#### (To Resolve Conflicts)

# A-Engrossed House Bill 2742

Ordered by the Senate May 20 Including Senate Amendments dated May 20 to resolve conflicts

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.

Allows holder of off-premises sales license to sell factory-sealed containers of malt beverages that hold more than seven gallons.

Takes effect on 91st day following adjournment sine die.

### A BILL FOR AN ACT

Relating to sale of malt beverages; creating new provisions; amending ORS 471.186; and prescribing an effective date.

## Be It Enacted by the People of the State of Oregon:

- SECTION 1. ORS 471.186 is amended to read:
- 471.186. (1) The holder of an off-premises sales license may sell factory-sealed containers of malt beverages, wine and cider. Factory-sealed containers of malt beverages sold under the license may [not hold more than two and one-quarter gallons] hold more than seven gallons.
- (2) The holder of an off-premises sales license may sell for consumption off the licensed premises malt beverages, wines and cider in securely covered containers supplied by the consumer and having capacities of not more than two gallons each.
- (3) The holder of an off-premises sales license may provide sample tasting of alcoholic beverages on the licensed premises if the licensee makes written application to the Oregon Liquor Control Commission and receives approval from the commission to conduct tastings on the premises. Tastings must be limited to the alcoholic beverages that may be sold under the privileges of the license.
  - (4) An off-premises sales license may not be issued for use at a premises that is mobile.
- (5) Except as provided in ORS 471.402, a manufacturer or wholesaler may not provide or pay for sample tastings of alcoholic beverages for the public on premises licensed under an off-premises sales license.
- (6) The holder of an off-premises sales license may deliver malt beverages, wine or cider that is sold under the privileges of the license to retail customers in this state without a direct shipper permit issued under ORS 471.282. Any deliveries by the holder of an off-premises sales license are subject to any rules adopted by the commission relating to deliveries made under this subsection. Deliveries under this subsection:
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  - (a) May be made only to a person who is at least 21 years of age;

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(b) May be made only for personal use and not for the purpose of resale; and

- (c) Must be made in containers that are conspicuously labeled with the words: "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 YEARS OR OLDER REQUIRED FOR DELIVERY."
- (7) The holder of an off-premises sales license that makes deliveries of malt beverages, wine or cider under subsection (6) of this section must take all actions necessary to ensure that a carrier used by the licensee does not deliver any malt beverages, wine or cider unless the carrier:
  - (a) Obtains the signature of the recipient of the malt beverages, wine or cider upon delivery;
- (b) Verifies by inspecting government-issued photo identification that the recipient is at least 21 years of age; and
  - (c) Determines that the recipient is not visibly intoxicated at the time of delivery.
- (8) Any person who knowingly or negligently delivers malt beverages, wine or cider under the provisions of this section to a person under 21 years of age, or who knowingly or negligently delivers malt beverages, wine or cider under the provisions of this section to a visibly intoxicated person, violates ORS 471.410.
- (9) If a court determines that deliveries of malt beverages, wine or cider under subsection (6) of this section cannot be restricted to holders of off-premises sales licenses, and the decision is a final judgment that is no longer subject to appeal, the holder of an off-premises sales license may not make deliveries of malt beverages, wine or cider under the provisions of subsection (6) of this section after entry of the final judgment.
  - (10) The Oregon Liquor Control Commission may adopt rules to carry out this section.
- SECTION 1a. If House Bill 2264 becomes law, section 1 of this 2021 Act (amending ORS 471.186) is repealed and ORS 471.186, as amended by section 10, chapter \_\_\_\_, Oregon Laws 2021 (Enrolled House Bill 2264), is amended to read:
- 471.186. (1) The holder of an off-premises sales license may sell factory-sealed containers of malt beverages, wine and cider for consumption off the licensed premises.
- (2) The holder of an off-premises sales license may sell for consumption off the licensed premises malt beverages, wine and cider in securely covered containers supplied by the consumer and that have capacities of not more than two gallons each.
- (3) The holder of an off-premises sales license may provide sample tasting of alcoholic beverages on the licensed premises if the licensee applies in writing to the Oregon Liquor Control Commission and receives written approval from the commission to conduct tastings on the premises. Tastings must be limited to the alcoholic beverages that may be sold under the privileges of the license.
  - (4) An off-premises sales license may not be issued for use at a premises that is mobile.
- (5) Except as provided in ORS 471.402, a manufacturer or wholesaler may not provide or pay for sample tastings of alcoholic beverages for the public on premises licensed under an off-premises sales license.
- (6) The holder of an off-premises sales license may deliver malt beverages, wine or cider that is sold under the privileges of the license to retail customers in this state without a direct shipper permit issued under ORS 471.282. Any deliveries by the holder of an off-premises sales license are subject to any rules adopted by the commission relating to deliveries made under this subsection. Deliveries under this subsection:
  - (a) May be made only to a person who is at least 21 years of age;
  - (b) May be made only for personal use and not for the purpose of resale; and
- (c) Must be made in containers that are conspicuously labeled with the words: "CONTAINS

- ALCOHOL: SIGNATURE OF PERSON AGE 21 YEARS OR OLDER REQUIRED FOR DELIVERY."
  - (7) The holder of an off-premises sales license that makes deliveries of malt beverages, wine or cider under subsection (6) of this section shall take all actions necessary to ensure that a carrier used by the licensee does not deliver any malt beverages, wine or cider unless the carrier:
    - (a) Obtains the signature of the recipient of the malt beverages, wine or cider upon delivery;
  - (b) Verifies by inspecting government-issued photo identification that the recipient is at least 21 years of age; and
    - (c) Determines that the recipient is not visibly intoxicated at the time of delivery.
  - (8) Any person who knowingly or negligently delivers malt beverages, wine or cider under the provisions of this section to a person under 21 years of age, or who knowingly or negligently delivers malt beverages, wine or cider under the provisions of this section to a visibly intoxicated person, violates ORS 471.410.
  - (9) If a court determines that deliveries of malt beverages, wine or cider under subsection (6) of this section cannot be restricted to holders of off-premises sales licenses, and the decision is a final judgment that is no longer subject to appeal, the holder of an off-premises sales license may not make deliveries of malt beverages, wine or cider under the provisions of subsection (6) of this section after entry of the final judgment.
  - (10) The Oregon Liquor Control Commission may adopt rules to carry out this section.
  - SECTION 2. (1) The amendments to ORS 471.186 by section 1 of this 2021 Act become operative on January 1, 2022.
  - (2) The Oregon Liquor Control Commission may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the commission to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the commission by the amendments to ORS 471.186 by section 1 of this 2021 Act.
    - SECTION 2a. If House Bill 2264 becomes law, section 2 of this 2021 Act is amended to read:
  - Sec. 2. (1) The amendments to ORS 471.186 by section [1] 1a of this 2021 Act become operative on January 1, 2022.
  - (2) The Oregon Liquor Control Commission may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the commission to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the commission by the amendments to ORS 471.186 by section [1] 1a of this 2021 Act.
  - SECTION 3. This 2021 Act takes effect on the 91st day after the date on which the 2021 regular session of the Eighty-first Legislative Assembly adjourns sine die.

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