

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

Hello,

My name is Adam Sivits, and I work for a small brewery in the Portland metro area. I am writing because I am STRONGLY opposed to HB3197.

Firstly, and most importantly, the craft beer industry has been hit *hard* since COVID. In the past two years there have been more brewery, taproom, and brewpub closures than openings. Between inflation, supply chain/potential tariff issues, employee shortages, the aforementioned pandemic, and fewer people drinking, an industry that is vital to the nature, culture, and economy of Oregon is struggling.

And about that last part: Oregon's breweries help create 50,000 jobs and just under \$3 billion in wages each year, which in turn contributes about \$8.7 billion to the state's economic activity. When people think of Oregon, one of the first things they think of is beer. And in addition to that, when less beer is being made, guess what happens? Fewer hops are grown. Hop growers in the US planted 18% less crop this year. Our own farmers here in Oregon also grew 18% less in 2024.

This is where HB3197 rears its ugly head.

1) It would be Oregon's first ever grocery and restaurant sales tax, increasing prices on legal-aged drinkers in the state by 8%.

2) HB3197 states that additional revenue is needed for youth prevention. However, youth drinking is at an all-time low, a trend that's occurred for more than two decades. It seems like the existing prevention models are currently working.

3) Last year Oregon brewers, winemakers and cidermakers worked with Representative Sanchez on a task force to examine alcohol taxes. This task force *declined* to recommend a tax increase and a whopping 87.5% of the public comments submitted opposed tax increases. That's 8 out of every 9 people. That is an overwhelming and resounding NO.

4) Why doesn't this bill include hard liquor? Why are beer, wine and cider being singled out? Some of the best beer, wine and cider in the world is made RIGHT HERE in Oregon. Why would all of these industries and people who work so hard to put Oregon on the map be so vilified?

HB3197 is short-sighted, vindictive, and cruel. Why are Oregon lawmakers trying to kick us when we're down? We need your support. Not your bullying.

Please do the right thing. Oppose HB3197. For the good of Oregon, and for the good of hundreds upon hundreds of small, family- and veteran-owned breweries like the one I work at.