Requested by Representative HOLVEY

PROPOSED AMENDMENTS TO HOUSE BILL 3308

- On page 1 of the printed bill, delete lines 5 through 22 and delete pages
- 2 <u>2 through 9</u> and insert:

- "SECTION 1. Sections 2 to 8 of this 2023 Act are added to and made a part of ORS chapter 471.
- "SECTION 2. As used in sections 2 to 8 of this 2023 Act:
- "(1) 'Deliver' means to transfer alcoholic beverages from a delivery person to a final consumer at a delivery address.
- "(2) 'Delivery address' means a location with a permanent street address in Oregon that is not licensed by the Oregon Liquor and Cannabis Commission under this chapter or ORS 475C.005 to 475C.525 or 475C.548.
- "(3) 'Delivery person' means an employee, agent or contractor of a third-party delivery facilitator who delivers alcoholic beverages to the physical possession of a final consumer on behalf of a licensee or third-party delivery facilitator.
- "(4) 'Eligible business' means a licensee, a permittee or an agent appointed by the commission, or an agent of a licensee, permittee or agent, that has, as a part of the privileges of the license, permit or appointment, the authority to sell and deliver alcoholic beverages to a final consumer at a delivery address.
 - "(5) 'Final consumer' means an individual who takes possession of

- alcoholic beverages at a delivery address for personal or social use, and not for resale.
- "(6)(a) 'Third-party delivery facilitator' means an individual, person or company that:
- 5 "(A) Delivers, or holds itself out as willing to deliver, alcoholic 6 beverages from an eligible business to a final consumer; or
- "(B) Facilitates, or holds itself out as willing to facilitate, the sale and delivery of alcoholic beverages by an eligible business to a final consumer.
- 10 "(b) 'Third-party delivery facilitator' does not include a retail 11 licensee, as defined in ORS 471.392, or a common carrier.
 - "SECTION 3. (1) Except as provided in subsection (2) of this section, an eligible business may deliver, or cause to be delivered, alcoholic beverages of the type allowed by the license, permit or appointment held by the eligible business, to a final consumer at a delivery address only by using a delivery person or third-party delivery facilitator.
 - "(2) The Oregon Liquor and Cannabis Commission may adopt rules to allow the delivery of alcoholic beverages by an eligible business, including delivery to a location other than a delivery address.
 - "SECTION 4. (1) An eligible business or third-party delivery facilitator may employ or contract with a delivery person to deliver alcoholic beverages to the physical possession of a final consumer at a delivery address only if the individual:
 - "(a) Is at least 18 years of age; and
 - "(b) Has a valid driver license or other state-issued identification.
- "(2) Prior to making any deliveries of alcoholic beverages, a delivery person shall first complete the training program and be issued a certificate of completion, as described in section 5 of this 2023 Act.
- 29 "(3) A delivery person may also be a third-party delivery facilitator 30 that holds a permit issued under section 7 of this 2023 Act.

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- "(4) A delivery person may charge an eligible business a fee for delivering alcoholic beverages on behalf of the eligible business.
- 3 "(5) A violation of subsection (1) of this section:
- 4 "(a) Upon a first conviction, is a Class A violation.
- 5 "(b) Upon a second or subsequent conviction, is a Class A 6 misdemeanor.
- "SECTION 5. (1) A third-party delivery facilitator, and an eligible business that employs or contracts with a delivery person, shall develop an alcohol delivery training program that includes training on at least:
- "(a) Forms of identification required by ORS 471.130 and methods for identifying, inspecting, accepting or rejecting identification;
 - "(b) Signs of visible intoxication and methods for recognizing these signs and for refusing to deliver alcoholic beverages to a final consumer; and
 - "(c) Rules adopted by the Oregon Liquor and Cannabis Commission relating to the delivery of alcoholic beverages to a final consumer.
 - "(2) The commission may adopt rules regarding the approval of training programs described in subsection (1) of this section.
 - "(3)(a) In conjunction with an application for a permit under section 7 of this 2023 Act, a third-party delivery facilitator shall submit to the commission a copy of the third-party delivery facilitator's training program for approval by the commission.
 - "(b) An eligible business shall submit to the commission, pursuant to rules adopted by the commission, a copy of the eligible business's training program for approval by the commission.
- "(4)(a) A third-party delivery facilitator or eligible business described in subsection (1) of this section shall provide the training program described in subsection (1) of this section to delivery persons employed by or contracted with the third-party delivery facilitator or

