

Seventy-Eighth Oregon Legislative Assembly - 2015 Regular Session
STAFF MEASURE SUMMARY
House Committee On Business and Labor

MEASURE: HB 2480
CARRIER: Rep. Doherty

Fiscal: Has minimal fiscal impact
Revenue: Revenue impact issued

Action Date: 02/23/15
Action: Do Pass.
Meeting Dates: 02/04, 02/23

House

Yeas: 6 - Barton, Doherty, Evans, Holvey, Nosse, Fagan
Nays: 3 - Barreto, Weidner, Heard
Exc: 2 - Esquivel, Kennemer

Prepared By: Jan Nordlund, Committee Administrator

WHAT THE MEASURE DOES:

Directs Oregon Liquor Control Commission (OLCC) to charge application fee up to \$150 for issuance of new license or license following ownership change. Specifies application fee applies only to licenses with annual fee. Directs OLCC to refund fee under specified circumstances. Directs OLCC to adopt rules setting fee by class of license.

ISSUES DISCUSSED:

- Past proposals to implement application fee
- Impact on small businesses
- Circumstances under which proposed fee would be refunded
- Amount of annual fee
- Addition of one-time application fee to annual fee

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

The Oregon Liquor Control Commission (OLCC) issues licenses to businesses that are engaged in the manufacturing, distribution and retail sale of alcoholic beverages. Except for special events licenses, the licenses are good for one year and require an annual fee ranging from \$100 for off-premises sales to \$400 for full on-premises sales.

The OLCC processes approximately 3,500 new license applications each year for new establishments and for those changing ownership. The OLCC does not charge a fee to process an application and collects the annual license fee only when the process is complete and the agency is ready to issue the license. More than 200 applicants (about six percent of all applicants) submitted applications last year that were never completed. The OLCC expends staff resources to process these applications, which results in a longer wait time for all other applicants. House Bill 2480 directs OLCC to charge a one-time application fee not to exceed \$150 for new license applications or when ownership changes; the measure does not charge an application fee on annual renewals. The fee is refundable if the application is complete and the OLCC does not either grant or refuse the application within 75 days.