

# House Bill 2740

Sponsored by Representative LEIF (Presession filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes compensation schedule for Oregon Liquor Control Commission retail sales agents.  
Applies to compensation paid on or after July 1, 2021.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to retail sales agents; creating new provisions; amending ORS 471.750; and declaring an  
3 emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2021 Act is added to and made a part of ORS chapter 471.**

6 **SECTION 2. (1) As used in this section:**

7 (a) "Nonurban county" has the meaning given that term in ORS 653.026.

8 (b) "Portland metropolitan area county" means a county within the urban growth  
9 boundary of a metropolitan service district organized under ORS chapter 268.

10 (c) "Standard county" means a county that is not a Portland metropolitan area county  
11 or a nonurban county.

12 (2) The Oregon Liquor Control Commission shall compensate an agent appointed under  
13 ORS 471.750 in an amount equal to the sum of the following according to the store class, as  
14 determined under subsection (3) of this section, operated by the agent:

15 (a) The monthly base compensation established in subsection (4) of this section;

16 (b) The wage escalator amount described in subsection (5) of this section;

17 (c) The retail escalator amount described in subsection (6) of this section; and

18 (d) The sales commission according to the rates provided in subsection (7) of this section.

19 (3) A store shall be classed based on the store's amount of annual sales of alcoholic  
20 beverages rounded to the nearest whole dollar, adjusted annually by a percentage equal to  
21 any percentage increase in the Consumer Price Index for All Urban Consumers, West Region  
22 (All Items), as published by the Bureau of Labor Statistics of the United States Department  
23 of Labor, as follows:

24 (a) Class 1: up to \$120,000;

25 (b) Class 2: at least \$120,001 and not more than \$450,000;

26 (c) Class 3: at least \$450,001 and not more than \$750,000;

27 (d) Class 4: at least \$750,001 and not more than \$1,650,000;

28 (e) Class 5: at least \$1,650,001 and not more than \$2,500,000;

29 (f) Class 6: at least \$2,500,001 and not more than \$3,700,000;

30 (g) Class 7: at least \$3,700,001 and not more than \$5,500,000;

31 (h) Class 8: at least \$5,500,001 and not more than \$8,300,000;

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.  
New sections are in **boldfaced** type.

1 (i) **Class 9: at least \$8,300,001 and not more than \$12,500,000; and**

2 (j) **Class 10: at least \$12,500,001 and not more than \$18,750,000.**

3 (4) **The monthly base compensation for an agent, adjusted annually by a percentage equal**  
 4 **to any percentage increase in the Consumer Price Index for All Urban Consumers, West**  
 5 **Region (All Items), as published by the Bureau of Labor Statistics of the United States De-**  
 6 **partment of Labor, is determined as follows according to the class of store operated by the**  
 7 **agent:**

8 (a) **Class 1 store: 14.5 percent of the first \$10,000 in monthly sales of alcoholic beverages;**

9 (b) **Class 2 store: \$1,660;**

10 (c) **Class 3 store: \$1,920;**

11 (d) **Class 4 store: \$2,440;**

12 (e) **Class 5 store: \$2,700;**

13 (f) **Class 6 store: \$3,100;**

14 (g) **Class 7 store: \$3,600;**

15 (h) **Class 8 store: \$4,150;**

16 (i) **Class 9 store: \$4,800; and**

17 (j) **Class 10 store: \$5,500.**

18 (5) **The wage escalator amount is as follows:**

19 (a) **For an agent in a standard county, eight percent of the monthly base compensation;**

20 **or**

21 (b) **For an agent in a Portland metropolitan area county, 18 percent of the monthly base**  
 22 **compensation.**

23 (6) **The monthly retail escalator amount is as follows:**

24 (a) **For a store located in a standard county, 50 percent of the monthly base compen-**  
 25 **sation; or**

26 (b) **For a store located in a Portland metropolitan area county, 75 percent of the monthly**  
 27 **base compensation.**

28 (7) **The sales commission rates are as follows:**

29 (a) **For sales of alcoholic beverages to licensees, 6.54 percent of the amount of sales.**

