

HB 2089 STAFF MEASURE SUMMARY

Carrier: Rep. Gomberg

House Committee On Economic Development and Trade

Action Date: 03/06/17

Action: Do Pass.

Vote: 9-0-0-0

Yeas: 9 - Clem, Gomberg, Helm, Lewis, Linger, Marsh, Post, Reschke, Smith DB

Fiscal: Has minimal fiscal impact

Revenue: Has minimal revenue impact

Prepared By: Adam Crawford, LPRO Analyst

WHAT THE MEASURE DOES:

Allows liquor stores and distillery retail outlet agents to sell up to 20 different types of vermouth for off-premises consumption.

ISSUES DISCUSSED:

- Vermouth inventory available to exclusive liquor agents
- Use of vermouth in distillery tasting rooms by distillery retail outlet agents
- Size and growth rate of distilled spirits industry in Oregon

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Vermouth is fortified wine flavored with botanicals and is frequently used along with distilled spirits in the creation of cocktails. Exclusive liquor agents currently have 10 different types of vermouths available for sale. However, many distilleries are licensed by the Oregon Liquor and Control Commission (OLCC) not as exclusive liquor agents, but distillery retail outlet agents. This allows them to sell directly to customers the distilled spirits they produce. Also, they can create and even charge for sample cocktails containing vermouth, but are not allowed to sell a bottle of vermouth along with any distilled spirits.

House Bill 2089 allows liquor stores and distillery retail outlet agents to sell up to 20 different skews of vermouth for off-premises consumption so long as the vermouth sold is in factory-sealed containers.