

Requested by SENATE COMMITTEE ON BUSINESS AND GENERAL GOVERNMENT

**PROPOSED AMENDMENTS TO  
SENATE BILL 830**

1 On page 1 of the printed bill, delete lines 4 through 21 and delete pages  
2 2 through 4 and insert:

3 **“SECTION 1. Section 2 of this 2019 Act is added to and made a part**  
4 **of ORS chapter 471.**

5 **“SECTION 2. (1) As used in this section, ‘American viticultural**  
6 **area’ means a delimited grape growing region approved under 27**  
7 **C.F.R. part 9.**

8 **“(2) If a wine label bears the name of an American viticultural area**  
9 **that is located in this state and uses a single grape variety as a type**  
10 **designation, except as provided in subsection (4) of this section, the**  
11 **Oregon Liquor Control Commission may require that:**

12 **“(a) At least 95 percent of the wine, by volume, be derived from the**  
13 **grape variety that is used on the label as the type designation; and**

14 **“(b) The name of each grape variety used be listed on the label as**  
15 **provided under 27 C.F.R. part 4.**

16 **“(3) The commission shall adopt rules identifying American**  
17 **viticultural areas for which the labeling requirements described in**  
18 **subsection (2) of this section apply. The commission shall, at a mini-**  
19 **imum, adopt rules to make the labeling requirements applicable to**  
20 **wines bearing the name of the Willamette Valley viticultural area or**  
21 **of an American viticultural area wholly or partially within the**

1 **Willamette Valley American viticultural area. For all other American**  
2 **viticultural areas, the commission shall solicit and consider recom-**  
3 **mendations by Oregon winemaking industry associations associated**  
4 **with an American viticultural area before determining whether to**  
5 **identify the area by rule under this subsection.**

6 **“(4)(a) Except as provided in this subsection, the commission may**  
7 **classify one or more grape varieties used as a type designation on a**  
8 **wine label as an exempt variety. The commission may not classify**  
9 **Pinot noir as an exempt grape variety. If the commission designates**  
10 **a grape variety as exempt, a wine that bears the exempt grape variety**  
11 **as a type designation is subject to the derivation requirement in par-**  
12 **agraph (b) of this subsection. The classification of a grape variety as**  
13 **exempt shall apply statewide. The commission shall, at a minimum,**  
14 **classify the following as exempt grape varieties:**

15 **“(A) Cabernet franc;**

16 **“(B) Cabernet Sauvignon;**

17 **“(C) Carmenere;**

18 **“(D) Durif, also referred to as Petite Sirah;**

19 **“(E) Grenache, also referred to as Garnacha;**

20 **“(F) Malbec;**

21 **“(G) Marsanne;**

22 **“(H) Merlot;**

23 **“(I) Mourvedre;**

24 **“(J) Petit Verdot;**

25 **“(K) Roussanne;**

26 **“(L) Sangiovese;**

27 **“(M) Sauvignon blanc, also referred to as Fume blanc;**

28 **“(N) Semillon;**

29 **“(O) Syrah;**

30 **“(P) Tannat;**

1       “(q) Tempranillo; and

2       “(R) Zinfandel.

3       “(b) If a wine label uses an exempt variety as a type designation  
4 on its label, at least 75 percent of the wine, by volume, must be derived  
5 from the exempt variety of grape as provided under 27 C.F.R. part 4.  
6 The commission shall solicit and consider recommendations by Oregon  
7 winemaking industry associations regarding whether a grape variety  
8 should be classified as an exempt variety.

9       “(5) Except as provided under subsections (2) to (4) of this section,  
10 if a wine label bears the name of an American viticultural area that  
11 is located in this state and uses a single grape variety as a type des-  
12 ignation, at least 90 percent of the wine, by volume, must be derived  
13 from the grape variety used as the type designation.

14       “(6)(a) The commission may adopt rules allowing a variance or ex-  
15 emption from labeling requirements under subsection (2) of this sec-  
16 tion to allow a winemaker to make use of an existing stock of labels.

17       “(b) The commission may not assess a penalty for failure to list a  
18 wine variety on a label under subsection (2) of this section if the un-  
19 listed grape variety is less than one percent of the wine.

20       “(7) A wine label that bears all or part of the name of an American  
21 viticultural area as a brand name is not subject to subsections (2) to  
22 (5) of this section if the brand name has been in continuous use since  
23 December 31, 1990.

