

SB 1801 A STAFF MEASURE SUMMARY
Joint Committee On The Third Special Session of 2020

Carrier: Rep. Nosse

Action Date: 12/21/20

Action: Do Pass the A-Eng bill.

House Vote

Yeas: 5 - Alonso Leon, Drazan, Fahey, Speaker Kotek, Stark

Senate Vote

Yeas: 4 - Burdick, Girod, Manning Jr, President Courtney

Nays: 1 - Thatcher

Fiscal: Has minimal fiscal impact

Revenue: Has minimal revenue impact

Prepared By: Melissa Leoni, LPRO Analyst

Meeting Dates: 12/21

WHAT THE MEASURE DOES:

Allows a holder of a full on-premises sales license to sell and deliver mixed drinks or single servings of wine for off-premises consumption if sold in a sealed container. Requires sale or delivery of a mixed drink or single serving of wine, 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 beverages 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 making deliveries, as a result of the fee limitation. Establishes a private right of action against the third-party food platform for such violations. Exempts restaurant from specified fee limits if located in a jurisdiction where governing body adopted fee limits on or before December 18, 2020. 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date on which the declaration of a state of emergency issued by the Governor on March 8, 2020, and any extension, is no longer in effect.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:

- Applicability of fee limits in jurisdictions with existing fee limits
- Ability of jurisdiction to adopt additional fee limits

EFFECT OF AMENDMENT:

No 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.

SB 1801 A STAFF MEASURE SUMMARY

Senate Bill 1801-A 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 and single servings of wine in containers with a secure cap or lid for off-premises consumption. The measure also limits the fees that a third-party food platform may charge a restaurant for the facilitation of customer food and beverage orders.