

STAFF MEASURE SUMMARY

House Committee On Business and Labor

Fiscal: No Fiscal Impact

Revenue: No Revenue Impact

Action Date: 05/11/15

Action: Do Pass.

Meeting Dates: 05/11

Vote:

Yeas: 11 - Barreto, Barton, Doherty, Esquivel, Evans, Fagan, Heard, Holvey, Kennemer, Nosse, Weidner

Prepared By: Jan Nordlund, Committee Administrator

WHAT THE MEASURE DOES:

Authorizes Oregon Liquor Control Commission to issue full on-premises sales license to winery licensee if winery licensee, or person having an interest in the licensee, produces more than 200,000 gallons of wine or cider annually.

ISSUES DISCUSSED:

- How and why wine is regulated differently than malt beverages
- Number of gallons (31) in standard barrel

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

Under current statutes, a winery licensee can sell beer, wine, and cider for on-premises consumption. Current law also allows a winery to hold a separate, full on-premises sales license, which allows them to sell distilled spirits, generally in a restaurant setting. However, if the winery licensee is producing more than 200,000 gallons of wine or cider annually, or is also licensed as a brewer and producing more than 200,00 barrels of malt beverage annually, then the Oregon Liquor Control Commission is prohibited from issuing the full on-premises sales license. There are multiple wineries that exceed, or are close to or exceeding, that capacity and, because of the annual 200,000 gallon cap, are or will soon be ineligible for a full on-premises sales license. Senate Bill 623-A removes the wine production restriction for wineries wanting to hold a full on-premises sales license.