

Senate Bill 837

Sponsored by Senator DEMBROW

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**.

Creates limited wholesale license to be issued to eligible applicant to store, transport, sell at wholesale and distribute certain cider and malt beverages. Allows holder of brewery-public house and brewery license to sell at wholesale and distribute malt beverages. Allows holder of winery license to sell at wholesale and distribute cider. Allows wholesale licensee to accept payment for purchases of malt beverages, cider or wine from retail licensee on delivery date and requires wholesale licensee to allow retail licensee to pay on industry standard credit terms.

Requires Oregon Liquor Control Commission to study wholesale distribution agreements and submit findings to interim committee of Legislative Assembly related to business.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to alcohol; creating new provisions; amending ORS 471.001, 471.200, 471.221, 471.223,
3 471.392 and 471.485; and prescribing an effective date.

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) The holder of a limited wholesale license:**

7 (a) **May:**

8 (A) **Purchase from the holder of a brewery-public house license or a brewery license malt**
9 **beverages manufactured by the holder of the brewery-public house license or brewery license**
10 **in factory-sealed containers that do not contain more than two and one-quarter gallons;**

11 (B) **Purchase from the holder of a winery license cider produced by the holder of the**
12 **winery license in factory-sealed containers that do not contain more than two and one-**
13 **quarter gallons; and**

14 (C) **Store, transport, wholesale and distribute the cider and malt beverages described in**
15 **this paragraph to holders of off-premises sales licenses that are grocery stores or other en-**
16 **tities for which the holder of the limited wholesale license warehouses goods other than al-**
17 **coholic beverages.**

18 (b) **Shall:**

19 (A) **Establish and maintain warehouses, subject to any rules adopted by the Oregon Li-**
20 **quor Control Commission; and**

21 (B) **Keep on hand in the warehouses established under this subsection the quantities and**
22 **kinds of cider and malt beverages that are reasonably required to meet the needs of holders**
23 **of off-premises sales licenses served by the holder of the limited wholesale license.**

24 (2) **The holder of a limited wholesale license may accept payment for purchases of cider**
25 **and malt beverages, and the holder of an off-premises sales license may make payment for**
26 **purchases of cider and malt beverages, by cash, check or electronic funds transfer. The**
27 **holder of a limited wholesale license shall permit the holder of an off-premises sales license**

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 to pay for cider and malt beverages on credit terms that are usual and customary in the
 2 industry for cider and malt beverages, but not more than 30 days from the date on which the
 3 cider or malt beverages are delivered.

4 (3) A limited wholesale license may be issued to an entity that warehouses goods on be-
 5 half of holders of off-premises sales licenses that are grocery stores.

6 (4) The commission shall establish by rule limited wholesale license fees at rates calcu-
 7 lated not to exceed the reasonable cost to the commission of regulating holders of limited
 8 wholesale licenses.

9 (5) In adopting rules under this section, the commission may allow the holder of a limited
 10 wholesale license to use existing warehouses for the purposes described in subsection (1) of
 11 this section, and may allow the storage of cider and malt beverages in addition to other
 12 goods in the warehouses.

13 (6) For purposes of ORS 471.392 to 471.400, the holder of a limited wholesale license is a
 14 manufacturer.

15 **SECTION 3.** ORS 471.001 is amended to read:

16 471.001. As used in this chapter and ORS chapter 473:

17 (1) “Alcoholic beverage” and “alcoholic liquor” mean any liquid or solid containing more than
 18 one-half of one percent alcohol by volume and capable of being consumed by a human being.

19 (2) “Commercial establishment” means a place of business:

20 (a) Where food is cooked and served;

21 (b) That has kitchen facilities adequate for the preparation and serving of meals;

22 (c) That has dining facilities adequate for the serving and consumption of meals; and

23 (d) That:

24 (A) If not a for-profit private club, serves meals to the general public; or

25 (B) If a for-profit private club, serves meals to the club’s members and guests and complies with
 26 any minimum membership and food service requirements established by Oregon Liquor Control
 27 Commission rules.

28 (3) “Commission” means the Oregon Liquor Control Commission.

29 (4) “Distilled liquor” means any alcoholic beverage other than a wine, cider or malt beverage.
 30 “Distilled liquor” includes distilled spirits.

31 (5) **“Grocery store” means a retail food store that primarily sells groceries and is licensed**
 32 **by the State Department of Agriculture.**

33 [(5)] (6) “Licensee” means any person holding a license issued under this chapter.

