

HB 4006 STAFF MEASURE SUMMARY

Carrier: Sen. Riley

Senate Committee On General Government and Emergency Preparedness

Action Date: 02/19/20

Action: Do pass.

Vote: 5-0-0-0

Yeas: 5 - Boquist, Girod, Golden, Monnes Anderson, Riley

Fiscal: No fiscal impact

Revenue: No revenue impact

Prepared By: C. Ross, Counsel

Meeting Dates: 2/19

WHAT THE MEASURE DOES:

Increases the period of time that an alcohol manufacturer or wholesaler may lease or furnish equipment to an alcohol retailer for a special event, from 10 to 14 days. Provides additional time for setup and removal from the event site. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Aligning with typical time frame of two weeks, for many festivals and other events
- Rationale for specifying time frame in statute

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Alcohol, recreational marijuana, and medical marijuana are strictly regulated industries. Oregon's Liquor Control Commission (OLCC) is responsible for regulating alcoholic beverages and recreational marijuana, from production through processing, transport, and sale. The OLCC also regulates medical products sold through retail marijuana stores to medical marijuana cardholders and enforces Oregon's Bottle Bill.

OLCC regulations separate alcohol manufacturers and distributors from retailers: manufacturers and wholesalers are prohibited from having any financial or ownership interest in a retail establishment, and may not give money, discounts, or other items of value to a retailer, with some exceptions. One such exception allows manufacturers and wholesalers to lease or furnish equipment to a retailer for a special event, for a period of 10 days for a reasonable fee.

House Bill 4006 modifies the exception that allows a manufacturer or wholesaler to lease or furnish equipment to a retailer for a special event, by increasing the duration from 10 to 14 days, and providing additional time for equipment setup and removal from the event site.