

HB 3386 STAFF MEASURE SUMMARY
House Committee On Economic Development

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Meeting Dates: 4/3

WHAT THE MEASURE DOES:

Identifies types of businesses eligible to deliver distilled liquor, malt beverages, wine, or cider to persons taking possession for personal or social use at a residential address. Defines terms. Creates for-hire carrier permit that allows holder to deliver alcoholic beverages to final consumer at residential address and use Internet or mobile applications to facilitate the sale for delivery of alcoholic beverages. Set certain requirements of for-hire carrier permit holders and premises for business operations. Requires Oregon Liquor Control Commission to adopt rules to limit amount of alcoholic beverages that for-hire carrier delivers at the same residential address on purchase or next business day. Prohibits for-hire carrier from warehousing alcoholic beverages. Allows for-hire carrier to charge liquor store agent, eligible business, or final consumer a fee for delivery of alcoholic beverages. Sets sanctions and penalties for violations by for-hire carrier. Sets for-hire carrier annual fee at \$500 with no bond requirement.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Oregon Liquor Control Commission (OLCC) oversees the sale of alcoholic beverages and recreational marijuana to allow access to responsible adults while protecting Oregon’s public health, safety, and community livability. The OLCC was created in 1933 during a special session of the Legislative Assembly following the end of national prohibition. Oregon chose a “control” system, giving the state the exclusive right to sell packaged distilled spirits through retail liquor stores operated by contracted agents, and is one of seventeen states that sell distilled spirits through government-operated stores or designated outlets that the state supervises under a sales agent contract. The OLCC manages and distributes distilled spirits, licenses and regulates businesses that sell and serve alcohol, and trains and issues permits for alcohol servers.

Legislation enacted in 2008 first allowed OLCC off-premises sales license holders to deliver wine or cider to Oregon residents after obtaining a direct shipper permit. Malt beverages were added in 2015. OLCC has adopted specific rules guiding the delivery of malt beverages, wine, or cider. OLCC rules also allow shipment of distilled spirits purchased in-person at a retail liquor store location to a resident of Oregon who is at least 21 years of age.

House Bill 3386 allows distilled liquor to be delivered to a final consumer at a residential address by a liquor store agent, for-hire carrier permit holder, or noncommercial provider. The measure allows malt beverages, wine, or cider to be delivered to a final consumer at a residential address by an eligible business (certain license types), for-hire carrier permit holder, or noncommercial provider. The measure creates a for-hire carrier permit, sets requirements for permit holder, and establishes sanctions and penalties for violations by a for-hire carrier.