

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass the A-Engrossed Measure
Vote:	5 - 0 - 1
Yeas:	Atkinson, Burdick, Edwards, Girod, Beyer
Nays:	0
Exc.:	Starr
Prepared By:	Richard Berger, Administrator
Meeting Dates:	5/3

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 five gallons to four gallons and eliminating the maximum alcohol content limit.

ISSUES DISCUSSED:

- Provisions of the measure
- Effect on local breweries

EFFECT OF COMMITTEE AMENDMENT: No amendment.

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 to export malt beverages. Under current statutes, a brewery may not sell beer containing more than six 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 eight percent and the sale is for at least five 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.