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MEASURE: Proposed Revisions to OR
Liquor Control Comm.
Retail Store Rules
EXHIBIT: 1
2012 SESSION H BUSINESS & LABOR
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Need to Modernize State Liquor Markets:

- Promote private sector jobs and commerce (The Northwest Grocery Association represents 402 retail stores in Oregon that employ 42,000 Oregonians)
- Provide savings to the State of Oregon through the efficiencies of private distribution and retail outlets
- Define the proper role of government: regulation/enforcement, not sales/promotion
- Current laws are obsolete and were implemented in the 1930's, decades before the modern supermarket was established. These laws are unneeded, costly, inefficient, and impair consumer convenience. Only 17 states have state-run systems.

Objectives of Modernizing State Liquor Markets:

Pursue Legislation or Initiative that will:

- Retain State regulation of licenses and enforcement
- Modernize the access to liquor that reflects the marketplace in the 21st Century
- Increase public safety
- Provide consumer convenience

Principles of Modernizing State Liquor Markets:

- Revenue neutral or increase to the State of Oregon
- Grandfather in all existing contract stores or offer buyout from state.
- Close State-run wholesale operations
- Increase training requirements of clerks
- Increase penalties for selling to minors or intoxicated individuals
- Increase dedicated funding for enforcement
- Licensed retailers (vertically integrated, grocery wholesalers, and independent co-ops) would be allowed to:
 - Buy direct from manufacturer or private distributor
 - Central warehouse products
 - Negotiate volume discounts and credit terms
 - Resell to restaurants
 - Set retail price
- All licensed retailers would:
 - Be prohibited from selling below cost
 - Submit appropriate taxes
 - Subject to current hour restrictions, and all other licensing and clerk training requirements
- Allow private distributors to operate in a free-market without state regulation on price or credit terms