

HB 2264 A STAFF MEASURE SUMMARY
House Committee On General Government

Carrier: Rep. Lively

Action Date: 03/30/21

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 4-0-1-0

Yeas: 4 - Leif, Lively, Wilde, Zika

Exc: 1 - Smith Warner

Fiscal: Fiscal impact issued

Revenue: No revenue impact, statement issued (Indeterminate Impact)

Prepared By: Caine Francis, LPRO Analyst

Meeting Dates: 2/11, 2/23, 3/18, 3/30

WHAT THE MEASURE DOES:

Defines "malt beverage" as beer, ale, porter, stout, and other similarly fermented beverages containing at least 0.5 percent of alcohol by volume. Imposes tax on manufacturer or importing distributor of wines containing more than 16 percent alcohol by volume. Requires holder of wine self-distribution permit and manufacturer of wine to retain records for three years and provide records to the Oregon Liquor Control Commission (OLCC) upon request. Authorizes OLCC to negotiate price in the sale of distilled liquor to Indian tribes and commercial airlines that hold full on-premises sales licenses. Adds identification issued by a territory or province of Canada to the list of acceptable forms of identification to purchase alcoholic beverages. Authorizes nonprofits and charitable organizations registered in the state to sell alcoholic beverages for up to 45 days in a calendar year without a license. Authorizes certain license holders to sell or deliver factory-sealed containers of malt beverages, wine, and cider without requiring a direct shipper permit. Allows manufacturer or wholesaler to lease or furnish equipment for no more than 14 days or a reasonable period for the equipment to be set up or removed. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

- Provisions of measure

EFFECT OF AMENDMENT:

Replaces the measure.

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.

House Bill 2264 A defines "malt beverage" as beer, ale, porter, stout, and other similarly fermented beverages containing at least 0.5 percent of alcohol by volume. The measure imposes a tax on a manufacturer or importing distributor of wines containing more than 16 percent alcohol by volume, and requires the holder of wine self-distribution permit or manufacturer of wine to retain records for three years and provide records to the OLCC upon request. The measure authorizes the OLCC to negotiate price with Indian tribes and commercial airlines in the sale of distilled liquor, while clarifying that Indian tribes and commercial airlines must hold full on-premises sales licenses as defined by statute. The measure adds identification issued by a territory or province of Canada to the list of acceptable forms of identification to purchase alcoholic beverages, and specifies that such identification must be in the form of a motor vehicle license or other identification bearing the person's name, picture, date of birth, and physical description, while also authorizing the OLCC to define, by rule, other acceptable forms of

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identification for the purchase of alcoholic beverages. The measure authorizes nonprofits and charitable organizations registered in the state to sell alcoholic beverages for up to 45 days in a calendar year without a license. The measure also authorizes certain license holders to sell or deliver factory-sealed containers of malt beverages, wine, and cider without requiring a direct shipper permit. Finally, the measure allows a manufacturer or wholesaler to lease or furnish equipment for no more than 14 days or a reasonable period for the equipment to be set up or removed.