



Friends of Family Farmers ♦ PO Box 665 ♦ Waltherville, OR 97489

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## **Increase Regional Food Security and Rural Economic Development by Investing in Expanding Meat Processing Capacity through [HB 2785A](#)**

April 14, 2021

Dear Co-Chairs Johnson, Steiner Hayward and Rayfield and Members of the Ways & Means Committee:

My name is Amy Wong and I am the Policy Director for [Friends of Family Farmers](#) (FoFF), a farmer-led non-profit organization that has advocated on behalf of family-scale farmers for over 15 years. *I am writing to ask that you please consider including HB 2785, the \$10 million dollar grant fund to expand small scale meat processing capacity, in the budget. This includes \$300,000 for OSU's Clark Meat Science Center.*

Since 2009, FoFF has conducted listening sessions with agricultural producers around the state. In 2018, we held 19 farmer and rancher listening sessions, hearing from over 200 producers of various types. One of the primary issues that emerged, particularly from more remote parts of Oregon, was the need for greater access to small farm meat processing infrastructure—something that had come up in many earlier listening sessions as well.

Oregon has seen a significant decline in USDA-inspected slaughter and processing facilities that serve smaller producers in recent decades, and roughly 300 Oregon meat-processing facilities have closed in the last 35 years. Until the State Meat Inspection Program is up and running, in order for a producer to sell meat retail, wholesale, at farmers markets, or to restaurants, they must utilize a USDA-inspected facility. With only 13 USDA-inspected facilities serving the entire state, producers have limited options, and even these facilities are limited in their days and times of operation by the need to have a USDA inspector on site.

The lack of USDA processing infrastructure means that some producers have to transport livestock hundreds of miles or hours away from their farm or ranch for processing. Due to high demand on these facilities, producers often have to reserve time at these facilities 6-8 months in advance. This combination of factors can add significant cost and time for producers who are already operating on small margins.

Oregon's acute lack of meat processing capacity has been even further strained during Covid-19, as industrial meat processing facilities were closed by virus outbreaks and out-of-state producers sent meat to the Pacific Northwest for processing, taking away precious processing slots for Oregon farmers and ranchers. **Since the start of the Covid-19 pandemic, many facilities are now booked out over a year in advance.**

Increased demand for local meat also taxed an already burdened system, with even seasoned producers lamenting the loss of processing slots. The legislature recognized the importance of increasing meat processing capacity when it passed [HB 4206](#) last summer, authorizing ODA to begin the process of establishing a State Meat Inspection Program. However, to be truly successful, the State Meat Inspection Program needs a concurrent grant fund like HB 2785 to help expand processing capacity, especially in rural Oregon.

[HB 2785](#) establishes a \$10 million grant program to fund expansion, upgrades, and technical and other necessities, such as equipment, as laid out in the [programs in other states](#). This includes \$300,000 for OSU's Clark Meat Science Center. Additional facilities boosting Oregon's processing capacity could:

- Increase regional food system security and rural economic development;
- Improve rural health outcomes;
- Support producers' ability to donate locally produced meat to food banks and other community assistance programs;
- Give producers greater control over the price they receive for livestock;
- Support local, direct to consumer meat sales;
- Help small scale producers, especially BIPOC and beginning and new farmers and ranchers create business models that more easily pencil out;
- Diversify processing options and reduce risk of processing bottlenecks;
- Allow producers to find a local facility to slaughter and process livestock in remote locations across the state;
- Reduce transportation time and costs for producers;
- Reduce carbon emissions due to less transport and the expansion of producers implementing environmentally friendly pasture-based production models;
- Improve animal welfare conditions.

And since HB 4206 became law in June 2020, there has already been considerable agency, public, and private outreach to identify processors who are ready to build, upgrade, or expand. Between outreach that ODA, OSU's [NMPAN](#) (Niche Meat Processors Assistance Network) and Friends of Family Farmers have done, it is safe to say there are between 4-7 projects ready for funding. Processors have said they would use the funds for many things, including:

- New and expanded facility construction;
- Increased cooling capacity;
- Expanded curing capacity;
- Equipment upgrades/improvements (including packaging and labeling);
- Employee training (cutting classes and in-person HACCP trainings);
- Enhanced recordkeeping capacity;
- Improved traceability technology;
- One custom exempt facility burned down last fall and wants to rebuild as State Inspected.

The intent of this legislation, as amended, is that grant funds are used to build, expand, and upgrade facilities where there is demonstrated need for additional processing capacity, especially in rural areas, where long-standing food inequities are the most glaring. The hope is that producers of all sizes have consistent access to processing. The intent is also to prioritize facilities that are predominantly processing Oregon-grown animals with the understanding that some out-of-state meat may be processed in order to ensure regular workflow.

The State Meat Inspection Program has broad bi-partisan support, as well as support from Oregon's U.S. Congressional delegation, and many organizations around the state. I am happy to answer questions at any time.

Sincerely,

*Amy M Wong*

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