

ISSUE

As the Oregon wine industry has grown in both size and international standing, the statutes that define our wineries have become outdated. Wineries currently are allowed as outright permitted uses on EFU land as long as they meet certain narrow standards. The statutes define two tiers of wineries: "Tier 1" wineries produce less than 50,000 gallons per year, and "Tier 2" wineries produce at least 50,000 gallons per year but no more than 100,000 gallons. Today, eight wineries in our state exceed the 100,000-gallon limitation, which leaves their legal status in question.

BACK-GROUND

The Oregon wine industry has evolved more quickly than many ever could have imagined when the original winery laws passed in 1989. The statutes regulating the wine industry are confusing, outdated and unnecessarily tie the hands of Oregon's largest winemakers.

Wineries on EFU land that exceed 100,000 gallons produced per year must apply for a special use permit with their respective counties. This process is lengthy, expensive, and subject to numerous appeals. Most importantly, the process is highly discretionary.

SOLUTION

House Bill 3280 updates the current statutes to:

- Allow our wineries the ability to meet the growing demand for Oregon wine and effectively compete with national and international wineries;
- Support our wine industry by removing an arbitrary and limiting cap on production;
- Bring additional tourism opportunities and dollars to our state;
- Promote Oregon agricultural products; and
- Create jobs.

This narrowly crafted legislation addresses the current needs of Oregon's wine industry while maintaining the integrity of EFU lands.

In the last special session, legislation set parameters on wineries' sale of incidental goods and services, including special events.

However, this legislation restricted wineries to serve only "prepackaged" food on their premises.

HB 3280 will allow Oregon's landmark wineries to operate a restaurant as another tool to promote Oregon wines.

House Bill 3280 classifies landmark wineries by the following requirements:

- Producing 150,000+ gallons of wine per year in at least 3 out of 5 years; and
- Owning 130 acres of planted vineyards for 5 years.

Currently just four wineries across the state meet these requirements, with two additional wineries that may qualify in upcoming years.

HB 3280 does not authorize lodging, resorts, spas, or the like attractions on EFU land.

The -8 amendment includes good neighbor provisions as well as provisions to limit impacts to farming and forest practices and maintain environmental and natural resource regulations.

We must take action or the future of Oregon wine will be determined by someone else.

We ask for your support of House Bill 3280.

“Food and wine go together

The restaurant is a great way for visitors to Oregon to meet our wines... and enjoy a beautiful view,

the foods that we grow here

and our wines.

It's much like any other place in the world that has a wine culture.

They have restaurants,

and food and wine are combined.

Wine is treated as food,

so the inclination to either suggest that people should not have good quality food with good quality wine

or to suggest they should have no food at all,

is probably not good business on Oregon's part.

We compete for those global tourists

with some places that have a heck of a reputation.”

- Ed King, owner of King Estate Winery