

Submitter: Jeanne Feldkamp
On Behalf Of: Corollary Wines
Committee: Joint Committee On Addiction and Community Safety
Response
Measure, Appointment or Topic: HB3197

Dear Members of the Joint Committee On Addiction and Community Safety
Response,

Thank you for your service in our state Capitol. I know it can be a thankless job.

I urge you to oppose House Bill 3197. This bill would harm me and every other Oregonian of legal drinking age who enjoy wine responsibly. With the highest cost increases in generations and no end in sight, a new, unprecedented 8% sales tax would only punish Oregonians trying to enjoy locally made wines and support our state's wineries, which have earned an international reputation as some of the best in the world and draw millions of tourist dollars each year.

As the owner of one of these wineries, the taxes proposed in House Bill 3197 would have a crushing effect on my business. We are already struggling to absorb rising prices for bottles, transportation, and labor. An additional 8% tax for the consumer would be a huge hit to our bottom line. I know many other small, family-owned wineries are in the same boat.

Oregon is home to nearly 900 wineries and is one of the top five wine producing states. Collectively, we contribute more than \$2.4 billion in wages and \$7.19 billion in economic activity for this state each year, including bringing 2.3 million tourist visits to Oregon. Yet because of challenging times, with inflation, supply chain issues, employee shortages, a pandemic, wildfires and fewer people drinking, we've lost more than 60 wineries in the past two years—a 5% reduction in 2024 alone.

Wineries aren't just important because they produce wine. Much of the remaining Oregon oak habitat is on vineyard land, and vineyard owners are working together to preserve these natural areas through initiatives such as the Oak Accord. A strong culture of sustainability pervades Oregon's wine industry. Managing our land according to regenerative principles is top priority to most vineyard owners, and communicating about these practices to guests helps educate people from around the world about Oregon's leading role in environmental stewardship.

Lawmakers should not be raising prices through regressive sales taxes on constituents when we're already experiencing record highs. Please don't advance HB 3197. It will only harm Oregonian and an industry that contributes so much to the state's identity, culture, and economy.

Thank you for your time,

Jeanne Feldkamp
Corollary Wines