

Requested by Representative DOHERTY

**PROPOSED AMENDMENTS TO
HOUSE BILL 3386**

1 On page 1 of the printed bill, line 2, after “471.311” delete the rest of the
2 line and insert “, 471.322 and 471.750.”.

3 Delete lines 4 through 30 and delete pages 2 through 5 and insert:

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

6 **“SECTION 2. As used in sections 2 to 5 of this 2019 Act:**

7 **“(1) ‘Eligible business’ means the holder of:**

8 **“(a) An off-premises sales license issued under ORS 471.186;**

9 **“(b) A brewery-public house license issued under ORS 471.200;**

10 **“(c) A brewery license issued under ORS 471.221;**

11 **“(d) A winery license issued under ORS 471.223; or**

12 **“(e) A grower sales privilege license issued under ORS 471.227.**

13 **“(2) ‘Final consumer’ means a person taking possession of alcoholic**
14 **beverages for personal or social use, and not for resale.**

15 **“(3) ‘Liquor store agent’ means an Oregon Liquor Control Com-**
16 **mission agent appointed under ORS 471.750 to operate a store.**

17 **“(4) ‘Noncommercial provider’ means a person that delivers alco-**
18 **holic beverages to a final consumer at a residential address without**
19 **receiving any direct or indirect financial consideration for the alco-**
20 **holic beverages or delivery of the alcoholic beverages.**

21 **“(5) ‘Residential address’ means a place:**

1 “(a) That has a street address; and

2 “(b) That is used as a residence or for carrying on a business that
3 is not regulated under this chapter.

4 “SECTION 3. (1) An alcohol delivery service permit allows the per-
5 mit holder to operate a digital network in this state that provides the
6 means by which a driver is dispatched to take possession of alcoholic
7 liquor from an eligible business and deliver the alcoholic liquor on the
8 same day to the final consumer at a residential address.

9 “(2) An alcohol delivery service permit holder, a driver or an em-
10 ployee or agent acting for the permit holder, may not:

11 “(a) Hold any other license, permit or certificate under this chapter
12 or be a manufacturer of alcoholic liquor whose products are sold in
13 this state;

14 “(b) Sell alcoholic liquor;

15 “(c) Store alcoholic liquor; or

16 “(d) Transfer possession of alcoholic liquor to an individual who is
17 under 21 years of age.

18 “(3) The use of a commercial motor vehicle as defined in ORS
19 801.208, a vehicle described in ORS 825.020 or a commercial vehicle
20 registered under ORS chapter 826 to transport or deliver alcoholic li-
21 quor does not require an alcohol delivery service permit.

22 “SECTION 4. A common carrier permit allows a commercial trans-
23 porter of goods to deliver alcoholic liquor that a direct shipper permit
24 holder has entrusted to the transporter to a final consumer at a resi-
25 dential address. A permit is valid for all premises operated in this state
26 by the permit holder and for all deliveries of alcoholic liquor to a final
27 consumer at a residential address made through those premises.

28 “SECTION 5. (1) Distilled liquor may be delivered to a final con-
29 sumer at a residential address in this state only by a liquor store
30 agent, alcohol delivery service permit holder or noncommercial pro-

1 **vider.**

2 **“(2) Malt beverages, wine and cider may be delivered to a final**
3 **consumer at a residential address only by an eligible business, alcohol**
4 **delivery service permit holder, common carrier permit holder, direct**
5 **shipper permit holder or noncommercial provider.**

6 **“(3) Subsections (1) and (2) of this section do not authorize any de-**
7 **livery in violation of a requirement, condition, restriction or prohibi-**
8 **tion imposed under this chapter or Oregon Liquor Control Commission**
9 **rules.**

10 **“(4) A delivery of alcohol by an alcohol delivery service permit**
11 **holder is subject to any requirement, condition, restriction or prohi-**
12 **bition imposed on the delivery under this chapter or commission rules.**

13 **“(5) An alcohol delivery service permit must identify a business**
14 **address that the permit holder has registered with the Secretary of**
15 **State. The commission may charge a fee for an alcohol delivery service**
16 **permit. An alcohol delivery service permit is valid for all premises that**
17 **the holder operates in connection with the permit. An alcohol delivery**
18 **service permit holder may not operate any premises in connection**
19 **with the permit at the same street address as a liquor store, a prem-**
20 **ises licensed under this chapter or a place used for the activities of a**
21 **business licensed under ORS 475B.070, 475B.090, 475B.100 or 475B.105.**

