

HB 2120 STAFF MEASURE SUMMARY

House Committee On Economic Development, Small Business, and Trade

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Meeting Dates: 2/5, 3/26

WHAT THE MEASURE DOES:

The measure removes the requirement that liquor store sales classes be adjusted annually based on increases in the Consumer Price Index. It declares an emergency and is effective on passage.

- *FISCAL: May have fiscal impact, but no statement issued yet.*
- *REVENUE: May have revenue impact, but no statement issued yet.*

ISSUES DISCUSSED:

- Consumer Price Index increases impact on base compensation
- Retail liquor prices compared to rate of inflation
- Alternative ways to structure liquor store sales classes
- Data on the cost of liquor

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

ORS 471.753 governs retail sales agent compensation. It directs the Oregon Liquor and Cannabis Commission (OLCC) to compensate agents according to the store's class. There are ten classes, which are set based on the store's annual sales of alcoholic beverages. Under current statute, these classes are set to adjust annually based on increases in the Consumer Price Index, a measure of inflation. HB 2120 would remove this requirement, making the classes fixed.