

Submitter: Christopher Nemlowill

On Behalf Of:

Committee: Joint Committee On Addiction and Community Safety Response

Measure, Appointment or Topic: HB3197

Members of the Joint Committee on Addiction and Community Safety Response, As the owner of Fort George Brewery, I am in strong opposition to HB 3197, which would be the first move towards a sales tax on beer, wine, and cider in Oregon. While I respect your intentions, with regard to supporting the fighting of underage drinking and drug usage, I cannot agree that a sales tax on a specific industry is the path towards this. I have also read a few articles of late that cite a very credible study that found underage drinking is at an all-time low.

The fermentation industry has seen massive challenges in the past several years, causing the highest number of brewery closures seen in the industry. Supply chain issues, large cost increases, employment shortages, craft beer decreasing as a market sector, and now the threat of tariffs have lowered profit margins a great deal and threatened the health of so many vital small businesses.

Our brewpub employs 150 local people and provides excellent benefits for FT employees. We see it as a hub in the community, where all kind of people can gather and hopefully have conversations across political lines. We also have seen a huge influx of tourism dollars into our community as a result of our brewery and other local breweries being points of interest.

Even if we didn't have to pay the tax on our own beer sold across our counter, we would have to pay it on wine and cider we sold direct to our customers. And all of our cans of beer that we send out into the far reaches of Oregon would have this sales tax applied at purchase, and would likely decrease already lowering sales of craft beer in Oregon.

Oregon's craft breweries, wineries, and cideries provide tens of billions of dollars of revenue into Oregon's economy, and employ hundreds of thousands of Oregonians. They are also largely owned by families - by people who care about and give back to their communities, and pay high taxes as it is.

Please don't hurt an already ailing fermentation industry, and in so doing cause the closures of even more of these vital small businesses in Oregon.

I urge you to vote no on HB 3197. Let's find a better way to fund this fight.

Thank you,

Chris Nemlowill

President & Owner, Fort George Brewery