

**HB 2502 STAFF MEASURE SUMMARY**

**House Committee On Economic Development and Small Business**

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**Prepared By:** Andrew Hendrie, LPRO Analyst

**Meeting Dates:** 2/9, 3/2

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**WHAT THE MEASURE DOES:**

Specifies type of change in system for selling containers of distilled liquor that qualifies liquor store operator for business loss compensation. Increases percentage of average annual gross distilled liquor sales to be paid as business loss compensation. Includes as source of moneys for business loss compensation percentage of average annual gross distilled liquor sales. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Currently, business loss compensation is triggered when distilled liquors sales are negatively impacted by a change in law that prohibits purchasing or selling distilled liquor. The law was established in response to proposals to change the state-controlled system for distilled liquor and the recognition that it would affect Oregon's liquor agents.

House Bill 2502 expands current law to include more circumstances that could result in the reduction of sales for a liquor store, triggering business loss compensation. If the current system were to change through legislative action or a vote of the public and these circumstances caused a reduction in sales for the current liquor stores, it would trigger a business loss payment. In addition, the measure Increases the percentage of average annual gross distilled liquor sales to be paid from 4 percent to 10 percent.