on the programs these fees were originally meant to support.

The Oregon Department of Agriculture remains committed to working with the Legislative Fiscal Office, DAS Chief Financial Office, and the Governor’s Office to identify solutions that maintain core services while balancing statewide fiscal constraints.

Cc: Amanda Beitel, Legislative Fiscal Officer  
Kate Nass, Chief Financial Officer  
Katie Bannikov, Legislative Fiscal Office Analyst  
Sione Filimoehala, Chief Financial Office Analyst

<b>Agency Name - ODA</b>																
<b>2025-27 Biennium</b>																
2025-27 LAB    46,292,447    10,014,286    99,288,854    23,782,039    -    179,377,626																

<b>Detail of Reductions to 2025-27 Legislatively Adopted Budget</b>																
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

Priority (ranked most to least preferred)		Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Gov. Reduction Target Yes / No	One-Time Yes / No	Describe the reduction and associated impact on services and outcomes. Please identify the source of Other Funds reductions.
Dept	Prgm/ Div															
ODA	1%	603	Admin	Vacancy Savings	436,626						\$ 436,626			Yes	Yes	Holds vacant NRS 5 (Admin) and OPA 2 (Admin) vacant for 24 months
ODA	1%	603	NRD	Reduces Pesticide Stewardship Partnership S&S related to ODA position	25,998						\$ 25,998			Yes	Yes	Reduces ODA Pesticide Stewardship Partnership S&S . Equal OF reduction
ODA	1%-2.5%	603	Agencywide	Additional Vacancy Savings, Position Related S&S including Mass Transit Tax	519,748						\$ 519,748			No	Yes	Holds NRS 3 and Food Safety Manager (also OF Reduction) vacant for 24 months. Position-related S&S included.
ODA	1%-2.5%	603	Market Access	Reduce Wolf Depredation Funding	174,938						\$ 174,938			No	Yes	Reduces portion of Wolf Depredation funding. Total GF provided was \$1,247,452. This leaves \$1,072,514 GF remaining.
ODA	2.5%-5%	603	Market Access	Further Reduces Wolf Depredation Funding	132,180						\$ 132,180			No	Yes	Further reduces Wolf Depredation funding. If above reduction is also taken this would leave \$940,334 remaining.
ODA	2.5%-5%	603	Market Access	Reduces Farm to School Equipment grants	307,118						\$ 307,118			No	Yes	Reduces Farm to School grant. Total GF provided was \$521,000. This leaves \$213,882 remaining.
ODA	2.5%-5%	603	Market Access	Predator Control Reductions	307,118						\$ 307,118			No	Yes	Reduce Special Payments to Counties. Total GF provided was \$545,660. This leaves \$238,542 remaining.
ODA	2.5%-5%	603	NRD	Halve Pesticide Monitoring Partnership Payments to DEQ	410,897						\$ 410,897			No	Yes	Currently pays for 4.0 FTE at DEQ to process water samples for ODA re: pesticides. This reduces special payment to half a year. Equal OF reduction.
ODA	0.01	603	NRD	Vacancy Savings		100,143					\$ 100,143			Yes	Yes	Hold vacant roughly 6 months of a NRS 4 (Ag Water Quality)
