

## **HB 2671 STAFF MEASURE SUMMARY**

### **House Committee On Business and Labor**

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**Prepared By:** Jan Nordlund, LPRO Analyst

**Sub-Referral To:** Joint Committee On Ways and Means

**Meeting Dates:** 3/20

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#### **WHAT THE MEASURE DOES:**

Establishes task force to study and consider issues related to liquor store agent compensation. Requires task force to report to interim legislative committee by September 15, 2018. Directs Oregon Liquor Control Commission to provide staff support to task force. Declares emergency, effective on passage.

- Subsequent referral to Joint Committee on Ways and Means

#### **ISSUES DISCUSSED:**

#### **EFFECT OF AMENDMENT:**

No amendment.

#### **BACKGROUND:**

Liquor store agents provide services under contract with the Oregon Liquor Control Commission. They own or lease their store and the OLCC provides the inventory of distilled spirits and sets the price. The compensation paid to an agent is a blend of the base compensation and compensation tied to the store's sales volume. Agents can apply for a license to sell beer and wine, but beer and wine sales are not included in the sales volume for determining agent compensation.

House Bill 2671 establishes a 15-member task force to study the following:

- Methods to determine structure, formula and amounts for agent compensation based on sales,
- Structure, formula and amounts for agent base compensation,
- Practicality and desirability of enhancing agent compensation based on location to offset regional differences in taxes, minimum wage and other costs, and
- Practicality and desirability of fully or partially compensating agents for improvements in the quality or availability of employee benefits,

The President of the Senate would appoint two Senators, the Speaker of the House would appoint two Representatives, the Governor would appoint five members, and the chair of the OLCC would appoint three among the members or employees of the commission. The task force would be staffed by the OLCC.