

Submitter: Steven Ely
On Behalf Of:
Committee: Joint Committee On Addiction and Community Safety
Response
Measure, Appointment or Topic: HB3197

I am writing to voice my strong opposition to House Bill 3197, which mandates a study by the Legislative Revenue Officer into new taxes on beer and wine sales in Oregon. While framed as a mere investigation, this bill is a thinly veiled step toward imposing unnecessary and burdensome tax increases on an industry that is already a cornerstone of our state's economy and identity. I urge you to reject this legislation and focus on supporting, rather than studying ways to penalize, Oregon's craft beverage producers and consumers.

The intent behind HB 3197 is suspect given Oregon's history with such studies. In prior efforts, like the HB 3610 Task Force on Alcohol Pricing and Addiction Services in 2024, similar investigations were followed by aggressive tax proposals—despite public opposition and inconclusive findings. The Taxpayers Association of Oregon has noted that past beer tax studies were hidden from lawmakers and the public, only shared with anti-alcohol advocates, suggesting a predetermined agenda. This bill risks repeating that pattern, using taxpayer dollars to justify a foregone conclusion rather than to explore genuine solutions.

Oregon's beer and wine industries—home to over 300 breweries, 900 wineries, and thousands of jobs—are still recovering from wildfires, pandemics, and rising costs. A study aimed at taxation feels like a prelude to piling on more financial strain, not a good-faith effort to address addiction or youth prevention. Alcohol taxes already rank as the state's third-largest revenue source, yet only 3% funds treatment programs—the rest vanishes into the general fund. If the goal is to bolster recovery services, why not redirect existing revenue instead of commissioning a study that could lead to taxing Oregonians out of their livelihoods and pleasures?

Moreover, the premise of this study is flawed. Youth drinking is at a decades-long low, per the Monitoring the Future survey, and national trends show declining beer and wine consumption. Why investigate new taxes when the problems they claim to address are already diminishing? This feels less like problem-solving and more like a revenue grab dressed up as research.

I respectfully ask you to vote "No" on HB 3197. Oregonians deserve transparency and support for our local industries, not another study that could become a Trojan horse for higher taxes. If you'd like to discuss this further, I'm available as a concerned constituent. Thank you for your consideration and service.