22 **“(6)(a) An alcohol delivery service permit holder may deliver:**

23 **“(A) Distilled liquor under the permit only if the distilled liquor is**
24 **in factory-sealed containers.**

25 **“(B) Malt beverage, wine or cider under the permit only if the malt**
26 **beverage, wine or cider is in factory-sealed containers or containers**
27 **sealed by the eligible business.**

28 **“(b) A shipment delivery permit holder may deliver malt beverage,**
29 **wine or cider under the permit only if the malt beverage, wine or cider**
30 **is in factory-sealed containers.**

1 **“(7) The commission may adopt rules to limit the amount that an**
2 **alcohol delivery service permit holder delivers to the same residential**
3 **address in a single day. The commission may prohibit an alcohol de-**
4 **livery service permit holder from delivering alcohol for an eligible**
5 **business during hours that the eligible business is not open for the**
6 **selling of alcohol.**

7 **“(8) An alcohol delivery service permit holder may charge a liquor**
8 **store agent, eligible business or final consumer a fee for delivering**
9 **alcoholic beverages. Except as provided under this subsection, an al-**
10 **cohol delivery service permit holder may not sell alcoholic beverages.**
11 **This subsection does not prohibit a retail licensee as defined in ORS**
12 **471.392 that holds an interest in an alcohol delivery service permit**
13 **holder from selling alcoholic beverages as authorized by that retail li-**
14 **cence.**

15 **“(9) An alcohol delivery service permit does not make the permit**
16 **holder a manufacturer, wholesaler or retail licensee for purposes of**
17 **ORS 471.392 to 471.400.**

18 **“(10) If an alcohol delivery service permit holder or a driver for the**
19 **permit holder commits a violation of this chapter in delivering alcohol**
20 **under the permit or violates any requirements, condition, restriction**
21 **or prohibition imposed on the delivery under this chapter or commis-**
22 **sion rules, the commission may impose sanctions under ORS 471.315**
23 **or 471.322 against, or require corrective actions by, the permit holder.**
24 **Notwithstanding ORS 471.344, the commission may allow, or may re-**
25 **quire as a corrective action under this subsection, that an alcohol de-**
26 **livery service permit holder or a driver for the permit holder attend**
27 **responsible vendor program training under ORS 471.344.**

28 **“SECTION 6. ORS 471.311 is amended to read:**

29 **“471.311. (1) Any person desiring a license or renewal of a license under**
30 **this chapter shall make application to the Oregon Liquor Control Commis-**

1 sion upon forms to be furnished by the commission showing the name and
2 address of the applicant, location of the place of business that is to be op-
3 erated under the license, and such other pertinent information as the com-
4 mission may require. A license may not be granted or renewed until the
5 applicant has complied with the provisions of this chapter and the rules of
6 the commission.

7 “(2) The commission may reject any application that is not submitted in
8 the form required by rule. The commission shall give applicants an opportu-
9 nity to be heard if an application is rejected. A hearing under this subsection
10 is not subject to the requirements for contested case proceedings under ORS
11 chapter 183.

12 “(3) The commission shall charge an application fee, not to exceed \$150,
13 to process an application for the issuance of a new license under this chapter
14 or a license following a change in ownership. The application fee applies
15 only to an application for a class of license having an annual license fee.
16 The application fee is nonrefundable, except that the commission shall refund
17 the fee if the applicant completes, submits and maintains an application and
18 the commission does not, on or before 75 days following receipt of the com-
19 pleted application, propose that the license be granted, granted with condi-
20 tions or refused. The commission shall adopt rules to:

21 “(a) Establish application fees by class of license; and

22 “(b) Define a completed application for purposes of this subsection.

23 “(4) Subject to subsection (5) of this section, the commission shall assess
24 a nonrefundable fee for processing a renewal application for any license au-
25 thorized by this chapter only if the renewal application is received by the
26 commission less than 20 days before expiration of the license. If the renewal
27 application is received prior to expiration of the license but less than 20 days
28 prior to expiration, the fee shall be 25 percent of the annual license fee. If
29 a renewal application is received by the commission after expiration of the
30 license but no more than 30 days after expiration, the fee shall be 40 percent

1 of the annual license fee. This subsection does not apply to a certificate of
2 approval, a brewery-public house license or any license that is issued for a
3 period of less than 30 days.

