Give Oregon home bakers a new recipe for growth

By Jenny Berg

Sourdough bread can lift spirits. I saw the benefits firsthand in 2021 when I opened a home-based microbakery in Bend and sold my first loaf to a woman with a sick parent in the hospital. The mother and daughter had followed my baking adventures on social media and were anxious to taste my kitchen creations. I felt honored to be part of their bonding. I also felt grateful for state lawmakers, who expanded opportunities for small-business owners in 2016 with the Oregon Home Baking Bill.

The measure allows people like me to turn hobbies into gainful employment. My tiny enterprise, Crumb Sourdough Microbakery, has thrived as a part-time endeavor since that first transaction. Customers love the organic, fresh ingredients, locally sourced whenever possible.

They also love the sense of community. Neighbors buying from neighbors is a beautiful thing, and increasingly hard to find in the modern economy with centralized warehouses and global supply chains.

Oregon permits safe alternatives so people can choose hyper-local goods. But the initial legislation was cautious—like my first attempts to blend a 150-year-old starter yeast from San Francisco with the microbial communities of Bend. As I tested new techniques and gained confidence, my menu advanced. Now state lawmakers have a chance to do something similar at the Capitol instead of in the kitchen.

Under current rules, Oregon home baking businesses cannot collect more than \$20,000 in gross annual revenue. They cannot sell home-baked goods online or make deliveries by mail. Nor can they sell their products in retail outlets like grocery stores and coffee shops. Privacy is also an issue. Home bakers must attach labels to every product with their home address, which leaves sellers vulnerable at farmer's markets and other community events.

The current law also uses vague language to describe the types of foods people can produce at home for sale. Published guidelines mention baked goods and confectionary items that are "not potentially hazardous," which generally refers to shelf-stable foods like breads and jams that do not require refrigeration. Yet different states use similar terminology to come up with different lists of what's allowed and what's not. The result in Oregon is confusion.

<u>Senate Bill 643</u> would address these issues, easing restrictions and adding clarity for people like me. Women entrepreneurs would benefit the most. <u>Research</u> from the Institute for Justice, a public interest law firm that advocates for home bakers, shows these business owners are overwhelmingly female, often living in rural areas with below-average income.

Among other reforms, the measure would increase the \$20,000 revenue cap, which severely limits the earning potential of home bakers. After subtracting the costs of ingredients, packaging, delivery and day care—all rising with inflation—little remains as profit. The bill would cap annual sales at \$50,000, which is better than the current cap, but still an arbitrary limit on my business' potential.

Overall, 32 states and Washington, D.C., have no sales caps. Other states like Oklahoma, Minnesota and Florida cap sales at \$75,000 or higher, allowing homemade food producers to earn something closer to a living wage. Dollar limits, where they exist, are meant to keep homebased food businesses small, distinguishing them from state-inspected operations. But bakers working out of their own kitchens have built-in constraints. Most work alone with only one oven, one sink and one refrigerator. They don't need artificial caps to hold them back.

For instance, cottage food bakers are restricted to baking and selling only shelf-stable foods (e.g. nothing that requires refrigeration or expiration dates), unlike a domestic kitchen licensee who has no such restrictions. Cottage food bakers will never be on equal footing with licensed home bakers and will never have an unfair advantage. Therefore, please consider a NO GROSS SALES CAP for the reason stated above.

The proposed Oregon reform also would allow online and retail sales under certain conditions. And it would protect the safety of home bakers by allowing them to use ID numbers in place of home addresses on labels.

Finally, the measure would spell out examples of "not potentially hazardous" foods. Besides breads and candies, the list would include jams, jellies, honey, syrups, dehydrated foods and more. All of these products are safe.

My earliest attempts at sourdough bread surpassed my expectations. But I continued studying and practicing because I wanted to improve. State lawmakers can do the same thing with the Oregon Home Baking Bill. They can build on a solid first try.

Jenny Berg, a Bend resident, owns Crumb Sourdough Microbakery.