

Submitter: Oliver Coker

On Behalf Of:

Committee: House Committee On Economic Development and Small Business

Measure: HB2502

Good Afternoon Chair Bynum and Representatives,

Please SUPPORT HB2502!!

My name is Oliver Coker. I am the store owner of Keizer Liquor and Woodburn Liquor stores. I am writing you today in SUPPORT of HB 2502.

HB 2502 will expand current law to include more circumstances that could negatively impact liquor store owners in Oregon. 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, the liquor stores would trigger a business loss payment as outlined in the bill. The most probable situation would be a ballot measure that would privatize liquor retailing in Oregon. If a ballot measure were to pass, it would force most, if not all current stores to go out of business.

HB 2502 will expand on the current law that only includes a situation where the Commission is prohibited from purchasing or selling distilled liquor. HB 2502 adds: or otherwise changes the system in a manner that causes a reduction in sales of distilled liquor by a store owner. This bill is in response to a recently proposed ballot measure that would have changed the system significantly but still allowed the OLCC to participate in buying and selling distilled liquor. If that version of a ballot measure had passed the business loss compensation would not have been triggered. HB 2502 will cover more potential ways that the system could change thereby triggering the business loss compensation payment to store owners.

If the current laws around liquor retailing were to change, this will trigger a business loss compensation payment to the store owner. HB 2502 raises this business loss compensation from 4% to 10% of the average annual gross distilled liquor sales made by the store during the five years that preceded the system change.

Our stores have been a family investment. Over the years we have been liquor store owners, we have invested nearly \$750,000 to build stores that create a modern shopping experience. We did that with the trust the way Oregon sells distilled spirits would be kept whole. The uncertainty of market changes and the threat of privatization jeopardizes our small business investment. Many store owners sign a 10-year contract with the OLCC to sell distilled spirits. The increase of percent in business loss compensation will help recover our initial investment and future losses through the duration of our contract.

To experience a virtual tour of our Keizer location, please Google Keizer Liquor and see for yourself an example of a modern liquor store experience.

Please SUPPORT HB 2502 and help small business thrive.

Thank you,
Oliver Coker
Keizer Liquor
Woodburn Liquor