

SB 806 B STAFF MEASURE SUMMARY

Carrier: Rep. Fahey

House Committee On Rules**Action Date:** 06/24/21**Action:** Do pass with amendments to the A-Eng bill. (Printed B-Eng.)**Vote:** 7-0-0-0**Yeas:** 7 - Bonham, Drazan, Fahey, Holvey, Salinas, Smith Warner, Zika**Fiscal:** No fiscal impact**Revenue:** Has minimal revenue impact**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. Allows county to be licensee of Oregon Liquor Control Commission (OLCC). Authorizes OLCC to defer or waive payment of annual licensing fees by applicants if 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:

- Provisions of measure
- Taxation rates of alcoholic beverages
- Maximum monthly shipments of cases of alcoholic beverages

EFFECT OF AMENDMENT:

Resolves conflict with Senate Bill 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. Senate Bill 1801, enacted during the 2020 3rd Special Session, 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 allow for not more than two beverages per substantial food item ordered. Senate Bill 1801 sunsets 60 days after the expiration of the Governor's COVID-19 state of emergency.

Senate Bill 317 Enrolled (2021) 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 406 Enrolled (2021) increases the amount of wine that the holder of a direct shipper permit may send to an Oregon resident to five cases per month, while maintaining the existing monthly shipping limit for malt beverages and cider of two cases per month.

Senate Bill 806 B revises the definition of "cider" under current law to include fortified cider, and allows a county to be a licensee of the OLCC. The measure also authorizes the OLCC 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 the

This summary has not been adopted or officially endorsed by action of the committee.

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holder of a 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.