

**PROPOSED AMENDMENTS TO
HOUSE BILL 3435**

1 On page 1 of the printed bill, delete lines 4 through 30 and delete page
2 2 and insert:

3 **“SECTION 1.** ORS 471.230, as amended by section 1, chapter 20, Oregon
4 Laws 2012, is amended to read:

5 “471.230. (1) A distillery license allows the licensee to import, manufac-
6 ture, distill, rectify, blend, denature and store spirits of an alcoholic content
7 greater than 17 percent alcohol by weight, to sell the spirits to the Oregon
8 Liquor Control Commission and to transport the spirits out of this state for
9 sale outside this state. Distillery licensees are permitted to purchase from
10 and through the commission alcoholic beverages for blending and manufac-
11 turing purposes upon such terms and conditions as the commission may
12 provide. A distillery licensee may not sell any alcoholic beverage within this
13 state except to the commission or as provided in this section. However, any
14 agricultural producer or association of agricultural producers or the legal
15 agents of an agricultural producer or association of agricultural producers
16 that manufactures and converts agricultural surpluses, by-products and
17 wastes into denatured ethyl and industrial alcohol for use in the arts and
18 industry are not required to obtain a license from the commission.

19 “(2) A distillery licensee may:

20 “(a) Permit tastings of the distilled liquor manufactured by the distillery
21 licensee. The tastings may be conducted on the licensed premises of the
22 distillery[, *on one*] **and at no more than five** other premises owned or

1 leased by the licensee[, *or both*]. The licensee must purchase the distilled
2 liquor from the commission.

3 “(b) Obtain a special events distillery license.

4 “(c) Apply for appointment by the commission as a distillery retail outlet
5 agent for purposes of retailing only distilled liquor that the licensee manu-
6 factured in Oregon at locations where tastings are permitted under para-
7 graph (a) of this subsection or subsection (4)(a) of this section.

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

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

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

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

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

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

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

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

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

4 “(D) Must sell distilled liquor described in subparagraph (C) of this par-
5 agraph at the retail price set by the commission for the month in which the
6 licensee makes the sale.”.

7
