

**75th OREGON LEGISLATIVE ASSEMBLY - 2009 Regular Session**  
**STAFF MEASURE SUMMARY**  
**Senate Committee on Business and Transportation**

**MEASURE: SB 135 A**  
**CARRIER: Sen. Starr**

**REVENUE: No revenue impact**

**FISCAL: Minimal fiscal impact, no statement issued**

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

**Vote:** 4 - 0 - 1

**Yeas:** George, Schrader, Starr, Metsger

**Nays:** -

**Exc.:** Verger

**Prepared By:** Jim Stembridge, Administrator

**Meeting Dates:** 2/2, 3/25

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**WHAT THE MEASURE DOES:** Authorizes the Oregon Liquor Control Commission (OLCC) to authorize import of distilled liquor, ordered by and en route to the OLCC, by certificate of approval. Authorizes the OLCC to establish qualifications for the certificate of approval by administrative rule.

**ISSUES DISCUSSED:**

- Provisions of the measure
- Financial provisions that prohibit gifts “kickbacks” to retailers
- Out-of-state manufacturers of distilled spirits
- Benefits of market competition in a fair marketplace
- Pressures that might result in over-consumption of alcoholic beverages
- History of consolidation of liquor licenses in the 1990s

**EFFECT OF COMMITTEE AMENDMENT:** Authorizes importation of alcohol for scientific, manufacturing, and other non-consumption purposes without a license, with OLCC certificate of approval.

**BACKGROUND:** Anyone who manufactures, distributes, or sells alcoholic beverages in Oregon must be licensed by the OLCC. Current statute requires distilled liquor importers to have an OLCC license with a Supplement for Wholesale Licenses and Certificates of Approval. OLCC’s Distilled Spirits Program centrally purchases, warehouses, and distributes bottled distilled spirits to Oregon’s 243 liquor stores. The Purchasing Division staff orders bottled spirits produced throughout the world. The Wholesale Operations’ Distribution Center receives the liquor shipments ordered by Purchasing. Warehouse crews organize, stack, arrange, and store thousands of cases of liquor, keeping it secure until ordered by a liquor store. The crews fill merchandise requests and arrange for common carrier shipment to the store.

According to the sponsors, the purpose of SB 135-A is to better regulate and eliminate financial assistance (“kickbacks”) that may be offered to retailers to court favor for particular brands or products.

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*This summary has not been adopted or officially endorsed by action of the committee.*

Committee Services Form – 2009 Regular Session