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- eligible business, and shall issue to delivery persons who successfully complete the training program a certificate of completion.
- "(b) In order to provide the training program described in subsection (1) of this section, a third-party delivery facilitator or an eligible business may offer a training program internally or may contract with another party that offers a training program that is approved by the commission.
 - "(c) A third-party delivery facilitator or an eligible business may offer a training program described in subsection (1) of this section only if the training program is approved by the commission.
 - "(5) A delivery person may not engage in the delivery of alcoholic beverages unless the delivery person first completes the training program described in subsection (1) of this section and holds a certificate of completion described in subsection (4) of this section. A delivery person who delivers alcoholic beverages on behalf of more than one third-party delivery facilitator or eligible business must complete the training program, and hold a certificate of completion, from each third-party delivery facilitator or eligible business on whose behalf the delivery person delivers alcoholic beverages.
 - "(6) The commission may adopt rules to carry out this section, including rules to establish a fee for review and approval of a training program described in subsection (1) of this section.
 - "SECTION 6. The Oregon Liquor and Cannabis Commission may adopt rules to regulate the delivery of alcoholic beverages by parties including, but not limited to, eligible businesses, delivery persons and third-party delivery facilitators.
 - "<u>SECTION 7.</u> (1) In order to engage in the delivery of alcoholic beverages, a third-party delivery facilitator must hold a permit issued by the Oregon Liquor and Cannabis Commission and must comply with applicable requirements under this chapter.

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- "(2) The commission may refuse to issue a permit, and may suspend or revoke a permit, if the commission finds or has reasonable grounds to believe that:
- "(a) A third-party delivery facilitator is, or has a financial interest in, a manufacturer;
- "(b) A third-party delivery facilitator provided material false or misleading information to the commission or omitted information that should have been provided to the commission; or
- "(c) A third-party delivery facilitator, or any person used by or acting on behalf or at the direction of the third-party delivery facilitator, does not have a good record of compliance under this chapter.
- 13 "(3)(a) A third-party delivery facilitator acting on behalf of an eli-14 gible business may:
- "(A) Deliver, or cause to be delivered, alcoholic beverages to the physical possession of a final consumer on behalf of an eligible business;
- 18 "(B) Advertise alcoholic beverages available for retail sale;
- 19 "(C) Solicit, receive and accept orders for alcoholic beverages from 20 final consumers; and
- "(D) Receive payment for alcoholic beverages ordered by final consumers.
- 23 "(b) A third-party delivery facilitator may engage in an activity 24 described in this section only when the third-party delivery facilitator 25 is acting on behalf of an eligible business.
- "(c) A third-party delivery facilitator may use only a delivery person who meets the requirements of section 4 of this 2023 Act to deliver alcoholic beverages to a final consumer.
- 29 "(d) A third-party delivery facilitator that is an individual who is a 30 delivery person must meet the requirements of section 4 of this 2023

- Act, including the requirement to hold a valid driver license. 1
- "(4) A third-party delivery facilitator, while acting on behalf of an 2 eligible business, may engage in any activity described in subsection 3 (3) of this section only if the eligible business:
- "(a) Controls, with clear and conspicuous messaging, the adver-5 tisement of alcoholic beverages offered for sale and delivery through 6 the third-party delivery facilitator, including but not limited to mes-7 saging regarding:
- "(A) The price of the available alcoholic beverages; and 9
- "(B) The eligible business's name, and messaging that: 10