30 (b) **For sales of alcoholic beverages to persons other than licensees, 8.38 percent of the**  
 31 **amount of sales.**

32 **SECTION 3.** ORS 471.750 is amended to read:

33 471.750. (1) The Oregon Liquor Control Commission shall establish [*such*] stores and warehouses  
 34 in [*such*] places in [*the*] **this** state [*as in its*] **that in the commission's** judgment are required by  
 35 public convenience or necessity, for the sale of [*spirituous liquors*] **distilled liquors**, wines and other  
 36 alcoholic liquors containing over five percent alcohol by volume, in sealed containers for consump-  
 37 tion off the premises. The commission shall keep on hand in [*such*] **the** stores or warehouses [*such*]  
 38 **established under this section** quantities and kinds of alcoholic liquors as are reasonably required  
 39 to supply the public demand.

40 (2) Any person qualified to purchase [*such*] **alcoholic** liquors from the commission [*has the right*  
 41 *to*] **may** present to the commission, or at any of [*its stores*] **the stores established by the com-**  
 42 **mission**, an application for any kind or brand of alcoholic liquor that the person may desire and  
 43 that may be manufactured or obtainable in any place in the United States[, *and*]. The commission  
 44 shall obtain [*such*] **the alcoholic** liquor and sell it to the applicant. The commission may not require  
 45 that an application for a kind or brand of alcoholic liquor include a commitment to purchase a

1 minimum amount of the **alcoholic** liquor or require that a purchase be for more than one container  
 2 of a kind or brand of alcoholic liquor if the **alcoholic** liquor:

3 (a) Except as provided in subsection (5) of this section, has a retail sales price of \$30 or more  
 4 per container;

5 (b) Is available through a distributor in the United States that does not require the commission  
 6 to acquire more than one case of the distilled liquor in a single transaction;

7 (c) Is not regularly stocked by the commission; and

8 (d) Is ordered in a 750 milliliter container size if available in that size.

9 (3)(a) The commission may not establish a store in any county or incorporated city of this state  
 10 where a local prohibitory law is in effect.

11 (b) The commission shall adopt rules governing advertising by stores operated by the commis-  
 12 sion.

13 (c) The commission may appoint agents in the sale of [said] **alcoholic** liquor under [such] **an**  
 14 agreement as the commission may negotiate with [said] **the** agents or their representative.

15 (4)(a) Rules relating to advertising adopted by the commission under subsection (3) of this sec-  
 16 tion [shall] **must** allow signs and displays within [its] **the commission's** stores for the purpose of  
 17 supplying consumer information to customers, including but not limited to discounts, sales and other  
 18 specials. Commission discretion with respect to [those] **the** signs and displays [shall be] **described**  
 19 **in this subsection is** limited to regulation of the content, size, number per brand, type and duration  
 20 of the sign or display.

21 (b) Signs and displays may be supplied by manufacturers, wholesalers or distributors, and may  
 22 bear the name of a particular distillery, supplier or brand of liquor. The use of signs and displays  
 23 [shall be] **is** optional with the agent appointed by the commission. Signs or displays authorized by  
 24 the commission may not be placed in positions within the store where the sign or display would be  
 25 readily visible from outside of the store.

26 (5) The commission may annually adjust the price threshold established in subsection (2)(a) of  
 27 this section by a percentage equal to the percentage change in the Consumer Price Index for All  
 28 Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the  
 29 United States Department of Labor. However, the commission may not adjust the price threshold to  
 30 be less than \$30.

31 (6) **The commission shall compensate an agent appointed under this section according to**  
 32 **the schedule established in section 2 of this 2021 Act.**

33 **SECTION 4. Section 2 of this 2021 Act and the amendments to ORS 471.750 by section 3**  
 34 **of this 2021 Act apply to compensation paid to an agent on or after July 1, 2021.**

35 **SECTION 5. This 2021 Act being necessary for the immediate preservation of the public**  
 36 **peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect**  
 37 **on its passage.**