

Requested by Senator BEYER

**PROPOSED AMENDMENTS TO
SENATE BILL 1564**

1 On page 1 of the printed bill, delete lines 4 through 31 and delete pages
2 2 through 4 and insert:

3 **“SECTION 1. Sections 2 and 3 of this 2018 Act are added to and**
4 **made a part of ORS chapter 471.**

5 **“SECTION 2. (1) A distillery licensee under ORS 471.230 may apply**
6 **to the Oregon Liquor Control Commission for a tasting room permit.**
7 **The distillery licensee must be the sole owner of the tasting room.**
8 **Except as provided in this section, a tasting room permit allows the**
9 **distillery licensee to:**

10 **“(a) Conduct tastings of distilled liquor at the tasting room; and**

11 **“(b) Notwithstanding ORS 471.394 or 471.740, sell distilled liquor at**
12 **the tasting room in sealed containers at retail for off-premises con-**
13 **sumption.**

14 **“(2) A tasting room must conduct tastings on a year-round basis,**
15 **as defined by the commission by rule. A tasting offered at a tasting**
16 **room must include distilled liquor from one or more distillery premises**
17 **of the licensee. A distillery licensee may charge a fee for a tasting**
18 **offered at a tasting room. Distilled liquor used for tastings must be**
19 **purchased from the commission at the retail price set by the com-**
20 **mission.**

21 **“(3)(a) A distillery licensee may not operate a tasting room unless**

1 the licensee offers distilled liquor for sale at retail at the tasting room
2 under the permit. All distilled liquor sold at retail at a tasting room
3 under this subsection must be from a single distillery premises of the
4 licensee. Distilled liquor manufactured at a distillery premises may not
5 be sold at retail at more than one tasting room.

6 “(b) Annual sales of distilled liquor at retail under a tasting room
7 permit may not exceed \$250,000. A distillery licensee that sells distilled
8 liquor at retail at a tasting room shall charge the same price that the
9 commission sets for retail sale of that distilled liquor by liquor stores
10 for the month in which the sale occurs. The licensee must file monthly
11 reports of tasting room retail sales as provided by the commission by
12 rule.

13 “(c) A retail sale of distilled liquor under a tasting room permit is
14 a direct sale by the distillery licensee. The distillery licensee is not
15 considered to be an agent of the commission for purposes of ORS
16 471.752 with regard to the retail sale and is not entitled to compen-
17 sation from the commission for the sale. No part of the retail price
18 from the sale of distilled liquor under a tasting room permit is payable
19 by the licensee to the commission.

20 “(d) The privileges granted under this section to a distillery licensee
21 holding a tasting room permit are in addition to any privileges granted
22 to a distillery licensee under ORS 471.230. Except as provided by a rule
23 described in this subsection, a permit holder may not conduct tasting
24 or sales activities under authority of ORS 471.230 at a tasting room
25 premises. The commission may adopt rules to allow a distillery
26 licensee that has met the limit on tasting room retail sales in para-
27 graph (b) of this subsection to act under an appointment as a distillery
28 retail outlet agent under ORS 471.230 for the purpose of selling addi-
29 tional annual amounts of distilled liquor described in paragraph (a)
30 of this subsection at retail at the tasting room on behalf of the com-

1 **mission.**

2 **“(4) A distillery licensee that holds a tasting room permit issued**
3 **under this section may apply for a special events tasting room license.**
4 **A special events tasting room license allows the conducting of tasting**
5 **room activities on premises designated in the special events license.**
6 **The distillery licensee shall include distilled liquor sold at retail by the**
7 **tasting room at a special event in the monthly reported retail sales for**
8 **the tasting room. Except as provided in this subsection, a special**
9 **events tasting room license is valid for a period not exceeding five**
10 **days. The commission shall limit tasting room activities under a spe-**
11 **cial events license at the same location to not more than 62 days**
12 **during a calendar year.**

13 **“(5) In accordance with applicable provisions of ORS chapter 183,**
14 **the commission may adopt rules the commission deems reasonable or**
15 **necessary for the administration of this section.**

16 **“SECTION 3. (1) A holder of a certificate of approval under ORS**
17 **471.251 may apply to the Oregon Liquor Control Commission for a**
18 **tasting room permit. The certificate holder must be the sole owner of**
19 **the tasting room. Except as provided in this section, a tasting room**
20 **permit allows the certificate holder to:**