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- "(i) The offer and sale of the alcoholic beverages is by the eligible 11 business; and 12
 - "(ii) The payment made by a final consumer for an alcoholic beverage is paid to the identified eligible business;
- "(b) Controls the acceptance of orders for alcoholic beverages from 15 final consumers that are made through the third-party delivery 16 facilitator; 17
 - "(c) Receives and retains all payments for alcoholic beverages made through the third-party delivery facilitator; and
- "(d) Provides to the third-party delivery facilitator for sale and de-20 livery to a final consumer only the types of alcoholic beverages that 21 the eligible business's license entitles the eligible business to provide. 22
- "(5) A third-party delivery facilitator may charge an eligible busi-23 ness a fee for delivering alcoholic beverages on behalf of the eligible 24 business. 25
- "(6) A third-party delivery facilitator shall maintain and make 26 available records to the commission as required by the commission by 27 rule. 28
- "(7) The commission may adopt rules as necessary to regulate 29 third-party delivery facilitators. 30

- "(8) This section does not apply to a motor carrier or freight forwarder, as defined in 49 U.S.C. 13102, or an air carrier, as defined in 49 U.S.C. 40102.
- "SECTION 8. (1) It is a Class A misdemeanor for a person that is 4 not a third-party delivery facilitator that holds a permit issued under 5 section 7 of this 2023 Act to engage in any activity for which a permit 6 is required unless the person is a licensee, permittee or agent ap-7 pointed by the Oregon Liquor and Cannabis Commission, or is an em-8 ployee or agent of a licensee, permittee or agent acting on behalf of 9 the licensee, permittee or agent, and the activity is allowed by the 10 privileges of the license, permit or appointment. 11
 - "(2)(a) The commission may assess a civil penalty against a thirdparty delivery facilitator for a violation of this chapter or rules adopted by the commission under this chapter if the violation is committed by the third-party delivery facilitator or a delivery person acting on behalf of the third-party delivery facilitator.
 - "(b) The civil penalty assessed under paragraph (a) of this subsection must be at least \$500 per violation and may not be more than \$4,000 per violation.
 - "(c) ORS 471.990 does not apply to a violation for which a civil penalty may be issued under this subsection.
 - **"SECTION 9.** ORS 471.346 is amended to read:
 - "471.346. (1)(a) The Oregon Liquor and Cannabis Commission shall by rule develop uniform standards for minor decoy operations used to investigate licensees, permittees, [and agents operating stores on behalf of the commission under ORS 471.750] agents appointed by the commission, third-party delivery facilitators and any person delivering alcoholic beverages to final consumers in this state for violations of the laws of this state prohibiting sales and deliveries of alcoholic beverages to minors.
 - "(b) Uniform standards established by the commission under this section

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- 1 apply to all investigations conducted by the commission that use minor
- 2 decoys. The commission shall encourage all law enforcement agencies of this
- 3 state to use the uniform standards established under this section for minor
- 4 decoy operations conducted by the law enforcement agencies.
- 5 "(2) To the greatest extent possible, the uniform standards established by 6 the commission under this section **must**:
- 7 "(a) [Shall] Be the same for minor decoy operations conducted by the commission and for minor decoy operations conducted by law enforcement
- 9 agencies of this state; and

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- "(b) [Shall] Provide for coordination between the commission and law enforcement agencies of this state in conducting minor decoy operations.
 - "(3)(a) The uniform standards established by the commission under this section [shall] for investigating sales by licensees occurring on licensed premises and in-store sales by agents appointed by the commission must provide that:
 - "(A) Minor decoy operations must be conducted on either a random or a targeted basis in cities with populations of 20,000 or more.
 - "(B) Random minor decoy operations [shall] must cover a range of licensed premises and retail outlets. For the purpose of implementing standards for random minor decoy operations under this subparagraph, the commission shall by rule adopt a methodology that produces, to the greatest extent possible, an equal chance that any licensee or agent will be subject to a minor decoy operation.
- "(C) Targeted minor decoy operations may be conducted for a single licensee or agent, but may be used only if there is a documented compliance problem with the specific licensee or agent that is the target of the **minor** decoy operation. [For the purpose of implementing standards for random minor decoy operations under this subsection, the commission shall by rule adopt a methodology that produces, to the greatest extent possible, an equal chance that any licensee or agent will be subject to a minor decoy operation.]

