

House Bill 3180

Sponsored by Representative HOLVEY

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**.

Authorizes holder of off-premises sales license to store wine, cider and malt beverages at licensed premises for transport to other premises of holder licensed for off-premises sales.

Allows full or limited on-premises sales licensee or off-premises sales licensee to take physical possession of wine, cider or malt beverages directly from manufacturer or wholesaler either at licensee's premises or for transport by licensee.

Authorizes brewery to deliver malt beverages directly to Oregon Liquor Control Commission or licensee of commission. Expands on-premises sales authority of brewery.

A BILL FOR AN ACT

1
2 Relating to alcoholic beverages; creating new provisions; and amending ORS 471.155, 471.168,
3 471.186, 471.220, 471.242, 471.272, 471.274, 471.305, 471.311, 471.392, 471.404, 471.485, 471.490,
4 471.495, 473.065 and 473.150.

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

6 **SECTION 1. Section 2 of this 2013 Act is added to and made a part of ORS chapter 471.**

7 **SECTION 2. (1) In addition to the activities listed in ORS 471.186, an off-premises sales**
8 **licensee may:**

9 (a) **Subject to subsection (4) of this section, receive wine, cider and malt beverages at an**
10 **off-premises sales location owned in whole or in part by the licensee directly from a whole-**
11 **sale malt beverage and wine licensee, a licensed winery, brewery, distributor or a holder of**
12 **a self-distribution permit;**

13 (b) **Hold wine, cider and malt beverages in storage at the location; and**

14 (c) **Transport wine, cider and malt beverages from the location to other off-premises**
15 **sales locations owned in whole or in part by the off-premises sales licensee.**

16 (2) **An off-premises sales licensee may receive wine, cider or malt beverages at a location**
17 **under subsection (1)(a) of this section only if the wine, cider or malt beverages are trans-**
18 **ported to the location:**

19 (a) **On a vehicle owned or operated by the off-premises sales licensee;**

20 (b) **On a vehicle owned by the wholesale malt beverage and wine licensee or licensed**
21 **winery or brewery selling the wine, cider or malt beverages;**

22 (c) **On a vehicle owned by the self-distribution permit holder selling the wine, cider or**
23 **malt beverages; or**

24 (d) **On a common carrier.**

25 (3) **Activities described in this section do not qualify the off-premises sales licensee as a**
26 **manufacturer or wholesaler for purposes of ORS 471.392 to 471.400.**

27 (4) **An off-premises sales licensee may receive wine, cider or malt beverages from a**
28 **wholesale malt beverage and wine licensee under this section only if the wholesale malt**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 beverage and wine licensee has paid the taxes on the wine, cider or malt beverages. Except
 2 as provided in this subsection, an off-premises sales licensee that receives wine, cider or malt
 3 beverages from a holder of a self-distribution permit must pay the taxes imposed under ORS
 4 chapter 473 and comply with reporting requirements imposed by ORS chapter 473. This sub-
 5 section does not require the off-premises sales licensee to pay taxes imposed by ORS chapter
 6 473 if:

7 (a) The holder of the self-distribution permit has paid the taxes and complied with the
 8 reporting requirements; or

9 (b) The wine received is wine exempted from taxation under ORS 473.050 (5).

10 (5) An off-premises licensee that transports wine, cider or malt beverages under this
 11 section is not required to report the transportation under ORS 473.160.

12 **SECTION 3.** ORS 471.155 is amended to read:

13 471.155. (1) The Oregon Liquor Control Commission shall provide for the licensing of persons
 14 and cities within the state to manufacture, distribute, take orders for and sell spirits, wines, beer
 15 and other alcoholic liquors. Except as provided in subsection (2) of this section, the holder of a
 16 brewery, winery, wholesale, warehouse, grower sales privilege or brewery-public house license or
 17 the holder of a [wine] self-distribution permit shall give, and at all times maintain on file with the
 18 commission, a bond with a corporate surety authorized to transact business in this state. The bond
 19 shall be in form and amount acceptable to the commission, shall be payable to the commission and
 20 conditioned that the licensee or permittee will pay any fine imposed for any violation of any pro-
 21 vision of the Liquor Control Act and that the licensee or permittee will pay all license fees, privilege
 22 taxes, taxes imposed under ORS 473.045 and other taxes on alcoholic liquors, together with penalties
 23 and interest thereon, levied or assessed against the licensee or permittee under statutes relating to
 24 the importation, manufacture, distribution, sale or taxation of alcoholic liquors in the State of
 25 Oregon.