24       “SECTION 3. Section 2 of this 2019 Act applies to labels on wine  
25 bottled on or after January 1, 2023.

26       “SECTION 4. Section 2 of this 2019 Act is amended to read:

27       “**Sec. 2.** (1) As used in this section, ‘American viticultural area’ means  
28 a delimited grape growing region approved under 27 C.F.R. part 9.

29       “(2) If a wine label bears the name of an American viticultural area that  
30 is located in this state and uses a single grape variety as a type designation,

1 except as provided in [*subsection (4)*] **subsections (4) and (5)** of this section,  
2 the Oregon Liquor Control Commission may require that **the wine be made**  
3 **entirely from the grape variety that is used on the label as the type**  
4 **designation.**[:]

5 “[(a) *At least 95 percent of the wine, by volume, be derived from the grape*  
6 *variety that is used on the label as the type designation; and]*

7 “[(b) *The name of each grape variety used be listed on the label as provided*  
8 *under 27 C.F.R. part 4.*]

9 “(3) The commission shall adopt rules identifying American viticultural  
10 areas for which the labeling requirements described in subsection (2) of this  
11 section apply. The commission shall, at a minimum, adopt rules to make the  
12 labeling requirements applicable to wines bearing the name of the  
13 Willamette Valley viticultural area or of an American viticultural area  
14 wholly or partially within the Willamette Valley American viticultural area.  
15 For all other American viticultural areas, the commission shall solicit and  
16 consider recommendations by Oregon winemaking industry associations as-  
17 sociated with an American viticultural area before determining whether to  
18 identify the area by rule under this subsection.

19 “(4)(a) Except as provided in this subsection, the commission may classify  
20 one or more grape varieties used as a type designation on a wine label as  
21 an exempt variety. The commission may not classify Pinot noir as an exempt  
22 grape variety. If the commission designates a grape variety as exempt, a wine  
23 that bears the exempt grape variety as a type designation is subject to the  
24 derivation requirement in paragraph (b) of this subsection. The classification  
25 of a grape variety as exempt shall apply statewide. The commission shall,  
26 at a minimum, classify the following as exempt grape varieties:

27 “(A) Cabernet franc;

28 “(B) Cabernet Sauvignon;

29 “(C) Carmenere;

30 “(D) Durif, also referred to as Petite Sirah;

1 “(E) Grenache, also referred to as Garnacha;  
2 “(F) Malbec;  
3 “(G) Marsanne;  
4 “(H) Merlot;  
5 “(I) Mourvedre;  
6 “(J) Petit Verdot;  
7 “(K) Roussanne;  
8 “(L) Sangiovese;  
9 “(M) Sauvignon blanc, also referred to as Fume blanc;  
10 “(N) Semillon;  
11 “(O) Syrah;  
12 “(P) Tannat;  
13 “(q) Tempranillo; and  
14 “(R) Zinfandel.

15 “(b) If a wine label uses an exempt variety as a type designation on its  
16 label, at least 75 percent of the wine, by volume, must be derived from the  
17 exempt variety of grape as provided under 27 C.F.R. part 4. The commission  
18 shall solicit and consider recommendations by Oregon winemaking industry  
19 associations regarding whether a grape variety should be classified as an  
20 exempt variety.

21 **“(5) Except as provided in this subsection, the commission may**  
22 **classify one or more grape varieties used as a type designation on a**  
23 **wine label as a nonexclusive grape variety. The commission may not**  
24 **classify Pinot noir grapes as a nonexclusive variety. The commission**  
25 **shall, at a minimum, classify Pinot gris as a nonexclusive grape vari-**  
26 **ety. The classification of a grape variety as nonexclusive shall apply**  
27 **statewide. If the commission designates a wine grape variety as a**  
28 **nonexclusive grape variety, at least 95 percent of the wine, by volume,**  
29 **must be derived from the exempt variety of grape as provided under**  
30 **27 C.F.R. part 4. The percentage and name of each grape variety used**

1 **must be listed on the label as provided under 27 C.F.R. part 4. The**  
2 **commission shall solicit and consider recommendations by Oregon**  
3 **winemaking industry associations regarding whether a grape variety**  
4 **should be classified as a nonexclusive variety.**

5 “[5] (6) Except as provided under subsections (2) to [(4)] (5) of this sec-  
6 tion, if a wine label bears the name of an American viticultural area that  
7 is located in this state and uses a single grape variety as a type designation,  
8 at least 90 percent of the wine, by volume, must be derived from the grape  
9 variety used as the type designation.