ODA	1%-2.5%	603	NRD	Vacancy Savings		150,214					\$ 150,214			No	Yes	Hold vacant NRS 4 (Ag Water Quality) an additional 10 months
ODA	2.5%-5%	603	NRD	Vacancy Savings and position related S&S including Mass Transit Tax		141,093					\$ 141,093			No	Yes	Hold vacant NRS 4 (Ag Water Quality) remainder of the biennium including position related S&S
ODA	2.5%-5%	603	Plant	Reduce LF support for 2 LF positions		109,264					\$ 109,264			No	Yes	One-time fund shift from Lottery Fund shift to Nursery, offsetting cut to OF costs to Nursery for Division Director and Office Manager
ODA	0.01	603	Market Access	Reduce OF limitation without revenue source in Comm. Commission			200,000				\$ 200,000			Yes	Yes	Reduce limitation without corresponding revenue
ODA	0.01	603	NRD	Reduces Pesticide Stewardship Partnership S&S related to ODA position			25,998				\$ 25,998			Yes	Yes	Reduces Pesticide Stewardship Partnership S&S for ODA position. Equal GF reduction
ODA	0.01	603	Agencywide	Vacancy Savings			755,729				\$ 755,729			Yes	Yes	Holds vacant two Weights and Measures Positions (CS 2 and OM 1) and one Food Safety (NRS 3)
ODA	1%-2.5%	603	Agencywide	Assorted S&S Cuts			730,581				\$ 730,581			No	Yes	\$224,477 - Pesticide, \$166,333 - OISC, \$156,300 - Lab Services, \$127,567 - Nursery, \$55,904 - Christmas Tree
ODA	1%-2.5%	603	Food Safety	Eliminate Animal Rescue Entity program			366,672				\$ 366,672			No	No	Eliminates Animal Rescue Entities. Position would stay in Animal Health and be supported by Animal Health funds
ODA	1%-2.5%	603	Plant	Eliminate one NRS 3 in Hemp			284,330				\$ 284,330	(1)	(1.00)	No	No	Eliminate vacant position in Hemp
ODA	2.5%-5%	603	Plant	Reduce LF support for 2 LF positions, shift to Nursery			(109,264)				\$ (109,264)			No	Yes	Fundshift parts of two positions on to Nursery. Equal savings to LF
ODA	2.5%-5%	603	Agencywide	Vacancy Savings. Includes position related S&S			1,558,498				\$ 1,558,498			No	Yes	Hold vacant OPA 2 (Admin), AS 1 (Hemp), NRS 3 (Plant Health Lab), OS 1 (Livestock ID), Food Safety Manager, Organics Manager, NRS 2 (Organics), NRS 1 (Certifications)
ODA	2.5%-5%	603	Food Safety	Reduce Weights and Measures S&S and Capital Outlay			443,510				\$ 443,510			No	Yes	Reduces Weights and Measures Capital Outlay and S&S
ODA	2.5%-5%	603	NRD	Eliminate funding to OHA for one staff member to support PARC			297,491				\$ 297,491			No	No	Eliminates Special Payment to OHA to pay for 1 FTE (Toxicologist) to support Pesticide Analytical Response Center (PARC)
ODA	2.5%-5%	603	NRD	Halve Pesticide Monitoring Partnership Payments to DEQ			410,898				\$ 410,898			No	Yes	Currently pays for 4.0 FTE at DEQ to process water samples for ODA re: pesticides. This reduces special payment to half a year. Equal GF reduction.
<b>TOTAL</b>					<b>2,314,623</b>	<b>500,714</b>	<b>4,964,443</b>	-	-	-	<b>\$ 7,779,780</b>	<b>(1)</b>	<b>(1.00)</b>			

