



February 8, 2016

TO: Senate Committee on Business and Transportation

FROM: Oregon Destination Marketing Organizations

RE: SB 1543 Statement

The Oregon Destination Marketing Organizations (ODMO) opposes SB 1543 as drafted as well as the -1 amendments that have been submitted.

In 2011, the Legislature passed the Wine Country License Plate (WCLP) bill (SB 442A) which created the specialty plates and distributed the funds from the sale of those plate to the Oregon Tourism Commission (Travel Oregon). The legislation requires that one-half of the funds be distributed as matching grants (one-to-one match) to tourism promotion agencies to promote wine and culinary tourism. The other half of the funds is to be distributed to tourism promotion agencies for tourism promotion purposes in amounts proportional to the amount of acreage in each region used for wine and grape production. These monies are intended to build continuity in the local communities and economies by enhancing, expanding and promoting Oregon's travel and tourism industry – all of which have important wine and culinary assets.

Last year, Travel Oregon started approving funding for both the wine and culinary tourism grant program and the regional funds for tourism. Travel Oregon has awarded an initial group of grants with more to be awarded this year. The four regional destination marketing organizations have submitted their tourism strategies, goals and obligations and have been entered into two-year marketing contracts with Travel Oregon.

All four of these marketing programs focus on wine and culinary tourism so you can imagine our surprise when we learned of this legislation which as initially drafted would transfer the WCLP to the Oregon Wine Board and make other program changes. It seems premature to make sweeping changes to a program that has just begun. The wine industry was involved in both the grant review process and each of the regions involved members of the industry in the development of their marketing strategies. Unfortunately, the Oregon Winegrowers Association did not approach us with their concerns so subsequent collaboration on this legislation has not occurred.

Destination marketing organizations across the state have worked closely with the wineries in their communities because of the valuable assets they represent to tourism. ODMO is totally supportive of efforts to enhance further collaboration between the tourism and wine industries as it relates to the WCLP program. We would welcome the opportunity to review the program with the OWA and identify ways to make it more effective.

However, in the meantime, we think it is premature to seek legislative policy changes in a program that was established to help advance wine and culinary tourism as well as general tourism to improve local economies and communities when it seems to be accomplishing those goals. Please oppose SB 1543.