

March 28th, 2025

Subject: **Oppose** HB 3197 – Protect Oregon’s Wine Industry

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

Thank you for your leadership and service in our state Capitol.

I strongly urge you to oppose House Bill 3197, which would negatively impact me and every other legal-drinking-aged Oregonian who enjoys our state’s world-class wines—whether at a networking event, a local fundraiser, or a family celebration marking a special milestone.

At Résonance, we operate a winery and two tasting rooms in the Willamette Valley and farm over 140 acres. Since opening in 2019, we have welcomed 10,000 guests annually, sharing Oregon’s rich winemaking heritage and creating memorable experiences. However, launching our direct-to-consumer business just before the global pandemic forced us to shut down operations, taking us quite some time to build a strong business foundation. Building a thriving business has required relentless effort from our small but dedicated team.

Our impact extends beyond our own business. We support a network of local workers—farmers, landscapers, electricians, cleaning crews, artists, chefs, dry goods suppliers, etc.—who all rely on a thriving wine industry. Yet, with rising costs already squeezing our margins, an additional 8% sales tax would make it even harder for Oregon wineries to remain competitive.

Oregon already has the highest average bottle price in the nation due to our high production costs. An 8% sales tax would further disadvantage our wineries, discouraging consumers and cutting into sales at a time when we are already facing extraordinary challenges. Inflation, a change in consumer behavior, supply chain disruptions, labor shortages, a pandemic, and wildfires have already led to the closure of more than 60 wineries in the past two years—a 5% decline in 2024 alone. When wineries struggle, the effects ripple throughout our communities, reducing demand for businesses that depend on us.

Oregon’s nearly 900 wineries contribute more than \$2.4 billion in wages and \$7.19 billion in annual economic activity, attracting 2.3 million tourists to our state each year. Now is not the time to impose a regressive tax that raises costs for consumers and threatens an industry vital to Oregon’s culture, economy, and identity.

I urge you to reject HB 3197 and protect Oregon’s wine industry.

Sincerely,

Taylor Theis, *Director of Consumer Sales and Marketing*

Résonance Wines