SB 1044-3 (LC 4359) 4/13/17 (CDT/ps)

Requested by SENATE COMMITTEE ON BUSINESS AND TRANSPORTATION

## PROPOSED AMENDMENTS TO SENATE BILL 1044

1 On <u>page 1</u> of the printed bill, line 2, after "279A.025," insert "471.037, 2 471.162,".

In line 3, delete the second "and" and after "471.390" insert "; and declaring an emergency".

5 On page 3, after line 31, insert:

6 **"SECTION 4.** ORS 471.037 is amended to read:

7 "471.037. (1) As used in this section and ORS 471.268:

"(a)(A) 'Financial consideration,' except as provided in subparagraph (B)
of this paragraph, means value that is given or received directly or indirectly
through sales, barter, trade, fees, charges, dues, contributions or donations.

11 "(B) 'Financial consideration' does not mean any of the following:

"(i) A tax deduction or credit for donating beer, wine or fermented fruit
 juice to a nonprofit organization.

"(ii) An event admission charge or club or organization dues, if the amount of the admission charge or dues is independent of the amount of alcoholic beverages to be provided or consumed at the event or through club or organization activities.

"(iii) A prize awarded at a state or county fair or other organized judging, tasting, exhibition, contest or competition at which consumption of a submitted beer, wine or fermented fruit juice is without charge and only by the entrants, submitters, judges, exhibitors, contestants or competitors. 1 "(iv) Homemade beers, wines or fermented fruit juices made by other 2 persons.

3 "(v) Beer, wine or fermented fruit juice ingredients.

"(vi) Wages and salaries paid by an educational organization for teaching
brewing, winemaking, fermentation science or fermentation processes.

"(vii) The receipt of donated homemade beers, wines or fermented
fruit juices by a nonprofit or charitable organization registered in this
state for sale at an auction under ORS 471.162 (6), or the proceeds received by the organization from selling those donated homemade
beers, wines or fermented fruit juices at an auction under ORS 471.162
(6).

12 "(b) 'Homemade' means made for noncommercial purposes.

"(c) 'Noncommercial' means not dependent or conditioned upon the pro vision or receipt of financial consideration.

"(2) Except as provided in subsection (3) of this section, the Liquor Con trol Act does not apply to the following:

"(a) The making of homemade beer, wine or fermented fruit juice, if the
total of beer, wine and fermented fruit juice produced during a calendar year
does not exceed:

20 "(A) One hundred gallons in a household having one person who is 21 21 years of age or older; or

"(B) Two hundred gallons in a household having two or more persons who
 are 21 years of age or older.

"(b) The keeping, storage or transportation of homemade beer, wine orfermented fruit juice.

"(c) The possession of mash, wort or wash, for the purpose of making
 homemade beer, wine or fermented fruit juice.

"(d) Except as provided in ORS 471.268, the noncommercial consumption
at any location of homemade beer, wine or fermented fruit juice.

30 "(3) Subsection (2) of this section does not exempt any person from ORS

1 471.410, 471.430 or 471.432.

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"SECTION 5. ORS 471.162 is amended to read:

"471.162. (1) Hospitals, sanitariums, convalescent homes, rest homes, re-3 tirement homes and facilities for the care of the elderly that have been li-4 censed or registered by the state may sell and serve alcoholic beverages to  $\mathbf{5}$ patients, inmates and residents, and to bona fide visitors and guests of pa-6 tients, inmates and residents, without a license issued under this chapter. 7 Facilities authorized to sell and serve alcoholic beverages without a license 8 under this subsection may not sell or serve alcoholic beverages after 10 p.m. 9 except upon a physician's prescription. 10

"(2) A person who operates a private residence that is not a boarding house but that accommodates transient guests for a limited duration may sell and serve wine, malt beverages and cider to registered overnight guests without a license. Facilities authorized to sell and serve alcoholic beverages without a license under this subsection must have six or fewer guest units.

"(3) A person who is an employee or agent of the holder of a license issued under this chapter that authorizes wholesale distribution of alcoholic beverages may, on behalf of the licensee, sell alcoholic beverages in factory-sealed containers to retail licensees and wholesalers.

"(4) A pharmacist licensed under the laws of this state may sell alcoholic beverages without a license. Pharmacists may only sell alcoholic beverages under the provisions of this section if the alcoholic beverages are drugs as defined in ORS 689.005. A pharmacist may sell alcoholic beverages under the provisions of this subsection pursuant to a prescription, in containers of not more than one quart capacity.

"(5) A wine collector, or the agent of a wine collector, may sell wine in factory-sealed containers at auction without a license. Any wine sold under this subsection must have been held by the collector for at least a six-month period. A wine collector must receive written approval from the Oregon Liquor Control Commission before conducting a sale under this subsection. No more than one sale in a 12-month period may be conducted by a wine
collector under the provisions of this subsection.

"(6) A nonprofit or charitable organization registered in this state may 3 sell wine, malt beverages and cider, including but not limited to donated 4 homemade malt beverages, wine and fermented fruit juices, and a total  $\mathbf{5}$ of not more than four liters of distilled liquor, in factory-sealed containers 6 at an auction or through a raffle without a license. The organization must 7 receive written approval from the commission before conducting an auction 8 or raffle under this subsection. The organization may conduct no more than 9 one auction or raffle under this subsection in a 12-month period. The auction 10 or raffle may not have a duration of more than one day. The organization 11 may sell under this subsection wine, malt beverages, cider and distilled li-12 quor purchased by or donated to the organization. Except for donated 13 homemade malt beverages, wine and fermented fruit juices, the pur-14 chased or donated wine, malt beverages, cider and distilled liquor must be 15 imported into this state by the commission or be manufactured in or im-16 ported into this state under a brewery, brewery-public house, distillery, 17 grower sales privilege, winery or wholesale malt beverage and wine license. 18 As used in this subsection, 'homemade' has the meaning given that 19 term in ORS 471.037. 20

"(7) A manufacturer may sell proprietary or patent medicines, perfumes,
lotions, flavoring extracts, medicinal tinctures and other preparations unfit
for beverage purposes without a license.".

In line 32, delete "4" and insert "6".

In line 37, delete "5" and insert "7".

On page 4, line 30, delete "6" and insert "8".

On page 5, line 4, delete "7" and insert "9".

In line 26, delete "8" and insert "10".

On page 6, line 5, after "be" insert "reasonable and sufficient and to be not less than".

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- 1 In line 10, delete "accrued" and insert "earned".
- 2 In line 13, delete "9" and insert "11".
- 3 In line 14, delete "10" and insert "12".
- 4 In line 17, delete "4" and insert "6".
- 5 In line 19, delete "5 to 7" and insert "7 to 9".
- 6 After line 21, insert:

"SECTION 13. This 2017 Act being necessary for the immediate
preservation of the public peace, health and safety, an emergency is
declared to exist, and this 2017 Act takes effect on its passage.".