

SB 841 Winery Events
Testimony State Representative Jim Thompson

Chairman Roblan, Members of the committee

Colleagues, let us be cautious as we move forward in our consideration of the bills addressing the Oregon Wine Industries ability to grow and prosper.

We can proudly point to this industry as a home grown industry consisting of many small business owners . These individuals whose entrepreneurship, labor and love of the land has made Oregon Wine recognized worldwide with award winning varietals.

In just the past 10 years we have seen this industry expand from

480 vineyards to 849 vineyards in 2010

The acreage committed to growing grapes expanded from 10,500 acres in 2000 to 20,500 acres in 2010 acreage

The 2010 value of grapes from this acreage was \$65,303,000

The number of wineries increasing from 122 in 2000 to 419 in 2010 producing 991,770 cases in 2000 to 1,930,763 in 2010

The employment in the wine industry has grown 145% in the past 10 years

As legislators, we have several choices in dealing with this business

We can treat the wineries small business owners as “an Oregon Niche –not to be disturbed”.

We can treat them as commodity which infringes on agricultural land

We can regulate every aspect of their business plans and operations in minute detail or

We can treat them as key participants in Oregon’s economy and employment expansion

As everyone in agriculture understands, income diversification is a key to survival. Each one of our farmers, ranchers, orchardists, and others reliant upon husbandry know that without a variety of income streams from their farms ranches and orchards, their success and ability to stay in business is marginal. We understand that each business chooses a business model to be successful. Those business models will vary but require the owner to be able to respond to market needs and demands for services, venues and product.

Yet we, yes we the legislature, who speak every day about the need to create jobs, improve the economy, and build an environment to succeed propose, discuss and vote on legislation that limits our agricultural wine industry from succeeding.

We do not try to limit activities and events at our agricultural businesses especially nurseries, bulb and flower farms, ranches that use the event(s) to promote their product. Strangely, however we do limit the income that can be earned from a farm stand designed to sell the farms and other agricultural products. The question is why. We pride ourselves in promoting Oregonians for Oregon. We encourage our schools to buy local produce, we give a hand up to energy projects to reduce our need on foreign oil or carbon fuels but yet we create new and complicated permitting procedures that only large corporations can afford to navigate.

We fail to realize that it is not the winery that generates the interest in having food services and special events but it is the interest of our constituents. These are constituents and tourists who want to enjoy the “wine country experience” by seeking winery venues that offer education, food and entertainment.

We can’t argue that protection of agricultural land is a key tenant of SB 100. This legislation 20 plus years ago established the land use protections on the agricultural lands and forest lands we use to host our vineyards and wineries. The lands we use as vineyards and wineries also host farms raising all types of crops, nurseries raising all types of plants, trees, bulbs and shrubs, ranches with horses, cattle, bison,

sheep llamas etc. Our orchards use agricultural lands as do our berry crops. Our laws also authorize a lot of other uses on agricultural lands including outbuildings, production facilities, processing facilities even private parks and churches.

We are on the cusp of limiting access of viticulture onto agricultural lands with complicated rules that do not recognize the uniqueness of the winery business and its need for human interaction. Rules that create the only branch of agriculture which is divided into classes and tiers that have varying privileges.

In considering SB 841 please do not constrict our rural I businesses or future rural businesses from choosing a business model that best meets their goals and helping grow the Oregon Wine industry.