

A-Engrossed
House Bill 3239

Ordered by the Senate June 18
Including Senate Amendments dated June 18

Sponsored by Representatives HELT, SMITH DB

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.

Removes limit on number of full on-premises sales licenses that distillery licensee may hold.
Removes minimum alcohol percentage requirement for distilled liquor.

Expands types of documents qualifying as acceptable proof of age for purchaser of alcoholic beverages.

A BILL FOR AN ACT

1
2 Relating to alcoholic beverages; amending ORS 471.130 and 471.230; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 471.130 is amended to read:

5 471.130. (1) All licensees and permittees of the Oregon Liquor Control Commission, before selling
6 or serving alcoholic liquor to any person about whom there is any reasonable doubt of the person's
7 having reached 21 years of age, shall require such person to produce one of the following pieces of
8 identification:

9 (a) The person's passport **issued by the United States or a foreign government.**

10 (b) The person's motor vehicle operator's license issued by this state or another state of the
11 United States.

12 (c) An identification card issued under ORS 807.400.

13 (d) A United States military identification card.

14 (e) An identification card issued by a federally recognized Indian tribe.

15 (f) Any other identification card issued by a state or territory of the United States that bears
16 a picture of the person, the name of the person, the person's date of birth and a physical description
17 of the person.

18 **(g) Proof of the person's participation in the Secure Electronic Network for Travelers**
19 **Rapid Inspection program operated by United States Customs and Border Protection, the**
20 **NEXUS program jointly operated by that agency and the Canada Border Services Agency,**
21 **or a successor to either of those programs that is recognized by the commission.**

22 (2) If a person does not have identification as described in subsection (1) of this section, the
23 permittee or licensee shall require such person to make a written statement of age and furnish ev-
24 idence of the person's true age and identity. The written statement of age shall be on a form fur-
25 nished or approved by the commission, including but not limited to the following information:

26
27

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 Date _____

2 I am 21 years of age or over. _____

3 Signature _____

4 Description of evidence in support of age and identity:

5 _____ Identification No. (if any) _____

6 _____ Identification No. (if any) _____

7 (Fill in information pertaining to any two or more pieces of evidence submitted by the person.)

8 I hereby certify that I have accurately recorded identification of the evidence submitted to
9 complete this form.

10 _____

11 Signature of permittee or licensee

12 A person under 21 years of age who knowingly misrepresents the person’s true age with the
13 intent of obtaining alcohol in violation of ORS chapter 471 may be subject to criminal penalties
14 under ORS 165.805.

15 _____

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17 **SECTION 2.** ORS 471.230 is amended to read:

18 471.230. (1) A distillery license allows the licensee to import, manufacture, distill, rectify, blend,
19 denature and store distilled liquor [*with an alcoholic content greater than 10 percent alcohol by vol-*
20 *ume*], to sell the distilled liquor to the Oregon Liquor Control Commission and to transport the
21 distilled liquor out of this state for sale outside this state. Distillery licensees may purchase and sell
22 distilled liquor from or to another distillery licensee in containers having a capacity greater than
23 one U.S. gallon for blending and manufacturing purposes. A distillery licensee may not sell any al-
24 coholic beverage within this state except to the commission or as provided in this section. However,
25 any agricultural producer or association of agricultural producers or the legal agents of an agri-
26 cultural producer or association of agricultural producers that manufactures and converts agricul-
27 tural surpluses, by-products and wastes into denatured ethyl and industrial alcohol for use in the
28 arts and industry are not required to obtain a license from the commission.

