

D R A F T

SUMMARY

Establishes license fee surcharges for full on-premises sales, limited on-premises sales and off-premises sales licenses for alcoholic beverages. Dedicates surcharges for payment to cities or counties for public safety purposes.

Applies to licenses authorizing alcoholic beverage sales during periods that begin on or after January 1, 2014.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to license fee moneys collected by the Oregon Liquor Control
3 Commission; creating new provisions; amending ORS 471.311 and 471.810;
4 appropriating money; prescribing an effective date; and providing for
5 revenue raising that requires approval by a three-fifths majority.

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

7 **SECTION 1.** ORS 471.311 is amended to read:

8 471.311. (1) Any person desiring a license or renewal of a license under
9 this chapter shall make application to the Oregon Liquor Control Commis-
10 sion upon forms to be furnished by the commission showing the name and
11 address of the applicant, location of the place of business that is to be op-
12 erated under the license, and such other pertinent information as the com-
13 mission may require. No license shall be granted or renewed until the
14 applicant has complied with the provisions of this chapter and the rules of
15 the commission.

16 (2) The commission may reject any application that is not submitted in
17 the form required by rule. The commission shall give applicants an opportu-
18 nity to be heard if an application is rejected. A hearing under this subsection

1 is not subject to the requirements for contested case proceedings under ORS
2 chapter 183.

3 (3) Subject to subsection (4) of this section, the commission shall assess
4 a nonrefundable fee for processing a renewal application for any license au-
5 thorized by this chapter only if the renewal application is received by the
6 commission less than 20 days before expiration of the license. If the renewal
7 application is received prior to expiration of the license but less than 20 days
8 prior to expiration, this fee shall be 25 percent of the annual license fee. If
9 a renewal application is received by the commission after expiration of the
10 license but no more than 30 days after expiration, this fee shall be 40 percent
11 of the annual license fee. This subsection does not apply to a certificate of
12 approval, a brewery-public house license or any license that is issued for a
13 period of less than 30 days.

14 (4) The commission may waive the fee imposed under subsection (3) of this
15 section if it finds that failure to submit a timely application was due to un-
16 foreseen circumstances or to a delay in processing the application by the
17 local governing authority that is no fault of the licensee.

18 (5) The license fee is nonrefundable and shall be paid by each applicant
19 upon the granting or committing of a license. [*Subject to ORS 471.155 and*
20 *473.065, the annual or daily license fee and the minimum bond required of each*
21 *class of license under this chapter are as follows:*]

22 **(6) Subject to ORS 471.155 and 473.065, for the following classes of**
23 **licenses and permits issued by the commission, the annual fees and**
24 **minimum bond requirements are:**

25 _____

26	License	Fee	Minimum	
27			Bond	
28	Brewery, including Certificate			
29	of Approval	\$	500	\$ 1,000
30	Winery	\$	250	\$ 1,000
31	Distillery	\$	100	None

1	Wholesale Malt Beverage			
2	and Wine	\$	275	\$ 1,000
3	Warehouse	\$	100	\$ 1,000
4	[<i>Special events winery</i>			
5	<i>license</i>	\$	10 per day]	
6	Brewery-Public House,			
7	including Certificate			
8	of Approval	\$	250	\$ 1,000
9	[<i>Limited On-Premises Sales</i>	\$	200	<i>None]</i>
10	[<i>Off-Premises Sales</i>	\$	100	<i>None]</i>
11	[<i>Temporary Sales</i>	\$	50 per day]	
12	Grower Sales Privilege			
13	License	\$	250	\$ 1,000
14	[<i>Special events grower</i>			
15	<i>sales privilege</i>			
16	<i>license</i>	\$	10 per day]	
17	[<i>Special events</i>			
18	<i>brewery-public house</i>			
19	<i>license</i>	\$	10 per day]	
20	[<i>Special events</i>			
21	<i>distillery</i>			
22	<i>license</i>	\$	10 per day]	
23	Wine Self-Distribution			
24	Permit	\$	100	\$ 1,000

26 **(7) For the following licenses issued by the commission, the daily**
 27 **fees are:**

29	Special Events Winery			
30	License	\$	10	
31	Temporary Sales	\$	50	

1	Special Events Grower		
2	Sales Privilege		
3	License	\$	10
4	Special Events		
5	Brewery-Public House		
6	License	\$	10
7	Special Events		
8	Distillery		
9	License	\$	10

10

11 **(8)(a) A bond is not required for a full on-premises sales license.**
12 **Except as otherwise provided in this subsection, the annual fee for a**
13 **full on-premises sales license is \$400.**

14 **(b) If the gross dollar volume of alcoholic beverage sales at the**
15 **premises under the privileges of the same class of license during the**
16 **preceding year was more than \$_____ and not more than \$_____, the**
17 **annual fee for a full on-premises sales license is the amount described**
18 **in paragraph (a) of this subsection plus a surcharge of \$400.**

