



Friends of Family Farmers ♦ PO Box 396 ♦ Corbett, OR 97019

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September 22, 2020

Dear Chair Nathanson and Members of the Interim Committee on Revenue:

My name is Amy Wong and I am the Policy Director for [Friends of Family Farmers](http://www.FriendsofFamilyFarmers.org) (FoFF). FoFF is a statewide grassroots nonprofit organization with more than 8000 supporters across Oregon. FoFF brings together independent family farmers, food advocates, and concerned citizens to shape and support socially and ecologically responsible, family-scale agriculture in Oregon that respects the land, treats animals humanely, and sustains local communities.

And it is on behalf of our goal of sustaining and reinvigorating local communities, especially rural ones, that I am writing to express FoFF's support for disconnection from CARES Act tax provisions, as they do not help small farmers. Over the summer, FoFF advocated to save programming that benefits our farming community—namely Farm to School and OSU Extension services—from budget cuts. FoFF is deeply concerned about the upcoming revenue forecasts and the additional budget cuts that will follow and urges the legislature to find ways to lessen these cuts.

It is FoFF's understanding that disconnecting from three federal tax provisions could save the state \$225 million in the current biennium and the taxpayers will still receive the federal tax breaks. The federal benefits under these provisions are worth several times more than the additional benefits under connection to Oregon and most state are not providing state benefits.

There is no shortage of places where the \$225 million could be spent. FoFF believes that investments in agricultural resiliency will yield benefits that will be returned to Oregon in the form of rural economic development, better health outcomes, and healthier soils. As Covid-19 spread, the U.S. experienced a failure in vertically-integrated food system models like meat processing plants, which highlighted the need for a resilient local food system.

Indeed, the legislature passed [HB 4206](#) during the first Special Session, which authorizes a State Meat Inspection program so that ultimately, Oregon will have a regional meat supply, regardless of disruptions in national and international markets. However, there need to be significant investments in programs that supply technical assistance (TA) and infrastructure improvement to processing facilities in order to meet USDA standards. This could be a one good use of these funds.

In addition, there are many other “ag resiliency” programs that could benefit from increased or new funding that FoFF would be happy to discuss at greater length. For example:

- Funding for regional agricultural infrastructure beyond meat processing— examples include investments in value-added facilities, increased cold storage, more food hubs, and aid for farmers pivoting to online sales;
- Reinstating funding cut from [Farm to School](#) and [OSU Extension](#) services;
- Additional funding to the [Oregon Workers Relief Fund](#);
- Funding for the [Double Up Food Bucks Oregon](#) program;
- Strengthening and growing “Ag Finance” programs for Beginning and New Farmers, like [Aggie Bonds](#);
- Funding the [Oregon Agricultural Heritage Program](#) (OAHP).

Thank you for your time and I am available for questions at any time.

Sincerely,

Amy M Wong

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