

Requested by Senator BEYER (at the request of the Oregon Liquor Control Commission)

**PROPOSED AMENDMENTS TO
SENATE BILL 108**

1 In line 2 of the printed bill, delete the period and insert “; creating new
2 provisions; and amending ORS 471.730, 471.745, 471.805 and 471.990.”.

3 Delete lines 4 through 7 and insert:

4 **“SECTION 1. Section 2 of this 2019 Act is added to and made a part
5 of ORS chapter 471.**

6 **“SECTION 2. (1) The Oregon Liquor Control Commission shall es-
7 tablish separately:**

8 **“(a) A compensation schedule for distillery retail outlet agents ap-
9 pointed under ORS 471.230.**

10 **“(b) A compensation schedule for agents appointed under ORS
11 471.750.**

12 **“(2) The compensation schedule for distillery retail outlet agents
13 established under subsection (1)(a) of this section shall provide for
14 compensation that is a graduated percentage of the sales of distilled
15 liquors that is inversely related to the amount of gross sales of dis-
16 tilled liquors on a periodic basis.**

17 **“SECTION 3. (1) In each biennium, the Oregon Liquor Control
18 Commission shall, in its agency request budget filed under ORS
19 291.208, designate separate expenditure limitations for each compen-
20 sation schedule established under section 2 of this 2019 Act.**

21 **“(2) The commission’s proposed expenditure limitation for the**

1 **compensation schedule for distillery retail outlet agents appointed**
2 **under ORS 471.230 must be based on forecasted biennial sales. If actual**
3 **sales exceed forecasted sales, the commission shall report to the Leg-**
4 **islative Fiscal Office the need for an increase in expenditure limita-**
5 **tion.**

6 **“SECTION 4.** ORS 471.730 is amended to read:

7 “471.730. The function, duties and powers of the Oregon Liquor Control
8 Commission include the following:

9 “(1) To control the manufacture, possession, sale, purchase, transporta-
10 tion, importation and delivery of alcoholic liquor in accordance with the
11 provisions of this chapter and ORS 474.105 and 474.115.

12 “(2) To grant, refuse, suspend or cancel licenses and permits for the sale
13 or manufacture of alcoholic liquor, or other licenses and permits in regard
14 thereto, and to permit, in its discretion, the transfer of a license of any
15 person.

16 **“(3) To set wholesale prices at which alcoholic liquors containing**
17 **over five percent alcohol by volume may be supplied to agents ap-**
18 **pointed under this chapter.**

19 “[3] (4) To collect the taxes and duties imposed by statutes relating to
20 alcoholic liquors, and to issue, and provide for cancellation, stamps and
21 other devices as evidence of payment of such taxes or duties.

22 “[4] (5) To investigate and aid in the prosecution of every violation of
23 statutes relating to alcoholic liquors, to seize alcoholic liquor manufactured,
24 sold, kept, imported or transported in contravention of this chapter and ORS
25 474.105 and 474.115, and apply for the confiscation thereof, whenever required
26 by statute, and cooperate in the prosecution of offenders before any court
27 of competent jurisdiction.

28 “[5] (6) To adopt such regulations as are necessary and feasible for
29 carrying out the provisions of this chapter and ORS 474.105 and 474.115 and
30 to amend or repeal such regulations. When such regulations are adopted they

1 shall have the full force and effect of law.

2 “[~~(6)~~] (7) To exercise all powers incidental, convenient or necessary to
3 enable it to administer or carry out any of the provisions of this chapter and
4 ORS 474.105 and 474.115.

5 “[~~(7)~~] (8) To control, regulate and prohibit any advertising by manufac-
6 turers, wholesalers or retailers of alcoholic liquor by the medium of news-
7 papers, letters, billboards, radio or otherwise.

8 “[~~(8)~~] (9) To sell, license, regulate and control the use of alcohol for sci-
9 entific, pharmaceutical, manufacturing, mechanical, industrial and other
10 purposes, and to provide by regulation for the sale thereof for such uses.