19 **(c) If the gross dollar volume of alcoholic beverage sales at the**
20 **premises under the privileges of the same class of license during the**
21 **preceding year was more than \$_____, the annual fee for a full on-**
22 **premises sales license is the amount described in paragraph (a) of this**
23 **subsection plus a surcharge of \$1,100.**

24 **(d) Notwithstanding paragraphs (a) to (c) of this subsection, the**
25 **annual fee for a full on-premises sales license is \$200 if the license is**
26 **held by a nonprofit private club as described in ORS 471.175 (8) or a**
27 **nonprofit or charitable organization that is registered with the state.**
28 **Subsection (11) of this section does not apply to a licensee described**
29 **in this paragraph.**

30 **(9)(a) A bond is not required for a limited on-premises sales license.**
31 **Except as otherwise provided in this subsection, the annual fee for a**

1 **limited on-premises sales license is \$200.**

2 **(b) If the gross dollar volume of alcoholic beverage sales at the**
3 **premises under the privileges of the same class of license during the**
4 **preceding year was more than \$_____ and not more than \$_____, the**
5 **annual fee for a limited on-premises sales license is the amount de-**
6 **scribed in paragraph (a) of this subsection plus a surcharge of \$200.**

7 **(c) If the gross dollar volume of alcoholic beverage sales at the**
8 **premises under the privileges of the same class of license during the**
9 **preceding year was more than \$_____, the annual fee for a limited**
10 **on-premises sales license is the amount described in paragraph (a) of**
11 **this subsection plus a surcharge of \$600.**

12 **(10)(a) A bond is not required for an off-premises sales license. Ex-**
13 **cept as otherwise provided in this subsection, the annual fee for an**
14 **off-premises sales license is \$100.**

15 **(b) If the gross dollar volume of alcoholic beverage sales at the**
16 **premises under the privileges of the same class of license during the**
17 **preceding year was more than \$25,000 and not more than \$50,000, the**
18 **annual fee for an off-premises sales license is the amount described in**
19 **paragraph (a) of this subsection plus a surcharge of \$100.**

20 **(c) If the gross dollar volume of alcoholic beverage sales at the**
21 **premises under the privileges of the same class of license during the**
22 **preceding year was more than \$50,000 and not more than \$100,000, the**
23 **annual fee for an off-premises sales license is the amount described in**
24 **paragraph (a) of this subsection plus a surcharge of \$200.**

25 **(d) If the gross dollar volume of alcoholic beverage sales at the**
26 **premises under the privileges of the same class of license during the**
27 **preceding year was more than \$100,000 and not more than \$150,000, the**
28 **annual fee for an off-premises sales license is the amount described in**
29 **paragraph (a) of this subsection plus a surcharge of \$400.**

30 **(e) If the gross dollar volume of alcoholic beverage sales at the**
31 **premises under the privileges of the same class of license during the**

1 preceding year was more than \$150,000 and not more than \$250,000, the
2 annual fee for an off-premises sales license is the amount described in
3 paragraph (a) of this subsection plus a surcharge of \$900.

4 (f) If the gross dollar volume of alcoholic beverage sales at the
5 premises under the privileges of the same class of license during the
6 preceding year was more than \$250,000, the annual fee for an off-
7 premises sales license is the amount described in paragraph (a) of this
8 subsection plus a surcharge of \$1,400.

9 (11) The commission may require that a premises licensed under
10 subsection (8), (9) or (10) of this section maintain a record of gross
11 dollar volume of alcoholic beverage sales at the premises under the
12 privileges of the license in a form the commission deems expedient for
13 purposes of administering this section. If a premises licensed for full
14 on-premises sales is also a brewery-public house licensee, for purposes
15 of subsection (8) of this section all retail sales of alcoholic beverages
16 at the premises are under the privileges of the full on-premises sales
17 license.

18 (12) If the annual license fee paid for a full on-premises sales li-
19 cense, limited on-premises sales license or off-premises sales license
20 includes a surcharge described in subsection (8)(b) or (c), (9)(b) or (c)
21 or (10)(b) to (f) of this section, the commission shall identify the in-
22 corporated city, or if none the county, in which the licensed premises
23 is located. The commission shall keep a record for each incorporated
24 city or county identified under this subsection showing the total sur-
25 charge amount paid by licensed premises within the city or county.
26 The commission may reduce the total surcharge amount recorded for
27 a city or county by a proportionate share of the actual direct costs to
28 the commission of establishing and maintaining the surcharge record
29 system. The commission may not reduce the total surcharge amount
30 recorded for a city or county to cover overhead or other indirect or
31 administrative expenses of the commission. When certifying to the

1 **State Treasurer the amount of moneys available for distribution under**
2 **ORS 471.810, the commission shall notify the State Treasurer and the**
3 **Oregon Department of Administrative Services of each total surcharge**
4 **amount recorded for a city or county that is included in the moneys**
5 **available for payment under ORS 471.810.**

6 [(6)] (13) The fee for a certificate of approval or special certificate of ap-
7 proval granted under ORS 471.244 is nonrefundable and must be paid by each
8 applicant upon the granting or committing of a certificate of approval or
9 special certificate of approval. No bond is required for the granting of a
10 certificate of approval or special certificate of approval. Certificates of ap-
11 proval are valid for a period commencing on the date of issuance and ending
12 on December 31 of the fifth calendar year following the calendar year of is-
13 suance. The fee for a certificate of approval is \$175. Special certificates of
14 approval are valid for a period of 30 days. The fee for a special certificate
15 of approval is \$10.

