

2/10/2026

Greetings,

Respectfully, to Chairman Lively, Vice-Chairs, and Committee members –

For the record, my name is Brett Thomas. I am the founding brewer and Director of Brewing Operations for Sunriver Brewing Company. I am also the Vice President of the Oregon Brewers Guild and lead the Guild's legislative action committee.

I testify today in support of the (-3 amendment) for HB 4030 – the OBG remains neutral on other elements within this bill. I can say with confidence that Oregon's craft breweries strive to be good stewards of the environment. As Oregonians, we know that it's the right thing to do. Individually, our brewery members support numerous environmental efforts across our communities – ranging from CO2 recovery to purchasing clean energy to protecting our waterway, beaches, and forests.

We seek this exemption if for no other reason than to create a period of time to allow the DEQ to more accurately communicate its needs to our businesses, and as such, create a fee structure that is well-defined, equitable, sensible, applicable to our specific industry, and ultimately, transparent to auditing. I imagine that members of this committee would be surprised to learn that, to the best of my knowledge, our members have received no formal notification from the DEQ regarding this law or any proposed fee schedules. Our Board of Directors, comprised of representatives from breweries of all sizes, received an inquiry from a member who learned of these new fees by attending a seminar at a national packaged product convention. Is it acceptable that new compliance-related fees are introduced via word-of-mouth?

As it is currently defined, existing exemption language proves inadequate for Oregon's craft breweries that rely on complex business models. Take for example the existing exemption for businesses above or below \$5M annual revenue. That exemption is based on \$5M total revenue from a single LLC, while in reality that single LLC could be generating revenue from multiple streams, including sales from restaurants, draft beer, merchandise, events, and even small distributorships. These business elements are completely unrelated to the Recycling Modernization Act, and as such, should be disqualified as revenue components.

Existing verbiage and related fee schedules also create a dynamic where large craft breweries may actually pay less (per pack) than smaller craft breweries due exclusively to the fact that they have more capital to invest in equipment for their businesses. Conversely, it is the retailers, and by extension the wholesalers, that dictate what packaging is allowable for us to bring our products to market. This paradigm often eliminates environmentally friendly options in lieu of more durable packaging.

We hope to impress upon you that these new fees would create a significant burden on a notoriously low-margin industry and does so at a time when our members are facing accelerated costs from tariffs, low consumer confidence, and changing alcohol preferences. These fees would inhibit our ability to drive wage growth to offset inflation, as well as contribute to our employees' health care benefits at a level commensurate with rising insurance costs.

Lastly, there is a reality where these fees may inadvertently defund existing internal sustainability programs. Oregon's craft breweries only have so many dollars to invest in sustainability efforts before their businesses become, pardon the pun, unsustainable.

The Oregon Brewers Guild implores this committee to move forward with this exemption and bill, and please protect the small businesses that comprise the majority of Oregon's iconic craft beer industry.

Thank you for your time and consideration.

Brett Thomas

Founding Brewer, Director of Brewing Operations – Sunriver Brewing Company, Sunriver, OR

Vice President, Oregon Brewers Guild