SB 806-3 (LC 3361) 3/30/21 (CMT/ps)

Requested by Senator BEYER

## PROPOSED AMENDMENTS TO SENATE BILL 806

1 On page 1 of the printed bill, line 2, after "471.001" insert ", 471.274".

2 On page 2, line 11, delete "hard kombucha,".

3 After line 31, insert:

4 **"SECTION 2.** ORS 471.274 is amended to read:

"471.274. (1) The Oregon Liquor Control Commission may issue a wine
self-distribution permit to a United States manufacturer of wine or cider. The
commission may issue a wine self-distribution permit only to a manufacturer
of wine or cider that[:]

9 "[(a)] holds a license issued by another state that authorizes the manu-10 facture of wine or cider[; and].

11 "[(b) Holds a certificate of approval issued under ORS 471.244.]

"(2) The holder of a wine self-distribution permit may sell at wholesale and transport wine or cider that the manufacturer produces directly to the commission, or to retail licensees in the manner provided by this section. A wine self-distribution permit allows the holder to sell wine or cider that the holder produces only to retail licensees who hold a valid endorsement issued by the commission authorizing receipt of wine or cider from the holder of a wine self-distribution permit.

"(3) In addition to the information required by ORS 471.311 for licenses, an applicant for a wine self-distribution permit shall provide the commission with a copy of the license held by the applicant or with sufficient information to allow verification of the license by electronic means or other means acceptable to the commission. The applicant also shall provide the commission with any information required by the commission to establish that the license held by the applicant authorizes the manufacture of wine or cider.

5 "(4) A person holding a wine self-distribution permit is responsible for 6 paying all taxes imposed under ORS chapter 473, and for complying with all 7 reporting requirements imposed by ORS chapter 473, for all wine and cider 8 sold and transported to retail licensees in this state. The commission may 9 revoke, or refuse to issue, a wine self-distribution permit if the holder of a 10 permit fails to pay taxes or make reports as required by ORS chapter 473.

"(5) A retail licensee may receive wine or cider from the holder of a wine self-distribution permit only if the licensee has received prior authorization from the commission. Prior authorization under this subsection must be made by an endorsement to the license for the premises where the wine or cider will be received. The commission may not charge or collect a fee for an endorsement under this subsection.

"(6)(a) Except as provided in paragraph (b) of this subsection, a retail 17 licensee that receives wine or cider from holders of wine self-distribution 18 permits must make a monthly report to the commission, using a form pre-19 scribed by the commission, listing the amount of all wine or cider received 20from permit holders in the previous month, and the names of the permit 21holders from whom the wine or cider was received. Retail licensees shall 22retain such purchase records for products received from permit holders as 23may be required by the commission. 24

25 "(b) The holder of a full or limited on-premises sales license is not re-26 quired to file a report under this subsection for any month in which the 27 licensee receives two or fewer cases of wine from holders of wine self-28 distribution permits.

29 "(7) A manufacturer that is not licensed by the commission may sell and 30 transport wine or cider directly to a retail licensee, and a retail licensee may receive wine or cider directly from a manufacturer that is not licensed by
 the commission, only if the manufacturer holds a wine self-distribution per mit issued under this section.

"(8) The holder of a wine self-distribution permit consents to the jurisdiction of the commission and the courts of this state for the purpose of enforcing the provisions of this chapter, ORS chapter 473 and any related laws or rules.

"(9) The holder of a wine self-distribution permit must post a bond or
other security, as described in ORS 471.155.

"(10) The commission may revoke, or refuse to issue, a wine selfdistribution permit if the holder of a permit fails to comply with any provision of this section.".

In line 32, delete "2" and insert "3".

14 On page 3, delete lines 9 through 13 and insert:

"SECTION 4. (1) The amendments to ORS 471.001 and 473.030 by
 sections 1 and 3 of this 2021 Act apply to the manufacture or distrib ution of alcoholic beverages occurring on or after January 1, 2022.

"(2) The amendments to ORS 471.274 by section 2 of this 2021 Act
 apply to wine self-distribution permits issued on or after January 1,
 2022.

"<u>SECTION 5.</u> This 2021 Act takes effect on the 91st day after the
 date on which the 2021 regular session of the Eighty-first Legislative
 Assembly adjourns sine die.".

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