

Enrolled House Bill 4092

Sponsored by Representative HARKER; Representatives BAILEY, FREDERICK, JOHNSON, READ, WHISNANT (Presession filed.)

CHAPTER

AN ACT

Relating to distillery special events; amending ORS 471.230; and declaring an emergency.

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

SECTION 1. ORS 471.230 is amended to read:

471.230. (1) A distillery license [*shall allow the holder thereof*] **allows the licensee** to import, manufacture, distill, rectify, blend, denature and store spirits of an alcoholic content greater than 17 percent alcohol by weight, to sell the [*same*] **spirits** to the Oregon Liquor Control Commission and to transport the [*same*] **spirits** out of this state for sale outside this state. Distillery licensees [*shall be*] **are** permitted to purchase from and through the commission alcoholic beverages for blending and manufacturing purposes upon such terms and conditions as the commission may provide. [*No such licensee shall*] **A distillery licensee may not** sell any alcoholic beverage within this state except to the commission or as provided in this section. However, any agricultural producer or association of agricultural producers or **the** legal agents [*thereof who manufacture and convert*] **of an agricultural producer or association of agricultural producers that manufactures and converts** agricultural surpluses, by-products and wastes into denatured ethyl and industrial alcohol for use in the arts and industry [*shall not be*] **are not** required to obtain a license from the commission.

(2) A distillery licensee may:

(a) Permit tastings of the distilled liquor manufactured by the distillery licensee. The tastings may be conducted on the licensed premises of the distillery, on one other premises owned or leased by the licensee, or both. The licensee must purchase the distilled liquor from the commission.

(b) Obtain a special events distillery license. [*entitling the holder to permit tastings of the distilled liquor manufactured by the distillery licensee. Tastings may be conducted under a special events distillery license at a designated location other than the location set forth in the distillery license for a period not exceeding five days. The licensee must purchase the distilled liquor from the commission.*]

(c) Apply for appointment by the commission as a distillery retail outlet agent for purposes of retailing only distilled liquor that the licensee manufactured in Oregon at locations where tastings are permitted under paragraph (a) of this subsection **or subsection (4)(a) of this section.**

(3) Notwithstanding ORS 471.392 to 471.400, a distillery licensee may also hold a full on-premises sales license for a location at the licensed premises of the distillery and a full on-premises sales license for one other location. All distilled spirits sold under the full on-premises sales license must be purchased from the commission.

(4)(a) A distillery licensee that holds a special events distillery license may conduct an event on a premises at a designated location other than the location set forth in the distillery license for a period not exceeding five days. A distillery licensee conducting an event may:

(A) Permit tastings of distilled liquor manufactured by the distillery.

(B) Permit sales by the drink of distilled liquor manufactured by the distillery.

(C) If the distillery licensee has been appointed as a distillery retail outlet agent under subsection (2)(c) of this section, sell factory sealed containers of distilled liquor manufactured by the distillery for consumption off the licensed premises of the event.

(b) A distillery licensee that holds a special events distillery license:

(A) Must purchase distilled liquor that the licensee uses for conducting tastings at the event from the commission at the price set by the commission for distilled liquor removed from bond for tastings.

(B) Must purchase distilled liquor that the licensee uses for sales by the drink at the event at the retail price set by the commission for the month in which the distilled liquor is sold by the drink.

(C) Must purchase distilled liquor that the licensee sells in factory sealed containers at the event at the retail price set by the commission for the month in which the licensee makes the purchase.

(D) Must sell distilled liquor described in subparagraph (C) of this paragraph at the retail price set by the commission for the month in which the licensee makes the sale.

SECTION 2. This 2012 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2012 Act takes effect on its passage.

Passed by House February 13, 2012

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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 February 23, 2012

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Peter Courtney, President of Senate

Received by Governor:

.....M.,....., 2012

Approved:

.....M.,....., 2012

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John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M.,....., 2012

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Kate Brown, Secretary of State