

House Bill 3014

Sponsored by COMMITTEE ON RULES

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires applicant for issuance or renewal of liquor license to seek written recommendation of county governing body or city council. Requires Oregon Liquor Control Commission to refuse issuance or renewal of license if governing body or city council recommends refusal for certain reasons and commission verifies asserted reasons are valid. Requires commission to suspend or cancel license and permits of licensee if governing body or city council requests suspension or cancellation for certain reasons and commission verifies asserted reasons are valid.

A BILL FOR AN ACT

1
2 Relating to local government input regarding alcoholic beverage licenses; creating new provisions;
3 and amending ORS 471.166.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 471.166 is amended to read:

6 471.166. (1) The Oregon Liquor Control Commission [*may*] **shall** require [*that*] every applicant
7 for issuance or renewal of a license under this chapter [*acquire*] **to seek** a written recommendation
8 from the governing body of the county if the place of business of the applicant is outside an incor-
9 porated city, and from the city council if the place of business of the applicant is within an incor-
10 porated city. The commission [*may*] **shall** take [*such*] **any** written recommendation **of the governing**
11 **body or city council** into consideration before granting or refusing the license. **The commission**
12 **shall refuse to issue a license if the governing body or city council recommends refusal for**
13 **a reason described in ORS 471.313 and the commission finds the asserted reason is valid. The**
14 **commission shall refuse to renew a license if the governing body or city council recommends**
15 **refusal for a reason described in ORS 471.313, or a reason for which the commission may**
16 **cancel a license under ORS 471.315 or 471.316, and the commission finds the asserted reason**
17 **is valid. This subsection does not limit the grounds for which the commission may refuse to**
18 **issue or renew a license or limit the grounds for which the governing body of a county or a**
19 **city council may recommend refusal of a license.**

20 (2) [*If the commission requires that an applicant for issuance of a new license acquire the written*
21 *recommendation of a local government,*] The applicant [*must*] **for issuance of a new license shall**
22 give notice to the local government when an application is made for issuance of the license. If the
23 local government files a favorable recommendation with the commission within 45 days after the
24 notice is given, the commission shall proceed with consideration of the application. The commission
25 shall proceed with consideration of the application as though the local government had made a fa-
26 vorable recommendation unless, within 45 days after notice is given to the local government:

27 (a) The local government files an unfavorable recommendation with the commission with a
28 statement of the grounds for the unfavorable recommendation; or

29 (b) The local government files a request for additional time with the commission that sets forth

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 the reason additional time is needed by the local government, a statement that the local government
2 is considering making an unfavorable recommendation on the application, and the specific grounds
3 on which the local government is considering making an unfavorable recommendation.

4 (3) *[If the commission requires that an applicant for renewal of a license acquire the written rec-*
5 *ommendation of a local government under this section,]* The commission shall give notice to the local
6 government when an application is due for renewal of the license. If the local government files a
7 favorable recommendation with the commission within 60 days after the notice is given, the com-
8 mission shall proceed with consideration of the application. The commission shall proceed with
9 consideration of the application as though the local government had made a favorable recommen-
10 dation unless within 60 days after notice is given to the local government:

11 (a) The local government files an unfavorable recommendation with the commission with a
12 statement of the grounds for the unfavorable recommendation; or

13 (b) The local government files a request for additional time with the commission that sets forth
14 the reason additional time is needed by the local government, a statement that the local government
15 is considering making an unfavorable recommendation on the application, and the specific grounds
16 on which the local government is considering making an unfavorable recommendation.

17 (4) The commission shall suspend consideration of an application subject to this section for a
18 reasonable period of time if a local government requests additional time under subsection (2)(b) or
19 (3)(b) of this section and the grounds given by the local government are valid grounds for an unfa-
20 vorable determination under this chapter or rules adopted by the commission. The commission shall
21 by rule establish the period of time that shall be granted to a local government pursuant to a re-
22 quest under subsections (2)(b) and (3)(b) of this section.

23 (5) The commission shall by rule establish valid grounds for unfavorable recommendations by
24 local governments under this section. Valid grounds established by the commission under this sec-
25 tion for an unfavorable recommendation by a local government must be limited to those grounds
26 considered by the commission in making an unfavorable determination on a license application.

27 (6) A person filing an application for issuance or renewal of a license that is subject to this
28 section must remit to the local government the fees established under subsections (7) and (8) of this
29 section. The commission shall give notice to the applicant for license renewal of the amount of the
30 fees and the name of the local government collecting the fees. The commission is not responsible for
31 collecting the fees charged by the local government or for ensuring that the fees have been paid.
32 An applicant for a license renewal shall certify in the application form filed with the commission
33 that the applicant has paid any fees required under this section.

34 (7) An applicant required to seek a written recommendation from a local government must pay
35 an application fee to the local government, in an amount determined by the governing body of the
36 city or county, for each application for a license. The application fee established by a local gov-
37 ernment under this subsection may not exceed \$25.

38 (8) After public notice and hearing, the governing body of a city or county may adopt an ordi-
39 nance, rule or resolution prescribing licensing guidelines to be followed in making recommendations
40 on license applications under this chapter and in allowing opportunity for public comment on ap-
41 plications. If the guidelines are approved by the commission as consistent with commission rules,
42 after public notice and hearing the governing body may adopt an ordinance, rule or regulation es-
43 tablishing a system of fees that is reasonable and necessary to pay expenses of processing the
44 written recommendation. Processing fees under this subsection are in lieu of fees under subsection
45 (7) of this section. In no case shall the processing fee under this subsection be greater than \$100 for

1 an original application, \$75 for a change in ownership, change in location or change in privilege
2 application, and \$35 for a renewal or temporary application.

3 **(9) The governing body of a county may adopt a resolution requesting that the commis-**
4 **sion suspend or cancel the license of a business that is within the county and outside an in-**
5 **corporated city. The city council of an incorporated city may adopt a resolution requesting**
6 **that the commission suspend or cancel the license of a business that is within the city. A**
7 **request made under this subsection must assert a reason described in ORS 471.315 or 471.316**
8 **or a reason for which the commission may refuse a license under ORS 471.313. If the com-**
9 **mission verifies that the reason asserted in the request is valid, the commission shall sus-**
10 **pend or cancel the license and suspend or cancel any permit issued by the commission to the**
11 **licensee.**

12 **SECTION 2. The amendments to ORS 471.166 by section 1 of this 2009 Act apply to:**

13 **(1) The issuance or renewal of a license for which an application is filed on or after the**
14 **effective date of this 2009 Act; and**

15 **(2) The suspension or cancellation of licenses issued before, on or after the effective date**
16 **of this 2009 Act.**

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