34 [(6)(a)] (7)(a) “Malt beverage” means an alcoholic beverage obtained by the fermentation of
 35 grain that contains not more than 14 percent alcohol by volume.

36 (b) “Malt beverage” includes:

37 (A) Beer, ale, porter, stout and similar alcoholic beverages containing not more than 14 percent
 38 alcohol by volume;

39 (B) Malt beverages containing six percent or less alcohol by volume and that contain at least
 40 51 percent alcohol by volume obtained by the fermentation of grain, as long as not more than 49
 41 percent of the beverage’s overall alcohol content is obtained from flavors and other added
 42 nonbeverage ingredients containing alcohol; and

43 (C) Malt beverages containing more than six percent alcohol by volume that derive not more
 44 than 1.5 percent of the beverage’s overall alcohol content by volume from flavors and other added
 45 nonbeverage ingredients containing alcohol.

1 (c) “Malt beverage” does not include cider or an alcoholic beverage obtained primarily by
2 fermentation of rice, such as sake.

3 [(7)] (8) “Manufacturer” means every person who produces, brews, ferments, manufactures or
4 blends an alcoholic beverage within this state or who imports or causes to be imported into this
5 state an alcoholic beverage for sale or distribution within the state.

6 [(8)] (9) “Permittee” means a person holding a permit issued under ORS 471.360 to 471.385.

7 [(9)] (10) “Premises” or “licensed premises” means a location licensed under this chapter and
8 includes all enclosed areas at the location that are used in the business operated at the location,
9 including offices, kitchens, rest rooms and storerooms, including all public and private areas where
10 patrons are permitted to be present. “Premises” or “licensed premises” includes areas outside of a
11 building that the commission has specifically designated as approved for alcoholic beverage service
12 or consumption.

13 [(10)] (11) “Regulatory specialist” means a full-time employee of the commission who is author-
14 ized to act as an agent of the commission in conducting inspections or investigations, making arrests
15 and seizures, aiding in prosecutions for offenses, issuing citations for violations and otherwise en-
16 forcing this chapter, ORS 474.005 to 474.095, 474.115, 475B.010 to 475B.545, 475B.550 to 475B.590 and
17 475B.600 to 475B.655, commission rules and any other statutes the commission considers related to
18 regulating liquor, marijuana or marijuana-derived products.

19 [(11)] (12) “Wine” means any fermented vinous liquor or fruit juice, or other fermented beverage
20 fit for beverage purposes that is not a malt beverage, containing more than one-half of one percent
21 of alcohol by volume and not more than 21 percent of alcohol by volume. “Wine” includes fortified
22 wine. “Wine” does not include cider.

23 **SECTION 4.** ORS 471.200 is amended to read:

24 471.200. (1) A brewery-public house license allows the licensee:

25 (a) To manufacture on the licensed premises, store, transport, sell to wholesale malt beverage
26 and wine licensees of the Oregon Liquor Control Commission and export malt beverages;

27 (b) To sell malt beverages manufactured on or off the licensed premises at retail for consumption
28 on or off the premises;

29 (c) To sell malt beverages in brewery-sealed packages at retail directly to the consumer for
30 consumption off the premises;

31 (d) To sell on the licensed premises at retail malt beverages manufactured on or off the licensed
32 premises in unpasteurized or pasteurized form directly to the consumer for consumption off the
33 premises, delivery of which may be made in a securely covered container supplied by the consumer;

34 (e) To sell wine and cider at retail for consumption on or off the premises;

35 (f) To sell for consumption off the premises wines and cider in securely covered containers
36 supplied by the consumer and [having] **that have** capacities of not more than two gallons each;

37 (g) To conduct the activities, except manufacturing, described in paragraphs (a) to (f) of this
38 subsection at two locations other than the premises where the manufacturing occurs;

39 (h) To obtain a special events brewery-public house license entitling the holder to conduct the
40 activities allowed under paragraphs (b) to (f) of this subsection at a designated location other than
41 the location set forth in the brewery-public house license for a period not exceeding five days;

42 (i) To distribute malt beverages manufactured at the licensed premises to any other premises
43 licensed to the same licensee, whether a manufacturer, wholesaler or retail premises; and

44 (j) To distribute for export, in any amount, malt beverages manufactured at the licensed prem-
45 ises.

