

Fiscal and Economic Impact Statement for the February 6, 2004 Hearing in the Matter of
Amendment of Rules Relating to Trap Check Requirements for Predator Trapping

Fiscal and economic impact: The proposed rules will affect state agencies, units of local government and the public, respectively, as discussed below. According to ORS 498.172, a person may not set a trap for a predatory animal, as defined in ORS 610.002, without checking the trap "on a regular basis." Amendments are being considered mainly in order to better define and clarify what is meant by "on a regular basis" with regard to the time allowed between trap checks for predator trapping. The degree of flexibility in the rules, the consideration of differences in rules for "kill" traps and restraining traps, and the possibility of exemptions in the rules for damage control agents are factors that are likely to be addressed. Three alternative rules are being put out for public comment. They represent a range of time intervals for trap checks along with provisions designed to deal with particular situations. The Commission has been seeking and continues to seek public comment as to which alternative, or mix of alternatives, would best implement the statute.

A Trapping Best Management Practices Task Force was formed in accordance with the provisions of HB 3147 adopted by the 2001 Oregon Legislature. Although the language in statute and rule does not explicitly specify the number of hours, the task force recommended a 76 hour trap check period for predator trapping. Additional meetings of a Predator Trap Check Working Group were held in October and November 2003 to further address the trap check period requirement for predator trapping. (A 48 hour trap check period is specified in statute and rule for furbearers.)

A. State agencies which could be most affected by adoption of these rules are the Oregon Department of Fish and Wildlife (ODFW) and the Oregon Department of Agriculture (ODA). No significant changes from the legislatively approved levels of ODFW's operations or expenditures are expected as a result of the adoption of these rules. There is an expected fiscal effect on ODA if the trap check time specified leads to increased agricultural damage. No specific estimates for possible additional ODA costs were received. ODA also indicated they expected workload impacts on the federal U. S. Department of Agriculture's Wildlife Services (WS), with whom they work on agricultural damage and predator conflict issues. Therefore, federal agency impacts are also expected depending on how the trap check period is specified. The potential for federal agency impacts are discussed under section C., below.

B. Significant impacts on units of local government are possible as a result of the adoption of these rules. County governments have cooperative relationships with ODA and WS to help control the adverse effects of predators. County governments spend money to support ODA and WS control efforts. For example, according to a letter from Judge Steven E. Grasty of the Harney County Court, Harney County invests about \$30,000 annually to assist in predator control efforts locally. Specific information for other counties had not been submitted at the time this impact statement was written. The fiscal and economic concern is that the predator trap check rules may increase the costs of providing predator control compared to the current situation. Counties would then have to provide some of the additional funding that would be

needed to maintain the current level of predator control, or experience adverse impacts in the local economy due to a higher level of predation on agricultural (particularly livestock) products.

C. The public could be affected by the adoption of these rules: ODFW received information from the Oregon state office of WS. The information indicated that adoption of a 76 hour trap check period with no flexibility or exemptions would require an estimated reduction of about 50 percent of the current WS coverage under current budget constraints, because of the requirement to check traps more frequently throughout expansive geographical areas. Alternatively, WS estimated an increase of approximately \$550,000 in state funding would be required to maintain the current service levels of predator control. Given the current economic and state budget situations, the outlook for obtaining this level of increased funds is not good. In addition, WS projects an increase in damage to agricultural crops of about \$3.5 million annually if the current level of coverage is not maintained. This does not include property damage other than crop damage.

WS also estimated more significant consequences if the trap check period were reduced to 48 hours with no flexibility or exemptions. The estimates were that an additional \$2.4 million in state funding would be needed to maintain services, or an increase in the value of losses of an additional \$5.5 million.

ODFW received information on potential fiscal and economic effects from members of the public including several public groups. The following is a summary of the information, and the submissions in full are incorporated into this impact statement by reference.

