

LC 10 (12/16/20) STAFF MEASURE SUMMARY

Joint Interim Committee on the Third Special Session of 2020

Prepared By: Melissa Leoni, LPRO Analyst

WHAT THE MEASURE DOES:

Allows a holder of a full on-premises sales license to sell and deliver mixed drinks for off-premises consumption if the mixed drink is sold in a sealed container. Requires sale or delivery of a mixed drink, including delivery by a third-party food platform, to conform to rules adopted by the Oregon Liquor Control Commission. Requires rules to limit the number of mixed drinks ordered to two per substantial food item ordered. Limits the fees charged to restaurants by a third-party food platform based on whether the option for delivery is offered. Prohibits third-party food platform from reducing the rate of compensation paid to an individual making deliveries, or from garnishing the gratuities of an individual, as a result of the fee limitation. Establishes a private right of action against the third-party food platform for such violations. Sunsets provisions 60 days after the date on which the declaration of a state of emergency issued by the Governor on March 8, 2020, and any extension, is no longer in effect. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

BACKGROUND:

A full on-premises sales license ([ORS 471.175 \(2019\)](#)) from the Oregon Liquor Control Commission (OLCC) allows the holder to sell wine, malt beverages, cider and distilled liquor by the drink for consumption on the licensed premises with certain exceptions for consumption off the licensed premises only for malt beverages, wines, and cider.

In March 2020, the OLCC created a streamlined application process for existing limited on-premises sales and full on-premises sales licensees (restaurants & bars) to sell malt beverages, wine, and cider to-go. In September 2020, the OLCC amended its rules to streamline the regulatory framework allowing for delivery of beer, wine, and cider to consumers including eliminating the distinction between “same-day” and “next-day” deliveries and allowing “curbside” delivery of beer, wine, and cider to consumers. Only factory-sealed containers or securely-covered containers of malt beverages, wine, or cider may be sold “to-go” by eligible licensees.

LC 10 would allow the OLCC to authorize a full on-premises sales licensee, during the declared COVID-19 pandemic state of emergency, to sell and deliver mixed drinks in sealed containers for off-premises consumption similar to beer, wine, and cider. LC 10 also limits the fees that a third-party food platform may charge a restaurant for the facilitation of customer food and beverage orders.