Target (1%)	462,924	100,143	992,889
Target (2.5%)	1,157,311	250,357	2,482,221
Target (5%)	2,314,622	500,714	4,964,443
Difference	1	(0)	(0)

**Agency Name (Acronym)**  
2025-27 Biennium

**Detail of Programs in the 2025-27 Legislatively Approved Budget that have been established or expanded since 2021-23**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Agency	SCR	Program Establishment / Expansion		Program Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Implementation Status	
		Biennium	Effective Date												Authorization
ODOE	EDS	2021-23	April 2022	2021 - HB 5006	10,831,296							\$ 10,831,296	0	0.00	This program has been fully implemented and closing activities are in progress.
ODOE	EDS	2021-23	March 2022	2021 - HB 2021			70,000,000					\$ 70,000,000	8	7.50	This program is established and ongoing. ODOE launched C-REP in March 2022 with an initial \$50 million budget. The legislature added an additional \$20 million in the 2023 legislative session. The program is open to Oregon Tribes, public bodies, and Consumer-Owned utilities. Funds are used for community energy projects. To date, three rounds of opportunity announcements have been held. Across these three rounds of opportunity announcements, ODOE received 195 eligible applications and awarded 50 planning projects totaling \$4,002,990 in grants and 44 construction projects totaling \$37,454,977 in grants. Projects have been awarded in 28 of Oregon's 36 counties. A fourth round of opportunity announcements is underway, with another \$12 million in available funds for grants. Awardees have six months to complete a planning project or three years to complete a construction development project.
ODOE	EDS	2021-23	July 2023	2022- SB 1536			19,000,000					\$ 19,000,000	3	1.25	Following the 2021 heat dome, the legislature established the Oregon Rental Home Heat Pump Program, one of the few energy efficiency programs targeting people living in rental homes. ODOE began accepting applications for this popular program in 2023 and has distributed all of the funds.
ODOE	EDS	2023-25	March 2024	2023 Regular Session HB 5016 and the Federal Jobs Act (IJA), Section 40401(d)	2,786,096					4,727,985		\$ 7,514,081	2	1.88	The grid resilience program is established and ongoing. ODOE launched this program on March 15, 2024, with an initial opportunity announcement for \$18.9 million. For the first round of funding, ODOE received 13 applications and is currently working with US DOE and recipients on executing performance agreements. ODOE launched a second funding round for \$11.5 million in October 2025; this round is open now. Grantees are required to supply a 33% or 100% grant depending on their size. ODOE is also required to provide a 15% match for the federal grant. ODOE plans to offer additional rounds pending federal funding availability. Ongoing tasks include maintaining compliance with U.S. DOE program requirements, including reporting and monitoring of grantees to ensure their compliance with program requirements.

**Agency Name (Acronym)**  
2025-27 Biennium

**Detail of Programs in the 2025-27 Legislatively Approved Budget that have been established or expanded since 2021-23**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Agency	SCR	Program Establishment / Expansion		Program Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Implementation Status	
		Biennium	Effective Date												Authorization
ODOE	EDS	2023-25	September 2024	Oregon Sept 2024 E-Board and 2022 Inflation Reduction Act (IRA)						16,115,455		\$ 16,115,455	0.5	0.18	Oregon's Home Efficiency Rebate Program (HOMES) is in development and ODOE was awarded over \$57 million in federal funding in September 2024. HOMES will offer up to \$10,000 per project, with higher rebates for deeper energy savings and income-qualified households. Earth Advantage and Energy Trust of Oregon have been selected as program administrators, and Everblue as the rebate management system provider. U.S. DOE approved the Implementation Blueprint in September 2025 and the program is expected to launch in early 2026, pending final approval by U.S. DOE.
ODOE	EDS	2023-25	September 2024	Oregon Sept 2024 E-Board and 2022 Inflation Reduction Act (IRA)						16,053,718		\$ 16,053,718	0.5	0.18	Oregon's Home Electrification and Appliance Rebate Program (HEAR) is in development and ODOE was awarded over \$56 million in federal funding in September 2024. HEAR participants could receive between 50 and 100 percent of project costs, up to \$14,000, depending on household income and the scope of improvements. Earth Advantage and Energy Trust of Oregon have been selected as program administrators, and Everblue as the rebate management system provider. U.S. DOE approved the Implementation Blueprint in September 2025 and the program is expected to launch in early 2026, pending final approval.
ODOE	EDS	2023-25	July 2024	Oregon Sept 2024 E-Board and 2022 Inflation Reduction Act (IRA)						24,513,192		\$ 24,513,192			Oregon was awarded nearly \$87 million in April 2024 through the U.S. EPA's Solar for All grant to expand clean energy access for low-income and disadvantaged communities. Development is currently on hold due to the EPA's cancellation of funding in August 2025. ODOE is formally disputing the termination, requesting the reinstatement of the obligated funds.
ODOE	Director's Office	2021-23	July 2023	HB 3630 Section 1/SB 852 (Chapter 562, 2023 Laws)	402,385							\$ 402,385			The Community Navigator Program is established and ongoing and provides targeted support to environmental justice communities through funding resources, technical assistance, and other energy-related services. By prioritizing outreach to Tribes, rural and coastal areas, and communities with limited infrastructure, the program strengthens access to renewable energy, resilience-building, energy savings, and delivers tailored solutions aligned with local energy goals.

