

Senate Bill 317

Sponsored by Senator BEYER (Pre-session 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**.

Allows holder of full on-premises sales license to make retail sales of mixed drinks in sealed containers for off-premises consumption. Defines "mixed drink" and "sealed container."

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to alcoholic beverages; creating new provisions; amending ORS 471.175; 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) "Mixed drink" means a beverage that is a combination of distilled liquor and one or
8 more mixers that is combined on a licensed premises and sold in a sealed container for
9 consumption off the licensed premises.

10 (b) "Sealed container" means a container with a secure cap or lid:

11 (A) That is designed to prevent consumption of the contents of the container without
12 removal of the cap or lid; or

13 (B) That has a seal covering the holes or opening, if the cap or lid has sipping holes or
14 an opening for a straw to allow consumption of the contents of the container without re-
15 moval of the cap or lid.

16 (2) Notwithstanding ORS 471.175, the holder of a full on-premises sales license may make
17 retail sales of mixed drinks for off-premises consumption if the mixed drink is sold in a
18 sealed container that meets the requirements of subsection (3) of this section. The retail sale
19 must be made directly to the consumer although delivery may be made through a third party
20 that provides a delivery service.

21 (3) The cap or lid, and any seal, of the sealed container must be affixed to the container
22 in a manner that makes it obvious when the cap or lid, and any seal, has been removed or
23 broken. The cap or lid, and any seal, may be affixed with the use of tape or other adhesive.

24 (4) The Oregon Liquor Control Commission may adopt rules to carry out this section,
25 including rules establishing additional requirements for the retail sale of mixed drinks for
26 off-premises consumption.

27 **SECTION 3. ORS 471.175 is amended to read:**

28 471.175. (1) The holder of a full on-premises sales license may sell by the drink at retail wine,
29 malt beverages, cider and distilled liquor. Except as provided in this section **and section 2 of this**
30 **2021 Act**, all alcoholic beverages sold under a full on-premises sales license must be consumed on
31 the licensed premises.

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 (2) A full on-premises sales license may be issued only to:
- 2 (a) A nonprofit private club, as described in subsection (8) of this section.
- 3 (b) A public passenger carrier as provided in ORS 471.182.
- 4 (c) A commercial establishment, as defined in ORS 471.001 (2).
- 5 (d) A public location that does not qualify for licensing under paragraphs (a) to (c) of this sub-
- 6 section if:
- 7 (A) Food is cooked and served at the location;
- 8 (B) The predominant business activity at the location is other than the preparation or serving
- 9 of food or the serving of alcohol; and
- 10 (C) The location meets any minimum food service requirements established by Oregon Liquor
- 11 Control Commission rule.
- 12 (e) A caterer, subject to the requirements of ORS 471.184.
- 13 (3) The holder of a full on-premises sales license shall allow a patron to remove a partially
- 14 consumed bottle of wine from the licensed premises if the wine is served in conjunction with the
- 15 patron's meal, the patron is not a minor and the patron is not visibly intoxicated.
- 16 (4) The holder of a full on-premises sales license is entitled to purchase any distilled liquor from
- 17 an agent of the commission appointed pursuant to ORS 471.750 at a discount of not more than five
- 18 percent off the regular listed price fixed by the commission, together with all taxes, in a manner
- 19 prescribed by commission rule. For purposes of compensation by the commission, the appointed
- 20 agent shall be credited with such sales at full retail cost. The commission may not require the
- 21 licensee to purchase more than one container of distilled liquor at a time if the distilled liquor:
- 22 (a) Except as provided in subsection (9) of this section, has a retail sales price of \$30 or more
- 23 per container;
- 24 (b) Is available through a distributor in the United States that does not require the commission
- 25 to acquire more than one case of the distilled liquor in a single transaction;
- 26 (c) Is not regularly stocked by the commission; and
- 27 (d) Is ordered in a 750 milliliter container size if available in that size.
- 28 (5) The holder of a full on-premises sales license may purchase distilled liquor only from a retail
- 29 sales agent of the commission or from another person licensed under this section who has purchased
- 30 the distilled liquor from a retail sales agent of the commission.
- 31 (6) The holder of a full on-premises sales license may sell factory-sealed containers of wine to
- 32 a person who organizes a private gathering on the licensee's premises if the wine was acquired as
- 33 part of a larger purchase of wine by the licensee for the purpose of the gathering and only part of
- 34 the larger purchase was consumed at the gathering. Wine sold under this subsection may be sold
- 35 only for an amount adequate to compensate the licensee for the amounts paid by the licensee for
- 36 the wine.
- 37 (7) The holder of a full on-premises sales license may sell for consumption off the licensed
- 38 premises malt beverages, wines and cider in securely covered containers provided by the consumer
- 39 and having capacities of not more than two gallons each.
- 40 (8) A nonprofit private club, including but not limited to a fraternal or veterans organization,
- 41 may qualify for a full on-premises sales license under this section only if the club meets any mini-
- 42 mum membership, nonprofit status and food service requirements established by commission rule.
- 43 (9) Beginning January 1, 2017, the commission may annually adjust the price threshold estab-
- 44 lished in subsection (4)(a) of this section by a percentage equal to the percentage change in the
- 45 Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bu-

1 reau of Labor Statistics of the United States Department of Labor. However, the commission may
2 not adjust the price threshold to be less than \$30.

3 **SECTION 4. (1) Section 2 of this 2021 Act and the amendments to ORS 471.175 by section**
4 **3 of this 2021 Act become operative on January 1, 2022.**

5 **(2) The Oregon Liquor Control Commission may take any action before the operative date**
6 **specified in subsection (1) of this section that is necessary to enable the commission to ex-**
7 **ercise, on and after the operative date specified in subsection (1) of this section, all of the**
8 **duties, functions and powers conferred on the commission by section 2 of this 2021 Act and**
9 **the amendments to ORS 471.175 by section 3 of this 2021 Act.**

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

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