

HB 2120 A STAFF MEASURE SUMMARY

House Committee On Economic Development, Small Business, and Trade

Action Date: 03/31/25

Action: Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)

Vote: 9-0-0-0

Yeas: 9 - Diehl, Dobson, Isadore, Lively, Nguyen D, Osborne, Skarlatos, Watanabe, Yunker

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

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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 changes the monthly base compensation for an agent for Class 2 through 10 stores. 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:

Changes the monthly base compensation for an agent for Class 2 through 10 stores.

Detailed Summary:

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

- Class 2 store: increases from \$1,660 to \$1,954.
- Class 3 store: increases from \$1,920 to \$2,260.
- Class 4 store: increases from \$2,440 to \$2,873.
- Class 5 store: increases from \$2,700 to \$3,179.
- Class 6 store: increases from \$3,100 to \$3,650.
- Class 7 store: increases from \$3,600 to \$4,238.
- Class 8 store: increases from \$4,150 to \$4,886.
- Class 9 store: increases from \$4,800 to \$5,651.
- Class 10 store: increases from \$5,500 to \$6,475.

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 10 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. Retail sales 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. House Bill 2120 A removes the requirement that store classes adjust annually, making them fixed. It also changes the base compensation amounts for Class 2 through Class 10 stores.