

Submitter: Calvin Henry IV  
On Behalf Of: Season cellars  
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,

As a small (under 1000 cases), craft wine producer in Oregon, Season Cellars urges you to oppose HB 3197. Our industry has been overtaxed for decades by both the state and federal governments, continuing to escalate taxes on Oregon wine will be extremely detrimental to the many family owned wineries here in our state. Compared to California and Washington most wineries in Oregon are small, basically Mom & Pop operations with few employees. At Season Cellars it is just my wife and I trying to carve out a life in this industry which has seen a staggering decline in the last few years.

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.

If you want an idea of something that needs to be taxed you should look at Soda Pop, seriously. It is one of the, if not THE leading cause of Diabetes in our society and has led to almost an epidemic of the disease among adults and more importantly, our children. Taxes on products always lead to reduced consumption so by taxing soda you would be doing the public a favor by decreasing consumption, improving public health and raising revenue of which some of the funding could go to combatting Diabetes at other levels. That would be a good cause and one that the major corporate companies that produce soda could withstand easier than the little guy wineries here in Oregon that can't take another hit to their bottom line.

Respectfully,

C. Scott Henry IV  
Owner and Winemaker of Season Cellars  
Roseburg OR