26 (2) Under such conditions as the commission may prescribe, the holder of a brewery, winery,
 27 wholesale, warehouse, grower sales privilege or brewery-public house license or the holder of a
 28 [wine] self-distribution permit may deposit, in lieu of the bond required by subsection (1) of this
 29 section, the equivalent value in cash, bank letters of credit recognized by the State Treasurer or
 30 negotiable securities of a character approved by the State Treasurer. The deposit is to be made in
 31 a bank or trust company for the benefit of the commission. Interest on deposited funds or securities
 32 shall accrue to the depositor.

33 **SECTION 4.** ORS 471.168 is amended to read:

34 471.168. (1) For the purpose of providing coverage for injuries suffered by persons by reason of
 35 the conduct of intoxicated persons who were served alcoholic beverages on licensed premises while
 36 visibly intoxicated, all persons holding a license described in this section must either:

37 (a) Maintain liquor liability insurance of not less than \$300,000; or

38 (b) Maintain a bond with a corporate surety authorized to transact business in this state in the
 39 amount of not less than \$300,000.

40 (2) The Oregon Liquor Control Commission may by rule require liquor liability insurance or
 41 bond in an amount larger than the minimum amount provided for in subsection (1) of this section.

42 (3) The requirements of this section apply to full on-premises sales licenses, limited on-premises
 43 sales licenses and brewery-public house licenses. The requirements of this section apply to tempo-
 44 rary sales licenses, special events winery licenses, special events grower sales privilege licenses,
 45 special events brewery-public house licenses, **special events brewery licenses** and special events

1 distillery licenses if the event that is licensed is open to the public and attendance at the event is
 2 anticipated to exceed 300 individuals per day.

3 (4) The requirements of this section apply to winery licenses, brewery licenses and grower sales
 4 privilege licenses unless an applicant for issuance of the license or renewal of the license submits
 5 with the application for issuance or renewal of the license an affidavit that states that the licensee
 6 will not allow consumption of alcoholic beverages on the premises.

7 (5) All licensees subject to the requirements of this section must supply proof of compliance at
 8 the time the license is issued or renewed. The commission by rule shall determine the manner in
 9 which proof of compliance may be made under the provisions of this subsection. The commission
 10 may require a licensee to present proof of compliance with liquor liability insurance and bond re-
 11 quirements at any time upon request of the commission.

12 (6) Failure of a licensee to comply with liquor liability insurance or bond requirements imposed
 13 under this section constitutes a serious threat to public health and safety. In addition to any action
 14 available to the commission under ORS 471.313 or 471.315, the commission may immediately suspend
 15 or refuse renewal of a license as provided under ORS 183.430 (2) if the licensee fails to comply with
 16 those insurance or bond requirements.

17 (7) If a licensee fails to provide proof of compliance with liquor liability insurance or bond re-
 18 quirements imposed under this section at the time of license renewal or when requested by the
 19 commission, the failure is sufficient reason for the commission to find for purposes of ORS 183.430
 20 (2) that the licensee has failed to comply with the insurance or bond requirements.

21 **SECTION 5.** ORS 471.186 is amended to read:

22 471.186. (1) The holder of an off-premises sales license may sell factory-sealed containers of wine,
 23 malt beverages and cider. Containers of malt beverages sold under the license may not hold more
 24 than two and one-quarter gallons.

25 (2) The holder of an off-premises sales license may provide sample tasting of alcoholic beverages
 26 on the licensed premises if the licensee makes written application to the Oregon Liquor Control
 27 Commission and receives approval from the commission to conduct tastings on the premises.
 28 Tastings must be limited to the alcoholic beverages that may be sold under the privileges of the li-
 29 cense.

