SB 831-A5 (LC 1693) 5/21/19 (CDT/ps)

Requested by Representative MCLAIN at the request of the Willamette Valley Wineries Association

PROPOSED AMENDMENTS TO A-ENGROSSED SENATE BILL 831

1 On page 1 of the printed A-engrossed bill, line 7, delete "to (6)" and insert 2 "and (5)".

³ On page 2, delete lines 17 through 19.

4 In line 20, delete "(6)" and insert "(5)".

5 Delete lines 25 through 45.

6 On page 3, delete lines 1 through 14 and insert:

7 **"SECTION 4.** Section 2 of this 2019 Act is amended to read:

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

"(2) Except as provided in [*subsections (4) and (5)*] **subsection (4)** of this section, if a wine label uses an American viticultural area located in this state as an appellation of origin or implies that the wine is from a particular American viticultural area located in this state, the Oregon Liquor Control Commission may require that the wine be produced entirely from grapes grown within that American viticultural area.

"(3) The commission shall adopt rules identifying American viticultural areas for which the labeling requirement in subsection (2) of this section apply. The commission shall, at a minimum, adopt rules to make the labeling requirement in subsection (2) of this section applicable to the Willamette Valley American viticultural area and to American viticultural areas within the boundaries of the Willamette Valley American viticultural area. For all other American viticultural areas, the commission shall solicit and consider
recommendations by Oregon winemaking industry associations associated
with an American viticultural area before determining whether to include
the area by rule under this subsection.

5 "[(4) The commission may grant a variance from the labeling requirement 6 in subsection (2) of this section to a wine that uses an American viticultural 7 area identified by commission rules under subsection (3) of this section as an 8 appellation of origin or implies that the wine is from a particular American 9 viticultural area located in this state if:]

"[(a) At least 95 percent of the grapes used to produce the wine were grown
 within the American viticultural area; and]

"[(b) All grapes used to produce the wine and not grown within the American viticultural area were purchased from a vineyard that supplies proof acceptable to the commission that:]

15 "[(A) Prior to December 31, 2018, the vineyard engaged in selling grapes 16 to the winery for use in producing the wine; and]

"[(B) The amount of grapes the vineyard is selling to the winery for use in producing the wine does not exceed the average annual amount sold to the winery during the three years ending December 31, 2018.]

"[(5)] (4) The commission may adopt rules allowing a variance or exemption from the labeling requirement in subsection (2) of this section to allow a winemaker to make use of an existing stock of labels.".

After line 19, insert "The commission shall appoint an odd number of members to the advisory committee.".

In line 24, after the period insert "However, the commission shall appoint at least one advisory committee member from within the Willamette Valley viticultural area and at least one member from outside of the Willamette Valley viticultural area.".

29