- "(b) Investigations of deliveries of alcoholic beverages to final consumers in this state are exempt from the requirements for random and targeted minor decoy operations under paragraph (a) of this subsection.
- "(4) Except as provided in subsection (5) of this section, the failure of the commission or of a law enforcement agency to follow uniform standards established by the commission under this section is not grounds for challenging any complaint, citation or conviction for violation of the laws prohibiting the sale **or delivery** of alcoholic beverages to minors.
 - "(5) In determining whether to impose sanctions based on multiple violations of the laws of this state prohibiting sales **or deliveries** of alcoholic beverages to minors, the commission may not consider any complaint filed against, **citation issued to or conviction of** a licensee, **permittee**, **agent appointed by the commission**, **third-party delivery facilitator or a person delivering alcoholic beverages to final consumers** for selling **or delivering** alcoholic beverages to a minor[, citation issued to a licensee for selling alcoholic beverages to a minor or conviction of a licensee for selling alcoholic beverages to a minor] if the complaint, citation or conviction arose out of a minor decoy operation that was not conducted pursuant to the uniform standards established by the commission under this section.
 - "(6) Notwithstanding any other provision of this chapter, the commission may not consider any sale **or delivery** of alcoholic beverages to a minor that results from a minor decoy operation that is not conducted in compliance with the standards established under this section for the purpose of:
 - "(a) Imposing any civil penalty against a licensee, permittee, agent appointed by the commission, third-party delivery facilitator or a person delivering alcoholic beverages to final consumers;
 - "(b) Making a decision on the renewal, suspension or cancellation of a license, permit, appointment or third-party delivery facilitator permit issued under this chapter or rules adopted under this chapter; or

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- "(c) Otherwise sanctioning a licensee, permittee, agent appointed by
 the commission, third-party delivery facilitator or a person delivering
 alcoholic beverages to final consumers for the sale or delivery of alcoholic beverages to a minor.
- 5 "(7) The commission shall give notice of the uniform standards established 6 under this section to all law enforcement agencies of this state that conduct 7 minor decoy operations.
- 8 **"SECTION 10.** ORS 471.410 is amended to read:
- 9 "471.410. (1) A person may not sell, give or otherwise make available any alcoholic liquor to any person who is visibly intoxicated.
- "(2) [No one] A person other than the person's parent or guardian may 11 **not** sell, give or otherwise make available any alcoholic liquor to a person 12 under the age of 21 years. A parent or guardian may give or otherwise make 13 alcoholic liquor available to a person under the age of 21 years only if the 14 person is in a private residence and is accompanied by the parent or guard-15 ian. A person violates this subsection [who] if the person sells, gives or 16 otherwise makes available alcoholic liquor to a person with the knowledge 17 that the person to whom the liquor is made available will violate this sub-18 section. 19
 - "(3)(a) A person who exercises control over private real property may not knowingly allow any other person under the age of 21 years who is not a child or minor ward of the person to consume alcoholic liquor on the property, or allow any other person under the age of 21 years who is not a child or minor ward of the person to remain on the property if the person under the age of 21 years consumes alcoholic liquor on the property.
 - "(b) This subsection:

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- 27 "(A) Applies only to a person who is present and in control of the lo-28 cation at the time the consumption occurs;
- 29 "(B) Does not apply to the owner of rental property, or the agent of an 30 owner of rental property, unless the consumption occurs in the individual

