

House Committee on Judiciary Subcommittee on Civil Law Oregon Farm Bureau Supports HB 2638 February 24, 2021

Chair Power and Members of the Subcommittee,

Thank you for the opportunity to provide testimony on an issue of immense importance to our industry – temporary and targeted liability protections for Oregon's family farms. By way of background, the Oregon Farm Bureau is the state's largest agricultural trade association, representing nearly 7,000 farm and ranch families in the state. Many OFB members operate farm stands, commercial activities in conjunction with farm use such as tasting rooms, or agritourism events like pumpkin patches or spring flower festivals. This interface with the public puts them at an increased risk of unwarranted COVID-19 lawsuits from customers.

In the last three months, Oregon's farms have been put in an impossible situation— agriculture is critical infrastructure, necessary to keeping Oregon's food supply stable during the pandemic. As the science around COVID-19 has developed, so have best practices and requirements for maintaining a healthy workplace. However, like the pandemic, these standards are still evolving, often in unpredictable, infeasible, and contradictory ways. This has required Oregon's farmers to operate in a time of immense uncertainty and regulatory overload.

This uncertainty has left Oregon's family farms at risk for opportunistic lawsuits. Even if a farmer is doing their best to follow all state and federal health guidelines and new OR-OSHA rules, a customer can still contract COVID-19 off-site and seek to hold the farmer liable for their illness. Farmers are very concerned about lawsuits seeking damages from their operation for circumstances outside of their control.

Oregon's farmers and ranchers need to know that if they implement guidance and temporary rules from state and federal public health officials, they will be protected from unfair lawsuits that will drain their cash reserves. COVID-19 related market disruptions have hit farmers and ranchers particularly hard. Prior to COVID-19, producers were already under tremendous pressure—net income on farms is half of what it was five years ago, trade disruptions have forced new and established markets to collapse, and long-time processor, NORPAC, recently closed. Market prices are at record lows across many commodities, and farmers are grappling with significant and recent regulatory costs from OR-OSHA's new rules.

At the same time, farming is seasonal in nature, and no one was prepared to respond to changing market pressures overnight. Immediate impacts from COVID-19 include failure of markets for those who sell directly to restaurants, cancellation of festivals and direct marketing opportunities, closure to international markets to shipments due to the virus, and enormous pressure on the food system to shift processing and distribution from restaurant and food service to retail.

Farms are at a breaking point. One lawsuit or demand letter could devastate a family farm, despite the steps and investment the farm took to protect employee health during this time. If we want Oregon's family farms to survive this pandemic, they should not be at risk of crippling lawsuits.

With this in mind, we urge the Committee to support HB 2638 to grant temporary and targeted liability protections to protect Oregon's farm and ranch businesses during the COVID-19 crisis.

Thank you for the opportunity to comment. For additional questions, please do not hesitate to reach out.

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