

SB 507 -2 STAFF MEASURE SUMMARY

Senate Committee On Natural Resources

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Meeting Dates: 1/25, 2/27

WHAT THE MEASURE DOES:

Expands agricultural products allowed as farm direct marketer sales that are exempt from state food safety program requirements to include freeze dried or steam canned fruit, vegetables, and herbs; herbal tea and dried herb blends; and pasteurized fruit or vegetable juices that are producer-processed. Expands agricultural products allowed as consignment sales under the same exemption to include dried fruits, vegetables, and certain herbs; and fruit-based syrups, preserves, jams, fruits, and vegetables that are producer-processed, acidic, and meet certain labeling and packaging requirements. Allows internet sales of farm direct marketer agricultural products provided that sales are to persons within Oregon or comply with federal requirements concerning interstate sales. Allows a farm direct marketer to contract with a third party for delivery, marketing, or other sales facilitation. Requires the Oregon Department of Agriculture to adopt rules for implementation. Takes effect on 91st day following adjournment sine die.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-2 Replaces the measure. Retains most provisions of the measure as introduced with the following modifications. Expands agricultural products allowed as consignment sales to match those allowed for farm direct marketing. Authorizes freeze-drying of fruits, vegetables, and herbs for which drying is not part of routine post-harvest handling, rather than freeze-drying of all fruits, vegetables, and herbs. Authorizes water-bath or steam canning of certain fruit-based syrups, preserves, jams, fruits, vegetables, and juices rather than steam canning of all fruit, vegetables, and herbs. Authorizes fruit and vegetable juices if they are producer-processed products, acidic foods, labeled in specified ways, and bottled by a producer that complies with the annual maximum sales limit, rather than only being required to be producer-processed and pasteurized. Modifies the annual sales limit for fruit-based syrups, preserves, jams, fruits, vegetables, and fruit and vegetable juices from \$20,000 to \$50,000, and removes the option for the Oregon Department of Agriculture to establish a higher limit by rule. Authorizes maple and walnut tree-sap-based solid sugar, cream, and liquid syrup products.

FISCAL: Has minimal fiscal impact

REVENUE: No revenue impact

BACKGROUND:

Oregon's farm direct marketing law was enacted in 2011 and allows small farmers to produce and sell low-risk, value-added products that the farmers prepare in their home kitchens from the produce that they grow. All bottled, packaged, and canned products are required to display a label indicating that the product was not prepared in an inspected food establishment and that it is not for resale, in addition to other product and producer information. Products are sold at farmers markets, roadside stands, community supported agriculture drop sites, buying clubs, church bazaars, and other venues where sales occur directly between the farmer and retail customer.

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Farmers can sell the following products direct to consumers: fruits, vegetables, and edible flowers and herbs that are fresh, cured, or dried; shelled and unshelled nuts; shell eggs; honey with no additives; uncooked grain, legumes, and seeds; and popcorn, nuts, peppers, and corn on the cob that are roasted at the place of purchase after purchase.

Farmers can also sell the agricultural products of other farmers from the same or adjoining county under consignment. Products currently eligible for consignment sales include: fruits, vegetables, and edible flowers and herbs that are fresh, cured, or dried; unshelled nuts; shell eggs if the seller is a licensed egg handler; and honey only when not combined with other ingredients.

Senate Bill 507 would expand agricultural products allowed as farm direct marketer or consignment sales and would allow for internet sales and third-party contracting for sales support.