4 “(5) The commission may waive the fee imposed under subsection (4) of
5 this section if the commission finds that failure to submit a timely applica-
6 tion was due to unforeseen circumstances or to a delay in processing the
7 application by the local governing authority that is no fault of the licensee.

8 “(6) The license fee is nonrefundable and must be paid by each applicant
9 upon the granting or committing of a license. Subject to ORS 471.155 and
10 473.065, the annual or daily license fee and the minimum bond required of
11 each class of license under this chapter are as follows:

12 “ _____

	Minimum	
License	Fee	Bond
Brewery, including Certificate		
of Approval	\$ 500	\$ 1,000
Winery	\$ 250	\$ 1,000
Distillery	\$ 100	None
Wholesale Malt Beverage		
and Wine	\$ 275	\$ 1,000
Warehouse	\$ 100	\$ 1,000
Brewery-Public House,		
including Certificate		
of Approval	\$ 250	\$ 1,000
Limited On-Premises Sales	\$ 200	None
Off-Premises Sales	\$ 100	None
Temporary Sales	\$ 50 per day	
Grower sales privilege		
license	\$ 250	\$ 1,000
Special events brewery		

1 license \$ 10 per day
 2 Special events winery
 3 license \$ 10 per day
 4 Special events grower
 5 sales privilege
 6 license \$ 10 per day
 7 Special events
 8 brewery-public house
 9 license \$ 10 per day
 10 Special events
 11 distillery
 12 license \$ 10 per day

13 “
 14 “(7) The fee for a certificate of approval or special certificate of approval
 15 granted under ORS 471.244 is nonrefundable and must be paid by each ap-
 16 plicant upon the granting or committing of a certificate of approval or spe-
 17 cial certificate of approval. No bond is required for the granting of a
 18 certificate of approval or special certificate of approval. Certificates of ap-
 19 proval are valid for a period commencing on the date of issuance and ending
 20 on December 31 of the fifth calendar year following the calendar year of is-
 21 suance. The fee for a certificate of approval is \$175. Special certificates of
 22 approval are valid for a period of 30 days. The fee for a special certificate
 23 of approval is \$10.

24 “(8) Except as provided in subsection (9) of this section, the annual li-
 25 cense fee for a full on-premises sales license is \$400. No bond is required for
 26 any full on-premises sales license.

27 “(9) The annual license fee for a full on-premises sales license held by a
 28 nonprofit private club as described in ORS 471.175 (8), or held by a nonprofit
 29 or charitable organization that is registered with the state, is \$200.

30 “(10) The annual fee for a wine self-distribution permit is \$100, and the

1 minimum bond is \$1,000.

2 “(11) **The annual fee for an alcohol delivery service permit or com-**
3 **mon carrier permit is \$500. No bond is required for an alcohol delivery**
4 **service permit or common carrier permit.**

5 “**SECTION 7.** ORS 471.322 is amended to read:

6 “471.322. (1) If a license issued under this chapter, **an alcohol delivery**
7 **service permit, a common carrier permit** or a service permit issued under
8 ORS 471.360 is suspended for a period of 30 days or less, the Oregon Liquor
9 Control Commission may impose against the affected licensee or permittee
10 in lieu of or in addition to the suspension a civil penalty fixed by the com-
11 mission in accordance with subsection (2) of this section if the commission
12 is satisfied that such a penalty in lieu of or in addition to suspension is
13 consistent with the purposes of the Liquor Control Act and the Oregon Dis-
14 tilled Liquor Control Act. Upon payment of the penalty in lieu of suspen-
15 sion, the commission shall cancel the suspension.

16 “(2) Except as provided in ORS 471.327, the penalty [*which*] **that** the
17 commission may impose [*pursuant to*] **under** subsection (1) of this section
18 against a licensee shall not be less than \$100 nor more than \$5,000. The
19 penalty [*which*] **that** the commission may impose [*pursuant to*] **under** sub-
20 section (1) of this section against a service permittee shall not be less than
21 \$25 nor more than \$500.