16 [(7) *Except as provided in subsection (8) of this section, the annual license*
17 *fee for a full on-premises sales license is \$400. No bond is required for any full*
18 *on-premises sales license.*]

19 [(8) *The annual license fee for a full on-premises sales license held by a*
20 *nonprofit private club as described in ORS 471.175 (8), or held by a nonprofit*
21 *or charitable organization that is registered with the state, is \$200.*]

22 [(9) *The annual fee for a wine self-distribution permit is \$100, and the*
23 *minimum bond is \$1,000.*]

24 **SECTION 2.** ORS 471.810 is amended to read:

25 471.810. (1) At the end of each month, the Oregon Liquor Control Com-
26 mission shall certify the amount of moneys available for distribution in the
27 Oregon Liquor Control Commission Account and, after withholding such
28 moneys as it may deem necessary to pay its outstanding obligations, shall
29 within 35 days of the month for which a distribution is made direct the State
30 Treasurer to pay the amounts due, upon warrants drawn by the Oregon De-
31 partment of Administrative Services, as follows:

1 (a) Fifty-six percent, or the amount remaining after the distribution under
2 subsection (4) of this section, credited to the General Fund available for
3 general governmental purposes wherein it shall be considered as revenue
4 during the quarter immediately preceding receipt;

5 (b) Twenty percent to the cities of the state in such shares as the popu-
6 lation of each city bears to the population of the cities of the state, as de-
7 termined by the State Board of Higher Education last preceding such
8 apportionment, under ORS 190.510 to 190.610;

9 (c) Ten percent to counties in such shares as their respective populations
10 bear to the total population of the state, as estimated from time to time by
11 the State Board of Higher Education; and

12 (d) Fourteen percent to the cities of the state to be distributed as provided
13 in ORS 221.770 and this section.

14 (2) The commission shall direct the Oregon Department of Administrative
15 Services to transfer 50 percent of the revenues from the taxes imposed by
16 ORS 473.030 and 473.035 to the Mental Health Alcoholism and Drug Services
17 Account in the General Fund to be paid monthly as provided in ORS 430.380.

18 (3) If the amount of revenues received from the taxes imposed by ORS
19 473.030 for the preceding month was reduced as a result of credits claimed
20 under ORS 473.047, the commission shall compute the difference between the
21 amounts paid or transferred as described in subsections (1)(b), (c) and (d) and
22 (2) of this section and the amounts that would have been paid or transferred
23 under subsections (1)(b), (c) and (d) and (2) of this section if no credits had
24 been claimed. The commission shall direct the Oregon Department of Ad-
25 ministrative Services to pay or transfer amounts equal to the differences
26 computed for subsections (1)(b), (c) and (d) and (2) of this section from the
27 General Fund to the recipients or accounts described in subsections (1)(b),
28 (c) and (d) and (2) of this section.

29 (4) Notwithstanding subsection (1) of this section, no city or county shall
30 receive for any fiscal year an amount less than the amount distributed to the
31 city or county in accordance with ORS 471.350 (1965 Replacement Part),

1 471.810, 473.190 and 473.210 (1965 Replacement Part) during the 1966-1967
2 fiscal year unless the city or county had a decline in population as shown
3 by its census. If the population declined, the per capita distribution to the
4 city or county shall be not less than the total per capita distribution during
5 the 1966-1967 fiscal year. Any additional funds required to maintain the level
6 of distribution under this subsection shall be paid from funds credited under
7 subsection (1)(a) of this section.

8 **(5) Notwithstanding subsection (1) of this section, if the commission**
9 **notifies the State Treasurer and the Oregon Department of Adminis-**
10 **trative Services under ORS 471.311 (12) that the amount of moneys**
11 **certified as available for distribution includes a surcharge amount re-**
12 **corded for a city or county, the surcharge amount is not subject to**
13 **warrant and payment under subsection (1) of this section. The com-**
14 **mission shall within 35 days of the month for which a distribution is**
15 **made direct the State Treasurer to pay the city or county the sur-**
16 **charge amount recorded under ORS 471.311 (12) for the city or county**
17 **upon warrant drawn by the department. A city or county may expend**
18 **moneys received by the city or county under this subsection only for**
19 **purposes of providing public safety services.**

20 **SECTION 3. The amendments to ORS 471.311 by section 1 of this**
21 **2013 Act apply to a license that the Oregon Liquor Control Commission**
22 **issues to authorize alcoholic beverage sales during a licensing period**
23 **that begins on or after January 1, 2014.**

24 **SECTION 4. This 2013 Act takes effect on the 91st day after the date**
25 **on which the 2013 regular session of the Seventy-seventh Legislative**
26 **Assembly adjourns sine die.**

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