- unit in which the owner or agent resides; and
- "(C) Does not apply to a person who exercises control over a private residence if the liquor consumed by the person under the age of 21 years is supplied only by an accompanying parent or guardian.
- 5 "(4) This section does not apply to sacramental wine given or provided 6 as part of a religious rite or service.
- "(5) Except as provided in [subsections (6) and (7)] subsection (6) of this section, a person who violates subsection (1) or (2) of this section commits a Class A misdemeanor. Upon violation of subsection (2) of this section, the court shall impose at least a mandatory minimum sentence as follows:
- "(a) Upon a first conviction, a fine of at least \$500.
- "(b) Upon a second conviction, a fine of at least \$1,000.
- 13 "(c) Upon a third or subsequent conviction, a fine of at least \$1,500 and 14 not less than 30 days of imprisonment.
- "(6)(a) A person who violates subsection (2) of this section is subject to the provisions of this subsection if the person does not act knowingly or intentionally and:
 - "(A) Is licensed or appointed under this chapter; [or]
- "(B) Is an employee or agent of a person licensed or appointed under this chapter and [holds a valid service permit or has attended a program approved by the Oregon Liquor and Cannabis Commission that provides training to avoid violations of this section.] the employee or agent violates subsection (2) of this section while acting on behalf or at the direction of the licensee or person appointed under this chapter; or
- 25 "(C) Is a delivery person as defined in section 2 of this 2023 Act and 26 was delivering alcoholic beverages to a final consumer.
- 27 "(b) For a person described in paragraph (a) of this subsection:
- 28 "(A) A first conviction is a Class A violation.
- "(B) A second conviction is a specific fine violation, and the presumptive fine for the violation is \$860.

- "(C) A third conviction is a Class A misdemeanor. The court shall impose a mandatory fine of not less than \$1,000.
- "(D) A fourth or subsequent conviction is a Class A misdemeanor. The court shall impose a mandatory fine of not less than \$1,000 and a mandatory sentence of not less than 30 days of imprisonment.
- "[(7) For an employee of an off-premises sales licensee who violates subsection (2) of this section while operating a checkout device and does not act knowingly or intentionally, a first conviction is a Class A violation.]
- "[(8)] (7) The court may waive an amount that is at least \$200 but not more than one-third of the fine imposed under subsection (5) of this section, if the violator performs at least 30 hours of community service.
- "[(9)] (8) Except as provided in subsection [(8)] (7) of this section, the court may not waive or suspend imposition or execution of the mandatory minimum sentence required by subsection (5) or (6) of this section. In addition to the mandatory sentence, the court may require the violator to make restitution for any damages to property where the alcoholic liquor was illegally consumed or may require participation in volunteer service to a community service agency.
- "[(10)(a)] (9)(a) Except as provided in paragraph (b) of this subsection, a person who violates subsection (3) of this section commits a Class A violation.
- 22 "(b) A second or subsequent violation of subsection (3) of this section is 23 a specific fine violation, and the presumptive fine for the violation is \$1,000.
- "[(11)] (10) Nothing in this section prohibits any licensee under this
 chapter from allowing a person who is visibly intoxicated to remain on the
 licensed premises so long as the person is not sold or served any alcoholic
 liquor.
 - **"SECTION 11.** ORS 471.430 is amended to read:
- 29 "471.430. (1) A person under 21 years of age may not attempt to purchase, 30 purchase or acquire alcoholic beverages. Except when [such] **a** minor is in

