

MEDFORD IRRIGATION DISTRICT

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March 18, 2019

We, the board of directors of the Medford Irrigation District (MID), oppose Senate Bill 111 and its companion bill, House Bill 2176.

While these bills seem to only seek fairness through "truth in labeling" regulations and ensure that taxes are paid by out-of-state winemakers who purchase Oregon wine grapes, this legislation would have significant unintended consequences for the Oregon wine grape industry. Passage of these measures would do considerable, and in some cases, irreparable harm to Oregon grape growers and the surrounding community, by constraining the out-of-state market for Oregon grapes. Over 20% of all grapes grown in Oregon are purchased by out-of-state wineries. Constraining this market would depress grape prices, resulting in undue economic hardship to growers.

Grape growers are a large part of our patronage and revenues from their payment of annual water rights fees enable MID to operate and provide services to all our water patrons, as well as pursue improvements that result in more efficient use of water, benefiting the environment, the viability of the irrigation district, and the general welfare of the surrounding community.

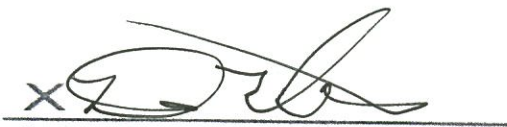
SB 111 and HB 2176 would benefit only a small subset of Oregon winemakers at the expense of Oregon growers and out-of-state purchasers of Oregon grapes. We urge you to vote against SB 111 and HB 2176.

Sincerely,

x 
Dennis P. O'Donoghue
Director

x 
Angelo Grestoni
Director

x 
Henry VanDetti
Chairman

x 
Dave Urton
Vice-Chairman

x 
Sean Naumes
Director