

HJM 8 STAFF MEASURE SUMMARY

Carrier: Sen. Roblan

Senate Committee On Business and General Government

Action Date: 03/12/19
Action: Be adopted.
Vote: 4-0-1-0
Yeas: 4 - Girod, Hass, Olsen, Riley
Exc: 1 - Dembrow
Fiscal: No fiscal impact
Revenue: No revenue impact
Prepared By: Tyler Larson, LPRO Analyst
Meeting Dates: 3/12

WHAT THE MEASURE DOES:

Urges Congress and Alcohol and Tobacco Tax and Trade Bureau (TTB) to thoroughly enforce standards for wine labeling, packaging, and advertising claims regarding geographic designations, appellations of origin, American Viticultural Areas, and varietal content. Urges TTB to modernize labeling and advertising standards to meet the needs of industry. Urges states to enter into mutual agreements for the reciprocal enforcement of wine labeling, packaging, and advertising laws.

ISSUES DISCUSSED:

- High state standards for Oregon's wine industry, which is worth over \$6 billion and employs 30,000 Oregonians
- Use of false or misleading wine labels to associate out-of-state wine with Oregon's designated American Viticultural Areas
- Current rulemaking efforts at TTB and changes to protect the integrity of Oregon's wine industry

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers and enforces the Federal Alcohol Administration Act, which regulates alcohol production, importation, and wholesale businesses. Alcohol beverage containers must have a certificate of label approval or an exemption certificate before being sold in the United States; federal standards prohibit misleading labeling or advertising that may result in consumer deception. The TTB filed a notice of proposed rulemaking in the November 26, 2018, issue of the Federal Register regarding the "Modernization of the Labeling and Advertising Regulations for Wine, Distilled Spirits, and Malt Beverages." The public may submit comments on the proposed rulemaking until March 26, 2019.

House Joint Memorial 8 urges Congress and the TTB to thoroughly enforce standards for wine labeling, packaging, and advertising claims regarding geographic designations, appellations of origin, American Viticultural Areas, and varietal content. The measure urges TTB to modernize labeling and advertising standards, including minimum content standards for Oregon wine. The measure also urges states to enter into mutual agreements for the reciprocal enforcement of wine labeling, packaging, and advertising laws.