

ALCOHOL HOME DELIVERY PROTECTING CONSUMERS

Senate Committee on Labor and Business



February 2, 2023



US MARKET SHIFT TO DELIVERY NATIONAL PERSPECTIVE

Alcohol Delivery is Trending National

- 80% growth in online alcohol sales in the US in 2020
- Projected to reach \$40 billion by 2026
- 44% of shoppers bought alcohol online in 2020 (compared to 19% in 2019)
- 7% of total to go alcohol sales by 2024
- \$6.1 billion (~4% of all alcohol) in ecommerce sales in 2021



DELIVERY IN OREGON

WHO CAN DELIVER?



OLCC Licensees Delivery Status

- Bars & Restaurants: Wine, cider and malt beverages
- OR Distilleries may deliver distilled liquor they manufacture
- Full-On-Premises Sales licensees: Cocktails - 2021 (SB 317)

Other Companies involved in Delivery

- For-Hire Carriers
 - Businesses approved by the OLCC to deliver alcoholic beverages on behalf of Oregon licensees.
- Direct Shipper Permittees
 - Businesses permitted by the OLCC ship beer, wine or cider.
- E-Commerce Sales
 - Businesses involved with the promotion, marketing, and facilitation of sales of alcoholic beverages.

DELIVERY IN OREGON

THE CURRENT LANDSCAPE

Oregon has limited authority over delivery companies

- X Delivery driver training is not required
- X Delivery companies are not licensed
- X OLCC has limited authority to conduct minor decoy operations on delivery
- X OLCC cannot fine third party delivery companies in violation

EYES ON OREGON STUDY

THIRD PARTY DELIVERY



Purpose

- To assess alcohol delivery by third party carriers in Oregon

Study Questions

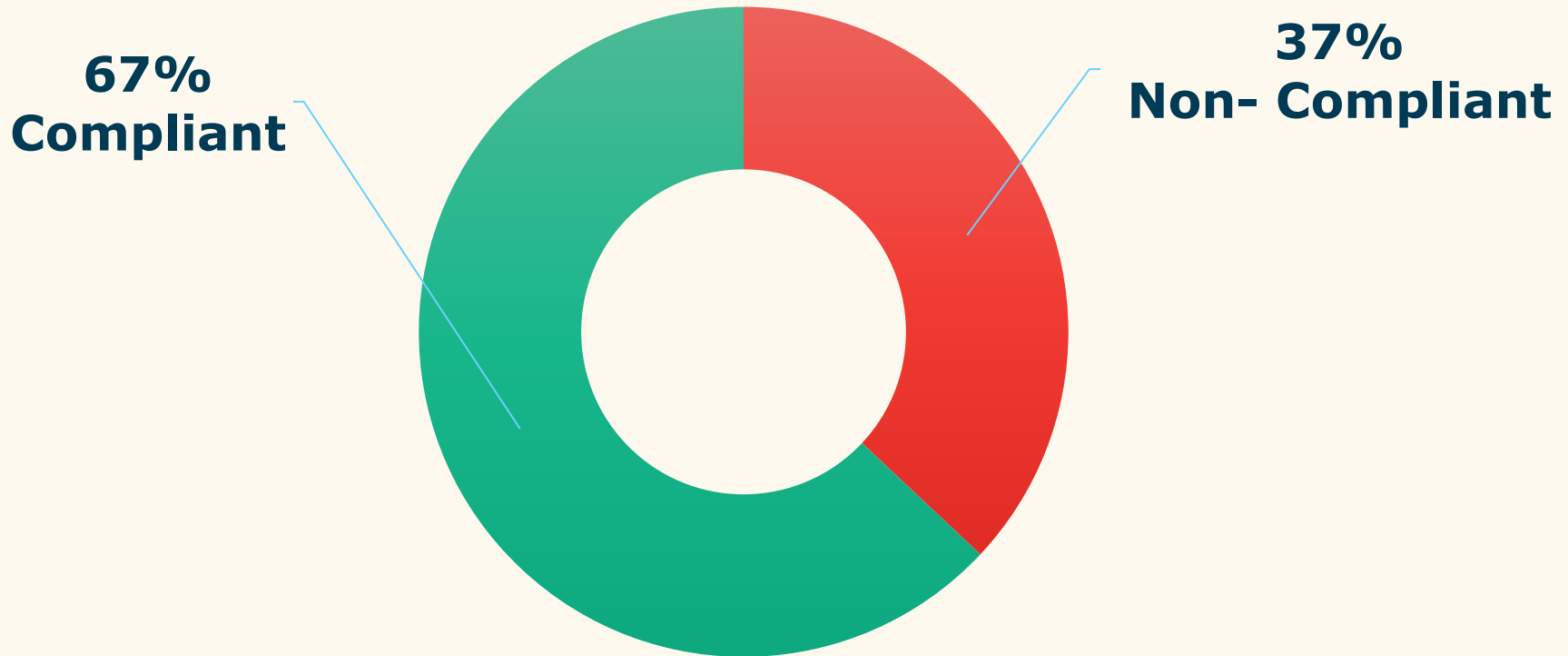
- Do unlicensed third parties have safe alcohol delivery policies that keep alcohol out of the hands of minors?
- Does the OLCC have the resources/authority to address identified needs?

Study Partners

- OHA Public Health; Multnomah & Washington County Departments of Health & Human Services; Big Village Coalition; University of Oregon – Housing Advisory Team; Oregon Alcohol & Drug Policy Comm.; Oregon State Police; McMenemy's Pubs & Breweries

EYES ON OREGON STUDY COMPLIANCE OUTCOMES

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OLCC's point in time study found that ID checking compliance at the door does not meet OLCC's goal of 90% compliance

DELIVERY REGULATIONS

STATE BY STATE COMPARISON

Third Party Delivery Regulations	Oregon Today	Washington	California	Virginia	Mississippi	Alabama
Are third-party delivery companies (TPD) licensed/permitted?	X	X	X			
Are individual third-party delivery drivers required to be licensed/permitted?	X	X	X	X	X	X
Required training for TPD drivers?	X	X	X			
State training or approved in-house training?	X	X	X			
Are TPD companies liable?	X	X	X			
Are TPD drivers liable for unlawful delivery?						
Required ID Check for TPD delivery			X			
TPD labeling requirement?						
TPD recordkeeping requirement?			X			

ALCOHOL DELIVERY REGULATION LEGISLATION

Alcohol delivery regulation in Oregon has flaws

Aligning with other states

- Adopt best practices from national leaders in the regulation of home delivery

Collaboration Framework

- OLCC has worked closely with industry partners and public health stakeholders
- Prevent alcohol delivery to minors and intoxicated persons
- Continue to enable Oregon's industry to safely thrive

2023 Delivery Legislative Fixes

- ✓ Permits for third-party delivery companies
- ✓ Required delivery driver training approved by OLCC
- ✓ Explicit authority to conduct Minor Decoy Operations on alcohol deliveries
- ✓ Rulemaking authority for necessary adjustments to regulation

OLCC'S MISSION

Support businesses, public safety,
and community livability
through education and the enforcement
of liquor and marijuana laws.

Questions?