22 “(3) **The penalty that the commission may impose under subsection**
23 **(1) of this section against an alcohol delivery service permit holder or**
24 **common carrier permit holder shall not be less than \$100 or more than**
25 **\$500. However, the commission may impose a civil penalty against an**
26 **alcohol delivery service permit holder or common carrier permit**
27 **holder only if:**

28 “(a) **The common carrier or a driver for the alcohol delivery service**
29 **permit holder knowingly failed to acquire the signature of a person**
30 **over 21 years of age or older when delivering alcoholic liquor; and**

1 **“(b) The seller or shipper of the alcoholic liquor requires that a**
2 **common carrier or alcohol delivery service driver acquire the signa-**
3 **ture of a person over 21 years of age or older before delivering alco-**
4 **holic liquor sold or shipped to a final consumer in this state. As used**
5 **in this subsection, ‘final consumer’ has the meaning given that term**
6 **in section 2 of this 2019 Act.**

7 “[(3)] (4) Civil penalties under this section shall be imposed as provided
8 in ORS 183.745.

9 **“SECTION 8.** ORS 471.750 is amended to read:

10 “471.750. (1) The Oregon Liquor Control Commission shall establish such
11 stores and warehouses in such places in the state as in its judgment are re-
12 quired by public convenience or necessity, for the sale of spirituous liquors,
13 wines and other alcoholic liquors containing over five percent alcohol by
14 volume, in sealed containers for consumption off the premises. The commis-
15 sion shall keep on hand in such stores or warehouses such quantities and
16 kinds of alcoholic liquors as are reasonably required to supply the public
17 demand.

18 “(2) Any person qualified to purchase such liquors from the commission
19 has the right to present to the commission, or at any of its stores, an appli-
20 cation for any kind or brand of alcoholic liquor that the person may desire
21 and that may be manufactured or obtainable in any place in the United
22 States, and the commission shall obtain such liquor and sell it to the appli-
23 cant. The commission may not require that an application for a kind or
24 brand of alcoholic liquor include a commitment to purchase a minimum
25 amount of the liquor or require that a purchase be for more than one con-
26 tainer of a kind or brand of alcoholic liquor if the liquor:

27 “(a) Except as provided in subsection [(5)] (6) of this section, has a retail
28 sales price of \$30 or more per container;

29 “(b) Is available through a distributor in the United States that does not
30 require the commission to acquire more than one case of the distilled liquor

1 in a single transaction;

2 “(c) Is not regularly stocked by the commission; and

3 “(d) Is ordered in a 750 milliliter container size if available in that size.

4 “(3) The commission may not establish a store in any county or incorpo-
5 rated city of this state where a local prohibitory law is in effect. The com-
6 mission shall adopt rules governing advertising by stores operated by the
7 commission. The commission may appoint agents in the sale of said liquor
8 under such agreement as the commission may negotiate with said agents or
9 their representative.

10 “(4) Rules relating to advertising adopted by the commission under sub-
11 section (3) of this section shall allow signs and displays within its stores for
12 the purpose of supplying consumer information to customers, including but
13 not limited to discounts, sales and other specials. Commission discretion
14 with respect to those signs and displays shall be limited to regulation of the
15 content, size, number per brand, type and duration of the sign or display.
16 Signs and displays may be supplied by manufacturers, wholesalers or dis-
17 tributors, and may bear the name of a particular distillery, supplier or brand
18 of liquor. The use of signs and displays shall be optional with the agent ap-
19 pointed by the commission. Signs or displays authorized by the commission
20 may not be placed in positions within the store where the sign or display
21 would be readily visible from outside of the store.

22 **“(5) The commission shall allow the purchasing of alcoholic liquor**
23 **from its liquor stores by use of Internet or telephone. However, a li-**
24 **quor store must transfer possession of alcoholic liquor to a purchaser**
25 **in person or to a driver for an alcohol delivery service holding a permit**
26 **issued under section 3 of this 2019 Act.**

27 “[5] (6) The commission may annually adjust the price threshold estab-
28 lished in subsection (2)(a) of this section by a percentage equal to the per-
29 centage change in the Portland-Salem, OR-WA Consumer Price Index for All
30 Urban Consumers for All Items as published by the Bureau of Labor Statis-

1 tics of the United States Department of Labor. However, the commission may
2 not adjust the price threshold to be less than \$30.”

3
