HB 4092-2 (LC 74) 2/6/12 (CDT/ps)

PROPOSED AMENDMENTS TO HOUSE BILL 4092

- 1 On <u>page 1</u> of the printed bill, line 2, delete "creating new provisions;".
- 2 Delete lines 5 through 28.
- 3 Delete pages 2 and 3 and insert:
- 4 "SECTION 1. ORS 471.230 is amended to read:

"471.230. (1) A distillery license [shall allow the holder thereof] allows the $\mathbf{5}$ licensee to import, manufacture, distill, rectify, blend, denature and store 6 spirits of an alcoholic content greater than 17 percent alcohol by weight, to 7 sell the [same] spirits to the Oregon Liquor Control Commission and to 8 transport the [same] spirits out of this state for sale outside this state. 9 Distillery licensees [shall be] are permitted to purchase from and through 10 the commission alcoholic beverages for blending and manufacturing purposes 11 upon such terms and conditions as the commission may provide. [No such 12*licensee shall*] A distillery licensee may not sell any alcoholic beverage 13 within this state except to the commission or as provided in this section. 14 However, any agricultural producer or association of agricultural producers 15or the legal agents [thereof who manufacture and convert] of an agricultural 16 producer or association of agricultural producers that manufactures 17and converts agricultural surpluses, by-products and wastes into denatured 18 ethyl and industrial alcohol for use in the arts and industry [shall not be] 19 are not required to obtain a license from the commission. 20

- 21 "(2) A distillery licensee may:
- ²² "(a) Permit tastings of the distilled liquor manufactured by the distillery

licensee. The tastings may be conducted on the licensed premises of the
 distillery, on one other premises owned or leased by the licensee, or both.
 The licensee must purchase the distilled liquor from the commission.

"(b) Obtain a special events distillery license. [entitling the holder to
permit tastings of the distilled liquor manufactured by the distillery licensee.
Tastings may be conducted under a special events distillery license at a designated location other than the location set forth in the distillery license for
a period not exceeding five days. The licensee must purchase the distilled liquor from the commission.]

"(c) Apply for appointment by the commission as a distillery retail outlet agent for purposes of retailing only distilled liquor that the licensee manufactured in Oregon at locations where tastings are permitted under paragraph (a) of this subsection or subsection (4)(a) of this section.

"(3) Notwithstanding ORS 471.392 to 471.400, a distillery licensee may also
hold a full on-premises sales license for a location at the licensed premises
of the distillery and a full on-premises sales license for one other location.
All distilled spirits sold under the full on-premises sales license must be
purchased from the commission.

"(4)(a) A distillery licensee that holds a special events distillery license may conduct an event on a premises at a designated location other than the location set forth in the distillery license for a period not exceeding five days. A distillery licensee conducting an event may: "(A) Permit tastings of distilled liquor manufactured by the distillery.

"(B) Permit sales by the drink of distilled liquor manufactured by
 the distillery.

"(C) If the distillery licensee has been appointed as a distillery retail
outlet agent under subsection (2)(c) of this section, sell factory sealed
containers of distilled liquor manufactured by the distillery for consumption off the licensed premises of the event.

1 "(b) A distillery licensee that holds a special events distillery li-2 cense:

"(A) Must purchase distilled liquor that the licensee uses for conducting tastings at the event from the commission at the price set by
the commission for distilled liquor removed from bond for tastings.

"(B) Must purchase distilled liquor that the licensee uses for sales
by the drink at the event at the retail price set by the commission for
the month in which the distilled liquor is sold by the drink.

9 "(C) Must purchase distilled liquor that the licensee sells in factory
10 sealed containers at the event at the retail price set by the commission
11 for the month in which the licensee makes the purchase.

"(D) Must sell distilled liquor described in subparagraph (C) of this
paragraph at the retail price set by the commission for the month in
which the licensee makes the sale.

"SECTION 2. This 2012 Act being necessary for the immediate
 preservation of the public peace, health and safety, an emergency is
 declared to exist, and this 2012 Act takes effect on its passage.".

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