11 **“SECTION 5.** ORS 471.745 is amended to read:

12 “471.745. (1)(a) The Oregon Liquor Control Commission shall fix the
13 **wholesale** prices at which alcoholic liquors containing over five percent al-
14 cohol by volume may be [*purchased from it, and*] **supplied from the com-**
15 **mission to an agent appointed under ORS 471.750 or to a distillery**
16 **retail outlet agent appointed under ORS 471.230.**

17 **“(b) The agent may fix the retail prices of the alcoholic liquors**
18 **supplied from the commission at retail prices that are no more than**
19 **___ percent of the wholesale prices fixed by the commission.**

20 **“(c) The agent shall retain the difference between the retail prices**
21 **and the wholesale prices of the daily gross receipts from retail sales**
22 **of alcoholic liquors by the agent.**

23 **“(2) The commission** has power to bottle, blend, rectify, manufacture
24 or sell alcoholic liquors for itself, or for or to any person or commission
25 within or without this state.

26 **“SECTION 6.** ORS 471.805 is amended to read:

27 “471.805. (1) Except as otherwise provided in subsection (3) of this section
28 and ORS 471.810 (2), all money collected by the Oregon Liquor Control
29 Commission under this chapter and ORS chapter 473 and privilege taxes
30 shall be remitted to the State Treasurer who shall credit it to a suspense

1 account of the commission. Whenever the commission determines that mon-
2 eys have been received by it in excess of the amount legally due and payable
3 to the commission or that it has received money to which it has no legal
4 interest, or that any license fee or deposit is properly refundable, the com-
5 mission is authorized and directed to refund such money by check drawn
6 upon the State Treasurer and charged to the suspense account of the com-
7 mission. After withholding refundable license fees and such sum, not to ex-
8 ceed \$250,000, as it considers necessary as a revolving fund for a working
9 cash balance for the purpose of paying travel expenses, advances, other
10 miscellaneous bills and extraordinary items which are payable in cash im-
11 mediately upon presentation, the commission shall direct the State Treasurer
12 to transfer the money remaining in the suspense account to the Oregon Li-
13 quor Control Commission Account in the General Fund. Moneys in the
14 Oregon Liquor Control Commission Account are continuously appropriated
15 to the commission to be distributed and used as required or allowed by law.

16 “(2) All necessary expenditures of the commission incurred in carrying
17 out the purposes required of the commission by law, including the salaries
18 of its employees, purchases made by the commission and such sums necessary
19 to reimburse the \$250,000 revolving fund, shall be audited and paid from the
20 Oregon Liquor Control Commission Account in the General Fund, upon
21 warrants drawn by the Oregon Department of Administrative Services, pur-
22 suant to claims duly approved by the commission.

23 “(3) Moneys from the retail sale of distilled liquor that are being held by
24 an agent appointed under ORS 471.750 or by a distillery retail outlet agent
25 appointed under ORS 471.230 are not subject to ORS 295.001 to 295.108 if the
26 agent has on deposit with the commission an amount equaling or exceeding
27 an amount the commission, in its discretion, deems to be reasonable and
28 sufficient and to be not less than **the wholesale share of** the average daily
29 gross receipts from retail sales of distilled liquor by the agent. The commis-
30 sion shall remit moneys deposited with the commission under this subsection

1 to the State Treasurer for deposit to a separate reserve account of the com-
2 mission. Moneys in the reserve account are not revenue of the commission
3 for purposes of ORS 221.770. The commission shall return the deposit, and
4 any interest earned on the deposit, if the appointment of the agent termi-
5 nates and the agent has forwarded to the commission all moneys owed the
6 commission from retail sales of distilled liquor by the agent.

7 **“SECTION 7.** ORS 471.990 is amended to read:

8 “471.990. (1) Except where other punishment is specifically provided for,
9 violation of any provision of this chapter and ORS 474.105 and 474.115 is a
10 Class A misdemeanor.

11 “(2) A second or subsequent violation of ORS 471.440 is a Class C felony.

12 “(3) Subject to ORS 153.022, violation of any regulation promulgated un-
13 der ORS 471.730 [(5)] (6) is a Class C violation.

14 **“SECTION 8. The amendments to ORS 471.730, 471.745, 471.805 and**
15 **471.990 by sections 4 to 7 of this 2019 Act become operative on July 1,**
16 **2021.**

17 **“SECTION 9. The Oregon Liquor Control Commission may take any**
18 **action before the operative date specified in section 8 of this 2019 Act**
19 **that is necessary for the commission to exercise, on or after the op-**
20 **erative date specified in section 8 of this 2019 Act, all of the duties,**
21 **functions and powers conferred on the commission by the amendments**
22 **to ORS 471.730, 471.745, 471.805 and 471.990 by sections 4 to 7 of this 2019**
23 **Act.”.**

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