1 (2) In addition to the privileges specified in subsection (1) of this section, [*in any calendar year*
2 *a brewery-public house licensee may sell at wholesale and distribute to licensees of the commission no*
3 *more than 7,500 barrels of malt beverages produced by the brewery-public house licensee.*] **a**
4 **brewery-public house licensee may sell at wholesale and distribute malt beverages manufac-**
5 **tured at the licensed premises to:**

6 (a) **The holder of an off-premises sales license that is a grocery store in factory-sealed**
7 **containers that do not hold more than two and one-quarter gallons;**

8 (b) **The holder of a full on-premises sales license in factory-sealed containers that do not**
9 **hold less than seven gallons per container;**

10 (c) **The holder of a limited wholesale license in factory-sealed containers that do not**
11 **contain more than two and one-quarter gallons; and**

12 (d) **To any other licensee, subject to rules adopted by the commission.**

13 (3) A brewery-public house licensee, or any person having an interest in the licensee, is a retail
14 licensee for the purposes of ORS 471.394 and, except as otherwise provided by this section and ORS
15 471.396, may not acquire or hold any right, title, lien, claim or other interest, financial or otherwise,
16 in, upon or to the premises, equipment, business or merchandise of any manufacturer or wholesaler,
17 as defined in ORS 471.392. A brewery-public house licensee, or any person having an interest in the
18 licensee, is also a manufacturer for the purposes of ORS 471.394 and, except as otherwise provided
19 by this section and ORS 471.396, may not acquire or hold any right, title, lien, claim or other in-
20 terest, financial or otherwise, in, upon or to the premises, equipment, business or merchandise of
21 any other retail licensee, as defined in ORS 471.392.

22 (4)(a) Except as provided in this subsection, a brewery-public house licensee, or any person
23 having an interest in the licensee, is a retail licensee for the purposes of ORS 471.398 and, except
24 as otherwise provided by this section and ORS 471.400, may not accept directly or indirectly any
25 financial assistance described in ORS 471.398 from any manufacturer or wholesaler, as defined in
26 ORS 471.392. A brewery-public house licensee, or any person having an interest in the licensee, is
27 also a manufacturer for the purposes of ORS 471.398 and, except as otherwise provided by this sec-
28 tion and ORS 471.400, may not provide directly or indirectly any financial assistance described in
29 ORS 471.398 to any retail licensee, as defined in ORS 471.392. The prohibitions on financial assist-
30 ance in ORS 471.398 do not apply to financial assistance between manufacturing and retail busi-
31 nesses licensed to the same person under the provisions of this section.

32 (b) The commission may issue more than one brewery-public house license at a single premises
33 if each licensee:

34 (A) Has a valid Brewer's Notice issued by the federal Alcohol and Tobacco Tax and Trade Bu-
35 reau at the premises address; and

36 (B) Otherwise complies with ORS 471.398.

37 (c) A brewery-public house licensee may produce malt beverages for another brewery-public
38 house licensee under a custom order agreement. The commission may adopt rules regarding the
39 contents of custom order agreements.

40 (5) Notwithstanding subsection (3) of this section, a brewery-public house licensee, or any person
41 having an interest in the licensee, may also hold a winery license authorized by ORS 471.223. A
42 brewery-public house licensee, or any person having an interest in the licensee, may also hold a
43 warehouse license authorized by ORS 471.242.

44 (6) Notwithstanding subsection (3) of this section, a brewery-public house licensee is eligible for
45 limited on-premises sales licenses and temporary sales licenses.

1 (7) Notwithstanding subsection (3) of this section, a brewery-public house licensee, or any person
 2 having an interest in the licensee, may also hold a full on-premises sales license. If a person holds
 3 both a brewery-public house license and a full on-premises sales license, nothing in this chapter shall
 4 prevent the sale by the licensee of both distilled liquor and malt beverages manufactured under the
 5 brewery-public house license.

6 (8) Notwithstanding any other provision of this chapter, a brewery-public house licensee, or any
 7 person having an interest in the licensee, may also hold a distillery license. No provision of this
 8 chapter prevents a brewery-public house licensee that also holds a distillery license from being ap-
 9 pointed by the commission as the distillery's retail outlet agent for the purpose of selling distilled
 10 liquors under ORS 471.230.

11 (9) Notwithstanding subsection (3) of this section, the commission by rule may authorize a
 12 brewery-public house licensee to coproduce special events with other manufacturers.

