

**PROPOSED AMENDMENTS TO  
A-ENGROSSED HOUSE BILL 2567**

1 On page 1 of the printed A-engrossed bill, delete line 5 through 14 and  
2 delete page 2.

3 On page 3, delete lines 1 through 26 and insert:

4 **“SECTION 1.** ORS 471.230 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 and*  
10 *through the commission alcoholic beverages for blending and manufacturing*  
11 *purposes upon such terms and conditions as the commission may provide.*]

12 **Distillery licensees may purchase and sell distilled liquor from or to**  
13 **another distillery licensee in containers having a capacity greater than**  
14 **one U.S. gallon for blending and manufacturing purposes.** A distillery  
15 licensee may not sell any alcoholic beverage within this state except to the  
16 commission or as provided in this section. However, any agricultural pro-  
17 ducer or association of agricultural producers or the legal agents of an ag-  
18 ricultural producer or association of agricultural producers that  
19 manufactures and converts agricultural surpluses, by-products and wastes  
20 into denatured ethyl and industrial alcohol for use in the arts and industry  
21 are not required to obtain a license from the commission.

22 **“(2) [A] If a distillery licensee holds a valid distilled spirits plant**

1 **basic permit issued by the federal Alcohol and Tobacco Tax and Trade**  
2 **Bureau for the licensed premises, the distillery licensee may:**

3 “(a) Permit tastings of *[the]* distilled liquor *[manufactured]* **approved by**  
4 **the commission for sale in Oregon and manufactured in Oregon** by the  
5 distillery licensee. **Tastings may be of the distilled liquor alone or with**  
6 **a mix of other liquids.** The tastings may be conducted on the licensed  
7 premises of the distillery and at no more than five other premises owned or  
8 leased by the licensee. *[The licensee must purchase the distilled liquor from*  
9 *the commission.]*

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

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

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

20 “[*(4)(a) A distillery licensee that holds a special events distillery license*  
21 *may conduct an event on a premises at a designated location other than the*  
22 *location set forth in the distillery license for a period not exceeding five days.*  
23 *A distillery licensee conducting an event may:]*

24 “[*(A) Permit tastings of distilled liquor manufactured by the distillery.]*

25 “[*(B) Permit sales by the drink of distilled liquor manufactured by the*  
26 *distillery.]*

27 “[*(C) If the distillery licensee has been appointed as a distillery retail outlet*  
28 *agent under subsection (2)(c) of this section, sell factory sealed containers of*  
29 *distilled liquor manufactured by the distillery for consumption off the licensed*  
30 *premises of the event.]*

1       “(4) A distillery licensee that holds a special events distillery license  
2 may conduct an event on a premises at a location designated in the  
3 special events distillery license for a period not exceeding five days.  
4 A distillery licensee conducting an event may:

5       “(a) Permit tastings of distilled liquor approved by the commission  
6 for sale in Oregon and manufactured in Oregon by the distillery  
7 licensee. Tastings may be of the distilled liquor alone or with a mix  
8 of other liquids.

9       “(b) Permit sales by the drink of distilled liquor. A drink that a  
10 distillery licensee sells under this paragraph must include distilled li-  
11 quor that the licensee manufactured in Oregon. The distillery licensee  
12 selling the drink must purchase all distilled liquor contained in the  
13 drink at the retail price set by the commission for the month in which  
14 the drink is sold.

15       “(c) If the distillery licensee has been appointed as a distillery retail  
16 outlet agent under subsection (2)(c) of this section, sell distilled liquor  
17 in factory-sealed containers for consumption off the licensed premises  
18 of the event. The distilled liquor must have been manufactured in  
19 Oregon by the distillery licensee.

20       “[(b) A distillery licensee that holds a special events distillery license:]

21       “[(A) Must purchase distilled liquor that the licensee uses for conducting  
22 tastings at the event from the commission at the price set by the commission  
23 for distilled liquor removed from bond for tastings.]

24       “[(B) Must purchase distilled liquor that the licensee uses for sales by the  
25 drink at the event at the retail price set by the commission for the month in  
26 which the distilled liquor is sold by the drink.]

27       “[(C) Must purchase distilled liquor that the licensee sells in factory sealed  
28 containers at the event at the retail price set by the commission for the month  
29 in which the licensee makes the purchase.]

30       “[(D) Must sell distilled liquor described in subparagraph (C) of this par-

1 *agraph at the retail price set by the commission for the month in which the*  
2 *licensee makes the sale.]”.*

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