



Friends of Family Farmers ♦ PO Box 751 ♦ Junction City, OR 97448

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Chair Golden, Vice Chair Girod and members of the committee:

Friends of Family Farmers is in support of SB 85-1: a moratorium of new permits for Large Tier 2 CAFOs (Confined Animal Feeding Operations), for the sake of Oregon Agriculture. This topic has become divisive because opponents claim this policy would pick winners and losers in farming based on size. The reality is, we as a sector need to be conscious of the paradigm we are encouraging and the market and environment we are creating for Oregon's agricultural future. To be clear, this only impacts the BIGGEST farms in our state, of which there are currently only 55 across Oregon. Here is the current ODA fee schedule¹ that shows the number of animals present at the farms we are talking about in the General Permit Large Tier 2 column.

The current system is not protecting Oregon's communities, its farmers, or its natural resources. The water crisis in Morrow county, the outcry in Scio, and the hundreds of thousands of dollars the state paid to clean up the Lost Valley site 5 years ago show that the current permitting structure can only address concerns when its too late. We are becoming a target for these types of facilities and taking a pause on issuing new permits will help Oregon prioritize protecting our rural communities and the agricultural legacy we want for our state. Here are the factors we considered when coming to this conclusion:

Land Use

These types of facilities by definition use confinement as a means to produce more animals with less space. This does not require prime agricultural land, but in order to make sure they get the most tax incentives and can take advantage of right to farm laws, these businesses target EFU zoned land and are often located on designated High Value Soils (as is the case with the controversial Foster Farms affiliated chicken CAFOs in the Willamette Valley). Large scale CAFOs degrade the land for future generations of farmers through compaction and poor nutrient management, and make it harder for that land to support agriculture in the future. We work with livestock farmers through our program The Oregon Pasture Network² to help folks make the most of their natural resources for livestock production. This experience means that we are familiar with the benefits and potential of livestock to benefit soil health when managed correctly. We should be incentivizing good practices instead of creating a system where factory farms are encouraged to abuse our limited high value soil resources.

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<https://www.oregon.gov/oda/programs/NaturalResources/Documents/CAFOPublicNotices/CAFOFeeTable.pdf>

² <https://oregonpasturenetwork.org/>

In addition, according to the National Young Farmers Coalition most recent Young Farmer Survey³, only 25% of farmers under 40 years of age say they use any conventional farming practices as part of their approach. The average age of Oregon's farmers is over 60. If we continue to prioritize land uses that make our prime agricultural land incompatible with more sustainable practices, we will alienate the next generation of farmers who are focused on these production methods. The cost of rehabilitating the land along with the already high land prices will make Oregon a bad investment for our future farmers. Productive land is a finite resource and it is essential to agriculture and to our food security. Allowing large Tier 2 CAFO facilities to continue to misuse our prime agricultural lands permanently removes opportunities for other farmers who rely on these resources for their operations.

It also drives up the cost of farmland by encouraging corporate investment. Facilities this size require immense up front investment to build. This means that the companies that build them have the resources to outbid and overshadow other working farmers trying to achieve land security. In our 2022 Family Farm Survey, access to affordable and appropriate land was identified as one of the top three concerns for small and midsize farmers in Oregon. American Farmland Trust's data also shows that farmland in Oregon increased in price per acre on average just over 10% between 2020 and 2021⁴. That is the highest rate of increase on the West Coast. Corporate agribusiness exacerbates this problem and makes land less affordable for the everyday farmer. This type of farming under the current permit conditions makes our farmland valuable as an investment by capital firms and non-farmers looking to lease it back to producers under these models. Our land use policy regarding farming should be set up to benefit the producers.

Consolidation of Crucial Infrastructure

Farmers have to rely on some farm adjacent industries to legally bring their products to market. Meat producers need to have access to USDA or State inspected processing facilities to sell their meat in the retail market. Dairy farmers have to have transporters and processors to support them if they want to sell into the Grade A milk system. Both of these industries are victims of vertical integration by the corporate agribusinesses who often build this type of CAFO. When these facilities are either specifically built to serve these factory farms or have all of their processing slots occupied by these facilities, there is not fair competition in the market and smaller producers will be driven out. This has already happened in large part in the dairy industry. According to the US Census of agriculture data in Oregon in 1992 there were 1,541 dairy farms with any number of cows in Oregon. In 2017 there were only 645. In 15 years that industry shrunk to almost a third of its size. Of course there are other factors to farm success, but without access to processing infrastructure a farmer cannot sell their product.

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[chrome-extension://efaidnbnmnnibpcajpcglclefindmkaj/https://www.youngfarmers.org/wp-content/uploads/2022/09/NationalSurveyReport22-1.pdf](https://www.youngfarmers.org/wp-content/uploads/2022/09/NationalSurveyReport22-1.pdf)

⁴ American Farmland Trust presentation "Land Access 2023 Farm Bill Priorities" given on March 8, 2022

Meat processing is a similar situation. The state has taken strides to address this bottleneck, but the reality right now is that there are less than 20 facilities in the entire state that can process a meat animal for sale by the cut. The ODA state meat inspection program authorized by USDA and the State Meat Processing Infrastructure grant fund are steps in the right direction, but it is not enough without addressing the root of the problem. These industrial facilities will always have the ability to reduce competition for themselves in the market by monopolizing this crucial part of our food system infrastructure. There is no possibility of equitable access to these resources for Oregon's diversity of farmers if these types of facilities become the norm here.

