

## Testimony before HOUSE COMMITTEE ON AGRICULTURE AND LAND USE Relating to Senate Bill 287 A

Submitted by Michelle Palacios, Secretary/Treasurer, Oregon Hop Growers Association April 16, 2019

Chair Clem, Vice-Chair McClain and members of the committee, my name is Michelle Palacios and I serve as the Secretary/Treasurer of the Oregon Hop Growers Association. Thank you for the opportunity to provide comments on the issue of on farm breweries in the state of Oregon.

The Association is headquartered in Hubbard, Marion County, Oregon. I am providing testimony today on behalf of the commercial hop growers in the State of Oregon. Hops are grown in Marion and Polk Counties as well as some small acreage farms in central and southern Oregon with a total acreage of just under 8,000 acres. Hops have been grown in Oregon since the late 1800's. It is an industry rich in history and legacy as most of today's producers are fourth or fifth generation hop growers.

We are providing testimony today in support of legislation that would promote Oregon's hop industry through the establishment of breweries on Oregon hop farms.

## **Oregon Hop Industry's Impact**

Hops are the flower of the Humulus lupulus plant and provide flavor and aroma to beer. They are one of the four essential ingredients in beer (in addition to water, yeast, and barley). In 2017 the farm gate value of Oregon grown hops was \$59.6 million, earning us the rank of 15<sup>th</sup> among Oregon's agricultural commodities. Oregon hops are used by both domestic and international brewers with 60% of our crop entering the export market. Oregon hops are shipped to more than 65 countries around the world. We supply hops to Oregon's thriving craft beer industry, supporting the 281 breweries in our state. Oregon ranks third in our nation for hop production.

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## **Our Story**

The Oregon hop industry has a story to tell which resonates with today's savvy consumer. Our growing region's rich soil, mild climate, and abundant rainfall provide ideal conditions for producing high quality aroma-type hops. On farm breweries will increase our opportunities to connect consumers to the products they purchase and to share the important contributions our industry makes to the state of Oregon. Hop growers are recognized for being conservation minded, with many growers participating in best practices programs and certification programs, such as Salmon-Safe and Global G.A.P. This is a positive message that is meant to be shared.

Oregon has a thriving agritourism industry and the concept behind SB 287 would allow for hop growers in this state to have an additional attraction to attract visitors to the farm. As well, on farm breweries would have the added crossover with culinary tourism.

Thank you for your willingness to support the Oregon hop industry with this legislation. We look forward to working with you as the bill moves forward.

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