TESTIMONY

To: The Honorable Pete Brungardt, Chairman and the Members of the Senate Committee for Federal & State Affairs

From: Dennis Reynolds, Owner Somerset Ridge Vineyard & Winery, Paola; KGGWA Board Member; Past Chairman, Kansas Grape & Wine Advisory Council

Re: SB 379 & 390, regarding farm wineries; Kansas fruit requirement

Date: February 21, 2012

Chairman Brungardt and members of the Committee:

We have operated a vineyard & winery in Miami County since 2001. We have extensive vineyards of our own, and we buy grapes from other growers in Miami County. I have come to believe that the Kansas fruit requirement in the Kansas Farm Winery law is a mistake. I therefore support the current bills reducing or removing the requirement.

As a Kansas winery owner, I always want to use local Kansas grapes when possible. Quality, cost, convenience and regional identity are the reasons I and most other Kansas winery owners want to use Kansas grapes. However, as small business owners, we also need the certainty and stability of knowing we can obtain grapes on the open market when needed. We are subject to a wide range of conditions in the Midwest that can severely reduce or even eliminate a local grape crop in any given year. The uncertainty of knowing whether adequate product will be available year to year inhibits the establishment of new wineries and the growth of existing ones.

We have also seen that the 60/40 law **does not** encourage establishment of new vineyards in Kansas. After 30 years Kansas lags far behind neighboring states in both vineyards and wineries that do not have fruit requirements. In lowa, for example, which has no lowa fruit requirement, they went from 36 acres of grapes in 1999 to 1,200+ acres of grapes by 2009 and currently have nearly 100 wineries.

What this demonstrates is that less regulation and the free market encourages vineyard growth, not a government mandate. What we have seen is that prospective grape growers do not invest in vineyards because of 60/40; they do so because they see a successful winery in the area and approach the owners about growing grapes for them.

Thank you for your consideration of my testimony.