30 (3) An off-premises sales license may not be issued for use at a premises that is mobile.

31 (4) Except as provided in ORS 471.402, a manufacturer or wholesaler may not provide or pay for
 32 sample tastings of alcoholic beverages for the public on premises licensed under an off-premises
 33 sales license.

34 (5) The holder of an off-premises sales license may deliver wine or cider that is sold under the
 35 privileges of the license to retail customers in this state without a direct shipper permit issued un-
 36 der ORS 471.282. Any deliveries by the holder of an off-premises sales license are subject to any
 37 rules adopted by the commission relating to deliveries made under this subsection. Deliveries under
 38 this subsection:

39 (a) May be made only to a person who is at least 21 years of age;

40 (b) May be made only for personal use and not for the purpose of resale; and

41 (c) Must be made in containers that are conspicuously labeled with the words: "CONTAINS
 42 ALCOHOL: SIGNATURE OF PERSON AGE 21 YEARS OR OLDER REQUIRED FOR
 43 DELIVERY."

44 (6) The holder of an off-premises sales license that makes deliveries of wine or cider under
 45 subsection (5) of this section must take all actions necessary to ensure that a carrier used by the

licensee does not deliver any wine or cider unless the carrier:

(a) Obtains the signature of the recipient of the wine or cider upon delivery;

(b) Verifies by inspecting government-issued photo identification that the recipient is at least 21 years of age; and

(c) Determines that the recipient is not visibly intoxicated at the time of delivery.

(7) Any person who knowingly or negligently delivers wine or cider under the provisions of this section to a person under 21 years of age, or who knowingly or negligently delivers wine or cider under the provisions of this section to a visibly intoxicated person, violates ORS 471.410.

(8) If a court determines that deliveries of wine or cider under subsection (5) of this section cannot be restricted to holders of off-premises sales licenses, and the decision is a final judgment that is no longer subject to appeal, the holder of an off-premises sales license may not make deliveries of wine or cider under the provisions of subsection (5) of this section after entry of the final judgment.

(9) The holder of an off-premises sales license may transport or cause the transportation of wine, cider or malt beverages from the licensed premises to another premises of the holder that is licensed for off-premises sales if the holder complies with section 2 of this 2013 Act.

SECTION 6. ORS 471.220 is amended to read:

471.220. (1) A brewery license shall allow the manufacture, importation, storage, transportation, wholesale sale and distribution to licensees of the Oregon Liquor Control Commission, and the export of malt beverages. A brewery licensee may not sell within the State of Oregon any beer containing more than six percent alcohol by volume. *[Except as provided in subsection (2) of this section, a brewery licensee may not sell malt beverages for consumption on the licensed premises.]*

(2) In addition to the privileges described in subsection (1) of this section, a brewery licensee may:

(a) Sell malt beverages brewed on the licensed premises at wholesale to the commission or licensees of the commission;

[(a)] **(b) Sell malt beverages brewed on the licensed premises for consumption on or off the licensed premises;** *[and]*

(c) Sell wine and cider for consumption on the licensed premises;

(d) Sell for consumption off the licensed premises malt beverages brewed on the licensed premises at retail in pasteurized or unpasteurized form in securely covered containers supplied by the consumer and having a capacity of not more than two gallons each;

(e) Sell malt beverages in brewery sealed packages at retail directly to the consumer for consumption off the premises;

(f) Conduct activities described in paragraphs (b) to (e) of this subsection at one location other than the premises where manufacturing occurs;

(g) Obtain a special events brewery license to conduct activities described in paragraphs (b), (c) and (e) of this subsection at a designated location other than the premises set forth in the brewery license for a period not exceeding five days; and

[(b)] **(h) Sell malt beverages brewed on the licensed premises, in quantities of not less than four gallons, to an unlicensed organization, lodge, picnic party or private gathering.**

(3) An unlicensed organization, lodge, picnic party or private gathering may not resell the malt beverages that a brewery licensee sells under *[this]* paragraph (2)(h) of this section.

