

**HB 2334 STAFF MEASURE SUMMARY**

**Senate Committee On Business and General Government**

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**Prepared By:** Tyler Larson, LPRO Analyst

**Meeting Dates:** 4/16

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**WHAT THE MEASURE DOES:**

Makes violation of permit requirements for service of alcoholic beverages punishable by maximum of \$1,000 fine.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

The Oregon Liquor Control Commission is responsible for regulating the sale and service of alcoholic beverages in Oregon by administering the Oregon Liquor Control Act. Businesses that sell, manufacture, import, or distribute alcohol in Oregon must obtain an OLCC license. Service permits are required for servers and their managers who mix, serve, or sell alcohol. There are more than 165,000 active service permit holders in Oregon. Applicants that submit an application to the OLCC, complete the alcohol server education course, and pass the server examination receive a 5-year server permit.

Current statute allows the OLCC to impose a civil penalty against a licensee for the failure to obtain a necessary service permit. The penalty must not be less than \$100 nor more than \$5,000. Under current OLCC administrative rules, failure to obtain a service permit is a Category III violation with a recommended penalty of \$1,650 for the first violation, \$4,950 for the second violation, and mandatory suspension for any subsequent violations.

HB 2334 makes the failure to obtain a service permit a Class B violation. Class B violations come with a presumptive fine of \$265 and a maximum fine of \$1,000.