

HB 2689 STAFF MEASURE SUMMARY

House Committee On Economic Development, Small Business, and Trade

Action Date: 03/03/25

Action: Do pass and be referred to Ways and Means by prior reference

Vote: 9-0-0-0

Yeas: 9 - Diehl, Dobson, Isadore, Lively, Nguyen D, Osborne, Skarlatos, Watanabe, Yunker

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 2/12, 3/3

WHAT THE MEASURE DOES:

The measure directs the Oregon Department of Agriculture (ODA) to establish and implement a domestic trade program to promote Oregon-made food and beverage products, complete a study on the competitiveness of food and beverage processing, and send a report to the Legislative Assembly by September 15, 2026, with recommendations related to the industry. It declares an emergency and is effective on passage.

Detailed Summary:

Directs ODA to establish and implement a domestic trade program to promote the purchase of Oregon-made food and beverage products in other states. Appropriates \$3,000,000 from the General Fund to ODA for this program.

Directs ODA to partner with non-profit organizations to study the competitiveness of food and beverage processing business in the state. Requires the study to quantify limitations on growth related to labor availability; talent and labor needs; access to affordable energy; access to affordable capital; any imbalance between the demand for and supply of debt and equity capital; the capacity, capabilities, and state funding needs of co-manufacturing; and access to technical assistance.

Requires ODA to submit a report and recommendations to the Legislative Assembly no later than September 15, 2026, including recommendations on how to ensure that food and beverage processing businesses remain competitive in Oregon, as well as how to reduce regulatory barriers and expand market opportunities for these products. Appropriates \$750,000 to carry out this study and report. Sunsets this requirement on January 2, 2027.

Declares an emergency, effective on passage.

ISSUES DISCUSSED:

- Cost to administer the program
- Partnership between the industry and the Oregon Department of Agriculture
- Purpose of the food and beverage processing study
- Local organization support for the industry

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The food and beverage manufacturing sector is one of Oregon's target industries, according to the [Oregon Business Development Department \(OBDD\)](#). Last year, U.S. Senator Ron Wyden and the Oregon Business Council (OBC) launched the Food and Beverage Council. It brought together about 30 food leaders from around the state

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to study challenges and develop recommendations designed to support and grow food and beverage businesses in Oregon. The Council found that the main challenges for the industry include a lack of available workforce, access to capital, co-manufacturing capacity, and technical assistance. The measure proposes to address some of these challenges through further study.