SECTION 7. ORS 471.242 is amended to read:

1 471.242. (1) A warehouse license shall allow the licensee to store, import, bottle, produce, blend,
 2 transport and export nontax paid, bonded wine or wine on which the tax is paid and to store, import
 3 and export nontax paid malt beverages and cider, or malt beverages and cider on which the tax is
 4 paid. Wine, cider and malt beverages may be removed from the licensed premises only for:

5 (a) Sale for export;

6 (b) Sale or shipment to a wholesale malt beverage and wine licensee;

7 (c) Sale or shipment to another warehouse licensee;

8 (d) Sale or shipment to a winery licensee;

9 (e) Shipment [*of wine or cider produced by a winery licensee*] to a licensee of the Oregon Liquor
 10 Control Commission authorized to sell [*wine or cider at retail if the shipment is made*] **wine, cider**
 11 **or malt beverages at retail** pursuant to a sale to the retail licensee by the holder of a **brewery**
 12 **license issued under ORS 471.220**, winery license issued under ORS 471.223, a grower sales privi-
 13 lege license issued under ORS 471.227 or a wholesale malt beverage and wine license issued under
 14 ORS 471.235; [*or*]

15 **(f) Sale for delivery and receipt at the premises of the wholesale seller to a licensee of**
 16 **the commission authorized to sell wine, cider or malt beverages at retail pursuant to a sale**
 17 **to the retail licensee by the holder of a brewery license issued under ORS 471.220, winery li-**
 18 **cence issued under ORS 471.223, a grower sales privilege license issued under ORS 471.227**
 19 **or a wholesale malt beverage and wine license issued under ORS 471.235; or**

20 [*f*] (g) Shipment of wine or cider to a person for personal use, as described in subsection (7)
 21 of this section.

22 (2) A license applicant must hold an approved registration for a bonded wine cellar or winery
 23 under federal law.

24 (3) For the purposes of tax reporting, payment and record keeping, the provisions that shall
 25 apply to a manufacturer under ORS chapter 473 shall apply to a warehouse licensee.

26 (4) A warehouse must be physically secure in an area zoned for the intended use and be phys-
 27 ically separated from any other use.

28 (5) For purposes of ORS 471.392 to 471.400, a warehouse licensee shall be considered a man-
 29 ufacturer.

30 (6) For purposes of ORS 473.045, a warehouse licensee shall be considered a winery licensee.

31 (7) Wine or cider may be removed from the premises licensed under this section for shipment
 32 pursuant to a sale under ORS 471.282. The warehouse licensee shall take reasonable steps to ensure
 33 that shipments are made in containers that are conspicuously labeled with the words: "CONTAINS
 34 ALCOHOL: SIGNATURE OF PERSON AGE 21 YEARS OR OLDER REQUIRED FOR
 35 DELIVERY." In addition, the warehouse licensee shall take reasonable steps to ensure that any
 36 carrier used by the licensee does not deliver any wine or cider unless the carrier:

37 (a) Obtains the signature of the recipient of the wine or cider upon delivery;

38 (b) Verifies by inspecting government-issued photo identification that the recipient is at least
 39 21 years of age; and

40 (c) Determines that the recipient is not visibly intoxicated at the time of delivery.

41 **SECTION 8.** ORS 471.272 is amended to read:

42 471.272. (1) [*Wine or cider may be shipped or transported by a licensee or permit holder described*
 43 *in subsection (2) of this section only by employees of the licensee or permit holder, or by a common*
 44 *carrier using a commission-approved delivery plan.*] The holder of a [*wine*] **brewery, winery, grower**
 45 **sales privilege, wholesale malt beverage and wine, or warehouse license or a self-distribution**

1 permit that uses a common carrier to ship or transport wine, [or] cider **or malt beverages** shall
 2 take reasonable steps to ensure that the wine, [or] cider **or malt beverages are** [is] sold and
 3 transported only to licensees that are authorized **under this chapter** to receive the wine, [or] cider
 4 [under ORS 471.274] **or malt beverages**.