13 (10)(a) Notwithstanding subsection (3) of this section, a brewery-public house licensee may hold,
 14 directly or indirectly, an interest in a manufacturer or wholesaler, provided that the interest does
 15 not result in exercise of control over, or participation in the management of, the manufacturer's or
 16 wholesaler's business or business decisions and does not result in exclusion of any competitor's
 17 brand of alcoholic liquor.

18 (b) Notwithstanding subsection (3) of this section, a manufacturer or wholesaler, and any officer,
 19 director or substantial stockholder of any corporate manufacturer or wholesaler, may hold, directly
 20 or indirectly, an interest in a brewery-public house licensee, provided that the interest does not re-
 21 sult in exercise of control over, or participation in the management of, the licensee's business or
 22 business decisions and does not result in exclusion of any competitor's brand of alcoholic liquor.

23 (11) For purposes of ORS chapter 473, a brewery-public house licensee shall be considered to
 24 be a manufacturer.

25 **SECTION 5.** ORS 471.221 is amended to read:

26 471.221. (1) As used in this section, "common control" means:

27 (a) That a manufacturer, or any officer, director, substantial stockholder or other substantial
 28 equity holder in the manufacturer:

29 (A) Directly or indirectly holds 50 percent or more interest in the brewery licensee; or

30 (B) Has authority to direct the management of the brewery licensee; or

31 (b) That a brewery licensee, or any officer, director, substantial stockholder or other substantial
 32 equity holder in the brewery licensee:

33 (A) Directly or indirectly holds 50 percent or more interest in another manufacturer; or

34 (B) Has authority to direct the management of another manufacturer.

35 (2) A brewery license authorizes the licensee to:

36 (a) Manufacture malt beverages on the licensed premises.

37 (b) Sell to wholesale malt beverage and wine licensees, import, store, transport or export:

38 (A) Malt beverages produced on the licensed premises; or

39 (B) Malt beverages of a brand produced by a manufacturer that is under common control with
 40 the brewery licensee.

41 (c) Sell wine, malt beverages or cider on the licensed premises at retail for consumption on or
 42 off the licensed premises.

43 (d) Sell, in securely covered containers supplied by the consumer and having a capacity of not
 44 more than two gallons each, wine, malt beverages or cider for off-premises consumption.

45 (e) Obtain a special events brewery license that entitles the holder to conduct the activities al-

1 lowed under paragraphs (c) and (d) of this subsection at a designated location other than the one
2 set forth in the brewery license for a period not exceeding five days.

3 (f) Notwithstanding ORS 471.392 to 471.400, subject to ORS 471.175, hold a full on-premises sales
4 license.

5 (g) Conduct any activities authorized under paragraph (c), (d) or (f) of this subsection at up to
6 two additional locations approved by the Oregon Liquor Control Commission.

7 **(h) Notwithstanding subsection (3)(b) of this section, sell at wholesale and distribute malt
8 beverages manufactured on the licensed premises to:**

9 **(A) The holder of an off-premises sales license that is a grocery store in factory-sealed
10 containers that do not hold more than two and one-quarter gallons;**

11 **(B) The holder of a full on-premises sales license in factory-sealed containers that do not
12 hold less than seven gallons per container; and**

13 **(C) The holder of a limited wholesale license in factory-sealed containers that do not
14 contain more than two and one-quarter gallons.**

15 (3) Subject to ORS 471.235, a brewery licensee may hold a wholesale malt beverage and wine
16 license. A brewery licensee must hold a wholesale malt beverage and wine license if the brewery
17 licensee:

18 (a) Imports, stores, transports or exports malt beverages of brands that are not produced by the
19 licensee or a manufacturer under common control with the licensee; or

20 (b) Except as provided in this paragraph, sells or distributes malt beverages. This paragraph
21 does not apply to malt beverages described in subsection (2)(a) or (b) of this section sold at a li-
22 censed premises described in subsection (2)(a) of this section.

23 (4) A brewery licensee and a winery licensee may not be under common control unless the
24 winery licensee:

25 (a) Uses its premises to produce wine or cider; and

26 (b) Holds a valid producer and blender basic permit issued by the federal Alcohol and Tobacco
27 Tax and Trade Bureau.

