



Oregon

John A. Kitzhaber, MD, Governor

Liquor Control Commission

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**Testimony of Kelly Rouff, Wholesale & Manufacturer Specialist
Oregon Liquor Control Commission
House Committee on Energy and Environment
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SB 112**

OLCC Enforcement process

- Receive complaint (average 10-12 complaints per month)
- Types of complaints received:
 - Refuse to take returns
 - Refuse to hand count containers
 - Do not accept containers at all hours the premises is open to the public
 - Refuse to take crushed cans
 - Refuse to take unless container goes through machine
 - Must spend money in store or will not accept containers
- Investigate complaint
 - Staff follow up with complainant to obtain facts
 - On occasion, provide education to complainant
- Provide education and verbal instruction to store staff
- Notice of Warning – 4 issued since 2000
- Notice of Violation or Criminal Citation – 0 issued since 2000

Penalties under current law

- A violation of ORS 459A.705 (Refund value), 459A.710 (Practices required of dealers and distributors), 459A.720 (Indication of refund value), or section 2(5), chapter 100, Oregon Laws 2012 (Beverage container return data) is a Class A misdemeanor. ORS 459.992(3)
- In addition to the penalty above, the Oregon Liquor Control Commission or the State Department of Agriculture may revoke or suspend the license of any person who willfully violates ORS 459A.705, 459A.710, 459A.720, or section 2(5), chapter 100, Oregon Laws 2012 who is required by ORS chapter 471 or 635, respectively, to have a license. ORS 459.992(4)
- These penalties have been in place since 1971.

Proposed penalties (SB112)

- Civil penalty between \$50 & \$500 for any provision of the Oregon Bottle Bill (ORS 459A.700 - .740).
- Penalties may be assessed against licensees and non-licensees.
- If SB117 passes, stores could be subject to penalties if, as a non-participating dealer in a redemption center convenience zone, they do not provide the services mandated under the proposed legislation.

Audit provision

The Commission may determine after reviewing reports provided by distributor cooperatives that an audit is required. In this instance, the Commission will direct the distributor cooperative to hire an independent certified public accountant or financial audit firm to engage in agreed-upon procedures of a limited scope to examine and opine upon only those transactions that would determine the redemption rate. The distributor cooperative will incur the cost of the agreed-upon procedures.

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