5 *[(2) The provisions of this section apply to persons holding wine self-distribution permits and the*
 6 *holders of winery licenses, grower sales privilege licenses, wholesale malt beverage and wine licenses*
 7 *and warehouse licenses issued by the commission.]*

8 **(2) A brewery, winery, wholesale malt beverage and wine, or warehouse licensee may al-**
 9 **low a full or limited on-premises sales licensee or off-premises sales licensee the option of**
 10 **receiving delivery of wine, cider or malt beverages at the premises of the brewery, winery,**
 11 **wholesale malt beverage and wine, or warehouse licensee instead of receiving delivery at the**
 12 **premises of the full or limited on-premises sales licensee or off-premises sales licensee.**

13 **SECTION 9.** ORS 471.274 is amended to read:

14 471.274. (1) The Oregon Liquor Control Commission may issue a [wine] self-distribution permit
 15 to a United States manufacturer of wine, [or] cider **or malt beverages**. The commission may issue
 16 a [wine] self-distribution permit only to a manufacturer of wine, [or] cider **or malt beverages** that:

17 (a) Holds a license issued by another state that authorizes the manufacture of wine, [or] cider
 18 **or malt beverages**; and

19 (b) Holds a certificate of approval issued under ORS 471.244.

20 (2) The holder of a [wine] self-distribution permit may sell at wholesale and transport wine,
 21 [or] cider **or malt beverages** that the manufacturer produces directly to the commission, or to retail
 22 licensees in the manner provided by this section. A [wine] self-distribution permit allows the holder
 23 to sell wine, [or] cider **or malt beverages** that the holder produces only to retail licensees who hold
 24 a valid endorsement issued by the commission authorizing receipt of wine, [or] cider **or malt**
 25 **beverages** from the holder of a [wine] self-distribution permit.

26 (3) In addition to the information required by ORS 471.311 for licenses, an applicant for a
 27 [wine] self-distribution permit shall provide the commission with a copy of the license held by the
 28 applicant or with sufficient information to allow verification of the license by electronic means or
 29 other means acceptable to the commission. The applicant also shall provide the commission with any
 30 information required by the commission to establish that the license held by the applicant authorizes
 31 the manufacture of wine, [or] cider **or malt beverages**.

32 (4) **Except as provided in this subsection,** a person holding a [wine] self-distribution permit
 33 is responsible for paying all taxes imposed under ORS chapter 473, and for complying with all re-
 34 porting requirements imposed by ORS chapter 473, for all wine, [and] cider **and malt beverages**
 35 sold and transported to retail licensees in this state. The commission may revoke, or refuse to issue,
 36 a [wine] self-distribution permit if the holder of a permit fails to pay taxes or make reports as re-
 37 quired by ORS chapter 473. **A retail licensee that is required under this subsection to comply**
 38 **with reporting requirements is exempt from the reporting requirement imposed by sub-**
 39 **section (6) of this section.**

40 (5) A retail licensee may receive wine, [or] cider **or malt beverages** from the holder of a
 41 [wine] self-distribution permit only if the licensee has received prior authorization from the com-
 42 mission. Prior authorization under this subsection must be made by an endorsement to the license
 43 for the premises where the wine, [or] cider **or malt beverages** will be received. The commission
 44 may not charge or collect a fee for an endorsement under this subsection.

45 (6)(a) Except as provided in **subsection (4) of this section or** paragraph (b) of this subsection,

1 a retail licensee that receives wine, [or] cider **or malt beverages** from holders of [wine] self-
 2 distribution permits must make a monthly report to the commission, using a form prescribed by the
 3 commission, listing the amount of all wine, [or] cider **and malt beverages** received from permit
 4 holders in the previous month, and the names of the permit holders from whom the wine, **cider and**
 5 **malt beverages were** [or *cider was*] received. Retail licensees shall retain such purchase records
 6 for products received from permit holders as may be required by the commission.

7 (b) The holder of a full or limited on-premises sales license is not required to file a report under
 8 this subsection for any month in which **the total amount of all wine, cider and malt beverages**
 9 **that** the licensee receives [two or fewer cases of wine] from holders of [wine] self-distribution permits
 10 **does not exceed two cases.**

11 (7) A manufacturer that is not licensed by the commission may sell and transport wine, [or]
 12 cider **or malt beverages** directly to a retail licensee, and a retail licensee may receive wine, [or]
 13 cider **or malt beverages** directly from a manufacturer that is not licensed by the commission, only
 14 if the manufacturer holds a [wine] self-distribution permit issued under this section.

