

REVENUE: Revenue statement issued

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	8 - 0 - 0
Yeas:	Boone, Cowan, Esquivel, Johnson, Schaufler, Sprenger, Clem, Jenson
Nays:	0
Exc.:	0
Prepared By:	Beth Herzog, Administrator
Meeting Dates:	4/11, 4/20

WHAT THE MEASURE DOES: Increases maximum annual production to 150,000 gallons for winery to be established as outright permitted use on exclusive farm use (EFU) land when grapes produced on at least 40 contiguous acres. Requires winery to provide on-site parking. Authorizes winery to be established as outright permitted use on EFU lands, or any area zoned for agricultural use on a parcel of land at least 80 contiguous acres if at least 50 acres of parcel have vineyards planted at least five years before winery is qualified to operate; owner owns at least 80 additional acres in Oregon of contiguous planted vineyards; and winery has produced at least 150,000 gallons of wine in at least three of last five years before qualifying. Authorizes winery established under Act to sell wines produced by the winery; items directly related to sale and promotion of wine produced by the winery; and services related to sale and promotion of wine including catered dinners, weddings, charitable or political events and other private events. Authorizes winery established under Act to operate full service restaurant. Authorizes local government to approve the sale or delivery of other items or services. Requires local government to adopt standards for establishment of at least 100 foot setback from all property lines for winery and all public gathering places and provisions for direct road access, internal circulation and parking. Requires winery to provide on-site parking.

ISSUES DISCUSSED:

- Impact of events on neighboring farms
- Growth of wine industry in Oregon

EFFECT OF COMMITTEE AMENDMENT: Replaces measure.

BACKGROUND: A winery may be established as an outright permitted use on EFU lands if specific thresholds are met for vineyard acreage and gallons of wine produced. Currently, a winery producing less than 50,000 gallons from a vineyard of at least 15 acres or a winery producing less than 100,000 gallons from a vineyard of at least 40 acres is an outright permitted use on EFU lands. These wineries are currently authorized to sell items directly related to the sale and promotion of wine including food from a limited service restaurant.

House Bill 3280 A modifies these provisions by increasing the production limit from 100,000 gallons to 150,000 gallons and creating a new category by allowing wineries producing more than 150,000 gallons to be recognized as an outright permitted use on EFU land provided that certain parameters are met. The Act would require wineries in all three production categories to provide a setback of at least 100 feet and on-site parking. Wineries qualifying under the requirements for production greater than 150,000 gallons would be authorized to operate a full-service restaurant and provide services such as weddings and other events.