

SB 806 A -A8, -A9 STAFF MEASURE SUMMARY

House Committee On Rules

Prepared By: Caine Francis

Meeting Dates: 6/21, 6/24

WHAT THE MEASURE DOES:

Revises definition of "cider" under current law to include fortified cider. Increases amount of malt beverages, wine, or cider the holder of a direct shipper permit may send per month to an Oregon resident from two cases to five cases. Authorizes Oregon Liquor Control Commission to defer or waive payment of annual licensing fees by applicants if the Governor declares a state of emergency or state of public health emergency. Repeals January 1, 2022 operative date of Senate Bill 317 Enrolled, which allows holder of full on-premises sales liquor license to make retail sales of mixed drinks and single servings of wine in sealed containers for off-premises consumption. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-A8 Replaces the measure. Repeals January 1, 2022 operative date of Senate Bill 317 Enrolled, which allows holder of full on-premises sales liquor license to make retail sales of mixed drinks and single servings of wine in sealed containers for off-premises consumption. Declares emergency, effective on passage.

-A9 Resolves conflict with SB 406 Enrolled by removing provisions related to direct shipper permits.

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 issues licenses for the purposes of manufacturing, storing, distributing, and retailing distilled spirits, wine, cider, and malt beverages. One example of a license issued by the OLCC is a direct shipper permit. The holder of a direct shipper permit may make sales and shipments of malt beverages, wine or cider directly to a resident of Oregon only if the resident is at least 21 years of age, the shipment is only for personal use and not for the purpose of resale, and the shipment does not exceed two cases containing not more than nine liters per case.

Enacted during the 2020 3rd Special Session, Senate Bill 1801 allows a full on-premises sales licensee to sell and deliver mixed drinks and single servings of wine for off-premises consumption if sold in a sealed container. Rules adopted by the OLCC must allow for not more than two beverages per substantial food item ordered. The measure sunsets 60 days after the expiration of the Governor's COVID-19 state of emergency. Senate Bill 317 A allows a full on-premises sales licensee to sell and deliver mixed drinks and single servings of wine in a sealed container for off-premises consumption beginning January 1, 2022. Sales must be made directly to the consumer, and delivery may be made through a third party. The measure authorizes the OLCC to adopt rules establishing additional requirements for the retail sale of beverages for off-premises consumption.

Senate Bill 806 A revises the definition of "cider" under current law to include fortified cider, and increases the amount of malt beverages, wine, or cider the holder of a direct shipper permit may send per month to an Oregon resident from two cases to five cases. The measure also authorizes the Oregon Liquor Control Commission to defer or waive payments of annual licensing fees by applicants if the Governor declares a state of emergency or state of public health emergency. Finally, the measure repeals the January 1, 2022 operative date of Senate Bill 317 Enrolled, which allows holder of full on-premises sales liquor license to make retail sales of mixed drinks and

single servings of wine in sealed containers for off-premises consumption.

PRELIMINARY