Water Use

Natural resource use for any farm is proportional to the number of animals that are present or the number of crops produced. When you concentrate this many animals in a small space, the resource use will be outsized. While many crop farmers struggle to even get their allotted water through their water right, these farmers abuse the stock water exemption and take millions of gallons of water out of our rivers and aquifers without having to account for their impact on the system as a whole. These facilities have an outsized impact on the limited water resources of our state and other farmers are left with the consequences.

In the presentation from the OWRD during the joint informational hearing on February 28, 2023, the committee was told that not only are there somewhere between 250,000-275,000 exempt use wells in the state, there is no way for anyone to know what the exempt use is. There is also no record of which CAFOs use these wells under the stock water exemption. We were essentially told that right now, in a drought, we have no accounting of the water use from these facilities and no knowledge of how many use the exemption. It is hard for FoFF's farmers with water rights, who are carefully monitored, to see their water supply cut off or limited at the height of the season when these Large Tier 2 facilities are able to use as much water as they want with no accountability to the farms around them or others in the watershed. The stock water exemption is a crucial provision that was added to Oregon Law a century ago to help make sure ranchers could give their herds life sustaining water. It plays an important role in many of our farmer members' operations, but it was never meant to supply water equal to the use of a small city for one of these Large Tier 2 CAFOs. This is a misuse that makes our water scarcity worse.

Climate Change

In our 2022 Family Farm Survey, the number one concern of our farmers was the impact of climate change on farming in Oregon. Farmers are constantly on the front lines of the climate crisis. They are hit by changing seasonal norms, the onset of problems like drought, and the impact of extreme weather like wind, ice, and hail storms and disasters like wildfires. All these problems are tied to climate change. It is no longer up for debate that climate change has been hurting Oregon farmers. The farmers we represent want to stand up and hold the rest of their sector accountable for the impact of bad practices. No more will we rely on the false promises of methane digesters to prop up a system we know produces too many greenhouse gasses. It is time for the state of Oregon to prioritize climate friendly agriculture and that means finding ways

to better regulate the practices that put us further behind. We need to stop the new and expanded permitting of these facilities in order to listen to the environmentally and socially responsible farmers of Oregon and re-align our standards with what's best for all the farmers in our state and those in the next generations.

Rural Economic Development

Small farmers who sell their products where they live have a more positive impact on their communities than farms whose products are sold out of state. According to an OSU study⁵ based in Central Oregon, locally focused producers create more than double the jobs per \$1M in revenue, keep \$0.48 more per dollar into the local economy than commodity and export driven farms, and help more other local businesses through a greater multiplier effect than commodity focused growers whose products are often shipped out of state. Locally focused farms employ local people, pay taxes locally, are more likely to give back to their communities in charity and mutual aid, and tend to buy more of their inputs locally. It is not always up to the farmer. In fact many contract growers report they are obligated by their agribusiness contract holders to use certain types of feed or inputs. This is another reason why disrupting this system now is better for Oregon's communities. FoFF's farmers live and work in Oregon's rural towns and places. We want our work to bring life and vibrancy to the places we live, something that these industrial facilities simply don't do. It is not worth ignoring the impact of this style of agriculture on our local and regional market farms at the expense of our rural economies.

Conclusion

I want to be clear that this will not shut down any existing CAFOs. Any report to the contrary is a scare tactic. No farm will be forced to stop operating at its current permit under this moratorium. Nor will the flow of waste products used for organic fertilizer be halted. All the Large Tier 2 facilities currently operating in Oregon will still need somewhere to direct their waste streams. There are also many more Large Tier 1 CAFOs in the state with waste suitable for that use which will not be impacted at all by this legislation. This is simply a pause on the rush we have seen of more of these facilities coming into our state to re-evaluate their impact and place within our system. FoFF has many members who hold small and medium CAFO permits, and we support the continued operation of these farms. Many folks in opposition spoke to the fact that the CAFO regulations are the same all the way up the scale tiers as a mark that the program is robust enough. Larger facilities carry more risk to their communities and to the ecosystems surrounding them. They should be treated with more caution than smaller operations and have regulations specific to their scale. This moratorium will allow the biggest facilities and their impact to be evaluated on its own.

No farmer that FoFF represents would ever begrudge another farmer trying to make a living. These facilities are a symptom of a system that we have set up here in Oregon to favor the biggest of the big agribusinesses at the expense of the small and midsize operations that

⁵ <https://smallfarms.oregonstate.edu/economic-impact-local-food-producers-central-oregon>

breathe life into our rural communities and produce the high quality, nutritious and delicious food Oregon is known for. At the hearings for this bill, both sides bemoaned the pressure to “get big or get out” in this industry. This is not a faceless, unstoppable, condition of the market. This is because a system pushed by a few large companies has been taking advantage of an agricultural system not set up to handle this scale of facility. Our right to farm laws and the stock water exemption were not built for farms this size. They need to be held to a standard commensurate with the risk they pose to the environmental resources, the communities around them, and the future of Oregon farming. The paradigm will not shift without acknowledging the problem and deciding to go in a different direction. Let’s prioritize Oregon Agriculture and make it possible for family farms to thrive by putting a moratorium on new Large Tier 2 CAFO permits in our state. I urge you to support SB 85-1.

Sincerely,

A handwritten signature in cursive script that reads "Alice Morrison". The signature is written in black ink and is positioned above the typed name.

Alice Morrison
Co-Director
Friends of Family Farmers