

STAFF MEASURE SUMMARY

Senate Committee On Business and Transportation

Fiscal: No Fiscal Impact

Revenue: No Revenue Impact

Action Date: 03/30/15

Action: Do Pass With Amendments. (Printed A-Eng.)

Meeting Dates: 02/11, 03/30

Vote:

Yeas: 4 - Beyer, Girod, Riley, Thomsen

Nays: 1 - Monroe

Prepared By: James LaBar, Committee Administrator

WHAT THE MEASURE DOES:

Permits brewery-public house licensees to sell at wholesale and distribute up to 7,500 barrels of malt beverages per year produced by the licensee to other licensees of the Oregon Liquor Control Commission. Allows brewery-public house licensees to distribute any amount of malt beverages manufactured at the licensee's premises to any other manufacturer, wholesaler or retail premises licensed to the same licensee. Allows brewery-public house licensees to distribute for export any amount of malt beverages manufactured at the licensee's premises. Changes the current limitation from production to distribution.

ISSUES DISCUSSED:

- Historic development of brewery-public houses in Oregon
- Relationship between breweries, brewery-public houses and distributors
- Cascade Brewing current and near-future production and distribution amounts

EFFECT OF COMMITTEE AMENDMENT:

Replaces original measure.

BACKGROUND:

Oregon law allows individuals holding a brewery-public house license to self-distribute if they produce less than 5,000 barrels per year. In 1985, brewery-public houses could not distribute, except to one other location under same ownership. During the last thirty years, the number of barrels allowed for distribution has grown to 5,000. In comparison, breweries were allowed to distribute up to 10,000 barrels in 1985. The limit for breweries has risen four times in thirty years, and currently there is no limit.