

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

Dear Members of the Oregon Legislative Assembly,

I am writing to express my strong opposition to HB 3197, which seeks to impose a 8% tax on beer and wine sales. As the owner of 7 Devils Brewing Co., a small but vital brewery in Coos Bay, Oregon, I can attest that this tax would have devastating consequences for our business, our employees, and the broader craft brewing industry in our state.

Since opening our doors in 2013, we have proudly employed over 60 people across our production facility and public houses. However, the rising costs of doing business have made it increasingly difficult to stay afloat. While inflation on most consumer goods has stabilized, our operational expenses—ranging from raw ingredients to packaging—continue to increase at sometimes double-digit rates. Our health insurance premiums have risen nearly 10% annually for several consecutive years, and our general liability and alcohol liability insurance spiked by 58% this year alone. Additionally, the Corporate Activity Tax (CAT) remains a significant burden, one we must pay even in years when we do not turn a profit.

Rather than expanding and creating more jobs, we are now facing the difficult reality of downsizing. An additional 8% tax on alcohol would be yet another crushing blow—one that may jeopardize our ability to compete and continue operating.

We fully support the need for addiction services and responsible alcohol policies. However, targeting small, independent breweries and wineries will not meaningfully address alcohol misuse. In fact, local craft producers are among the strongest advocates for responsible consumption, far more so than the large corporations that will withstand this tax with relative ease. If HB 3197 passes, it may or may not curb alcohol abuse—but it will absolutely eliminate local businesses while further consolidating the industry in the hands of multinational companies.

Now is not the time to introduce a tax that disproportionately harms Oregon's craft beverage industry, one of the state's most celebrated and community-driven sectors. I urge you to oppose HB 3197 and protect the small businesses that contribute so much to Oregon's economy and culture.

Thank you for your time and consideration. I appreciate your support in keeping Oregon's craft brewing industry strong.

Sincerely,
Annie Pollard
Owner
7 Devils Brewing Company
Coos Bay, Oregon 97420