## House Bill 2332

Sponsored by Representative TOMEI; Representatives BAILEY, GREENLICK, KENY-GUYER, Senator MONNES ANDERSON (Presession filed.)

## **SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Requires premises licensed for alcohol consumption and meeting specified criteria to obtain nightclub endorsement from Oregon Liquor Control Commission. Creates exceptions. Specifies minimum features of safety and security plan required for premises endorsed as nightclub.

## A BILL FOR AN ACT

2 Relating to nightclubs.

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- 3 Be It Enacted by the People of the State of Oregon:
  - SECTION 1. Section 2 of this 2013 Act is added to and made a part of ORS chapter 471.
- 5 <u>SECTION 2.</u> (1) As used in this section, "nightclub" means a premises licensed for full or limited on-premises sales that:
  - (a) Has at least one room or area for which the maximum occupancy approved by the State Fire Marshal or a governmental subdivision granted an exemption under ORS 476.030 is 100 or more persons;
  - (b) Serves, or allows the consumption of, alcoholic beverages at any time between the hours of 11 p.m. and 2:30 a.m.; and
  - (c) In any of the four preceding calendar quarters has had total gross receipts from alcoholic beverage sales and any lottery receipts, admissions and cover charges that exceeded the gross receipts for the quarter from the sale of food and nonalcoholic beverages.
  - (2) Notwithstanding ORS 471.175 or 471.178, except as provided in subsection (3) of this section, the holder of a full on-premises sales license or limited on-premises sales license may not operate the licensed premises as a nightclub unless the licensee holds a nightclub endorsement issued by the Oregon Liquor Control Commission.
    - (3)(a) Subsection (2) of this section does not apply to:
  - (A) A licensed premises that is owned by the United States, a public body as defined in ORS 174.109 or a nonprofit corporation organized under ORS chapter 65; or
    - (B) A public passenger carrier described in ORS 471.182.
  - (b) The commission may grant a licensed premises a waiver from subsection (2) of this section for good cause. Good cause includes, but is not limited to, allowing a licensed premises to conduct a fundraiser, festival or other special event that in the absence of a waiver might cause the premises to qualify as a nightclub. The commission may not grant a licensed premises more than one waiver annually. A waiver must be for a single period not to exceed five days in length. The commission may charge a fee for a waiver under this subsection, not to exceed the fee amount for issuance of a special-events brewery-public house license.
    - (4) The commission may adopt rules establishing requirements for nightclub endorsement

- applications. The application must include, but need not be limited to, a proposed safety and security plan for the licensed premises and a written recommendation from the governing body of the city having jurisdiction over the premises or, if none, the county having jurisdiction over the premises. The commission shall take the written recommendation into consideration before granting or refusing an endorsement. The commission may charge a fee for the application, not to exceed \$\_\_\_\_\_\_\_\_. Upon receiving a properly submitted application for a nightclub endorsement, the commission shall schedule the matter for a public hearing.
- (5) The commission shall adopt rules establishing required elements for an approved safety and security plan features for licensed premises that hold nightclub endorsements. The plan elements shall include, at a minimum, requirements for:
  - (a) Meeting minimum levels of staffing for food service and security personnel;
- (b) Providing incentives designed to encourage the consumption of food with alcoholic beverages;
- (c) Monitoring behavior to detect and remedy situations that may compromise the safety and security of the persons entering, present at or leaving the premises;
- (d) Taking reasonable measures for the prevention of serious or persistent adverse impacts on surrounding properties from behaviors described in ORS 471.315 (1)(c); and
- (e) Complying with any audit and record keeping requirements specified by the commission.
- (6) The commission may establish annual fees for a nightclub endorsement. An annual nightclub endorsement fee is in addition to any fee for a full on-premises sales license or limited on-premises sales license.
- <u>SECTION 3.</u> (1) The Oregon Liquor Control Commission shall make nightclub endorsements available for issuance to licensees on or before January 1, 2014.
  - (2) Section 2 (2) of this 2013 Act becomes operative July 1, 2014.