21 **“(a) Conduct tastings of distilled liquor at the tasting room; and**

22 **“(b) Notwithstanding ORS 471.394 or 471.740, sell distilled liquor at**
23 **the tasting room in sealed containers at retail for off-premises con-**
24 **sumption.**

25 **“(2) A tasting room must conduct tastings on a year-round basis,**
26 **as defined by the commission by rule. A tasting offered at a tasting**
27 **room must include distilled liquor from one or more distillery premises**
28 **of the manufacturer whose products are offered for sale at the tasting**
29 **room. A certificate holder may charge a fee for a tasting offered at a**
30 **tasting room. Distilled liquor used for tastings must be purchased**

1 from the commission at the retail price set by the commission.

2 “(3)(a) A certificate holder may not operate a tasting room unless
3 the certificate holder offers distilled liquor for sale at retail at the
4 tasting room under the permit. All distilled liquor sold at retail at a
5 tasting room under this subsection must be from a single distillery
6 premises. Distilled liquor manufactured at a distillery premises may
7 not be sold at retail at more than one tasting room, regardless of the
8 number of certificates of approval issued for the distilled liquor.

9 “(b) Annual sales of distilled liquor at retail under a tasting room
10 permit may not exceed \$250,000. A certificate holder that sells distilled
11 liquor at retail at a tasting room shall charge the same price that the
12 commission sets for retail sale of that distilled liquor by liquor stores
13 for the month in which the sale occurs. The certificate holder must
14 file monthly reports of tasting room retail sales as provided by the
15 commission by rule.

16 “(c) A retail sale of distilled liquor under a tasting room permit is
17 a direct sale by the certificate holder. The certificate holder is not
18 considered to be an agent of the commission for purposes of ORS
19 471.752 with regard to the retail sale and is not entitled to compen-
20 sation from the commission for the sale. No part of the retail price
21 from the sale of distilled liquor under a tasting room permit is payable
22 by the certificate holder to the commission.

23 “(4) A holder of a certificate of approval that holds a tasting room
24 permit issued under this section may apply for a special events tasting
25 room license. A special events tasting room license allows the con-
26 ducting of tasting room activities on premises designated in the special
27 events license. The certificate holder shall include distilled liquor sold
28 at retail by the tasting room at a special event in the monthly reported
29 retail sales for the tasting room. Except as provided in this subsection,
30 a special events tasting room license may be valid for a period not

1 **exceeding five days. The commission shall limit tasting room activities**
2 **under a special events license at the same location to not more than**
3 **62 days during a calendar year.**

4 **“(5) In accordance with applicable provisions of ORS chapter 183,**
5 **the commission may adopt rules the commission deems reasonable or**
6 **necessary for the administration of this section.**

7 **“SECTION 4.** ORS 471.311 is amended to read:

8 “471.311. (1) Any person desiring a license or renewal of a license under
9 this chapter shall make application to the Oregon Liquor Control Commis-
10 sion upon forms to be furnished by the commission showing the name and
11 address of the applicant, location of the place of business that is to be op-
12 erated under the license, and such other pertinent information as the com-
13 mission may require. A license may not be granted or renewed until the
14 applicant has complied with the provisions of this chapter and the rules of
15 the commission.

16 “(2) The commission may reject any application that is not submitted in
17 the form required by rule. The commission shall give applicants an opportu-
18 nity to be heard if an application is rejected. A hearing under this subsection
19 is not subject to the requirements for contested case proceedings under ORS
20 chapter 183.

21 “(3) The commission shall charge an application fee, not to exceed \$150,
22 to process an application for the issuance of a new license under this chapter
23 or a license following a change in ownership. The application fee applies
24 only to an application for a class of license having an annual license fee.
25 The application fee is nonrefundable, except that the commission shall refund
26 the fee if the applicant completes, submits and maintains an application and
27 the commission does not, on or before 75 days following receipt of the com-
28 pleted application, propose that the license be granted, granted with condi-
29 tions or refused. The commission shall adopt rules to:

30 “(a) Establish application fees by class of license; and

1 “(b) Define a completed application for purposes of this subsection.