15 (8) The holder of a [wine] self-distribution permit consents to the jurisdiction of the commission
 16 and the courts of this state for the purpose of enforcing the provisions of this chapter, ORS chapter
 17 473 and any related laws or rules.

18 (9) The holder of a [wine] self-distribution permit must post a bond or other security, as de-
 19 scribed in ORS 471.155.

20 (10) The commission may revoke, or refuse to issue, a [wine] self-distribution permit if the holder
 21 of a permit fails to comply with any provision of this section.

22 **SECTION 10.** ORS 471.305 is amended to read:

23 471.305. A brewery **licensee, self-distribution permit holder** or a wholesale malt beverage and
 24 wine licensee shall deliver malt beverages only to or on a licensed premises. The sale of alcoholic
 25 liquors under any license issued by the Oregon Liquor Control Commission authorizing retail sales
 26 by a licensee shall be restricted to the premises described in the license, but deliveries may be made
 27 by the licensee to customers pursuant to bona fide orders received on the licensed premises prior
 28 to delivery.

29 **SECTION 11.** ORS 471.311 is amended to read:

30 471.311. (1) Any person desiring a license or renewal of a license under this chapter shall make
 31 application to the Oregon Liquor Control Commission upon forms to be furnished by the commission
 32 showing the name and address of the applicant, location of the place of business that is to be op-
 33 erated under the license, and such other pertinent information as the commission may require.
 34 [No] **A** license [shall] **may not** be granted or renewed until the applicant has complied with the
 35 provisions of this chapter and the rules of the commission.

36 (2) The commission may reject any application that is not submitted in the form required by
 37 rule. The commission shall give applicants an opportunity to be heard if an application is rejected.
 38 A hearing under this subsection is not subject to the requirements for contested case proceedings
 39 under ORS chapter 183.

40 (3) Subject to subsection (4) of this section, the commission shall assess a nonrefundable fee for
 41 processing a renewal application for any license authorized by this chapter only if the renewal ap-
 42 plication is received by the commission less than 20 days before expiration of the license. If the
 43 renewal application is received prior to expiration of the license but less than 20 days prior to ex-
 44 piration, [this] **the** fee shall be 25 percent of the annual license fee. If a renewal application is re-
 45 ceived by the commission after expiration of the license but no more than 30 days after expiration,

1 [this] **the** fee shall be 40 percent of the annual license fee. This subsection does not apply to a cer-
 2 tificate of approval, a brewery-public house license or any license that is issued for a period of less
 3 than 30 days.

4 (4) The commission may waive the fee imposed under subsection (3) of this section if [it] **the**
 5 **commission** finds that failure to submit a timely application was due to unforeseen circumstances
 6 or to a delay in processing the application by the local governing authority that is no fault of the
 7 licensee.

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

License	Fee	Minimum Bond
Brewery, including Certificate		
of Approval	\$ 500	\$ 1,000
Winery	\$ 250	\$ 1,000
Distillery	\$ 100	None
Wholesale Malt Beverage		
and Wine	\$ 275	\$ 1,000
Warehouse	\$ 100	\$ 1,000
Special events winery		
license	\$ 10 per day	
Brewery-Public House,		
including Certificate		
of Approval	\$ 250	\$ 1,000
Limited On-Premises Sales	\$ 200	None
Off-Premises Sales	\$ 100	None
Temporary Sales	\$ 50 per day	
Grower sales privilege		
license	\$ 250	\$ 1,000
Special events grower		
sales privilege		
license	\$ 10 per day	
Special events		
brewery license	\$ 10 per day	
Special events		
brewery-public house		
license	\$ 10 per day	
Special events		
distillery		
license	\$ 10 per day	

45 (6) The fee for a certificate of approval or special certificate of approval granted under ORS

1 471.244 is nonrefundable and must be paid by each applicant upon the granting or committing of a
 2 certificate of approval or special certificate of approval. No bond is required for the granting of a
 3 certificate of approval or special certificate of approval. Certificates of approval are valid for a pe-
 4 riod commencing on the date of issuance and ending on December 31 of the fifth calendar year fol-
 5 lowing the calendar year of issuance. The fee for a certificate of approval is \$175. Special
 6 certificates of approval are valid for a period of 30 days. The fee for a special certificate of approval
 7 is \$10.

