

**What is HB3280B?**

HB 3280B would give Oregon wineries more certainty regarding allowed commercial activities and facilities on land zoned for farm use. It allows our industry more freedom to conduct activities unlikely to create impacts on surrounding land uses and provides for reasonable regulation of those winery activities that have been shown to cause greater neighborhood impact. Currently, HB 3280B does not reflect all of OWA's agreed upon concepts developed after a year-long town hall meeting process and in collaboration with a coalition whose members included the Oregon wine industry, legislators, Governor Kitzhaber's office and other key stakeholders. We have been working hard to advocate for the OWA's/wine industry position.

**What is its current status in the Oregon Legislature?**

HB 3280B passed the Senate on Wednesday, June 8<sup>th</sup>, 2011. With its passage, HB 3280B goes to a conference committee where the OWA will work with the Senate and House Conference Committee members to amend the bill to accurately reflect the Oregon Wine Industry's position. We have supported the process until now for two reasons. First, we believe the conference committee will listen to the industry and fix the flawed bill to represent what our industry needs to grow and prosper. Second, it is critical that the legislature adopt winery legislation this year to prevent the sunset of the law that currently governs activities at wineries on farmland.

**Are there provisions in the current bill that OWA supports?**

Not at this time. Key provisions the OWA would support include:

- Establishing three tiers of wineries – small ones wishing to grow into the industry, general wineries and larger wineries;
- Making clear that wineries can sell incidental items and do activities and events that relate to the marketing and promotion of the winery, its wine and the Oregon wine industry;
- Establishing a process for wineries to get a multi-year county permit if they wish to host events that arguably go beyond the scope of direct marketing, such as celebratory events (i.e. weddings and events of similar size and impact), outdoor concerts where admission is charged or private facility rentals;
- Making clear that wineries may have kitchen facilities to safely prepare and keep food required to be served by the OLCC and to adhere to health inspections;
- Allowing restaurants at large wineries (policy set forth in SB829);
- New provisions to prevent the establishment of "faux" wineries, which are more focused on hosting events than producing and marketing wine; and
- A grandfather clause that allows existing wineries that are operating legally to continue their operations.

**What is the main problem currently with HB 3280B?**

As written, HB 3280B does not reflect OWA's key provisions as described in the previous question. The OWA is also seeking technical amendments to the final legislation such as:

- Eliminating minimum production amounts for wineries;
- Clarifying the acreage requirements for the winery tiers;
- Allowing kitchen facilities for small wineries so they can adhere to OLCC requirements and local health inspections;
- Returning to current law regarding 25% incidental income limitation;
- Giving counties flexibility in requiring reporting related to the 25% limitation;
- Allowing reasonable regulation of activities at large wineries with restaurants without burying these wineries in legal process (consistent with SB 829).
- Allowing counties flexibility to permit conditional use wineries in a way that protects surrounding land uses while promoting creativity and entrepreneurship at these wineries.

### **How will the bill affect me and my winery?**

We believe that it's critical that the industry's consensus agreements be present in the final bill. As currently written, HB 3280B does not ensure the continued and healthy growth of the wine industry in Oregon. The wine industry in Oregon now exceeds \$2.5 billion on an annual basis and has nearly doubled in size over the past five years. The wine industry is one of Oregon's leading tourist attractions and its wine has gained an international reputation and following. If our amendments are not included in the final bill, we believe it will absolutely slow the growth of the industry and put its position as a key state asset in jeopardy.

### **If this bill doesn't represent everything we want to see in a bill, why not withdraw our support?**

The current winery legislation statute (HB 1055) sunsets in January 2013. Without new legislation in place, the scope of activities at new wineries may be severely restricted and existing wineries may be subject to complex new local permitting requirements to maintain their current activities. Thus we have to address this issue ultimately and the 2012 legislative session is a short, five-week session and winery legislation may not make it on the agenda. The 2011 legislative session is rapidly nearing a close and thus the best opportunity to amend HB 3280B.

### **How can I help or get involved?**

It is critical that you get involved and voice your opinion now! The current bills are not good for the wine industry and will not allow us to continue to grow in the way we have over the past five years. It is very important that you email the key legislators and governor's office to register your opinion that without our amendments, the bill does not support a healthy and growing Oregon wine industry. We can't emphasize enough how important it is that you as an industry member send a message to Salem that the HB 3280B does not represent what's best for the Oregon wine industry or Oregonians.

When you write to the legislators and the governor's office, please consider making these points:

- That the OWA's proposed changes to HB 3280B which is going into conference committee are good policy and the only policy that the Oregon Wine Industry supports.
- That these changes have been crafted from a process of compromise that has taken over a year and included the entire statewide wine industry and other stakeholders in the state as well.
- That these changes represent balanced compromises that preserve farm land, allow winegrowers to earn a living and gives opportunity for growth to one of Oregon's thriving agricultural industries.
- That they (the legislators) need to support the OWA changes and make sure those changes make it into the bill to allow our industry to grow and prosper.
- That the Oregon Wine Industry brings the message of Oregon's sustainable agriculture to hundreds of millions of people nationally and internationally.

Please email the following key legislators' and Governor:

- Senator Dingfelder: [sen.jackiedingfelder@state.or.us](mailto:sen.jackiedingfelder@state.or.us)
- Senator Prozanski: [sen.floydprozanski@state.or.us](mailto:sen.floydprozanski@state.or.us)
- Senator Thompson: [sen.chuckthomsen@state.or.us](mailto:sen.chuckthomsen@state.or.us)
- Senator Courtney: [sen.petercourtney@state.or.us](mailto:sen.petercourtney@state.or.us)
- Senator Rosenbaum: [sen.dianerosenbaum@state.or.us](mailto:sen.dianerosenbaum@state.or.us)
- Senator Ferrioli: [sen.tedferrioli@state.or.us](mailto:sen.tedferrioli@state.or.us)
- Representative Hanna: [rep.brucehanna@state.or.us](mailto:rep.brucehanna@state.or.us)
- Representative Roblan: [rep.arnieroblan@state.or.us](mailto:rep.arnieroblan@state.or.us)
- Representative Cameron: [rep.kevincameron@state.or.us](mailto:rep.kevincameron@state.or.us)
- Representative Holvey: [rep.paulholvey@state.or.us](mailto:rep.paulholvey@state.or.us)



OWA – HB 3280B Q&A's  
June 10, 2011

- Representative Clem: [rep.brianclem@state.or.us](mailto:rep.brianclem@state.or.us)
- Representative Hunt: [rep.davehunt@state.or.us](mailto:rep.davehunt@state.or.us)
- Representative Jenson: [rep.bobjenson@state.or.us](mailto:rep.bobjenson@state.or.us)
- Representative Cowan: [rep.jeancowan@state.or.us](mailto:rep.jeancowan@state.or.us)
- Representative Johnson: [rep.markjohnson@state.or.us](mailto:rep.markjohnson@state.or.us)
- Gov. Kitzhaber's office: <http://governor.oregon.gov/Gov/contact.shtml>