28 (5) Notwithstanding any other provision of this chapter, a brewery licensee, a manufacturer that
29 is under common control with the brewery licensee or any officer, director, substantial stockholder
30 or other substantial equity holder in the brewery licensee or in a manufacturer that is under com-
31 mon control with the brewery licensee may not sell malt beverages at retail at more than three lo-
32 cations in this state regardless of the number or type of licenses held by the licensee, manufacturer,
33 officer, director, stockholder or equity holder.

34 (6) A brewery licensee may produce malt beverages for a brewery-public house licensee under
35 a custom order agreement. The commission may adopt rules regarding the contents of custom order
36 agreements.

37 **SECTION 6.** ORS 471.223 is amended to read:

38 471.223. (1) As used in this section, "control" means that the licensee:

39 (a) Owns the brand under which the wine or cider is labeled; or

40 (b) Performs or has the legal right to perform all of the acts common to a brand owner under
41 the terms of a trademark license or similar agreement that for the brand under which the wine or
42 cider is labeled has a term of at least three years.

43 (2) A winery license [*shall allow*] **allows** the licensee:

44 (a) To import wine or cider in containers that have a capacity of more than four liters.

45 (b) To import wine or cider in containers that have a capacity of four liters or less if the brand

1 of wine or cider is under the control of the licensee.

2 (c) To bottle, produce, blend, store, transport or export wines or cider.

3 (d) **Subject to paragraph (k) of this subsection**, to sell wines or cider at wholesale to the
4 Oregon Liquor Control Commission or to licensees of the commission.

5 (e) To sell wines or cider at retail directly to the consumer for consumption on or off the li-
6 censed premises.

7 (f) To sell malt beverages at retail for consumption on or off the licensed premises.

8 (g) To sell for consumption off the premises malt beverages, wines and cider in securely covered
9 containers supplied by the consumer and having capacities of not more than two gallons each.

10 (h) To conduct under that license any activities described in paragraphs (a) to (g) of this sub-
11 section at five or fewer premises designated by the commission.

12 (i) To purchase from or through the commission brandy or other distilled liquors for fortifying
13 wines.

14 (j) To obtain a special events winery license that [*shall entitle*] **entitles** the holder to conduct
15 the activities allowed under paragraphs (e) to (g) of this subsection at a designated location other
16 than the one set forth in the winery license for a period not to exceed five days.

17 **(k) To sell at wholesale and distribute cider produced at the licensed premises to:**

18 **(A) The holder of an off-premises sales license that is a grocery store in factory-sealed**
19 **containers that do not hold more than two and one-quarter gallons;**

20 **(B) The holder of a full on-premises sales license in factory-sealed containers that do not**
21 **hold less than seven gallons per container; and**

22 **(C) The holder of a limited wholesale license in factory-sealed containers that do not**
23 **contain more than two and one-quarter gallons.**

24 (3) A winery licensee shall allow a patron to remove a partially consumed bottle of wine from
25 the licensed premises if the patron is not a minor and the patron is not visibly intoxicated.

26 (4) Except as provided in subsection (5) of this section, in order to hold a winery license the
27 licensee shall:

28 (a) Possess at a bonded premises within Oregon a valid producer and blender basic permit issued
29 by the federal Alcohol and Tobacco Tax and Trade Bureau; or

30 (b) Possess a valid wine blender or valid wholesaler basic permit issued by the federal Alcohol
31 and Tobacco Tax and Trade Bureau and have a written contract with a winery licensed under par-
32 agraph (a) of this subsection that authorizes the winery to produce for the licensee a brand of wine
33 or cider that is under the control of the licensee.

34 (5) Subsection (4) of this section does not apply if a licensee produces only cider under the
35 winery license.

36 (6) A winery licensee may sell and ship malt beverages, wine or cider directly to a resident of
37 this state only if the licensee has a direct shipper permit issued under ORS 471.282.

38 (7) A winery licensee, or any person having an interest in the licensee, may also hold a full
39 on-premises sales license. If a winery licensee, or a person having an interest in the licensee, also
40 holds a full on-premises sales license, the provisions of this chapter do not prevent the licensee or
41 person from both selling wine or cider bottled and produced under the winery license and selling
42 alcoholic liquor as authorized under the full on-premises sales license.

43 (8) More than one winery licensee may exercise the privileges of a winery license at a single
44 location. The commission may not refuse to issue a winery license to a person for the production
45 of wine or cider on specified premises based on the fact that other winery licensees also produce

1 wine or cider on those premises.

