

# Enrolled House Bill 2633

Sponsored by Representative SCHAUFLER (at the request of Oregon Winegrowers Association)  
(Pre-session filed.)

CHAPTER .....

AN ACT

Relating to alcoholic beverages; creating new provisions; and amending ORS 471.223.

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

**SECTION 1.** ORS 471.223 is amended to read:

471.223. (1) **As used in this section, "control" means that the licensee:**

**(a) Owns the brand under which the wine or cider is labeled; or**

**(b) Performs or has the legal right to perform all of the acts common to a brand owner under the terms of a trademark license or similar agreement that for the brand under which the wine or cider is labeled has a term of at least three years.**

[(1)] (2) A winery license shall allow the licensee:

**(a) To import wine or cider in containers that have a capacity of more than four liters.**

**(b) To import wine or cider in containers that have a capacity of four liters or less if the brand of wine or cider is under the control of the licensee.**

[(a)] (c) To [import,] bottle, produce, blend, store, transport or export wines or cider.

[(b)] (d) To sell wines or cider at wholesale to the Oregon Liquor Control Commission or to licensees of the commission.

[(c)] (e) To sell wines or cider at retail directly to the consumer for consumption on or off the licensed premises.

[(d)] (f) To sell malt beverages at retail for consumption on or off the licensed premises.

[(e)] (g) To conduct [the activities allowed under paragraph (a), (b), (c) or (d), or all,] **any activities described in paragraphs (a) to (f)** of this subsection at a second or third premises as may be designated by the commission.

[(f)] (h) To purchase from or through the commission brandy or other distilled liquors for fortifying wines.

[(g)] (i) To obtain a special events winery license that shall entitle the holder to conduct the activities allowed under paragraphs [(c) and (d)] **(e) and (f)** of this subsection at a designated location other than the one set forth in the winery license for a period not to exceed five days.

[(2)] (3) In order to hold a winery license the licensee shall: [*principally produce wine or cider in this state.*]

**(a) Possess at a bonded premises within Oregon a valid producer and blender basic permit issued by the federal Alcohol and Tobacco Tax and Trade Bureau; or**

**(b) Possess a valid wine blender or valid wholesaler basic permit issued by the federal Alcohol and Tobacco Tax and Trade Bureau and have a written contract with a winery li-**

**censed under paragraph (a) of this subsection that authorizes the winery to produce for the licensee a brand of wine or cider that is under the control of the licensee.**

*[(3) On and after July 1, 1990, a winery licensee is not authorized to import wine or cider in bottles unless the brand of wine or cider is owned by the licensee.]*

(4) A winery licensee may sell and ship wine or cider directly to a resident of this state only if the licensee has a direct shipper permit issued under ORS 471.282.

(5)(a) Except as provided in paragraph (b) of this subsection, a winery licensee, or any person having an interest in the licensee, may also hold a full on-premises sales license. If a person holds both a winery license and a full on-premises sales license, nothing in this chapter shall prevent the sale by the licensee of both distilled liquor and wine or cider bottled and produced under the winery license.

(b) The commission may not issue a full on-premises sales license to a winery licensee under the provisions of this subsection if the winery licensee, or any person having an interest in the licensee or exercising control over the licensee, is a brewery that brews more than 200,000 barrels of malt beverages annually or a winery that produces more than 200,000 gallons of wine or cider annually.

(6) More than one winery licensee may exercise the privileges of a winery license at a single location. The commission may not refuse to issue a winery license to a person for the production of wine or cider on specified premises based on the fact that other winery licensees also produce wine or cider on those premises.

**(7) If a winery licensee does not possess at a bonded premises within Oregon a valid producer and blender basic permit issued by the federal Alcohol and Tobacco Tax and Trade Bureau, the licensee may exercise the privileges described in this section only for wine and cider brands that are under the control of the licensee.**

**SECTION 2. The amendments to ORS 471.223 by section 1 of this 2011 Act become operative on January 1, 2014.**

**Passed by House March 24, 2011**

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Ramona Kenady Line, Chief Clerk of House

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Bruce Hanna, Speaker of House

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Arnie Roblan, Speaker of House

**Passed by Senate May 26, 2011**

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Peter Courtney, President of Senate

**Received by Governor:**

.....M.,....., 2011

**Approved:**

.....M.,....., 2011

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John Kitzhaber, Governor

**Filed in Office of Secretary of State:**

.....M.,....., 2011

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Kate Brown, Secretary of State