

HB 3194 STAFF MEASURE SUMMARY

House Committee On General Government

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Sub-Referral To: House Committee On Revenue

Meeting Dates: 3/2

WHAT THE MEASURE DOES:

Allows off-premises sales licensee to sell and deliver low-proof spirit beverages. Authorizes holder of a license allowing the sale of wine for on-premises consumption or off-premises consumption to sell low-proof spirit beverages under the same terms. Authorizes holder of winery license to import or export low-proof spirit beverages under terms of winery license. Permits nonprofit or charitable organization to sell low-proof spirit beverages through auction or raffle. Imposes tax of 65 cents per gallon on manufacture or import of low-proof spirit beverages. Defines 'low-proof spirit beverage.' Takes effect 91 days following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Oregon Liquor Control Commission (OLCC) oversees the sale of alcoholic beverages and recreational marijuana to allow access to responsible adults while protecting Oregon's public health, safety, and community livability. The OLCC advocates responsible alcohol consumption by managing and distributing distilled spirits, licensing and regulating businesses that sell and serve alcohol, and training and issuing permits for alcohol servers.

The OLCC issues licenses for the purposes of manufacturing, storing, distributing, and retailing distilled spirits, wine, cider, and malt beverages. Specific licenses allow the holder to sell wine at retail for consumption on and/or off the licensed premises, including a full on-premises sales license, limited on-premises sales license, off-premises sales license, temporary sales license, brewery-public house license, brewery license, winery license, and grower sales privilege license.

These licenses do not allow the holder to sell low-proof spirit beverages. 'Low-proof spirit beverages' are defined as alcohol beverages containing a mixture of distilled liquor and nonalcoholic liquid that have no more than 14 per cent alcohol by volume and are sold in factory-sealed containers not exceeding 375 milliliters in volume. Low-proof spirit beverages may currently be sold by the holder of a distillery license or at a retail liquor store approved by the OLCC.

House Bill 3194 allows the holder of a license that allows for the sale of wine for on-premises or off-premises consumption to sell and deliver low-proof spirit beverages. The measure also authorizes the holder of a winery license to import or export low-proof spirit beverages and permits a nonprofit or charitable organization to sell low-proof spirit beverages through auction or raffle. Finally, the measure imposes a tax of 65 cents per gallon on the manufacture or import of low-proof spirit beverages.