**Agency Name (Acronym)**  
2025-27 Biennium

**Detail of Programs in the 2025-27 Legislatively Approved Budget that have been established or expanded since 2021-23**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Agency	SCR	Program Establishment / Expansion		Program Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Implementation Status	
		Biennium	Effective Date												Authorization
ODOE	P&I	2023-25	July 2023	HB 3409 ORS 469.275-469.291	4,982,860							\$ 4,982,860	6	4.75	Building Performance Standards is currently in development. Rules for this program regarding large buildings were established in Dec 2024, and the rules for qualifying for incentives were established in August 2025. The agency began offering financial incentives for early compliance activities this fall. An RFP process for the build of the compliance database closed Oct 11, 2025. This will track the compliance progress for over 20,000 buildings.
ODOE	P&I	2023-25	July 2023	HB 3409 OAR 468A.250	775,835							\$ 775,835			TIGHGER 1.0 was completed in March 2023, and TIGHGER 2.0 is currently in development, with Phase 1—focused on forecasting and policy assessment—completed in October 2025. Phase 2, a gap analysis to identify additional measures needed to meet Oregon’s 2035 and 2050 GHG reduction goals, is scheduled for completion by mid-2026. With a \$250,000 General Fund allocation, the program continues to extend its impact by informing strategic climate planning and policy development.
ODOE	P&I	2023-25	July 2023	HB3409 ORS 468A.183-199	1,526,146							\$ 1,526,146	2	1.75	Oregon’s ongoing natural climate solutions initiative is a phased effort led by ODOE and the Climate Action Commission to coordinate with seven land managing agencies in tracking and advancing carbon sequestration on natural and working lands. The program includes developing a land-based greenhouse gas inventory, establishing outcome-based metrics, and supporting investments through agency-specific climate solutions funds. Key milestones include completing the first carbon inventory and a workforce development study by December 2025, with metric selection and Tribal advisory process development continuing into 2026. These coordinated actions extend the program’s reach and prepare for the Commission’s selection of voluntary carbon goals in April 2026.

**Agency Name (Acronym)**  
**2025-27 Biennium**

**Detail of Programs in the 2025-27 Legislatively Approved Budget that have been established or expanded since 2021-23**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Agency	SCR	Program Establishment / Expansion		Program Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Implementation Status	
		Biennium	Effective Date												Authorization
ODOE	P&I	2023-25	July 2023	HB 3409	525,467							\$ 525,467			Oregon's heat pump market evaluation program, established under HB 3409, is ongoing and delivers biennial reports to the Legislature analyzing adoption trends, market conditions, and barriers to expansion. The initiative supports the state's goal of installing 500,000 additional heat pumps by 2030, promoting energy efficiency, emissions reduction, and equitable access to cooling technologies. The first report was submitted to the legislature in September 2025. ODOE collaborates with agencies, utilities, and non-profits to ensure the report reflects comprehensive industry insights and emerging data. Continued funding for dedicated analysis staff enables the program's extension and sustained contribution to Oregon's clean energy transition.
ODOE	P&I	2023-25	July 2023	HB 3409 Infrastructure Investment and Jobs Act (IIJA)	2,000,000		2,000,000					\$ 4,000,000	2	es meet milestones. P21	Oregon is advancing clean energy workforce development through the Energy Efficiency Training & Information Grant (EETIG) program, which supports six grantees with ongoing reporting through early 2027. This program is established and ongoing; all of the funds have been allocated to grantees but they are paid out in tranches as grantees meet milestones. To address growing labor demands in the energy transition, the state has also applied for two federal grants—Energy Auditor Training (EAT) and Training for Residential Energy Contractors (TREC)—with decisions pending from the U.S. Department of Energy. If approved, these programs will launch new opportunity announcements and enter development, extending Oregon's workforce capacity. Together, these efforts position the state to meet clean energy goals while ensuring a skilled and prepared labor force.
ODOE	EDS	2025-27	July 2025	SB 5518 pkg 801			18,978,130						9	8.38	Climate Pollution Reduction Grant (CPRG), a sub award from DEQ federal award. Three programs including Heat Pump Deployment for residential heat pump rebates, Weatherization efficiency incentives for residential properties, and Building Performance Standards for commercial building incentives to install and implement clean energy technology.

