

## **HB 3245 -2, -3 STAFF MEASURE SUMMARY**

### **House Committee On General Government**

---

**Prepared By:** Caine Francis, LPRO Analyst

**Meeting Dates:** 3/25, 4/1, 4/6, 4/8, 4/13

---

#### **WHAT THE MEASURE DOES:**

Defines holder of an off-premises sales license, brewery-public house license, brewery license, winery license, grower sales privilege license, or direct shipper permit as an “eligible business.” Authorizes eligible business to deliver malt beverages, wine, or cider to a final consumer using a delivery person. Authorizes retail sales agent to deliver distilled liquor to a final consumer using a delivery person. Allows eligible business or retail sales agent to enter into written agreement with third party provider registered with the Oregon Liquor Control Commission (OLCC) to advertise alcoholic beverages for sale, accept orders, and deploy delivery person. Sets training requirements for delivery person including methods for inspecting photo identification and recognizing visible signs of intoxication. Authorizes OLCC to assess civil penalties and adopt rules. Takes effect 91<sup>st</sup> day following adjournment sine die.

#### **ISSUES DISCUSSED:**

##### **EFFECT OF AMENDMENT:**

-2 Replaces the measure. Directs Oregon Liquor Control Commission (OLCC) to establish by rule uniform standards for minor decoy operations to investigate any person delivering alcoholic beverages to consumers in the state for violations of laws prohibiting sale and delivery of alcoholic beverages to minors. Establishes Task Force on Third-Party Ecommerce Providers to study third-party ecommerce providers that operate software platforms to facilitate sales of alcoholic beverages over the internet. Requires task force submit report to the Legislative Assembly no later than June 20, 2022, and include findings on access to third-party ecommerce platforms, ecommerce transaction processing, data collection and retention, and the appropriate regulatory structure and impact of regulation by the OLCC on independent contractors that make deliveries of alcoholic beverages. Exempts motor carriers, freight forwarders, and air carriers from task force study. Declares emergency, effective upon passage.

-3 Replaces the measure. Directs Oregon Liquor Control Commission (OLCC) to establish by rule uniform standards for minor decoy operations to investigate any person delivering alcoholic beverages to consumers in the state for violations of laws prohibiting sale and delivery of alcoholic beverages to minors. Establishes Task Force on the Regulation and Enforcement of Alcohol Delivery by Third-Party Ecommerce Providers and requires membership to include holders of full on-premises license, limited on-premises license, and off-premises license that sell alcoholic beverages through third-party ecommerce providers. Requires task force membership also include representation by trade associations whose members include third-party delivery services operating in the state and an organization with expertise in training in the delivery of alcoholic beverages. Requires task force submit report to the Legislative Assembly no later than June 20, 2022, and include findings on best practices for age verification of consumers, the effectiveness of age verification systems currently in operation, ecommerce transaction flow processes, communication related to age verification between different entities and across, data collection and retention, and the appropriate regulatory structure and impact of regulation by the OLCC on independent contractors that make deliveries of alcoholic beverages. Clarifies that any information requested by or provided to the OLCC may be used only to inform the study of regulation and enforcement of alcohol delivery by third-party ecommerce providers as required of the task force. Exempts motor carriers, freight forwarders, and air carriers from task force study. Declares emergency, effective upon passage.

**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 advocates responsible alcohol consumption by managing and distributing distilled spirits, licensing and regulating businesses that sell and serve alcohol, and training and issuing permits for alcohol servers.

The OLCC issues licenses for the purposes of manufacturing, storing, distributing, and retailing distilled spirits, wine, cider, and malt beverages. Specific licenses, including an off-premises sales license, brewery-public house license, brewery license, winery license, grower sales privilege license, and a direct shipper permit, allow the holder to deliver malt beverages, wine, and cider to retail customers in the state. Deliveries may be made only to a person who is at least 21 years of age, for personal use and not for the purpose of resale, and must be made in containers that are conspicuously labeled with the words “Contains Alcohol: Signature of Person Age 21 Years or Older Required for Delivery.” Additionally, the carrier making the delivery must obtain the signature of the recipient of the malt beverages, wine or cider upon delivery, verify the recipient is at least 21 years of age by inspecting government-issued photo identification, and determine that the recipient is not visibly intoxicated at the time of delivery. The OLCC sells distilled spirits through approved retail liquor stores that are independently owned and operated by individuals or corporations. These owners are referred to as "retail sales agents" and are selected by the OLCC through a competitive application process.

House Bill 3245 defines the holder of an off-premises sales license, brewery-public house license, brewery license, winery license, grower sales privilege license, or direct shipper permit as an “eligible business” authorized to deliver malt beverages, wine, or cider to a final consumer using a delivery person. The measure also authorizes retail sales agents to deliver distilled liquor to a final consumer using a delivery person. Additionally, the measure allows an eligible business or retail sales agent to enter into written agreement with an OLCC-registered third party provider to advertise alcoholic beverages for sale, accept orders, and deploy a delivery person. Finally, the measure sets training requirements for a delivery person and authorizes the OLCC to assess civil penalties and adopt rules.