## 75th OREGON LEGISLATIVE ASSEMBLY - 2009 Regular Session MEASURE: HB 3201 A STAFF MEASURE SUMMARY CARRIER: Rep. Kotek

House Committee on Business and Labor

**REVENUE:** No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

**Action:** Do Pass as Amended and Be Printed Engrossed

**Vote:** 7 - 2 - 1

Yeas: Barton, Edwards C., Esquivel, Holvey, Matthews, Witt, Schaufler

**Navs:** Cameron, Thatcher

Exc.: Kennemer

**Prepared By:** Theresa Van Winkle, Administrator

**Meeting Dates:** 4/15, 4/24, 4/27

**WHAT THE MEASURE DOES:** Allows the Oregon Liquor Control Commission (OLCC) to place restrictions on licensees if the licensee is experiencing serious or persistent problems, for the purpose of preventing the problems from continuing. Establishes that the measure does not apply to an off-premises sales licensee.

## **ISSUES DISCUSSED:**

- Examples of grounds for refusing to issue or renew a license
- Process obtaining a license from the Oregon Liquor Control Commission (OLCC)
- Whether the measure's provisions are applicable to on-premises licensees (i.e. bars and restaurants) or to all OLCC licensees
- Current enforcement mechanisms
- Impact of violations on local neighborhoods

## **EFFECT OF COMMITTEE AMENDMENT:** Replaces the measure.

**BACKGROUND:** Prior to issuance of a liquor license by the Oregon Liquor Control Commission (OLCC), public notices are posted on the building/property that is to be licensed as well as delivered to neighborhood associations, schools, and other entities located within either 500 feet or 1,500 feet of the proposed location (depending on whether the location is in a urban or rural area). The local governing body also makes a recommendation to the OLCC regarding licensure. The applicant(s) and the proposed location are also investigated by an OLCC investigator who in turn makes a recommendation based on law, case history, and OLCC policy.

OLCC staff and the executive director have the authority to grant or deny most liquor licenses but the OLCC commissioners must review and deny or approve an application under circumstances such as a negative local government recommendation, significant public opposition, recent record of an applicant's alcohol or drug abuse, or a determination by the OLCC executive director of the potential for future law violations. A license can be suspended or revoked for actions such as knowingly selling alcohol to minors or visibly intoxicated patrons; or for a history of serious and persistent problems involving disturbances, lewd, or unlawful activities or noise either in the premises or involving patrons in the immediate vicinity of the premises (and the problems are related to the sale or service of alcohol by the licensee).

HB 3201-A allows the OLCC to place restrictions on on-premise sales licensees who do not have a history of such activities, but are experiencing serious or persistent problems. The measure explicitly states that the restrictions are placed "for the purpose of preventing the continuation of the problems," and does not apply to off-premises sales licensees (i.e. grocery stores and convenience stores).