- a private residence accompanied by the parent or guardian of the minor and with [such] the parent's or guardian's consent, a person under 21 years of age may not have personal possession of alcoholic beverages.
- "(2) For the purposes of this section, personal possession of alcoholic beverages includes the acceptance or consumption of a bottle of [such] alcoholic beverages, or any portion [thereof] or a drink of [such] alcoholic beverages. However, this section does not prohibit the acceptance or consumption by any person of sacramental wine as part of a religious rite or service.
 - "(3) Except as authorized by rule or as necessitated in an emergency, a person under 21 years of age may not enter or attempt to enter any portion of a licensed premises that is posted or otherwise identified as being prohibited to the use of minors.
 - "(4)(a) Except as provided in paragraph (b) of this subsection, a person who violates subsection (1) or (3) of this section commits a Class B violation.
 - "(b) A person commits a Class A violation if the person violates subsection (1) of this section by reason of personal possession of alcoholic beverages while the person is operating a motor vehicle as defined in ORS 801.360.
 - "(c) Notwithstanding ORS 153.018, if a person who violates subsection (1) or (3) of this section was under 18 years of age at the time of the violation, the court may not impose any fine for the violation.
 - "(5) In addition to and not in lieu of any other penalty established by law:
 - "(a) The court may order a person who violates subsection (1) of this section through misrepresentation of age to perform community service; and
 - "(b) The court shall order, when a person violates subsection (1) of this section, that the person's driving privileges and right to apply for driving privileges be suspended pursuant to ORS 809.260 and 809.280. The court notification made to the Department of Transportation under this paragraph may include a recommendation that the person be granted a hardship permit

- under ORS 807.240 if the person is otherwise eligible for the permit.
- 2 "(6) If a person cited under this section is at least 13 years of age but less
- 3 than 21 years of age at the time the person is found in default under ORS
- 4 153.102 or 419C.472 for failure to appear, in addition to and not in lieu of
- 5 any other penalty established by law, the court shall issue notice under ORS
- 6 809.220 to the department for the department to suspend the person's driving
- 7 privileges under ORS 809.280 (4).
- 8 "(7) In addition to and not in lieu of any penalty established by law, the
- 9 court may order a person who violates this section to undergo assessment
- and treatment as provided in ORS 471.432. The court shall order a person to
- undergo assessment and treatment as provided in ORS 471.432 if the person
- has previously been found to have violated this section.
- 13 "(8) The prohibitions of this section do not apply to a person under 21
- 14 years of age who is acting under the direction of the Oregon Liquor and
- 15 Cannabis Commission or under the direction of state or local law enforce-
- ment agencies for the purpose of investigating possible violations of laws
- 17 prohibiting sales of alcoholic beverages to persons who are under 21 years
- of age.
- "(9) The prohibitions of this section do not apply to a person under 21
- 20 years of age who is acting under the direction of a licensee, an eligible
- business, as defined in section 2 of this 2023 Act, or a third-party de-
- 22 livery facilitator, as defined in section 2 of this 2023 Act, for the purpose
- of investigating possible violations by employees or agents of the licensee,
- 24 eligible business or third-party delivery facilitator of laws prohibiting
- 25 sales **or deliveries** of alcoholic beverages to persons who are under 21 years
- of age.
- "(10)(a) A person under 21 years of age is not in violation of, and is im-
- 28 mune from prosecution under, this section if:
- 29 "(A) The person contacted emergency medical services or a law enforce-
- 30 ment agency in order to obtain medical assistance for another person who

- 1 was in need of medical assistance due to alcohol consumption and the evi-
- 2 dence of the violation was obtained as a result of the person's having con-
- 3 tacted emergency medical services or a law enforcement agency; or
- "(B) The person was in need of medical assistance due to alcohol consumption and the evidence of the violation was obtained as a result of the person's having sought or obtained the medical assistance.
 - "(b) Paragraph (a) of this subsection does not exclude the use of evidence obtained as a result of a person's having sought medical assistance in proceedings for crimes or offenses other than a violation of this section.
 - "SECTION 12. (1) Sections 2 to 8 of this 2023 Act and the amendments to ORS 471.346, 471.410 and 471.430 by sections 9 to 11 of this 2023 Act become operative on January 1, 2024.
 - "(2) The Oregon Liquor and Cannabis 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 sections 2 to 8 of this 2023 Act and the amendments to ORS 471.346, 471.410 and 471.430 by sections 9 to 11 of this 2023 Act.
 - "SECTION 13. This 2023 Act takes effect on the 91st day after the date on which the 2023 regular session of the Eighty-second Legislative Assembly adjourns sine die.".

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