

HOUSE AMENDMENTS TO HOUSE BILL 2731

By COMMITTEE ON BUSINESS AND LABOR

February 26

1 On page 4 of the printed bill, delete lines 15 through 45 and delete page 5.

2 On page 6, delete lines 1 through 3 and insert:

3 “**SECTION 4.** ORS 471.282 is amended to read:

4 “471.282. (1) Notwithstanding any other provision of this chapter and except as provided by ORS
5 471.186 (6), a person may sell and ship **malt beverages**, wine or cider directly to a resident of
6 Oregon only if the person holds a direct shipper permit. The Oregon Liquor Control Commission
7 shall issue a direct shipper permit only to:

8 “(a) A person that holds a license issued by this state or another state that authorizes the
9 manufacture of **malt beverages**, wine or cider;

10 “(b) A person that holds a license issued by this state or another state that authorizes the sale
11 of wine or cider produced only from grapes or other fruit grown under the control of the person;

12 “(c) A person that holds a license authorizing the sale of **malt beverages**, wine or cider at re-
13 tail; or

14 “(d) A nonprofit trade association that holds a temporary sales license under ORS 471.190 and
15 that has a membership primarily composed of persons holding winery licenses issued under ORS
16 471.223 or grower sales privilege licenses issued under ORS 471.227.

17 “**(2) The holder of a direct shipper permit that is a licensee of another state may deliver**
18 **malt beverages under the permit only if that other state makes direct shipper permits, or**
19 **the equivalent, available for the delivery of malt beverages by persons holding commission**
20 **licenses authorizing the manufacture or retail sale of malt beverages.**

21 “[~~(2)(a)~~] **(3)(a)** A person may apply for a direct shipper permit by filing an application with the
22 commission. The application must be made in such form as may be prescribed by the commission.

23 “(b) If the application is based on a license issued by this state, the person must include in the
24 application the number of the license issued to the person.

25 “(c) If the application is based on a license issued by another state, the person must include in
26 the application a true copy of the license issued to the person by the other state or include sufficient
27 information to allow verification of the license by electronic means or other means acceptable to the
28 commission.

29 “(d) If the application is based on a license issued by another state, or the application is by a
30 nonprofit trade association described in subsection (1)(d) of this section, the person or association
31 must pay a \$50 registration fee and maintain a bond or other security described in ORS 471.155 in
32 the minimum amount of \$1,000.

33 “[~~(3)~~] **(4)** Sales and shipments under a direct shipper permit:

34 “(a) May be made only to a person who is at least 21 years of age;

35 “(b) May be made only for personal use and not for the purpose of resale; and

1 “(c) May not exceed two cases, containing not more than nine liters per case, to any resident
2 per month.

3 “[4] (5) Sales and shipments under a direct shipper permit must be made directly to a resident
4 of this state in containers that are conspicuously labeled with the words: ‘CONTAINS ALCOHOL:
5 SIGNATURE OF PERSON AGE 21 YEARS OR OLDER REQUIRED FOR DELIVERY.’

6 “[5] (6) A person holding a direct shipper permit must take all actions necessary to ensure that
7 a carrier used by the permit holder does not deliver any **malt beverages**, wine or cider unless the
8 carrier:

9 “(a) Obtains the signature of the recipient of the **malt beverages**, wine or cider upon delivery;

10 “(b) Verifies by inspecting government-issued photo identification that the recipient is at least
11 21 years of age; and

12 “(c) Determines that the recipient is not visibly intoxicated at the time of delivery.

13 “[6](a) (7)(a) A person holding a direct shipper permit must report to the commission all ship-
14 ments of **malt beverages**, wine or cider made to Oregon residents under the permit as required by
15 ORS chapter 473. The report must be made in a form prescribed by the commission.

16 “(b) A person holding a direct shipper permit must allow the commission to audit the permit
17 holder’s records upon request and shall make those records available to the commission in this state.

18 “(c) A person holding a direct shipper permit consents to the jurisdiction of the commission and
19 the courts of this state for the purpose of enforcing the provisions of this section and any related
20 laws or rules.

21 “[7)(a) (8)(a) A person holding a direct shipper permit must timely pay to the commission all
22 taxes imposed under ORS chapter 473 on **malt beverages**, wine and cider sold and shipped under
23 the permit. For the purpose of the privilege tax imposed under ORS chapter 473, all **malt**
24 **beverages**, wine or cider sold and shipped pursuant to a direct shipper permit is sold in this state.

25 “(b) A person holding a direct shipper permit based on a license issued by another state must
26 timely pay to the commission all taxes imposed under ORS chapter 473 on all **malt beverages**, wine
27 or cider sold and shipped directly to Oregon residents under the permit. The permit holder, not the
28 purchaser, is responsible for the tax.

29 “[8] (9) A direct shipper permit must be renewed annually. If the person holds the permit
30 based on an annual license issued by another state, the person may renew the permit by paying a
31 \$50 renewal fee and providing the commission with a true copy of a current license issued to the
32 person by the other state or with sufficient information to allow verification of the license by elec-
33 tronic means or other means acceptable to the commission. If the person holds the permit based on
34 an annual license issued by this state, the person may renew the permit at the same time that the
35 person renews the license.

36 “[9] (10) The commission may refuse to issue or may suspend or revoke a direct shipper permit
37 if the permit holder fails to comply with the provisions of this section. A person may sell and ship
38 **malt beverages**, wine or cider under a direct shipper permit only for as long as the person has the
39 license issued by this state or another state that authorizes the person to hold a direct shipper
40 permit. **A direct shipper permit does not authorize the shipment of malt beverages by a per-
41 mit holder described in subsection (1)(b) of this section or lacking authority as provided un-
42 der subsection (2) of this section.**

43 “[10] (11) Any person who knowingly or negligently delivers **malt beverages**, wine or cider
44 under the provisions of this section to a person under 21 years of age, or who knowingly or
45 negligently delivers **malt beverages**, wine or cider under the provisions of this section to a visibly

1 intoxicated person, violates ORS 471.410.

2 “[(11)] (12) A person may not make sales and shipments of **malt beverages**, wine or cider di-
3 rectly to Oregon residents unless the person holds a direct shipper permit issued under this section.
4 Any person who knowingly makes, participates in, transports, imports or receives a shipment of
5 **malt beverages**, wine or cider that is in violation of this section commits a misdemeanor as pro-
6 vided in ORS 471.990 (1).”

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