

Submitter: Jim Prosser

On Behalf Of:

Committee: Joint Committee On Addiction and Community Safety
Response

Measure, Appointment or Topic: HB3197

Dear Members of the Committee,

Please oppose House Bill 3197. Oregonians have long opposed sales taxes, and this one, coming on top of other inflationary pressures, is unwelcome to both consumers and the wine industry, which currently faces several other significant demographic challenges.

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 (including our own, J.K. Carriere Wines located in Yamhill County) 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,
Jim Prosser
Owner/winemaker
J.K. Carriere Wines
Newberg, Oregon