



COVID-19 INDUSTRY DISCUSSION FORUM MEETING NOTES

APRIL 28, 2020

ATTENDEES

INDUSTRY & PARTNERS:

David Adelsheim, Ross Allen, Evyan Andries, Fawn Barrie, Jessica Blauert, Terry Brandborg, Ellen Brittan, Julia Burke, Kevin Chambers, Kerry Damon, Ariel Eberle, Matthew Farver, Bertony Faustin, Denise Flora, Maggi Gerhard, Bob Hackett, Robert Hanson, Anna Hatcher, Dan Jarman, Ken Johnston, Hilda Jones, Eugenia Keegan, Mike Keunz, Joel Kiff, Ed King, Jodee King, Justin King, Jean Kurtz, Nora Lancaster, Laurie Lewis, Kelly Luzania, Jesse Lyon, Cathy Martin, Jana McKamey, Morgen McLaughlin, Mike McNally, Elin Miller, Donna Morris, Bob Morus, Scott Neal, Mia Noren, Ximena Orrego, Gary Oxley, Alyssa Petroff, Bruce Sonnen, Barb Steele, Andy Steinman, GinaLisa Tamayo, Jessica Thomas, Steve Thomson, Jason Tosch, Christie Totten, Dan Warnshuis, Carolyn Wasem, Eric Weisinger

STAFF:

Margaret Bray, Marie Chambers, Tom Danowski, Christina DeArment, Stacey Kohler, Kai McMurtry, Sally Murdoch, Bree Stock, Jess Willey

OBJECTIVES

This meeting covered the following:

- Legalities around charitable giving
- Federal Legislative Updates
- State Legislative Updates
- COVID-19 Related Operating Practices Guidance for Wineries & Vineyards
- OLCC Rule Change / Virtual Wine Tastings
- Other announcements and updates

BACKGROUND

This Oregon wine industry forum offers an opportunity for business leaders from around the state to come together periodically during the COVID-19 crisis to share what is known and to identify gaps in our understanding of key issues that deserve continued attention.

SUMMARY OF DISCUSSION

Legalities around Charitable Giving

- Morgen McLaughlin (WVWA) shared that the New York Wine and Grape Foundation sent an alert to membership on Friday, regarding New York State Liquor Authority rules about winery programs that promise a portion of sales or profits to a charitable entity.
- Jana McKamey (OWA) shared that the New York State Liquor Authority in particular is taking a strict stance by enforcing one of its rules that makes it impermissible to provide a non-licensed party a specified portion of a sale of alcoholic beverages. In many states wineries promising to give a certain amount or percentage of proceeds to a charity need to register with that charity as a commercial co-venturer (CCV). OWA is working with its legal counsel, Davis Wright Tremaine, to circulate guidance on state rules related to charitable donation programs funded by wine sales.

Federal Updates

- Tom Danowski (OWB) shared that H.R. 266 – Paycheck Protection Program and Health Care Enhancement Act, which was signed into law April 24, provides a supplemental appropriation of \$321 billion for PPP loans and put stipulations around eligibility in order to direct more funding towards minority-owned and small businesses. It also included an additional \$10 billion for the EIDL program, and expanded EIDL eligibility to include agricultural businesses.



- As a reminder, OWB's two financial assistance webinars that were held earlier this month are linked to in the OWB's [COVID-19 toolkit](#).

State Legislative Updates

Dan Jarman and Mia Noren (Crosswater Strategies, OWA lobbying firm) provided the following update:

- The legislature's Emergency Board met and allocated \$30 million for COVID-19 relief.
 - \$10 million was allocated to the Worker Relief Fund, a culturally-specific grant program administered through Oregon Community Foundation. It is intended to provide assistance for workers who are ineligible for typical wage replacement, usually due to immigration status.

