



# Oregon

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**TO:** The Honorable Michael Dembrow, Chair  
Senate Committee on Environment & Natural Resources

**FROM:** Palmer Mason, Senior Policy Advisor

**RE: Senate Bill 287**



SB 287 amends current law to allow farm breweries as a permitted use in exclusive farm use (EFU) and mixed farm-forest zones. This bill raises important policy issues that the committee should weigh in its deliberations but, to be clear, the department takes no position on this bill. Our comments are only offered for the committee's information.

SB 287 would allow a new use on agricultural lands. The "farm brewery" as defined in this legislation would permit a wide variety of retail and tourism related activities such retail sales, tours and B&B's on these lands, increasing the likelihood of conflicts between farming and the non-agricultural activities. For instance, visitor traffic could interfere with the operations of nearby farms. Complaints about pesticide spraying, dust, and farm traffic could lead to pressure on farmers to change practices on adjacent agricultural operations.

This concern over conflicts is amplified by the scale of the farm breweries allowed by SB 287. Breweries producing just under 150,000 barrels annually (or over 4 million gallons) may be established in EFU or mixed farm-forest zones; breweries of this size are not micro-breweries (defined by the Brewers Association for Small & Independent Craft Brewers as producing less than 15,000 barrels annually).

Wineries and cider businesses, which are currently permitted in EFU zones, are allowed only when a certain threshold of crops produced on-site are used in the final product. However, SB 287 does not require that the farm brewery actually use on-site hops or other ingredients to produce malt beverages. Also, unlike wine and cider, where the crops grown on-site are the primary ingredient in the final product, malt beverages are produced with several ingredients and mostly comprised of water.

If the committee finds that breweries should be allowed in EFU and mixed farm-forest zones, listing the use in ORS 215.213(2) and 215.283(2) rather than ORS 215.213(1) and 215.283(1) would require applicants and counties to address conflicts with nearby farms and other impacts because the criteria in ORS 215.296 would apply.<sup>1</sup> Perhaps more important, the review process would grant nearby farmers, neighbors and the public the right to participate in the county's decision-making.

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<sup>1</sup> ORS 215.296 provides:

(1) A use allowed under ORS 215.213 (2) or (11) or 215.283 (2) or (4) may be approved only where the local governing body or its designee finds that the use will not:

(a) Force a significant change in accepted farm or forest practices on surrounding lands devoted to farm or forest use; or

(b) Significantly increase the cost of accepted farm or forest practices on surrounding lands devoted to farm or forest use.