**Agency Name (Acronym)**  
2025-27 Biennium

**Detail of Programs in the 2025-27 Legislatively Approved Budget that have been established or expanded since 2021-23**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Agency	SCR	Program Establishment / Expansion			Program Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Implementation Status
		Biennium	Effective Date	Authorization											
ODOE	P&I	2023-25	September 2023	HB 3409	Energy Strategy ODOE to work with other state agencies to align programs and reduce barriers to energy efficiency, especially for environmental justice communities.	775,835						\$ 775,835	2	1.50	The Oregon Energy Strategy is established and ongoing. It is being developed to chart pathways for achieving the state's energy goals through data analysis, policy evaluation, and inclusive public engagement. Guided by an Interagency Steering Group and informed by Tribal and stakeholder engagement, the strategy incorporates diverse perspectives from across Oregon. ODOE has also convened an Advisory Group and multiple Policy Working Groups to shape the strategy's recommendations. The final report is scheduled for release by November 1, 2025, with future updates planned in alignment with HB 3630.
ODOE	NSEP	2021-23	November 2021	SB 1567, Federal IJIA Act	Energy Security Plan: A proactive step in safeguarding Oregon's fuel infrastructure and surrounding communities from seismic hazards, reinforcing the state's energy resilience and emergency preparedness.					327,996			0	0.00	Oregon's Energy Security Plan is established and ongoing and provides a comprehensive assessment of the state's energy infrastructure, risks, and mitigation strategies. Developed in collaboration with federal, state, local, Tribal, and private sector partners, the plan was approved by the U.S. Department of Energy in 2024 and reaffirmed by Governor Kotek in September 2025. ODOE continues to work closely with the Oregon PUC and other stakeholders to implement key findings and pursue risk-reduction measures. As required by statute, the plan undergoes regular review and updates every two years, ensuring its continued relevance and extension into future energy planning.
ODOE	NSEP	2023-25	March 2023	HB 3630	County Energy Resilience Grant Program: Provides grants to Oregon counties to develop energy resilience plans to map energy infrastructure, natural hazard risks, and socially vulnerable communities while identifying resilience needs and implementation steps.	4,238,727				48,859			6	5.40	Oregon's County Energy Resilience Grant Program is fully implemented. It supported counties in developing energy resilience plans that assess infrastructure, hazard risks, and social vulnerability. With \$50,000 allocated per county and no match requirement, 19 of Oregon's 36 counties have opted in, with the option to collaborate and pool resources. The program emphasizes engagement with environmental justice communities and is guided by HB 3630 requirements. As the statutory sunset date approaches on January 2, 2026, participating counties continue working toward plan completion, extending the program's impact on local energy preparedness.
ODOE	NSEP	2021-23	2021	SB 246	Radioactive Waste Disposal Program: expanded authority of ODOE and Energy Facility Siting Council	82,333						\$ 82,333	0	0.00	Oregon's radioactive waste management program is established and ongoing and ensures rigorous oversight of waste that is or could be radioactive. The program has expanded through multiple rulemakings by the Energy Facility Siting Council and ongoing coordination with agencies like OHA and DEQ, as well as regulated industry stakeholders. These updates enhance the state's ability to enforce its longstanding prohibition on radioactive waste disposal. Continued collaboration and regulatory refinement support the program's long-term extension and effectiveness
<b>TOTAL</b>						<b>28,926,980</b>	<b>-</b>	<b>109,978,130</b>	<b>-</b>	<b>61,787,205</b>	<b>-</b>	<b>\$ 177,098,603</b>	<b>41</b>	<b>32.76</b>	

**Instructions**

Column (5) - Authorization should identify the source of the new program or program expansion, which could include enabling legislation, approved policy option package, or administrative establishment.

Column (6) - Program description should include a summary of the program and the expansion (if applicable), including any partner state agencies.

Column (16) - Current status of program implementation should be summarized, including any future budget requests anticipated upon full program implementation.