**Senate Agriculture and Natural Resources Committee**

**Senate Bill 195—Sponsor Testimony**

**Wednesday September 25, 2019**

Chairman Hoagland, Ranking Member O’Brien, and members of the Senate Agriculture and Natural Resources Committee, thank you for the opportunity to present sponsor testimony on Senate Bill 195.

Senate Bill 195 fixes an LSC drafting error made to one of my budget amendments which clarifies that wine is not a pre-packaged food. That amendment allows small wineries that are not preparing and serving significant amounts of food to be exempted from retail food establishment licensure requirements. This exemption can only apply when the following things occur:

* Sales of the prepackaged food do not exceed more than five per cent of the total gross receipts of the establishment.
* The establishment has been issued an A-2 permit or an A-2f permit and annually produces ten thousand gallons or less of wine.
* The establishment serves commercially prepackaged food in a form that prevents direct human contact prior to and during service.

Since passage of the budget, I have received concerns from owners of small wineries as they have hit a roadblock in qualifying for these exemptions. This is due to the Ohio Department of Agriculture’s interpretation of my budget amendment which meant to remove extra burdens placed upon these businesses. The Department’s concern with this language is this: wine constitutes a pre-packaged food and, thus, these wineries have a sale of prepackaged food that exceeds 5% of their establishment’s total gross receipts. Therefore, the department is connecting two disparate parts of the ORC to create a conclusion that does not enhance the health, safety, and welfare of the public.

Once again, small businesses around the state of Ohio are being burdened with this license and it is negatively impacting their businesses. But rather than it being the burden of extra requirements, which my budget amendment took care of, it is simply due to the interpretation stating that wine is a pre-packaged food. These wineries are simply attempting to offer pre-packaged snacks, such as store bought cheese, grapes, pretzels, or crackers, alongside their wine tastings. If we don’t fix this the state will push small businesses out of operation and hurt Ohioans who are trying to create an enjoyable experience for their patrons.

Thank you once again, Chairman Hoagland and the members of the committee, for the opportunity to present this issue to you today. I will be glad to answer any questions at this time.