

4/1/2025

Greetings,

Respectfully, to Chairman Nathanson, Vice Chairs Reschke and Walters, and revenue committee members –

For the record, my name is Brett Thomas. I am the founding brewer and Director of Brewing Operations for Sunriver Brewing Company. I am also an elected board member of the Oregon Brewers Guild, serving on the legislative action subcommittee.

I testify today in opposition of HB 3940. It is not the intent of the bill that I oppose but one of the sources of funding in particular – the beverage container “tax” provision. While the revenue generated from this bill is certainly needed, this funding proposal stands to be questioned.

A \$.05 fee, essentially a sales tax, added to each “beverage container” purchase translates to an additional \$.30 per six-pack of craft beer at retail. Oregon’s craft breweries face an unprecedented set of challenges in today’s marketplace and any added costs at retail with most certainly lead to further deceleration of sales, endangering the success of businesses.

Our industry of small businesses is plagued by shifting preferences in beverage alcohol, national and international competition, rising labor, insurance, and healthcare costs, inflationary pressures, plummeting consumer confidence, and the ever-present threat of tariffs on our raw material supply chain. Many of our brewery members may be “just one more thing” away from being unable operate a viable business. The craft beer business was built on passion, but unfortunately, passion with notoriously low margins.

Living and working in Central Oregon, I can truly appreciate the need to fund wildfire fighting and mitigation efforts. Multiple smoke-filled summers have negatively impacted our businesses as well as the health and safety of our employees. Our brewery was even closed for multiple days (level 2 evacuation) due to a wildfire burning in the Mount Bachelor area. That said, this proposed \$.05 per container tax may prove to be even more harmful to our business.

The Oregon Brewers Guild implores this committee to find an alternate, and equitable, source of funding for this bill and please protect the small businesses that comprise the majority of Oregon’s iconic craft beer industry. Please do not let our industry become collateral damage as a funding source.

Thank you for your time and consideration.

Brett Thomas

Founding Brewer, Director of Brewing Operations – Sunriver Brewing Company, Sunriver, OR