

Submitter: Alicia Wherry

On Behalf Of:

Committee: House Committee On Economic Development and Small Business

Measure: SB643

My name is Alicia Wherry and I'm the owner of Sugar'd Up in Tigard, Oregon. In January of 2021, I decided to start my little home bakery making custom sugar cookies. I started this business for a few reasons. 1.) at the beginning of Covid, I had a respectable and profitable preschool and mommy and me program. Unfortunately, because I was not a licensed childcare facility, I was shut down (as everyone was) and unable to pay my rent. It was heartbreaking as I had 4 years of my life put into that business. 2.) My friend helped mentor me on how to get started in the industry. When Covid hit the kids could not go back to school. So, I started baking and practicing. I had lost my income and had no where for the kids to go. Baking was all I had. 3.) I found I really enjoyed it and even did a few farmers markets. 4.) I have a website that customers can request quotes for orders. But, cannot pay until the order is hand delivered or picked up.

I quickly learned that it is not a very profitable market (with the cap on sales) and cannot take the place of the business I had- but would love to make more money so I can help pay for things with my 5 children. The \$20,000 cap makes it hard for someone like me because-

Paying for legal fees (business license/other city fees) equipment, food supplies, utilities, cleaning supplies, costs of eggs/flour/sugar all going up, booth fees for farmers markets upwards of hundred of dollars, then the taxes on top of it.... I'm hitting the 20k cap.... and I'm not going to be able to pay myself after the government gets their percentage when I file my taxes. Good thing I love baking?

It would be helpful for the cap to be lifted so businesses like mine can continue to operate and grow. I love what I do and I'm hoping to save up to build a brick and mortar one day. But, I need to make enough money so I can save up to do this.

I hope you all will support this bill as it stands.

Thank you for your thoughts, actions, and considerations.

Respectfully,

Alicia Wherry

As for the pet issue- for those who have pets- this would help others who have been running illegal home bakeries feel more like registering their business. This helps

keep people accountable.

STATS FOR OREGON COTTAGE FOOD AMENDMENT

A. \$20k per year gross annual sales cap is below poverty wage.

a. Since Oregon's Cottage Food Law went into effect in 2016, the Consumer Price Index has increased by 25.27%. The current sales limit would already have increased to \$25,055 due to inflation since 2016.

b. 32 states + DC allow unlimited sales (AL, AZ, AK, DC, GA, HI, ID, IL, IN, IA, KS, KY, ME, MA, MT, NE, NH, NM, NY, NC, ND, OH, PA, RI, SC, SD, TN, UT, VT, VA, WV, WI); also, Wyoming allows \$250k of sales. September 16th, 2021, California's governor signed AB 1144 that increased sales limit to \$150k.

B. Allow CFOs to sell indirectly to retailers, such as shops and grocery stores, as long as the retailer puts the homemade food products on a separate shelf from other food and uses clear labeling that the food is homemade and not subject to inspection.

a. 18 other states + DC allow indirect sales (AZ, DC, IA, LA, ME, MD, MA, NH, NC, OH, OK, PA, RI, TN, UT, VA, WV, WY)

C. Allow all sales directly to the consumer online and through the mail.

a. 28 other states allow Mail Order (AL, AZ, AR, CA, CO, FL, ID, IL, IN, IA, KS, ME, MD, MO, NE, NM, NY, OH, OK, PA, RI, SC, TN, UT, VT, VA, WV, WI)

b. 43 states + DC allow Online Sales (AL, AZ, AK, CA, CO, CT, DC, FL, GA, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MN, MO, MT, NE, NH, NJ, NM, NY, NC, OH, OK, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY).

Other CFO Facts:

- Nationwide 2017 study shows that:
- 83% of CFOs are women-owned businesses
- 55% of CFOs are rural, despite 81% of population being non-rural
- 49% sell at farmers markets

There have never been any known public health foodborne outbreaks from a cottage food product in any state (49 states have a cottage food law)