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

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

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

14 **SECTION 12.** ORS 471.392 is amended to read:

15 471.392. For the purposes of ORS 471.392 to 471.400:

16 (1) "Manufacturer or wholesaler" means:

17 (a) A person holding a brewery license issued under ORS 471.220, a winery license issued under
 18 ORS 471.223, a grower sales privilege license issued under ORS 471.227, a distillery license issued
 19 under ORS 471.230, a wholesale malt beverage and wine license issued under ORS 471.235, [*or*] a
 20 warehouse license issued under ORS 471.242 **or a person holding a self-distribution permit issued**
 21 **under ORS 471.274.**

22 (b) Any manufacturer of alcoholic liquors whose products are sold in the State of Oregon.

23 (2) "Retail licensee" means the holder of a full or limited on-premises sales license, an off-
 24 premises sales license or a temporary sales license. "Retail licensee" does not include a bona fide
 25 trade association that represents retail licensees and that is open to all persons licensed under at
 26 least one type of retail license.

27 **SECTION 13.** ORS 471.404 is amended to read:

28 471.404. (1) Alcoholic liquor may not be imported into this state by any person other than a
 29 holder of a brewery, winery, distillery or wholesaler's license, except as follows:

30 (a) Alcoholic liquor ordered by and en route to the Oregon Liquor Control Commission, under
 31 a certificate of approval issued by the commission.

32 (b) Wines for sacramental purposes according to rules adopted by the commission.

33 (c) Alcoholic liquor that is in transit on a common carrier to a destination outside Oregon.

34 (d) Alcoholic liquor coming into Oregon on a common carrier according to orders placed by a
 35 licensed brewery, winery or wholesaler.

36 (e) Grain and ethyl alcohol for scientific, pharmaceutical, manufacturing, mechanical or indus-
 37 trial use, under a certificate of approval issued by the commission.

38 (f) Wine, [*or*] cider **or malt beverages** that [*is*] **are** sold and transported by the holder of a
 39 [*wine*] self-distribution permit to a retail licensee that has the endorsement described in ORS 471.274
 40 (5).

41 (g) Wine or cider shipped directly to a resident of this state under a direct shipper permit issued
 42 pursuant to ORS 471.282.

43 **(h) Alcohol described under ORS 471.406 (4) possessed by an individual entering this state.**

44 (2) The commission may require importers of alcoholic liquor to pay a reasonable handling fee
 45 based on the quantity and type of alcoholic liquor being imported.

SECTION 14. ORS 471.485 is amended to read:

471.485. [No wholesale licensee or agent or employee thereof shall sell or deliver, nor shall any retail licensee] **A licensee or the agent or employee of a licensee may not sell or deliver, and a retail licensee may not** purchase or receive any malt beverages, cider or wine for currency on delivery.[, but such] Malt beverages, cider or wine [shall] **must** be paid for prior to delivery [thereof], by electronic fund transfer initiated on or before the date of delivery, or by valid check, order, negotiable instrument or voucher payable on the date of delivery. [The wholesale licensee] **A licensee or an agent or employee of a licensee** may accept cash at the time of delivery if [such] acceptance does not create or increase the licensee's, or the agents' or employees' of the licensee, exposure to or risk of being victimized by criminal activity.

SECTION 15. ORS 471.490 is amended to read:

471.490. [No] **A** retail licensee [shall] **may not** deliver any check, order, negotiable instrument or voucher in payment for malt beverages, cider or wine, knowing at the time of such delivery that the maker or drawer has not sufficient funds in the bank or depository to pay the instrument on presentation.[, nor shall any wholesale licensee accept any such instrument knowing that said instrument] **A licensee or an agent or employee of a licensee may not accept a check, order, negotiable instrument or voucher in payment for malt beverages, cider or wine, knowing at the time that the check, order, negotiable instrument or voucher** is not payable according to its terms, or that there are not sufficient funds to pay [such instrument] **the check, order, negotiable instrument or voucher** on presentation. Any extension or acceptance of credit under this section shall constitute a violation of ORS 471.398.

