

Dear Senate Judiciary Committee Members,

I am writing you to register my opposition to amendment #4 of SB 111.

SB 111-4 still contains many of the same contentious provisions of earlier amendments, albeit cloaked in different language, and introduces a considerable amount of ambiguity around the collection of grape taxes. Existing law already requires the payment of a tonnage tax by all wineries. New law is not needed. What is needed is a more efficient method of tax collection. SB 111-4 does nothing to address tax collection methods.

While interstate cooperation among regulatory agencies in neighboring states is always welcome, the provision to enforce the proposed labelling requirements in the event that an interstate agreement can not be met by 2025, is unfair. This provision is bad law, and a bad law now will still be a bad law in 2025.

A complaint-based system of regulatory enforcement is ripe for abuse and indeed will incentivize some winemakers with an axe to grind against another winemaker, to register repeated complaints in an attempt to goad the OLCC into taking action. Indeed, while OWA claims that SB 111 is “their bill”, the genesis of many of the provisions of SB 111 was due to one Willamette Valley winemaker who has a vendetta against an out-of-state winemaker. In this particular case, what seems to get overlooked by proponents of this bill is the fact that the current system worked! The out-of-state winemaker was found by OLCC to be in violation. The winemaker was compelled to change the labels to be compliant with Oregon law and paid all necessary fines and penalties. If the current system worked, why is the Oregon Legislature considering a new system?

This bill is nothing more than a set of solutions begging for a problem to solve. Worse yet, it is dividing our Wine Industry.

Please vote against SB 111-4.

Very respectfully,

Dennis P. O'Donoghue  
Celtic Moon Vineyards LLC  
766 Meridian Road  
Eagle Point, Oregon 97524  
[dennis@celticmoon.vin](mailto:dennis@celticmoon.vin)