

REVENUE: No revenue impact  
FISCAL: Fiscal statement issued

---

Action: Do Pass  
Vote: 4 - 1 - 0  
Yeas: Deckert, Monnes Anderson, Starr, Metsger  
Nays: George L.  
Exc.: 0  
Prepared By: Janet Adkins, Administrator  
Meeting Dates: 5/8

---

**WHAT THE MEASURE DOES:** Eliminates prorated license fee for licenses that are issued by the Oregon Liquor Control Commission for less than a full year.

**ISSUES DISCUSSED:**

- Effect on business owner in first year
- Advantages and disadvantages of having renewal date be one year after issuance
- Level of current fees
- Implementation of new licensing system
- Reasonable level of fees compared with other states

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** The Oregon Liquor Control Commission (OLCC) licenses business premises that sell alcohol. The annual fees are: \$100 for a store license; \$200 for restaurant license to sell beer and wine; \$400 for a full on-premise license that also allows sales of distilled liquor; and \$500 for a brewery license. Renewal dates are staggered by quarters and by geographic area of the state. Statute currently allows the first year's license fee to be prorated, i.e. based on the portion of the year remaining. Because the issuance date is not established at the time that an application is received, applicants cannot submit their fees at the time they apply for a license. This can leave applicants confused about when to pay their required fees and how much to pay. They then have to go through an additional step of paying when the license is ready to issue.

House Bill 2169 establishes that a full one-year fee is required even for a portion of the first year. This will make the payment amount standard with respect to any particular license, and allow the applicant to make payment at the time of application. This will also help facilitate OLCC plans for online application submissions and fee payments during the 2007-09 biennium.