The Oregon Farm Bureau and the Oregon Cattlemen's Association provided information on the ODA-funded 1997 Oregon Wildlife Damage Survey published by the Oregon Agricultural Statistics Service. Among the survey results relevant to this hearing are estimated losses of \$1.5 million in livestock (cattle, calves, sheep and lambs only) fatalities and livestock injury costs of \$214,000. Livestock losses totaled 0.4 percent of total livestock values. Predators, specifically coyotes, cougars and dogs inflicted the most damage to livestock. Expenses incurred for wildlife damage prevention (such as guardian animals, fencing and hazing devices) were estimated at \$1.3 million for livestock protection out of the \$6 million spent by Oregon farms in total for wildlife damage prevention. Both groups expressed concern about expected additional economic and fiscal impacts if the predator trap check period adopted by rule were too short, and did not provide flexibility (e.g., for weather conditions) or exemptions (for WS and other damage control agents) that would prevent an increase in losses to predators or require increased expenditures on damage prevention.

Also provided by WS was a summary of a 1999 livestock wildlife damage survey of 24 Oregon counties that had a contract with WS in 1998. The following levels of damage were reported under the existing trap check regulations. For 432 cattle operations surveyed, the value of losses was estimated \$383,481 from 1,306 cattle lost to predators out of 211,044 cattle. For 310 surveyed sheep operations, the value of predation losses was estimated to be \$287,005 from 5,752 head destroyed out of 136,257.

The Oregon Forest Industries Council (OFIC) also provided information on predation damage to seedlings caused mainly by Mountain Beaver. OFIC estimates that a change to a 48 hour trap check requirement for "instant-kill" devices compared to the current situation would increase treatment costs per 32,000 acres from \$1.276 million to \$3.84 million. Resource losses (from destruction of newly established seedlings) are predicted to increase from \$1.5 million to \$2.5 million.

OFIC projects somewhat smaller impacts from 7-day checks of the "instant quick-kill" devices used to prevent damage to seedlings. Treatment costs are estimated to increase from \$1.276 million currently to \$2.56 million. The value of resource losses is expected to increase from \$1.5 million to \$2.0 million.

The information supplied by the landowner organizations suggests that the shorter the time interval for the trap check requirement, the more likely that requirement would result in significant adverse economic effect on business, particularly small business. To determine how significant the adverse effect on business would be, it would be necessary to know what the current "baseline" (or customary practice) for checking traps is now among farmers, ranchers, trappers and forest landowners. The data available to ODFW do not precisely identify such a baseline. Therefore, we can only assume that the options proposing a shorter trap check interval would be more likely to increase costs for business. Similarly, it appears that one way to reduce any economic impact of a trap check rule on business (and small business in particular) would be to select a longer trap check interval. Other potential ways to reduce any economic impact would be to establish separate trap check intervals for small business, or to provide "safety valve" provisions that extended the trap check interval when exigent circumstances arose. The three alternative rules put out for public comment include elements of these. Through the rulemaking process, the Commission will consider these and other possible methods for reducing economic impact on business.

The rules are expected to be fully compatible with legislative direction on the goals of wildlife management in Oregon.

Most businesses affected by these rules are believed to be "small business."

References – Items Received With Information on Economic Impacts

Letter to Oregon Fish and Wildlife Commission from David E. Williams, State Director, United States Department of Agriculture, Animal and Plant Health Inspection Service, Wildlife Services. September 23, 2003.

Letter to Oregon Fish and Wildlife Commission from Judge Steven E. Grasty, Harney County Court. October 3, 2003.

Letter to Oregon Fish and Wildlife Commission from Oregon Cattlemen's Association (Robert Skinner, President and William Moore, Wildlife Committee Chair). September 25, 2003.

Letter to Oregon Fish and Wildlife Commission from Rodger Huffman, Administrator, Animal Health & Identification, Oregon Department of Agriculture. Undated.

Oregon Agricultural Statistics Service. 1998. 1997 Oregon Wildlife Damage Survey.

Oregon Forest Industries Council. Undated summary sheet. "Impacts to 48-hour checks for the timber industry without exemption for 'Quick Kill-Instant Kill' traps. Undated.

Testimony of Greg Addington, Associate Director of Governmental Affairs, Oregon Farm Bureau, to the Oregon Fish and Wildlife Commission, October 10, 2003.