

HB 3239 STAFF MEASURE SUMMARY
Senate Committee On Business and General Government

Carrier: Sen. Girod

Action Date: 05/02/19
Action: Do pass.
Vote: 5-0-0-0
Yeas: 5 - Dembrow, Girod, Hass, Olsen, Riley
Fiscal: No fiscal impact
Revenue: Has minimal revenue impact
Prepared By: Tyler Larson, LPRO Analyst
Meeting Dates: 5/2

WHAT THE MEASURE DOES:

Removes limit on number of full on-premises sales licenses that distillery licensee may hold.

ISSUES DISCUSSED:

- Benefits of allowing Oregon distillers to hold full on-premises sales licenses
- Requirement that distillery licensees who hold full on-premises sales license acquire stock through OLCC system
- Potential impact on existing liquor stores
- Relative merits of allowing distillery licensees to hold an unlimited number of full on-premises sales licenses

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Oregon Liquor Control Commission (OLCC) is responsible for regulating the sale and service of alcoholic beverages in Oregon by administering the Oregon Liquor Control Act. A distillery licensee may make and import distilled spirits into Oregon; export distilled spirits out of Oregon; sell distilled spirits to the OLCC (for sale in a liquor store); and sell distilled spirits in amounts greater than one gallon to another Oregon distillery licensee. A distillery license holder may also obtain a full on-premises sales license for the distillery's location and one other location.

A full on-premises licensee may sell and serve distilled spirits, malt beverages, wine, and cider for consumption on the premises; sell malt beverages, wine, and cider to individuals in a secure container up to two gallons for consumption off the premises; and is eligible for special events licenses and to apply for pre-approval to cater specified events off the licensed premises.

House Bill 3239 removes the statutory limit on the number of full on-premises sales licenses that a distillery licensee may hold.