

Submitter: Karra Blair

On Behalf Of:

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 representation and service in our state Capitol.

I urge you to oppose House Bill 3197, which is before your committee, as it would harm me and every other legal-drinking-aged Oregonian, who just want to grab a glass of Oregon wine with a colleague after work or take mom out for brunch with mimosas or a couple celebrating their anniversary with a special bottle of Oregon wine.

OR HB3197 poses a direct threat to the viability of our small vineyard and winery in Milton-Freewater. As a co-owner, I can attest that the proposed tax would negatively impact sales. In our rural location, attracting customers is already a significant challenge, and this additional tax would only create a further barrier to our success.

With the highest cost increases in generations and no end in sight, a new, unprecedented 8% sales tax would only make it more difficult for Oregonians trying to make their hard-earned dollars stretch. An 8% increase in the cost of Oregon wine would have a damaging impact on our sales. With the highest average bottle price in the nation due to the high cost of production in our state, we will be at a further disadvantage.

Oregon is home to nearly 900 wineries and is one of the top five wine producing states. We contribute more than \$2.4 billion in wages and \$7.19 billion in economic activity for this state annually, 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.

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

Sincerely,

Karra Blair, Windrow Estate