76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session STAFF MEASURE SUMMARY

House Committee on General Government and Consumer Protection

REVENUE: No revenue impact FISCAL: No fiscal impact

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 7 - 0 - 1

Yeas: Cameron, Conger, Matthews, Sheehan, Smith J., Holvey, Whisnant

Nays: 0 Exc.: Clem

Prepared By: Jan Nordlund, Administrator

Meeting Dates: 3/10, 3/24

WHAT THE MEASURE DOES: Modifies alcohol content and minimum quantity of a malt beverage that a brewery can sell to an unlicensed organization, lodge, picnic party, or private gathering by lowering the minimum amount from 5 gallons to 4 gallons and eliminating the maximum alcohol content limit.

MEASURE: HB 2924 A

CARRIER: Rep. Matthews

ISSUES DISCUSSED:

- Dock sales allowed for brewers, not wholesalers
- Licensing differences between brew pubs (production and retail) and breweries (wholesale and production)
- Potential employment impact for brewers

EFFECT OF COMMITTEE AMENDMENT: Replaces the printed bill.

BACKGROUND: A brewery license allows the holder to manufacture, import, store, transport, sell wholesale and distribute to licensee of the Oregon Liquor Control Commission, and export malt beverages. Under current statutes, a brewery may not sell beer containing more than 6 percent alcohol or sell malt beverages for consumption on site. However, there are two exceptions: a brewer may sell malt beverages brewed on site to an unlicensed organization, lodge, picnic party, or private gathering as long as the alcohol content does not exceed 8 percent and the sale is for at least 5 gallons; and a brewer may sell malt beverages brewed on site for consumption on site.

Brew pubs are licensed to produce and make retail sales. Breweries are licensed to produce and make wholesale transactions, with the two exceptions noted above. There are 142 licensed brew pubs and 15 licensed brewers in Oregon.