

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass

Vote: 9 - 0 - 1

Yeas: Barton, Cameron, Esquivel, Hoyle, Kennemer, Matthews, Thatcher, Witt, Schaufler

Nays: 0

Exc.: Holvey

Prepared By: Theresa Van Winkle, Administrator

Meeting Dates: 2/17

WHAT THE MEASURE DOES: Allows for-profit clubs to qualify for full on-premises alcoholic liquor sales licenses issued by the Oregon Liquor Control Commission (OLCC). Eliminates the statutory criteria for non-profit private clubs to qualify for the license, requiring instead that non-profit clubs comply with OLCC rules regarding membership, non-profit status, and food service in order to be issued the license. Makes provisions applicable to licenses and renewals beginning 90 days following the effective date. Declares an emergency, effective upon passage.

ISSUES DISCUSSED:

- Examples of for-profit clubs included in the measure's provisions
- How measure changes the OLCC's licensure structure to reflect modern times
- Overview of rules that would be in development after measure is enacted
- Whether consideration was made for possibility of the measure's provisions being abused
- System for issuing full on-premises licenses for for-profit and non-profit clubs
- Timeframes for developing administrative rules

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Currently, golf and athletic clubs meeting statutory criteria is the only for-profit clubs that qualify for Oregon Liquor Control Commission (OLCC) on-premises alcohol sales licenses. SB 1039 would allow other types of for-profit clubs to qualify, provided they meet the membership and food service requirements and other requirements that may be established by OLCC administrative rule. The measure also simplifies statutory language relating to non-profit private clubs (civic or fraternal organizations such as the Elks and the Eagles) to eliminate the complicated and outdated definition of what is required to be a non-profit organization, providing authority to the OLCC to set these requirements by rule.