## 75th OREGON LEGISLATIVE ASSEMBLY - 2009 Regular Session STAFF MEASURE SUMMARY

**Senate Committee on Business and Transportation** 

**REVENUE:** No revenue impact FISCAL: No fiscal impact

**Action:** Do Pass the A-Engrossed Measure

**Vote:** 4 - 0 - 1

Yeas: George, Starr, Verger, Metsger

Nays:

**Exc.:** Schrader

**Prepared By:** Jim Stembridge, Administrator

Meeting Dates: 5/20

**WHAT THE MEASURE DOES:** Authorizes the Oregon Liquor Control Commission to waive corporate surety bond required for grower sales privilege or warehouse licensee when the licensee does not expect to be liable for payment of a privilege tax. Applies to privilege tax reporting periods beginning January 1, 2010.

**MEASURE:** 

**CARRIER:** 

HB 3128 A

Sen. Starr

## **ISSUES DISCUSSED:**

- Extension of agency discretion on surety bonds for privilege taxes
- Other provisions of the measure

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

**BACKGROUND:** Oregon wineries are required to provide a surety bond to the Oregon Liquor Control Commission (OLCC) to cover unpaid wine taxes. The 2007 Legislative Assembly enacted HB 3486, which allows a waiver for the surety bond requirement for Oregon wineries that do not expect to owe privilege tax in the current year. HB 3128 extends these waivers to OLCC warehouse licensees, grower sales privilege licensees, and new businesses that do not expect to owe privilege tax in the current year.