

From the desk of ^{Rep.} Ben Unger:



OREGON
WINEGROWERS
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OF CENTRAL OREGON



Please Support SB 841B

The Oregon wine industry asks you to support SB 841B. This bill is the culmination of years of work by the Oregon wine industry and key stakeholders to forge a consensus policy on the rules governing commercial activities and events at wineries located on EFU land. This legislation comes from a workgroup organized by the Governor's office that included state agencies, counties and land use stakeholders.

The legislature has made incremental changes to the "permitted use winery" statute over the past few sessions. SB 841B gives needed clarification and direction to wineries and public agencies that have grappled with balancing protection of farmland with the need for economic tools to make a winery successful.

This legislation gives certainty to wineries that wish to do commercial events on farm land, but at the same time emphasizes the primary purpose of winery activities is making quality wines. We don't support event centers at wineries on farmland and this legislation ensures special events stay secondary to winemaking.

We are proud to say that we have Oregon wine industry consensus on this legislation.

The bill gives certainty to wineries that wish to develop long-term business plans that include marketing and promotional events (where wine is the primary purpose), and some special events.

This consensus bill balances the need to preserve Oregon's farmland with the economic realities of running a successful winery in a competitive marketplace. We believe SB 841B strikes this balance. The bill's key provisions include:

Marketing and business activities

- Affirms permitted use winery rights to tasting rooms, something that has not existed in the law prior to this bill;
- Affirms permitted use winery rights to unregulated wine business and marketing activities, such as wine tastings, wine clubs, winemaker luncheons & dinners, winery & vineyard tours, staff events, open houses and business meetings with suppliers, distributors, wholesale customers and wine industry members;
- Clarifies distinction between basic marketing activities and special events (e.g.; weddings, concerts, facility rentals).



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Special events

- Allows 18 special event days per year outright at permitted use wineries outside of Willamette Valley;
- In the Willamette Valley – where wine industry density poses unique challenges – 18 event days per year permitted but with some sideboards; the first six event days allowed with an administrative license, and next 12 event days granted with a streamlined land use permit, where conditions may be applied to prevent neighbor impacts. The license or permit is good for five years to give wineries business certainty.

Food service

- Allows food and wine pairings at all permissible activities and special events;
- Allows professional kitchen facilities for above food service, which will be subject to local health inspection;
- Keeps existing law allowing restaurants at large wineries (approved through HB 3280 in 2011).

Non-wine sales

- Clarifies applicability of 25% income limitation on non-wine sales such as food, souvenirs and event fees; applies 25% income rule to conditional use wineries.

Other provisions

- Grandfather clause affirms that new regulations do not apply to legally established, ongoing activities at existing wineries;
- Affirms that wineries not meeting permitted use requirements are eligible for conditional use permits;
- Proposal applies to all wineries in the Exclusive Farm Use zone, but may be extended to wineries in mixed farm-forest zones;
- Allows second meal service for registered guests of an authorized Bed & Breakfasts on winery properties (added at the request of the Oregon Restaurant and Lodging Association).

We ask you to support this important legislation that gives business certainty to the wineries and represents a consensus agreement within the Oregon wine industry.