

## HB 4153 -1, -2, -3, -4, -6 STAFF MEASURE SUMMARY

### House Committee On Agriculture, Land Use, Natural Resources, and Water

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**Meeting Dates:** 2/4, 2/9, 2/16

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#### WHAT THE MEASURE DOES:

The measure replaces existing regulations for farm stands on exclusive farm use zones with new regulations for farm stores.

#### Detailed Summary

- Defines the following terms with respect to permitted uses in exclusive farm use (EFU) zones:
- 'Agri-tourism', 'Farm use', 'Farm-to-table meal', 'local agricultural area', 'processed farm product'
- Replaces existing farm stand regulations on EFU land with a permission of farm stores on EFU land under the following conditions:
  - The farm store sells products produced by the farm operation, products produced in the local agricultural area, or beverages and prepared food items ready for immediate consumption
  - The farm store is located on land that meets certain acreage and farm-use or income requirements
  - The square footage of the farm store and the area used for the sale of retail items do not exceed certain limits
- Specifies agri-tourism activities as a permitted use of farm store structures
- Authorizes a farm store's farm-to-table meal operation to include onsite kitchen facilities licensed by the Oregon Health Authority and puts limits on the food and beverage services provided from those kitchen facilities
- Authorizes local governments with relevant land use jurisdiction to adopt specific siting standards for farm stores
- Prohibits counties from applying siting standards in a manner that directly prohibits or unreasonably frustrates the siting and operation of a farm store

*FISCAL: May have fiscal impact, but no statement yet issued*

*REVENUE: May have revenue impact, but no statement yet issued*

#### ISSUES DISCUSSED:

#### EFFECT OF AMENDMENT:

-1 The amendment modifies farm store standards by defining additional terms, requiring farm stores to sell products grown by the operating farm, increasing allowable size and income thresholds, adjusting food service rules, and revising county siting authority.

#### Detailed Summary

- Changes the definition of 'agri-tourism activity' to no longer exclude 'dwellings'
- Adds a definition for 'farm unit'
- Clarifies that eligibility to establish a farm store on EFU land requires the store to sell farm products produced by the operating farm
- Increases total square footage limitations of permanently enclosed structures used for the farm store to 10,000 square feet
- Increases farm income requirements to at least \$40,000 in gross farm income in the preceding two years
- Requires retail items to be sold from within a permanent enclosed structure

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- Authorizes farm stores to use temporary structures or mobile vending units in conjunction with an agri-tourism activity
- Narrows limitations on the food and beverage services provided from kitchen facilities.
- Removes from counties the prohibition on applying siting standards that unreasonably frustrate the siting and operation of farm stores.

*FISCAL: May have fiscal impact, but no statement yet issued*

*REVENUE: May have revenue impact, but no statement yet issued*

-2 The amendment mirrors the -1 amendment and in addition specifies that in order to qualify as an 'agri-tourism activity' a farm store must sell products to the public.

*FISCAL: May have fiscal impact, but no statement yet issued*

*REVENUE: May have revenue impact, but no statement yet issued*

-3 The amendment modifies farm store standards by defining additional terms, requiring farm stores to sell products grown by the operating farm, increasing allowable size and income thresholds, adjusting food service rules, and revising county siting authority. The amendment also restores farm stands as permitted uses on exclusive farm use land.

- Adds a definition for 'farm unit',
- Clarifies that eligibility to establish a farm store on EFU land requires the store to sell farm products produced by the operating farm.
- Increases total square footage limitations of permanently enclosed structures used for the farm store to 10,000 square feet
- Reduces farm income requirements from at least \$40,000 to at least \$10,000 in gross farm income in the preceding two years
- Requires retail items to be sold from within a permanent enclosed structure
- Authorizes farm stores to use temporary structures or mobile vending units in conjunction with an agri-tourism activity
- Narrows limitations on the food and beverage services provided from those kitchen facilities.
- Removes from counties the prohibition on applying siting standards that unreasonably frustrate the siting and operation of farm stores.
- Restores farm stands as permitted uses on exclusive farm use land

*FISCAL: Fiscal impact issued*

*REVENUE: No revenue impact*

-4 The amendment mirrors the -1 amendment, specifies that in order to qualify as an 'agri-tourism activity' a farm store must sell products **to the public**, and in addition authorizes farm stores to be established on a tract of less than 20 acres, if the applicant agrees to limit the income from the sale of retail items, beverages, and prepared food items and agri-tourism activities **not to exceed more than 25 percent** of the total annual income of the farm store.

*FISCAL: May have fiscal impact, but no statement yet issued*

*REVENUE: May have revenue impact, but no statement yet issued*

-6 The amendment restructures how farm-related commercial activities are regulated by redefining certain agritourism uses as "promotional activities," removing alcoholic beverages from the definition of 'incidental retail sales' and adding a definition of 'farm store'. It removes certain eligibility requirements for farm stores while limiting their size, sales composition, and promotional activities, imposing operational restrictions, and capping the number of farm-to-table meals or seasonal events counties may authorize.

Detailed Summary

- Removes the definitions for 'agri-tourism activity' and instead defines farm tours, educational exhibits or classes, crop mazes, nonmechanized play structures, farm-to-table meals, incidental retail sales, animal petting and feeding exhibits, hay or tractor rides, or other seasonal events showcasing products of the farm operation as 'promotional activities'
- Defines 'incidental retail sales' as items that promote the farm operation, including certain sales for off-site consumption
- Excludes alcoholic beverages from the definition of 'processed farm product'
- Defines 'farm store' as the use of land for the sale of processed and non-processed farm products produced by the farm operation.
- Removes acreage, farm-use, and income requirements to establish a farm store
- Changes square footage of allowed farm stores
- Limits farm stores to promotional activities that:
  - Are related to and supportive of agriculture
  - Are incidental and subordinate to the farm operation
  - Comply with applicable health, fire, and safety requirements
  - Make up no more than 35 percent of the total annual farm store sales
  - Meets the standards for approval of certain uses on EFU land
  - Do not materially alter the stability of the local land use pattern
  - Comply with specified conditions as established by the county
- Prohibits farm stores from:
  - Being privately rented
  - Be owned by anyone other than the farm operator
- Prohibits counties from authorizing more than 18 farm-to-table meals or seasonal events at a farm store and specifies requirements for limited use permits

*FISCAL: May have fiscal impact, but no statement yet issued*

*REVENUE: May have revenue impact, but no statement yet issued*

**BACKGROUND:**

Oregon's Statewide Land Use Planning Goal 3 requires all agricultural lands to be inventoried and preserved by adopting exclusive farm use (EFU) zones. Farm uses allowed on EFU-zoned lands include: raising, harvesting, and selling crops; feeding, breeding, managing, and selling certain animals; and preparing, storing, and disposing of products raised on these lands. Certain nonfarm uses are also allowed on EFU-zoned lands and currently include farm stands under limited circumstances.