

Testimony in Opposition to HB 3940 – Proposed 5 Cent Surcharge on Beverage Containers

To Whom It May Concern,

My name is Ashley Crews and I am a co-owner of Weekend Beer Company, a veteran and brewer owned family-owned brewery here in southern Oregon. I am submitting this testimony in opposition to HB 3940, which proposes a 5-cent surcharge on beverage containers. As a small, local business that plays a vital role in the community, I am deeply concerned about how this proposed surcharge will negatively impact not only my business but also the many other small, family-owned breweries throughout Oregon.

Oregon's more than 300 breweries, including Weekend Beer Company, help create 50,000 jobs and contribute \$8.7 billion to the state's economy annually. These local businesses also contribute \$2.8 billion in wages each year, and many are run by families, veterans, and members of our community. We are proud to be part of this industry that fosters jobs, builds local economies, and provides a place for people to gather. However, we are also facing immense challenges in the wake of inflation, supply chain issues, employee shortages, the residual impact of a global pandemic, and shifting consumer habits.

The proposed surcharge would place an additional financial burden on our small business, which is already struggling significantly in this current economy. This surcharge is effectively a hidden sales tax on consumers, as Oregonians already pay a 10-cent deposit under the Bottle Bill. Adding another 5 cents would disproportionately impact working families and local businesses like ours, who have already seen a downturn in sales.

The impact of this surcharge goes far beyond just our brewery. As a community hub, Weekend Beer Company directly supports five other businesses on our property. We also work with dozens of local suppliers and make thousands of dollars in charitable contributions to support our neighbors each year. This surcharge would make it more difficult for us to continue offering support to these businesses and charitable organizations, further exacerbating the challenges we already face.

In addition, the Bottle Bill has been a proven, successful program for decades, and this proposed surcharge threatens its effectiveness. The Bottle Bill is a privately run system that has operated without government interference, and adding a 5-cent surcharge would be an unnecessary burden on local brewers, distributors, and retailers, ultimately undermining a program that has worked well for years. Moreover, there is no clear correlation between recycling and wildfire prevention funding. This surcharge seems misplaced and disconnected from the true funding needs for wildfire prevention, especially when there are other, more logical funding mechanisms available.

Instead of imposing a new tax, we believe that Oregon should explore existing revenue sources to fund wildfire prevention. For example, redirecting the insurance tax, using lottery funds (as proposed by Sen. Fred Girod), and prioritizing better forest management practices are all better alternatives. The proposed surcharge lacks any real connection to the issue it seeks to address, making it an illogical and misguided solution.

As a small business owner, I urge you to oppose HB 3940 and reject the proposed 5-cent surcharge on beverage containers. It is government overreach that unfairly targets small businesses and working families while failing to address the root causes of wildfire risks. Instead, I encourage you to support fiscally responsible solutions that provide real and sustainable funding for wildfire prevention without placing further financial strain on Oregon's local businesses.

Thank you for your time and consideration.

Sincerely,

Ashley Crews

Co-Owner, Weekend Beer Company