

REVENUE:

FISCAL:

SUBSEQUENT REFERRAL TO:

Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: James LaBar, Administrator

Meeting Dates:

WHAT THE MEASURE DOES: Provides for the Oregon Liquor Control Commission to pay business loss compensation to liquor store operator for diminishment in sales resulting from change in system for selling distilled liquor. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

(-3 amendment): Guts and stuffs entire measure. Creates provisions for persons appointed to operate a store established by the Oregon Liquor Control Commission to receive payments of four percent of the average annual sales from the previous five years if and only if the system for selling containers of distilled liquor at retail in this state changes after the person assumes operation of the store. Creates provisions to fund the business loss compensation fund from proceeds from selling the assets of the OLCC. Declares emergency, effective on passage.

BACKGROUND: Currently Oregon's liquor agents have little security if the current control state system were to change to a privatized system. Senate Bill 141 is designed to add some security and certainty that individual agents will be paid 4% of the average annual sales from the previous 5 years if and only if the system was to privatize. This provision does not impact anything unless the system goes to a private system. The business loss compensation fund would be funded from the proceeds from selling the assets of the OLCC which would no longer be needed in a privatized system. These include the warehouse, distilled spirits and other assorted assets. The OLCC would still need to regulate the bars, servers and other services that they currently provide except for the retail services side which would go away under a new system.