2 “(4) Subject to subsection (5) of this section, the commission shall assess
3 a nonrefundable fee for processing a renewal application for any license au-
4 thorized by this chapter only if the renewal application is received by the
5 commission less than 20 days before expiration of the license. If the renewal
6 application is received prior to expiration of the license but less than 20 days
7 prior to expiration, the fee shall be 25 percent of the annual license fee. If
8 a renewal application is received by the commission after expiration of the
9 license but no more than 30 days after expiration, the fee shall be 40 percent
10 of the annual license fee. This subsection does not apply to a certificate of
11 approval, a brewery-public house license or any license that is issued for a
12 period of less than 30 days.

13 “(5) The commission may waive the fee imposed under subsection (4) of
14 this section if the commission finds that failure to submit a timely applica-
15 tion was due to unforeseen circumstances or to a delay in processing the
16 application by the local governing authority that is no fault of the licensee.

17 “(6) The license fee is nonrefundable and must be paid by each applicant
18 upon the granting or committing of a license. Subject to ORS 471.155 and
19 473.065, the annual or daily license fee and the minimum bond required of
20 each class of license under this chapter are as follows:

21 “ _____

License	Fee	Minimum	
		Bond	
Brewery, including Certificate			
of Approval	\$ 500	\$ 1,000	
Winery	\$ 250	\$ 1,000	
Distillery	\$ 100	None	
Wholesale Malt Beverage			
and Wine	\$ 275	\$ 1,000	
Warehouse	\$ 100	\$ 1,000	

1	Brewery-Public House,		
2	including Certificate		
3	of Approval	\$ 250	\$ 1,000
4	Limited On-Premises Sales	\$ 200	None
5	Off-Premises Sales	\$ 100	None
6	Temporary Sales	\$ 50 per day	
7	Grower sales privilege		
8	license	\$ 250	\$ 1,000
9	Special events brewery		
10	license	\$ 10 per day	
11	Special events winery		
12	license	\$ 10 per day	
13	Special events grower		
14	sales privilege		
15	license	\$ 10 per day	
16	Special events		
17	brewery-public house		
18	license	\$ 10 per day	
19	Special events		
20	distillery		
21	license	\$ 10 per day	
22	Special events		
23	tasting room		
24	license	\$ 10 per day	

25 “ _____

26 “(7) The fee for a certificate of approval or special certificate of approval

27 granted under ORS 471.244 is nonrefundable and must be paid by each ap-

28 plicant upon the granting or committing of a certificate of approval or spe-

29 cial certificate of approval. No bond is required for the granting of a

30 certificate of approval or special certificate of approval. Certificates of ap-

1 proval are valid for a period commencing on the date of issuance and ending
2 on December 31 of the fifth calendar year following the calendar year of is-
3 suance. The fee for a certificate of approval is \$175. Special certificates of
4 approval are valid for a period of 30 days. The fee for a special certificate
5 of approval is \$10.

6 “(8) Except as provided in subsection (9) of this section, the annual li-
7 cense fee for a full on-premises sales license is \$400. No bond is required for
8 any full on-premises sales license.

9 “(9) The annual license fee for a full on-premises sales license held by a
10 nonprofit private club as described in ORS 471.175 (8), or held by a nonprofit
11 or charitable organization that is registered with the state, is \$200.

12 “(10) The annual fee for a wine self-distribution permit is \$100, and the
13 minimum bond is \$1,000.

14 **“SECTION 5.** ORS 471.311, as amended by section 4 of this 2018 Act, is
15 amended to read:

16 “471.311. (1) Any person desiring a license or renewal of a license under
17 this chapter shall make application to the Oregon Liquor Control Commis-
18 sion upon forms to be furnished by the commission showing the name and
19 address of the applicant, location of the place of business that is to be op-
20 erated under the license, and such other pertinent information as the com-
21 mission may require. A license may not be granted or renewed until the
22 applicant has complied with the provisions of this chapter and the rules of
23 the commission.

24 “(2) The commission may reject any application that is not submitted in
25 the form required by rule. The commission shall give applicants an opportu-
26 nity to be heard if an application is rejected. A hearing under this subsection
27 is not subject to the requirements for contested case proceedings under ORS
28 chapter 183.

