

SB 1044 A -A4, -A6, -A7, -A8, -A9, -A11, -A12 STAFF MEASURE

SUMMARY

House Committee On Economic Development and Trade

Prepared By: Adam Crawford, LPRO Analyst

Meeting Dates: 5/17, 5/24

WHAT THE MEASURE DOES:

Specifies that lapse, suspension or revocation of certificate, license, permit or other form of authorization issued by Oregon Liquor Control Commission (Commission) related to alcoholic beverages does not divest the Commission of authority for investigation, disciplinary proceedings and changes to suspension or revocation of the certificate, license, permit or other authorization. Exempts the sale of distilled liquor and Commission appointment of distillery retail outlet agent from public contracting laws. Modifies expiration date for service permit, eliminates requirement for endorsement of service permit application, increases maximum fee Commission may assess for service permit, and eliminates the requirement that a permit holder must obtain a duplicate of a lost, mutilated or destroyed service permit or obtain a new permit following a name change. Exempts moneys from retail sale of distilled liquor held by appointed agent from laws regarding keeping of public moneys in financial institution if the agent has deposited a specified amount with the Commission. Requires the Commission to hold deposited amount in a reserve account and to return the deposited amount, with accrued interest, upon termination of the agent's appointment. Clarifies that moneys from retail sale of distilled liquor held by an agent are not subject to ORS 295.001 to 295.108 if the agent has an amount on deposit that the Commission deems reasonable and sufficient, and not less than the average daily gross receipts of the retail liquor sales by the agent. Permits homemade beer, wine and fermented juices to be donated to non-profit and charitable organizations for sale at auction. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Oregon Liquor Control Commission licensing authority
- PERS exemption for specified public safety staff
- Distillery and winery license authorities and requirements

EFFECT OF AMENDMENT:

-A4 Exempts from Public Employee Retirement limitations on hours worked by retired members those retired members whose primary work duties relate to license investigation, complaint response, or liquor law violation investigations. Repeals exemption on July 1, 2019.

Specifies a license granted under the Liquor Control Act is subject to cancellation, suspension, or restriction. Allows the Oregon Liquor Control Commission to issue a restricted license or require mandatory training for any license issued.

Allows a person to use an identification card issued by a federally recognized Indian tribe or federal territory to purchase alcohol. Modifies written statement used by a person without specified identification to attest to they are over 21 years of age.

-A6 Exempts from Public Employee Retirement limitations on hours worked by retired members those retired members whose primary work duties relate to license investigation, complaint response, or liquor law violation investigations. Repeals exemption on July 1, 2019.

-A7 Specifies a license granted under the Liquor Control Act is subject to cancellation, suspension, or restriction. Allows the Oregon Liquor Control Commission (OLCC) to issue a restricted license or require mandatory training for any license issued.

This Summary has not been adopted or officially endorsed by action of the committee.

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Allows a person to use an identification card issued by a federally recognized Indian tribe or federal territory to purchase alcohol. Modifies written statement used by a person without specified identification to attest to they are over 21 years of age.

-A8 Allows Oregon Liquor Control Commission (OLCC) to issue an on-premises sales license to a winery licensee, a person having interest or exercising control over a license, or to a brewery that brews more than 200,000 barrels of malt beverages annually.

-A9 Allows distillery license holder to sell distilled liquor of 10 percent alcohol by volume content.

-A11 Allows smoke shops certified by the Oregon Health Authority to hold specified special event and temporary alcohol licenses.

-A12 Allows Oregon Liquor Control Commission (OLCC) to issue an on-premises sales license to a brewery-public house licensee, a person having interest or exercising control over a license, to a brewery that brews more than 200,000 barrels of malt beverages annually, or to a winery that produces more than 200,000 barrels of wine annually.

BACKGROUND:

The Oregon Liquor Control Commission (OLCC) is the licensing agency for businesses that import, manufacture, distribute, sell or serve alcohol in Oregon. The OLCC was instituted in 1933 following the end of national alcohol prohibition. Oregon is a control state, with the exclusive right to sell packaged distilled spirits through a statewide distribution center in Portland, which is then sold through retail liquor stores operated by contracted liquor agents. Licenses are issued to private businesses for the sale of packaged beer and wine, and to restaurants, bars and taverns for the sale of beer, wine and distilled spirits by the glass. The Commission issues a variety of licenses, based on the type of business operated by the licensee.