A-Engrossed Senate Bill 135

Ordered by the Senate March 30 Including Senate Amendments dated March 30

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with presession filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor Theodore R. Kulongoski for Oregon Liquor Control Commission)

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.

Authorizes Oregon Liquor Control Commission to issue certificate of approval authorizing import of distilled liquor for delivery in state. [Makes import of distilled liquor under certificate of approval exception to prohibition against importing of alcoholic liquor.] Creates exemption to prohibition against importation of alcoholic liquor by nonlicensed person. Conditions certain exemptions on receipt of certificate of approval issued by commission. Eliminates requirement that importers of alcoholic liquor be issued permit.

$\mathbf{A} \mathbf{B}$	BILL F	'OR	$\mathbf{A}\mathbf{N}$	ACT

- 2 Relating to alcoholic beverages; creating new provisions; and amending ORS 471.404.
- Be It Enacted by the People of the State of Oregon:
 - SECTION 1. Section 2 of this 2009 Act is added to and made a part of ORS chapter 471.
 - <u>SECTION 2.</u> The Oregon Liquor Control Commission may issue a manufacturer or other person a certificate of approval authorizing the import of distilled liquor manufactured by a distillery not licensed under ORS 471.230. The commission may establish by rule:
 - (1) The conditions under which a manufacturer or other person may qualify for a certificate of approval;
 - (2) The products covered by the certificate of approval;
 - (3) Any conditions or limitations placed on imports under the certificate of approval; and
 - (4) The grounds for suspension or revocation of a certificate of approval.
 - **SECTION 3.** ORS 471.404 is amended to read:
 - 471.404. (1) [No] Alcoholic liquor [shall] **may not** be imported into this state by any person [not holding] **other than a holder of** a brewery, winery, distillery or wholesaler's license, except as follows:
 - (a) Alcoholic liquor ordered by and en route to the Oregon Liquor Control Commission, under a certificate of approval issued by the commission.
 - (b) Wines for sacramental purposes according to rules adopted by the commission.
 - (c) Alcoholic liquor that is in transit on a common carrier to a destination outside Oregon.
- 21 (d) Alcoholic liquor coming into Oregon on a common carrier according to orders placed by a 22 licensed brewery, winery or wholesaler.
 - [(e) Imported alcoholic liquor pursuant to a permit issued under subsection (2) of this section.]
 - (e) Grain and ethyl alcohol for scientific, pharmaceutical, manufacturing, mechanical or industrial use, under a certificate of approval issued by the commission.

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.

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1 (f) Wine or cider that is sold and transported by the holder of a wine self-distribution permit to 2 a retail licensee that has the endorsement described in ORS 471.274 (5). 3 (g) Wine or cider shipped directly to a resident of this state under a direct shipper permit issued pursuant to ORS 471.282. 4 5 (2) The commission may require importers of alcoholic liquor to [secure a permit for each importation and may charge] pay a reasonable handling fee based on the quantity and type [for the 6 7 permit] of alcoholic liquor being imported. SECTION 4. The amendments to ORS 471.404 by section 3 of this 2009 Act become oper-8 9 ative 90 days after the effective date of this 2009 Act. 10