10 “[6(a)] (7)(a) The commission may adopt rules allowing a variance or  
11 exemption from labeling requirements under subsection (2) of this section to  
12 allow a winemaker to make use of an existing stock of labels.

13 “[b) *The commission may not assess a penalty for failure to list a wine*  
14 *variety on a label under subsection (2) of this section if the unlisted grape*  
15 *variety is less than one percent of the wine.]*

16 **“(b) The commission may not assess a civil penalty for a violation**  
17 **of subsection (2) of this section if the violation results from the pres-**  
18 **ence of rogue vines in a vineyard and less than one percent of the wine**  
19 **produced from grapes grown in that vineyard is from the grape variety**  
20 **other than the variety used as the type designation.**

21 “[7] (8) A wine label that bears all or part of the name of an American  
22 viticultural area as a brand name is not subject to subsections (2) to [(5)]  
23 (6) of this section if the brand name has been in continuous use since De-  
24 cember 31, 1990.

25 **“SECTION 5. The amendments to section 2 of this 2019 Act by sec-**  
26 **tion 4 of this 2019 Act become operative January 1, 2030, and apply to**  
27 **labels on wine bottled on or after that date.**

28 **“SECTION 6. (1) The Oregon Liquor Control Commission shall ap-**  
29 **point an advisory committee to assist the commission in developing**  
30 **rules to carry out section 2 of this 2019 Act. The commission shall**

1 ensure that members of the advisory committee are persons having  
2 expertise in the production and labeling of Oregon wines. To the ex-  
3 tent practicable, the commission shall appoint advisory committee  
4 members from the various wine growing areas of this state in pro-  
5 portion to the relative acreage in those areas used for wine grape  
6 production. In making appointments to the advisory committee, the  
7 commission shall consider nominees of Oregon winemaking industry  
8 associations or other organizations related to the winemaking indus-  
9 try.

10 “(2) The duties of the advisory committee shall include, at a mini-  
11 mum, developing recommendations to the commission regarding:

12 “(a) Standards for a winery to request, and for the commission to  
13 approve, the use of existing stocks of labels;

14 “(b) Subject to subsection (3) of this section, American viticultural  
15 areas for which the label requirements of section 2 (2) of this 2019 Act  
16 should apply, including but not limited to recommendations regarding  
17 any American viticultural areas that extend across state lines;

18 “(c) Which grape varieties should receive classification under sec-  
19 tion 2 of this 2019 Act as exempt varieties;

20 “(d) Which grape varieties should, when the classification becomes  
21 available, receive classification under section 2 of this 2019 Act as  
22 nonexclusive varieties; and

23 “(e) A penalty schedule for violations of section 2 of this 2019 Act.

24 “(3) The advisory committee shall solicit and consider recommen-  
25 dations by Oregon winemaking industry associations associated with  
26 an American viticultural area before the advisory committee may re-  
27 commend to the commission that an area be subject to the labeling  
28 requirements described in section 2 (2) of this 2019 Act.

29 **“SECTION 7. The Oregon Liquor Control Commission shall adopt**  
30 **rules establishing a penalty schedule for violations of section 2 of this**

1 **2019 Act. The commission shall complete the adoption of an initial**  
2 **penalty schedule under this section in time for the penalties to take**  
3 **effect January 1, 2023.**

4 **“SECTION 8. The Oregon Liquor Control Commission shall report**  
5 **to an interim committee of the Legislative Assembly relating to busi-**  
6 **ness in the manner provided under ORS 192.245 no later than Septem-**  
7 **ber 15, 2020, regarding the recommendations made by the advisory**  
8 **committee described in section 6 of this 2019 Act and the status of**  
9 **commission rule adoption proceedings under sections 2 and 7 of this**  
10 **2019 Act.**

11 **“SECTION 9. Section 6 of this 2019 Act is repealed on January 2,**  
12 **2023.**

13 **“SECTION 10. Section 7 of this 2019 Act is repealed on January 2,**  
14 **2024. The repeal of section 7 of this 2019 Act by this section does not**  
15 **affect the validity of any rules adopted under section 7 of this 2019 Act.**

16 **“SECTION 11. This 2019 Act takes effect on the 91st day after the**  
17 **date on which the 2019 regular session of the Eightieth Legislative**  
18 **Assembly adjourns sine die.”.**

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