



## COVID-19 INDUSTRY DISCUSSION FORUM MEETING NOTES

APRIL 14, 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, 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

### OBJECTIVE

This meeting covered the following:

- OWB Update on Retail Trends
- OWB Finance Committee Update: Federal Emergency Financial Assistance Webinars
- Report on state legislative issues
- Report on federal legislative issues
- Compliance with Executive Orders and temporary rules prohibiting tastings/events on licensee premises
- Winery sanitation guidelines and social spacing enforcement in tasting rooms, cellars and vineyards
- COVID-19 related labor law developments
- Other business

### 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

#### Update on Market Trends

- Jess Willey (OWB) shared Nielsen latest data showing the impact of the pandemic on consumer purchases at retail for alcohol and wine generally and Oregon specifically. Oregon's growth continues to outpace the category.
  - The report can be found [here](#).
- **ACTION:** Jess to post latest figures (available each Tuesday) to OWB website and link to [COVID-19 Toolkit](#).

#### Federal Emergency Financial Assistance Webinars

- OWB hosted a webinar ([see recording](#)) last week providing an overview of CARES Act financial assistance and options.
- A second webinar featuring financial, accounting and legal experts along with a regional SBA representative will be offered next Tuesday, April 21 at 10 a.m. Registration is [live](#).

#### State legislative updates

- Dan Jarman (OWA lobbyist with Crosswater Strategies) provided the following update:
  - Gov. Brown just joined with the governors from CA and WA to share their coordinated decision-making process (the West Coast Framework) for re-opening their state economies.



There are five prerequisites for lifting current restrictions on commercial activities:

1. Slowing the growth of the virus by seeing fewer and fewer cases over the next month. The metrics will be informed by data to avoid a resurgence.
  2. Adequate PPE for health workers and first responders will be protected.
  3. Ramping up testing capacity in every region of the state.
  4. Robust system for contact tracing: OHA is working to develop a plan for every region around this.
  5. Effective quarantine and isolation program for those who are infected.
- The OHA has been working on ag-related social distancing guidelines, however they have not yet collaborated with ODA or others in the Oregon ag industry. Leaders in Oregon agriculture are planning to ask the governor to pause the release of any new OHA guidelines until ag industries can be included in their development.
  - There is no suspension of the Corporate Activities Tax for the first or second quarters. Estimated payments are due April 30 and there is no opportunity to file for an extension. There is still an effort to encourage state leadership to pause future collection and this may come into play in a future special session.
  - There is no special legislative session planned at this time and it would not be expected until late May at the earliest. This would give time to review and digest the state's quarterly revenue forecast and understand how stimulus packages are working. Several industry groups are asking for state assistance, including the hospital industry. There is also interest in identifying some emergency funds for undocumented workers who cannot access the federal assistance.
  - Business Oregon, Travel Oregon and the Oregon Small Business Development Center are conducting a [COVID-19 Economic Impact Survey](#). The survey closes tomorrow (April 15) and everyone is encouraged to complete this.
- Fawn Barrie (OWC lobbyist with Legislative Advocates) shared that businesses need to be aware of tax issues surrounding the PPP. While PPP loans are exempted from federal taxation, it's possible that they could be taxable income on the state level. This would need to be addressed in a short session. Wineries should check with their accountants about state tax implications.

### **Federal legislative updates**

- Jana McKamey (OWA) provided a national-level update:
  - WineAmerica will be circulating a second economic impact survey to go out later this week.
  - Morgen McLaughlin (WVWA) shared that there will also be a winery association-specific survey.
  - Congress continues talks about infusing more money into the PPP loan program. It's possible that if they can reach an agreement, the Senate could vote on Thurs, and the House would vote next week.
  - A national coalition of beverage alcohol producers is working on a new letter that would outline requests for wine industry provisions for the possible fourth federal relief package.

### **Compliance with Executive Orders and temporary rules prohibiting tastings/events on licensee premises**

- Wineries are currently limited to selling 2 cases per month to individual consumers. OWA will add this topic to its list of concerns for a special session, as raising this limit requires a statutory change.
- Morgen shared reports coming through WVWA's marketing committee that some wineries and others, such as tour companies, may be failing to follow rules that, for now, prohibit alcohol consumption on an OLCC licensee's premises.
  - WVWA will be crafting boilerplate language for wineries to use on their website and in marketing materials to clarify the extent to which they are open for business.
  - Tasting rooms are reminded that **any** on-premise consumption (including outdoors) is prohibited by Governor Brown's Executive Order 20-12.



### **Winery sanitation guidelines and social spacing enforcement in tasting rooms, cellars and vineyards**

- Mike McNally shared that members of the WVWA board have been working on a manual for winery tasting rooms, titled: "Healthful operations and sanitary practices: Guidance for operation wine tasting rooms in response to COVID-19." It would provide guidelines for social distancing and safe hospitality operations once EO 20-12 has been lifted.
  - They have been in collaboration with OSHA, ODA Food Safety, and consulting information from the CDC and Cornell Food Science program, among others. Looking to coordinate with ORLA in addition to the Portland Independent Restaurant Association.
  - Safety standards related to re-opening thousands of consumer-facing businesses in Oregon require statewide coordination since they involve hospitality partners, wineries and vineyards, foodservice & other tourism businesses as well as state regulators other affiliated industries.
  - **ACTION:** Tom to put Mike in touch with ORLA
- The group is recommending a task force, including state and regional wine representatives, to work with partner organizations and SAIF to develop training on guidelines.

### **COVID-19 related labor law developments**

- Christie Totten (OWA legal counsel at Davis Wright Tremaine) shared an update about the Families First Coronavirus Response Act:
  - Businesses need to have a policy regarding the FFCRA in place by this Friday, April 17. Employers need documentation about employee absences in order to apply for the eligible tax credit.
  - The DOL has rules in place about when/whether companies that already offer PTO, when they can require that to be used.
  - The FFCRA applies to all employers with fewer than 500 employees. Businesses with fewer than 50 employees can qualify for hardship if they can show that providing the FFCRA benefits would destroy business. This is outlined in the [FFCRA FAQs](#).
  - **ACTION:** OWB to distribute Dep't. of Labor documents and DWT blog posts recommended by Christie to help winery and vineyard owners to comply with FFCRA employee-leave provisions.

### **Other Business**

- Morgen asked for advocacy regarding Travel Oregon's use of license plate money for COVID recovery programs once wine country is back open.
  - Kai McMurtry (OWB) confirmed that Travel Oregon most likely to pursue a fall grant program, which will be open to support ongoing projects.
  - Travel Oregon is experiencing budget pressure as tourism and their primary source of revenue, the state's transient lodging tax, is negatively affected by stay-at-home orders. Travel Oregon continues to direct regional winery associations to connect with their respective RDMO's to propose the best ways to access Regional Co-Op Tourism Program Funds for wine tourism activities.
  - Kai shared the funding of the Wine Country License Plates grants will depend on what remained after the current granting cycle (awards announced next week), and any new funding that comes in through plate purchases between now and when the next cycle opens.