

HB 2120 -1 STAFF MEASURE SUMMARY

House Committee On Economic Development, Small Business, and Trade

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Meeting Dates: 2/5, 3/31

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.

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:

-1 Changes the monthly base compensation for an agent for class two through ten stores.

Detailed Summary:

Sets the following monthly base compensation based on the class of the store:

- Class two store: increases from \$1,660 to \$1,954.
- Class three store: increases from \$1,920 to \$2,260.
- Class four store: increases from \$2,440 to \$2,873.
- Class five store: increases from \$2,700 to \$3,179.
- Class six store: increases from \$3,100 to \$3,650.
- Class seven store: increases from \$3,600 to \$4,238.
- Class eight store: increases from \$4,150 to \$4,886.
- Class nine store: increases from \$4,800 to \$5,651.
- Class ten store: increases from \$5,500 to \$6,475.

- *FISCAL: Fiscal impact issued.*
- *REVENUE: Revenue impact issued.*

BACKGROUND:

House Bill 2740 (2021) established a compensation schedule, a classification system, and monthly base compensation for retail sales agents of the Oregon Liquor and Cannabis Commission (OLCC). 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 (CPI), a measure of inflation. Agents receive a monthly base compensation, adjusted annually according to the CPI. The base compensation is determined based on the class of store operated by the agent. HB 2120 would remove the requirement that store classes adjust annually, making them fixed. The -1 amendment changes the base compensation amounts for class two through class ten stores.