29 “(3) The commission shall charge an application fee, not to exceed \$150,
30 to process an application for the issuance of a new license under this chapter

1 or a license following a change in ownership. The application fee applies
2 only to an application for a class of license having an annual license fee.
3 The application fee is nonrefundable, except that the commission shall refund
4 the fee if the applicant completes, submits and maintains an application and
5 the commission does not, on or before 75 days following receipt of the com-
6 pleted application, propose that the license be granted, granted with condi-
7 tions or refused. The commission shall adopt rules to:

8 “(a) Establish application fees by class of license; and

9 “(b) Define a completed application for purposes of this subsection.

10 “(4) Subject to subsection (5) of this section, the commission shall assess
11 a nonrefundable fee for processing a renewal application for any license au-
12 thorized by this chapter only if the renewal application is received by the
13 commission less than 20 days before expiration of the license. If the renewal
14 application is received prior to expiration of the license but less than 20 days
15 prior to expiration, the fee shall be 25 percent of the annual license fee. If
16 a renewal application is received by the commission after expiration of the
17 license but no more than 30 days after expiration, the fee shall be 40 percent
18 of the annual license fee. This subsection does not apply to a certificate of
19 approval, a brewery-public house license or any license that is issued for a
20 period of less than 30 days.

21 “(5) The commission may waive the fee imposed under subsection (4) of
22 this section if the commission finds that failure to submit a timely applica-
23 tion was due to unforeseen circumstances or to a delay in processing the
24 application by the local governing authority that is no fault of the licensee.

25 “(6) The license fee is nonrefundable and must be paid by each applicant
26 upon the granting or committing of a license. Subject to ORS 471.155 and
27 473.065, the annual or daily license fee and the minimum bond required of
28 each class of license under this chapter are as follows:

29 “ _____

30 Minimum

1	License	Fee	Bond
2	Brewery, including Certificate		
3	of Approval	\$ 500	\$ 1,000
4	Winery	\$ 250	\$ 1,000
5	Distillery	\$ 100	None
6	Wholesale Malt Beverage		
7	and Wine	\$ 275	\$ 1,000
8	Warehouse	\$ 100	\$ 1,000
9	Brewery-Public House,		
10	including Certificate		
11	of Approval	\$ 250	\$ 1,000
12	Limited On-Premises Sales	\$ 200	None
13	Off-Premises Sales	\$ 100	None
14	Temporary Sales	\$ 50 per day	
15	Grower sales privilege		
16	license	\$ 250	\$ 1,000
17	Special events brewery		
18	license	\$ 10 per day	
19	Special events winery		
20	license	\$ 10 per day	
21	Special events grower		
22	sales privilege		
23	license	\$ 10 per day	
24	Special events		
25	brewery-public house		
26	license	\$ 10 per day	
27	Special events		
28	distillery		
29	license	\$ 10 per day	
30	[<i>Special events</i>		

1 *tasting room*

2 *license* *\$ 10 per day]*

3 “

4 “(7) The fee for a certificate of approval or special certificate of approval
5 granted under ORS 471.244 is nonrefundable and must be paid by each ap-
6 plicant upon the granting or committing of a certificate of approval or spe-
7 cial certificate of approval. No bond is required for the granting of a
8 certificate of approval or special certificate of approval. Certificates of ap-
9 proval are valid for a period commencing on the date of issuance and ending
10 on December 31 of the fifth calendar year following the calendar year of is-
11 suance. The fee for a certificate of approval is \$175. Special certificates of
12 approval are valid for a period of 30 days. The fee for a special certificate
13 of approval is \$10.

14 “(8) Except as provided in subsection (9) of this section, the annual li-
15 cense fee for a full on-premises sales license is \$400. No bond is required for
16 any full on-premises sales license.

17 “(9) The annual license fee for a full on-premises sales license held by a
18 nonprofit private club as described in ORS 471.175 (8), or held by a nonprofit
19 or charitable organization that is registered with the state, is \$200.

20 “(10) The annual fee for a wine self-distribution permit is \$100, and the
21 minimum bond is \$1,000.

22 **“SECTION 6. The amendments to ORS 471.311 by section 5 of this**
23 **2018 Act become operative January 2, 2022.**

24 **“SECTION 7. Sections 2 and 3 of this 2018 Act are repealed January**
25 **2, 2022.”**

26