

**Legislative
Fiscal Office**

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**Joint Committee on
Ways and Means**

Sen. Betsy Johnson, Senate Co-Chair
Sen. Elizabeth Steiner Hayward, Senate Co-Chair
Rep. Dan Rayfield, House Co-Chair

Sen. Fred Girod, Senate Co-Vice Chair
Rep. David Gomberg, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Capital Construction Subcommittee
From: Michelle Deister, Legislative Fiscal Office
Date: February 25, 2020
Subject: SB 1565 – Relating to distillery retail outlet agents
Work Session Recommendations

SB 1565 increases the percentage of compensation paid to distillery retail outlet agents on the first \$250,000 of total combined retail sales from tasting room locations, from 17% to 45%. A Fiscal and Revenue Impacts are posted in OLIS.

Proposed Budget Note:

The Legislative Fiscal Office recommends the following proposed budget note:

The Oregon Liquor Control Commission is directed to report to the Ways and Means Committee during the 2021 Legislative Session on proposed criteria for evaluating the impact of increased compensation to distillery agents. Criteria may include the amount of compensation to distillery agents, the number of distillery agents with tasting rooms, and the sales from distiller tasting rooms as a percentage of overall sales for the distiller, and other measurements of impact, such as subject distiller growth in employment and payroll.

MOTION: I move adoption of the proposed budget note to SB 1565. (VOTE)

Recommended Changes

The -3 amendment sunsets the compensation increase after 4 years, and provides additional expenditure limitation for the Oregon Liquor Control Commission to pay agents.

LFO recommends adoption of the - 3 amendment.

MOTION: I move adoption of the -3 amendment to SB 1565 (VOTE)

Final Subcommittee Action

LFO recommends that SB 1565 as amended by the -3 amendment, to be moved to the

Ways and Means Full Committee.

MOTION: I move SB 1565 as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____