

SB 287 A STAFF MEASURE SUMMARY
House Committee On Agriculture and Land Use

Carrier: Rep. Gomberg

Action Date: 05/02/19

Action: Do Pass the A-Eng bill.

Vote: 7-0-0-0

Yeas: 7 - Boshart Davis, Clem, Helm, McLain, Post, Smith DB, Williams

Fiscal: Has minimal fiscal impact

Revenue: Has minimal revenue impact

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Meeting Dates: 4/16, 5/2

WHAT THE MEASURE DOES:

Authorizes a farm brewery to be established as a permitted use on land zoned for exclusive farm use or mixed farm and forest use provided the farm brewery: produces less than 150,000 barrels of malt beverages annually; produces less than 15,000 barrels of malt beverages annually at the brewery site; and owns an on-site or contiguous hop farm of at least 15 acres, purchases hops from at least 15 acres of a contiguous hop farm, or obtains hops from a total of 15 acres of any combination of these sources. Lists authorized activities at a farm brewery. Authorizes a farm brewery to include on-site kitchen facilities for preparation of food and beverages provided those services do not cause the kitchen facilities to function as a cafe or other dining establishment open to the public. Limits the gross income of a farm brewery from the sale of certain incidental items or services to 25 percent or less of the gross income from the on-site retail sale of malt beverages produced in conjunction with farm brewery. Authorizes a farm brewery to carry out agritourism or other commercial events for up to 18 days per calendar year, subject to additional restrictions. In the Willamette Valley, events on the first six of the 18 days must be authorized by local government by a renewable multi-year license and authorization is not a land use decision; events on days seven through 18 must be authorized by local government by a renewable multiyear permit and authorization is a land use decision. Directs local government with land use jurisdiction to ensure events are subordinate to the production and sale of malt beverages and do not create significant adverse impact on surrounding land. Authorizes local government to impose conditions on the license or permit related to the number of event attendees, hours of operation, access and parking, traffic and noise management, and sanitation and solid waste. Restricts a bed and breakfast facility sited as a home occupation on same tract of land as farm brewery to preparing and serving two meals per day to registered guests. Requires local government with land use jurisdiction to ensure that a farm brewery complies with specified regulations and requires establishment of at least a 100-foot setback from property lines of the brewery and all public gathering places unless an adjustment or variance is granted.

ISSUES DISCUSSED:

- Similarities and differences between bills authorizing farm breweries, cider businesses, and wineries
- Oregon hop industry, agritourism, and opportunities to showcase microbreweries and craft breweries
- Beer ingredients and on-site availability
- Annual production cap for farm breweries
- Potential for interest in future legislation authorizing tasting rooms for other farm products
- Protection of land zoned for exclusive farm use

EFFECT OF AMENDMENT:

No amendment.

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BACKGROUND:

Oregon law establishes that agricultural use is an efficient means of conserving natural resources; that the preservation of land for agricultural use is a priority; and that the expansion of urban development into rural lands is of concern because of conflicts between farm and urban activities, such as noise, dust or odor, and loss of open spaces from such expansion (ORS 215.243). Certain nonfarm uses are allowed on exclusive farm use (EFU) lands.

In 2011, House Bill 3280 established the activities and events that a winery could hold when established as a permitted use on EFU-zoned lands; the provisions allowing for private events at wineries that met the specified acreage and production requirements were scheduled to sunset on January 1, 2014. Senate Bill 841 (2013) allowed wineries meeting one of the three production and acreage thresholds to be established as a permitted use on both EFU and on mixed farm and forest land, and clarified allowable activities at such wineries.

In 2017, Senate Bill 677 established a cider business as a permitted use on EFU and mixed farm and forest use lands. The measure, modeled on the winery statutes, also specified the related uses allowed at such businesses and authorized up to 18 agri-tourism or other commercial events at these locations each calendar year.

Senate Bill 287 A would set standards for the establishment of farm breweries on lands zoned for exclusive farm use or mixed farm and forest use.