

February 2021

TESTIMONY IN SUPPORT OF HB 2785

Chair Witt and Members of the Committee:

My name is Neil Moffett. My wife Justina and I own and operate Anchor Ranch Farm, a small livestock farm focused on regenerative agriculture outside Scio in Linn County. We sell all of our meat directly to customers locally here in Oregon.

Oregon desperately needs more meat processing capacity, which is why the legislature recently enacted the <u>State Meat Inspection Program</u>. However, to be truly successful, the State Meat Inspection Program needs a concurrent grant fund to help expand processing capacity, especially in rural Oregon.

I am asking you to support <u>HB 2785</u>, which would establish a \$10 million grant program to fund expansion, upgrades, and technical and other necessities, such as equipment, as laid out in the <u>programs in other states</u>. Additional facilities boosting Oregon's processing capacity could:

- Support local, direct to consumer meat sales
- Increase regional food system resilience and rural economic development
- 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
- 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
- Reduce transportation time and costs for producers, and lessening carbon footprints

Oregon's already acute lack of meat processing capacity has been severely 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. Increased demand for local meat also further taxed an already burdened system, with even seasoned producers lamenting the loss of processing slots.

Having a successful State Meat Inspection program is important to me. My background, prior to farming, was in corporate finance and business advisory services. I am familiar with working with enterprises struggling on the verge of failure, and in the past year I have seen customers and producers, including us, scramble to deal with the effects of the pandemic. The local food

system, as a whole, reminds me of business enterprises in the early stages of bankruptcy. In speaking with farmers market managers, other livestock farmers, independent meat processors, and truck drivers, I hear one universal sentiment: our local food system is balanced on the edge of catastrophic collapse. We all benefit from a very complex system which brings food to us efficiently, safely, and at low cost. However, the complex nature of that system means there are multiple potential points of failure. We have no backup plan.

A well-funded State Meat Inspection Program is what we need to provide food security for Oregonians. The frustrating thing, as a farmer, is that we don't need to depend on out-of-state production and it shouldn't be necessary for people to wonder where they are going to get local meat or whether the price is going to go up substantially. We can produce the food; we just can't get it to the table, because of the severe lack of local meat processing capacity. Local meat producers don't need to compete with national-scale, large corporate enterprises: we operate alongside them in order to respond flexibly and efficiently to specific local demands in a way that larger enterprises cannot. We want to do our part, but we are severely hampered by the lack of local processing.

Furthermore, recovering from this pandemic is going to be a monumental task, even though Oregon was a leader in mitigating the apparent health risks. I have had to schedule processing dates for some livestock out through December 2022, which severely curtails my ability to expand production to meet consumer demand. I personally know or know of multiple livestock farmers who have had to cancel sales and turn away customers because of a lack of processing. I also know of restaurants and other local food businesses which serve locally-sourced meat and have been closed due to the pandemic emergency. If and when these businesses are able to re-open, local meat producers who will be able to supply them, because all of us are already stretching to find adequate processing capacity.

This is what government is supposed to be for. There is an economic need that is not being met by the market. This is not about a profit motive, it is about food security and ensuring Oregon residents of all income levels have access to the bounty of livestock products produced right here in Oregon. I feel like my customers ask all the time, "Why is it so complicated? Why can't we just buy meat from you?" I tell them, truthfully, that at least here in Oregon our legislature has been far ahead of most other states in supporting local, environmentally-responsible meat producers and processors. Oregon is a leader in this, but it's just a start. My customers and many other residents want more. They want a local meat producer and meat processing system they can really depend on, and they want to see that their government supports it with funding that supports their needs.

Thank you,

Neil Moffett, Scio