2 (9) If a winery licensee does not possess at a bonded premises within Oregon a valid producer
3 and blender basic permit issued by the federal Alcohol and Tobacco Tax and Trade Bureau, the
4 licensee may exercise the privileges described in this section only for wine and cider brands that
5 are under the control of the licensee.

6 **SECTION 7.** ORS 471.392 is amended to read:

7 471.392. For the purposes of ORS 471.392 to 471.400:

8 (1) "Manufacturer or wholesaler" means:

9 (a) A person holding:

10 (A) A brewery license issued under ORS 471.221[.];

11 (B) A winery license issued under ORS 471.223[.];

12 (C) A grower sales privilege license issued under ORS 471.227[.];

13 (D) A distillery license issued under ORS 471.230[.];

14 (E) A wholesale malt beverage and wine license issued under ORS 471.235 [or];

15 (F) A warehouse license issued under ORS 471.242[.]; **or**

16 (G) **A limited wholesale license issued under section 2 of this 2021 Act.**

17 (b) Any manufacturer of alcoholic liquors whose products are sold in the State of Oregon.

18 (2)(a) "Retail licensee" means the holder of:

19 (A) A full **on-premises sales license issued under ORS 471.175**; [or]

20 (B) **A limited on-premises sales license[,] issued under ORS 471.178**;

21 (C) An off-premises sales license **issued under ORS 471.186**; or

22 (D) A temporary sales license **issued under ORS 471.190**.

23 (b) "Retail licensee" does not include a bona fide trade association that represents retail
24 licensees and that is open to all persons licensed under at least one type of retail license.

25 **SECTION 8.** ORS 471.485 is amended to read:

26 471.485. *[No wholesale licensee or agent or employee thereof shall sell or deliver, nor shall any*
27 *retail licensee purchase or receive any malt beverages, cider or wine for currency on delivery, but such*
28 *malt beverages, cider or wine shall be paid for prior to delivery thereof, by electronic fund transfer*
29 *initiated on or before the date of delivery, or by valid check, order, negotiable instrument or voucher*
30 *payable on the date of delivery. The wholesale licensee may accept cash at the time of delivery if such*
31 *acceptance does not create or increase the licensee's, or the agents' or employees' of the licensee, expo-*
32 *sure to or risk of being victimized by criminal activity.] **A wholesale licensee or the agent of a***
33 **wholesale licensee may accept payment for purchases of malt beverages, cider or wine, and**
34 **a retail licensee may make payment for purchases of malt beverages, cider or wine, by cash,**
35 **check or electronic funds transfer on or before the date of delivery. A wholesale licensee**
36 **shall permit a retail licensee to pay for malt beverages, cider or wine on credit terms that**
37 **are usual and customary in the industry for malt beverages, cider or wine, but not more**
38 **than 30 days after the date on which the malt beverages, cider or wine are delivered.**

39 **SECTION 9.** (1) **Section 2 of this 2021 Act and the amendments to ORS 471.001, 471.200,**
40 **471.221, 471.223, 471.392 and 471.485 by sections 3 to 8 of this 2021 Act become operative on**
41 **January 1, 2022.**

42 (2) **The Oregon Liquor Control Commission may take any action before the operative date**
43 **specified in subsection (1) of this section that is necessary to enable the commission to ex-**
44 **ercise, on and after the operative date specified in subsection (1) of this section, all of the**
45 **duties, functions and powers conferred on the commission by section 2 of this 2021 Act and**

1 the amendments to ORS 471.001, 471.200, 471.221, 471.223, 471.392 and 471.485 by sections 3 to
2 8 of this 2021 Act.

3 **SECTION 10.** (1) The Oregon Liquor Control Commission shall study wholesale distrib-
4 ution agreements, as described in ORS 474.005, and determine:

5 (a) The manner in and extent to which other states regulate wholesale distribution
6 agreements or similar agreements.

7 (b) The benefits of and barriers to ending the use of wholesale distribution agreements
8 in this state.

9 (2) The commission shall submit the findings described in subsection (1) of this section
10 to an interim committee of the Legislative Assembly related to business not later than De-
11 cember 31, 2022.

12 **SECTION 11.** Section 10 of this 2021 Act is repealed on January 1, 2023.

13 **SECTION 12.** This 2021 Act takes effect on the 91st day after the date on which the 2021
14 regular session of the Eighty-first Legislative Assembly adjourns sine die.

15