

April 11, 2013

To: Chair Sen. Arnie Roblan and Members of the Oregon Senate Committee on Rural Communities and Economic Development

Re: SB 841

My name is Dick Ponzi. I reside at 22230 Jaquith Road, Newberg. I am here today to give testimony on SB 841 and have submitted my written comments. I represent Ponzi Vineyards, one Oregon's first wineries, established in 1970. We started our vineyards from the original plantings of 12 acres. Today we own and farm 125 acres in addition to managing an additional 30 acres. This expansion through the years has allowed us to distribute to 45 states and several foreign markets. Together, with a few other wineries, this growth has brought national attention to Oregon and accompanying major contributions to the Oregon economy.

The growth and firm establishment of the Oregon wine industry has also brought concerns regarding the impact on farmland and privileges of wineries. SB 841 in part addresses some of the issues in a fair and balanced way. My concern is that SB 841 deals with issues of permitted activities of wineries, but inhibits potential expansion of smaller wineries. Currently there are over 450 Oregon wineries of which 80% were started on small parcels with at least 15 acres of vineyards. SB 841 denies these wineries the opportunity of expansion unless they have additional adjacent land for growth...even if those wineries own hundreds of acres of vineyards not adjacent to the winery site! Obviously this restriction discourages expansion. While the Oregon wine industry's economic contribution to the state is now substantial, it is minuscule compared to the world wine market. I am proposing a minor, but extremely significant, modification to SB 841 to correct the situation of denying opportunity and instead allow growth to continue.

I suggest a change to Section 2 (1b) to read:

**(D) owns a 40 acre site with a minimum of 15 acre vineyard and having ownership of at least 40 acres additional planted vineyard in Oregon but not adjacent to the winery.**

This correction would not impact agricultural activity; it supports Oregon's land use concepts and allows controlled production growth for many of Oregon's wineries.

Thank you for the opportunity to testify before this committee today. I would be happy to assist in any further discussions.

Respectfully submitted by Dick Ponzi  
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