SB 806-1 (LC 3361) 3/22/21 (CMT/ps)

Requested by Senator FREDERICK

## PROPOSED AMENDMENTS TO SENATE BILL 806

1 On <u>page 1</u> of the printed bill, line 2, after "471.001" insert ", 471.023, 2 471.223, 473.015".

3 On page 2, after line 31, insert:

4 **"SECTION 2.** ORS 471.023 is amended to read:

<sup>5</sup> "471.023. For the purposes of this chapter, 'cider' means an alcoholic <sup>6</sup> beverage made from the fermentation of the juice of apples or pears that <sup>7</sup> contains not more than 8.5 percent of alcohol by volume, including, but not <sup>8</sup> limited to, flavored, sparkling [or], carbonated **or fortified** cider.

9 **"SECTION 3.** ORS 471.223 is amended to read:

<sup>10</sup> "471.223. (1) As used in this section, 'control' means that the licensee:

11 "(a) Owns the brand under which the wine or cider is labeled; or

"(b) Performs or has the legal right to perform all of the acts common to a brand owner under the terms of a trademark license or similar agreement that for the brand under which the wine or cider is labeled has a term of at least three years.

16 "(2) A winery license shall allow the licensee:

"(a) To import wine or cider in containers that have a capacity of morethan four liters.

"(b) To import wine or cider in containers that have a capacity of four liters or less if the brand of wine or cider is under the control of the licensee. 1 "(c) To bottle, produce, blend, store, transport or export wines or cider.

"(d) To sell wines or cider at wholesale to the Oregon Liquor Control
Commission or to licensees of the commission.

4 "(e) To sell wines or cider at retail directly to the consumer for con-5 sumption on or off the licensed premises.

6 "(f) To sell malt beverages at retail for consumption on or off the licensed7 premises.

8 "(g) To sell for consumption off the premises malt beverages, wines and 9 cider in securely covered containers supplied by the consumer and having 10 capacities of not more than two gallons each.

"(h) To conduct under that license any activities described in paragraphs (a) to (g) of this subsection at five or fewer premises designated by the commission.

"(i) To purchase from or through the commission brandy or other distilled
 liquors for fortifying wines or cider.

"(j) To obtain a special events winery license that shall entitle the holder to conduct the activities allowed under paragraphs (e) to (g) of this subsection at a designated location other than the one set forth in the winery license for a period not to exceed five days.

"(3) A winery licensee shall allow a patron to remove a partially consumed bottle of wine from the licensed premises if the patron is not a minor and the patron is not visibly intoxicated.

"(4) Except as provided in subsection (5) of this section, in order to hold
a winery license the licensee shall:

"(a) Possess at a bonded premises within Oregon a valid producer and
blender basic permit issued by the federal Alcohol and Tobacco Tax and
Trade Bureau; or

"(b) Possess a valid wine blender or valid wholesaler basic permit issued
by the federal Alcohol and Tobacco Tax and Trade Bureau and have a written contract with a winery licensed under paragraph (a) of this subsection

that authorizes the winery to produce for the licensee a brand of wine or
cider that is under the control of the licensee.

"(5) Subsection (4) of this section does not apply if a licensee produces
only cider under the winery license.

5 "(6) A winery licensee may sell and ship malt beverages, wine or cider 6 directly to a resident of this state only if the licensee has a direct shipper 7 permit issued under ORS 471.282.

8 "(7) A winery licensee, or any person having an interest in the licensee, 9 may also hold a full on-premises sales license. If a winery licensee, or a 10 person having an interest in the licensee, also holds a full on-premises sales 11 license, the provisions of this chapter do not prevent the licensee or person 12 from both selling wine or cider bottled and produced under the winery li-13 cense and selling alcoholic liquor as authorized under the full on-premises 14 sales license.

15 "(8) More than one winery licensee may exercise the privileges of a 16 winery license at a single location. The commission may not refuse to issue 17 a winery license to a person for the production of wine or cider on specified 18 premises based on the fact that other winery licensees also produce wine or 19 cider on those premises.

"(9) If a winery licensee does not possess at a bonded premises within Oregon a valid producer and blender basic permit issued by the federal Alcohol and Tobacco Tax and Trade Bureau, the licensee may exercise the privileges described in this section only for wine and cider brands that are under the control of the licensee.

<sup>25</sup> "<u>SECTION 4.</u> ORS 473.015 is amended to read:

<sup>26</sup> "473.015. For the purposes of this chapter, 'cider' means an alcoholic <sup>27</sup> beverage made from the fermentation of the juice of apples or pears that <sup>28</sup> contains not less than one-half of one percent and not more than 8.5 percent <sup>29</sup> of alcohol by volume, including, but not limited to, flavored, sparkling [*or*], <sup>30</sup> carbonated **or fortified** cider.".

- 1 In line 32, delete "2" and insert "5".
- 2 On page 3, delete lines 9 through 11 and insert:
- "SECTION 6. The amendments to ORS 471.001, 471.023, 471.223,
  473.015 and 473.030 by sections 1 to 5 of this 2021 Act apply to the licensing, manufacture or distribution of alcoholic beverages occurring
  on or after January 1, 2022.".
  In line 12, delete "4" and insert "7".
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