

SB 591 STAFF MEASURE SUMMARY

Senate Committee On Judiciary

Action Date: 04/08/19

Action: Without recommendation as to passage and request referral to Rules.

Vote: 7-0-0-0

Yeas: 7 - Bentz, Fagan, Gelser, Linthicum, Manning Jr, Prozanski, Thatcher

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Channa Newell, Counsel

Meeting Dates: 2/20, 4/8

WHAT THE MEASURE DOES:

Specifies that violation of wine compliance statutes, deceptive labeling statutes, minimum standards for wine established by rule, or any brand or label requirements for wine established by rule is an unlawful trade practice.

ISSUES DISCUSSED:

- Deceptive wine labeling practices
- Desire to protect Oregon wine brand
- Use of Unlawful Trade Practices Act to enforce wine label standards

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon is home to several wine grape growing regions. Oregon State University estimated that in 2015, the Oregon wine industry had a \$3.35 billion dollar impact on Oregon's economy. Wine labeling is controlled by both federal and state laws. The Alcohol and Tobacco Tax and Trade Bureau (TTB) regulates American Viticultural Areas, or AVAs. In order to specify a particular AVA on a wine label, at least 85 percent of the grapes in the wine must be grown in that AVA. An AVA may cross a state boundary. Under Oregon law, the label on a bottle of wine must precisely and clearly indicate the contents of the bottle and not mislead on age, composition, quantity, or quality.

Senate Bill 591 makes it an unlawful trade practice to violate wine compliance statutes, deceptive labeling statutes, minimum standards for wine established by rule, or any brand or label requirements for wine established by rule.