SECTION 16. ORS 471.495 is amended to read:

471.495. Any [wholesale licensee who receives] **licensee or holder of a self-distribution permit that receives from a full or limited on-premises sales licensee or an off-premises sales licensee** a check, order, negotiable instrument or voucher in payment for **wine, cider or** malt beverages[, cider or wine, who receives an instrument from a retail licensee which,] **that** upon presentation, is not paid by the party on whom it is drawn, shall report [such fact forthwith] **the payment refusal** to the Oregon Liquor Control Commission.

SECTION 17. ORS 473.065 is amended to read:

473.065. (1) If a manufacturer's total tax liability under ORS 473.030 (1) in the previous calendar year was less than \$1,000, the manufacturer may deposit with the Oregon Liquor Control Commission an amount in cash equal to the manufacturer's total tax liability under ORS 473.030 (1) for the previous calendar year in lieu of the bond required by ORS 471.155 (1).

(2) If a manufacturer's actual tax liability under ORS 473.030 (1) is less than the amount deposited under subsection (1) of this section, the manufacturer may request that the commission refund the excess funds or may apply those funds toward the manufacturer's tax liability under ORS 473.030 (1) for the next calendar year.

(3) If a manufacturer's actual tax liability under ORS 473.030 (1) is greater than the amount deposited under subsection (1) of this section, the manufacturer shall pay to the commission the additional amount owed in the manner required under ORS 473.060.

(4) Unless the commission determines that a **brewery**, winery, grower sales privilege or warehouse licensee or direct shipper or [wine] self-distribution permit holder presents an unusual risk for nonpayment of any license fees, privilege taxes, agricultural products taxes or other tax, penalty or interest imposed under this chapter or ORS chapter 471, the commission shall waive the bond required under ORS 471.155 (1) for the licensee or permit holder if:

1 (a) The licensee or permit holder was not liable for a privilege tax under this chapter in the
2 immediately preceding calendar year and does not expect to be liable for a privilege tax under this
3 chapter in the current calendar year; or

4 (b) The licensee or permit holder of a business established during the current calendar year does
5 not expect to be liable for a privilege tax under this chapter in the current calendar year. As used
6 in this paragraph, "business" means:

7 **(A) A brewery.**

8 [(A)] **(B) A winery.**

9 **(C) A warehouse.**

10 [(B)] **(D) A business operated pursuant to a license issued under ORS 471.227.**

11 [(C)] *A warehouse.*

12 [(D)] **(E) A business operated pursuant to a permit issued under ORS 471.274.**

13 [(E)] **(F) A business operated pursuant to a permit issued under ORS 471.282.**

14 **SECTION 18.** ORS 473.150 is amended to read:

15 473.150. (1) The Oregon Liquor Control Commission may, at any time, examine the books and
16 records of a holder of a [*wine*] self-distribution permit or of any manufacturer of wine, cider or malt
17 beverages, and may appoint auditors, investigators and other employees that the commission con-
18 siders necessary to enforce its powers and perform its duties under this section.

19 (2) Every holder of a [*wine*] self-distribution permit and every manufacturer shall maintain and
20 keep for two years all records, books and accounts required by this chapter and shall provide copies
21 of those records, books and accounts to the commission when requested by the commission.

22 **SECTION 19.** **The amendments to ORS 471.155, 471.272, 471.274, 471.311, 471.404 and 473.150**
23 **by sections 3, 8, 9, 11, 13 and 18 of this 2013 Act do not affect the validity of any wine self-**
24 **distribution permit issued by the Oregon Liquor Control Commission prior to the effective**
25 **date of this 2013 Act. A holder of a wine self-distribution permit is for all purposes considered**
26 **to be a holder of a self-distribution permit. Upon renewal or replacement of a wine self-**
27 **distribution permit, the commission shall issue the holder a self-distribution permit.**

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