29 (2) If a distillery licensee holds a valid distilled spirits plant basic permit issued by the federal
30 Alcohol and Tobacco Tax and Trade Bureau for the licensed premises, the distillery licensee may:

31 (a) Permit tastings of distilled liquor approved by the commission for sale in Oregon and manu-
32 factured in Oregon by the distillery licensee or by another distillery licensee. Tastings may be of
33 the distilled liquor alone or with a mix of other liquids. If any of the other liquids are distilled li-
34 quors, they must be distilled liquors on the list of products approved by the commission for retail
35 sale in Oregon and must be purchased by the licensee at the retail price established by the com-
36 mission. This paragraph does not authorize sales by the drink of distilled liquor. The tastings may
37 be conducted on the licensed premises of the distillery and at no more than five other premises
38 owned or leased by the licensee. The commission may allow more than one distillery licensee to use
39 the same premises at the same time for conducting tastings if the premises are a primary production
40 location and the licensees share the premises or are owned by the same entity. If the manufacturer
41 of the distilled liquor obtains distilled liquor for conducting tastings from the inventory of the
42 commission, the licensee shall pay the commission a processing fee.

43 (b) Obtain a special events distillery license.

44 (c) Apply for appointment by the commission as a distillery retail outlet agent for purposes of
45 retailing distilled liquor at locations where tastings are permitted under paragraph (a) of this sub-

1 section or subsection (4)(a) of this section. A distillery retail outlet agent may sell at locations
 2 where tastings are allowed under paragraph (a) of this subsection only distilled liquor that is on the
 3 list of products approved by the commission for retail sale in Oregon and is manufactured in Oregon
 4 by the distillery licensee or by another distillery licensee that uses the same premises as a primary
 5 production location or is owned by the same entity as the distillery licensee.

6 (3) Notwithstanding ORS 471.392 to 471.400, a distillery licensee may [*also hold a full on-premises*
 7 *sales license for a location at the licensed premises of the distillery and a full on-premises sales license*
 8 *for one other location*] **hold one or more full on-premises sales licenses**. All distilled liquor sold
 9 under [*the*] **a full on-premises sales license** must be purchased from the commission.

10 (4) A distillery licensee that holds a special events distillery license may conduct an event on
 11 premises designated in the special events distillery license. Except as provided in this subsection,
 12 a special events distillery license may be valid for a period not exceeding five days. The commission
 13 shall limit the approval of special events distillery licenses for a distillery licensee at the same lo-
 14 cation to not more than 62 days during a calendar year. A distillery licensee conducting a special
 15 event may:

16 (a) Permit tastings of distilled liquor approved by the commission for sale in Oregon and manu-
 17 factured in Oregon by the distillery licensee. Tastings may be of the distilled liquor alone or with
 18 a mix of other liquids. If any of the other liquids are distilled liquors, they must be distilled liquors
 19 on the list of products approved by the commission for retail sale in Oregon and must be purchased
 20 by the licensee at the retail price established by the commission. If the manufacturer of the distilled
 21 liquor obtains distilled liquor for conducting tastings from the inventory of the commission, the
 22 licensee shall pay the commission a processing fee.

23 (b) Permit sales by the drink of distilled liquor. A drink that a distillery licensee sells under this
 24 paragraph must include distilled liquor that the licensee manufactured in Oregon. Any distilled li-
 25 quor contained in the drink must be on the list of products approved by the commission for retail
 26 sale in Oregon. The distillery licensee selling the drink must purchase all distilled liquor contained
 27 in the drink at the retail price set by the commission for the month in which the drink is sold.

28 (c) If the distillery licensee has been appointed as a distillery retail outlet agent under sub-
 29 section (2)(c) of this section, sell distilled liquor in factory-sealed containers for consumption off the
 30 licensed premises. A distillery retail outlet agent may sell at a location where tastings are allowed
 31 under paragraph (a) of this subsection only distilled liquor that is on the list of products approved
 32 by the commission for retail sale in Oregon and is manufactured in Oregon by the distillery licensee.
 33 The distillery retail outlet agent must sell the distilled liquor at the retail price set by the com-
 34 mission for the month of sale.

35 **SECTION 3. This 2019 Act being necessary for the immediate preservation of the public**
 36 **peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect**
 37 **on its passage.**

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