\$10 million was allocated to the Oregon Small Business Relief Program, which will provide loans and grants to small businesses (fewer than 25 employees) that haven't been able to access PPP or EIDL funds. Business Oregon is allocating the money, working with CDFI (Community Development Financial Institutions) to administer loans.

- First quarterly estimated payments for the Corporate Activities Tax are due April 30. The Governor has declined the business community's appeal for a delay. Businesses are required to make a "good faith estimate" in their payments. The threshold to make the required payment is now \$10,000 annual liability, up from \$5,000.
- No news on a special legislative session, which won't happen before end May. The May 20 revenue forecast is expected to be dire.
 - Of note, the beer industry is lobbying to suspend privilege tax on beer – its chances are slim but it may stave off pressure to increase the tax by Oregon Recovers.
 - To support workers comp claims, labor unions have been lobbying for the automatic presumption that cases of COVID-19 were contracted at work, for workers who have worked during the crisis. The proposal would put the burden on employers to prove the disease was not contracted during work. The business community is asking legislators to address this.
- OSHA received more than 100 comments regarding proposed safety and sanitation guidelines for agriculture operations in an effort initiated by the Oregon Law Center. OSHA is expected to announce emergency rules today (Tuesday) that will phase into effect beginning on May 11. Rules are anticipated to address sanitation and social distancing measures in the field, on transportation and in employer-provided housing.
- Reopening Oregon
 - Workgroups are meeting for six sectors outlined in Phase 1: restaurant/food service, retail, personal services, childcare, transit, outdoor rec. Reports from this work are expected around May 4, outlining guidelines for reopening businesses in these sectors.
 - Reopening is dependent on gating criteria and core preparedness measures being in place.
 - Mike McNally (WVWA Board) shared that a task force of six winery representatives from around the state put together a 2-page summary on recommended guidelines for reopening tasting rooms. This document was signed off on by 10 wine associations around the state. It outlines: social distancing protocols, personal illness management guidelines, personal infection prevention measures, cleaning & sanitation guidelines, and organizational considerations.

COVID-19 Related Operating Practices Guidance for Wineries & Vineyards

- Mike McNally shared that work continues to develop more detailed guidelines and a tasting room staff training program to have in place once tasting rooms are approved to open. The group will be kicking off their review work on Thursday morning. They will review the proposed guidelines submitted to the Governor, look at the high-level OSHA planning document, and talk about refining the more-detailed guidelines document and developing a training program.



OLCC Temporary Rule on Virtual Tastings

- OLCC published [temporary rules](#) on virtual wine tastings. The guidelines tend to indicate that OLCC is interested in balancing commercial activities with responsible consumption. OLCC will be invited to join this group's next web conference on May 5.

Other Updates

- WVWA asked for legal clarity on collaborative promotions (i.e. where a winery consolidates its own wines into consumer shipments with those from other Oregon wineries). In Oregon, this is permitted, however the selling/shipping winery must have purchased the wine from the partner winery. Out of state, these kinds of promotions are broadly disallowed.
 - **ACTION:** OWA to circulate additional information in its next newsletter.
- Nora Lancaster (Kriselle Cellars) said that the Southern Oregon Wineries Association has made a leadership transition – Jennifer Kerrigan of Del Rio is now Board President of SOWA which has transitioned into an advocacy group as Rogue Valley Vintners has taken on the role of marketing.
- Industry webinars coming up:
 - Wine & Spirits Wholesalers Association Webinar – April 29 @ 10 a.m.
 - Travel Oregon State of the Industry webinar – April 29 @ 1:30 p.m.
- Several DTC education opportunities from VingDirect are on offer courtesy of OWB. The first is listed in the Grapevine and on the COVID Toolkit; others will be shared Thursday.
- Details about an Oregon Wine loyalty program from OWB will be announced by the end of the week, offering consumers a benefit card to be redeemed at tasting rooms when they spend \$250 on Oregon wine. Wineries will have the opportunity to enroll for free in this voluntary program.