

REVENUE: No revenue impact

FISCAL: May have fiscal impact, statement not yet issued

Action:	Without Recommendation as to Passage and Be Referred to the Senate President for Re-referral
Vote:	5 - 0 - 0
Yeas:	Hass, Olsen, Prozanski, Thomsen, Dingfelder
Nays:	0
Exc.:	0
Prepared By:	Beth Patrino, Administrator
Meeting Dates:	4/14, 4/19, 4/21

WHAT THE MEASURE DOES: Repeals Section 3, chapter 97, Oregon Laws 2010. Raises upper limit on gallons produced for category of wineries from 100,000 to 150,000 gallons. Authorizes sale of items directly related to wine. Authorizes provision of services, in tasting room or other areas of the winery, including wine sampling, consumer education and other activities intended to promote the winery or the Oregon wine industry, and public or private events or activities hosted by the winery or winery patrons. Requires kitchen facilities at winery be licensed under ORS 624.010 – 624.121. Prohibits use of kitchen facilities for off-site catering and limits use to preparation of food required to be served in conjunction with consumption of wine on premises or at catered events or activities at winery. Authorizes issuance of temporary, multi-year permit for winery to conduct events and activities including facility rentals, celebratory events, outdoor concerts and other events and activities. Requires winery to limit gross annual income from certain events or activities to 25 percent or less of annual gross income from retail sales onsite of wine produced in conjunction with winery. Requires submittal of annual written report, prepared by certified public accountant. Authorizes winery that does not meet minimum acreage requirement (less than 15 acres) to be established as conditional use in exclusive farm use (EFU) zone and to sell wines produced in conjunction with winery. Authorizes winery with annual production of more than 150,000 gallons to be established as conditional use in EFU and meet minimum acreage requirement. Allows county to authorize single agri-tourism or other commercial event or activity in a calendar year on tract in EFU under certain conditions. Allows county to authorize expedited, single event license on tract in EFU under certain conditions. Allows county to authorize up to six agri-tourism or other commercial event or activity in a calendar year on tract in EFU under certain conditions.

ISSUES DISCUSSED:

- Association of Oregon Counties Farmland Activities Task Force Report and Recommendations
- Proposed process for permitting of commercial uses on farmland is additional tool for counties, not required
- Use of 25 percent income standard at wineries
- Conflicts between farming practices and commercial uses on nearby farmland

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: In Oregon, agricultural lands are conserved for agricultural uses and certain non-farm uses that are compatible with farming through the application of EFU zones. As of 2009, about 15.5 million acres (56 percent of private lands in Oregon) were included in EFU zones. The EFU zone was developed by the Oregon Legislature in 1961 along with the farm tax assessment program. Farm use is encouraged and protected within the zone, while also allowing a variety of non-farm related uses that have evolved over the years. Minimum lot standards and dwelling approval standards limit the conversion of farmland to other uses. Senate Bill 960 would authorize counties to approve commercial events and activities on EFU lands and revise existing statutes governing activities at wineries.

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This summary has not been adopted or officially endorsed by action of the committee.