

**PROPOSED AMENDMENTS TO  
HOUSE BILL 2731**

1 On page 4 of the printed bill, delete lines 15 through 45 and delete page  
2 5.

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

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

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

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

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

15 “(c) A person that holds a license authorizing the sale of **malt**  
16 **beverages**, wine or cider at retail; or

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

21 **“(2) The holder of a direct shipper permit that is a licensee of an-**  
22 **other state may deliver malt beverages under the permit only if that**

1 **other state makes direct shipper permits, or the equivalent, available**  
2 **for the delivery of malt beverages by persons holding commission li-**  
3 **censes authorizing the manufacture or retail sale of malt beverages.**

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

7 “(b) If the application is based on a license issued by this state, the per-  
8 son must include in the application the number of the license issued to the  
9 person.

10 “(c) If the application is based on a license issued by another state, the  
11 person must include in the application a true copy of the license issued to  
12 the person by the other state or include sufficient information to allow ver-  
13 ification of the license by electronic means or other means acceptable to the  
14 commission.

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

20 “[3)] **(4)** Sales and shipments under a direct shipper permit:

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

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

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

26 “[4)] **(5)** Sales and shipments under a direct shipper permit must be made  
27 directly to a resident of this state in containers that are conspicuously la-  
28 beled with the words: ‘CONTAINS ALCOHOL: SIGNATURE OF PERSON  
29 AGE 21 YEARS OR OLDER REQUIRED FOR DELIVERY.’

30 “[5)] **(6)** A person holding a direct shipper permit must take all actions

1 necessary to ensure that a carrier used by the permit holder does not deliver  
2 any **malt beverages**, wine or cider unless the carrier:

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

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

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

9 “[~~(6)(a)~~] **(7)(a)** A person holding a direct shipper permit must report to the  
10 commission all shipments of **malt beverages**, wine or cider made to Oregon  
11 residents under the permit as required by ORS chapter 473. The report must  
12 be made in a form prescribed by the commission.

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

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

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

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

30 “[~~(8)~~] **(9)** A direct shipper permit must be renewed annually. If the person

1 holds the permit based on an annual license issued by another state, the  
2 person may renew the permit by paying a \$50 renewal fee and providing the  
3 commission with a true copy of a current license issued to the person by the  
4 other state or with sufficient information to allow verification of the license  
5 by electronic means or other means acceptable to the commission. If the  
6 person holds the permit based on an annual license issued by this state, the  
7 person may renew the permit at the same time that the person renews the  
8 license.

9 “[(9)] (10) The commission may refuse to issue or may suspend or revoke  
10 a direct shipper permit if the permit holder fails to comply with the pro-  
11 visions of this section. A person may sell and ship **malt beverages**, wine  
12 or cider under a direct shipper permit only for as long as the person has the  
13 license issued by this state or another state that authorizes the person to  
14 hold a direct shipper permit. **A direct shipper permit does not authorize**  
15 **the shipment of malt beverages by a permit holder described in sub-**  
16 **section (1)(b) of this section or lacking authority as provided under**  
17 **subsection (2) of this section.**

18 “[(10)] (11) Any person who knowingly or negligently delivers **malt**  
19 **beverages**, wine or cider under the provisions of this section to a person  
20 under 21 years of age, or who knowingly or negligently delivers **malt**  
21 **beverages**, wine or cider under the provisions of this section to a visibly  
22 intoxicated person, violates ORS 471.410.

23 “[(11)] (12) A person may not make sales and shipments of **malt**  
24 **beverages**, wine or cider directly to Oregon residents unless the person  
25 holds a direct shipper permit issued under this section. Any person who  
26 knowingly makes, participates in, transports, imports or receives a shipment  
27 of **malt beverages**, wine or cider that is in violation of this section commits  
28 a misdemeanor as provided in ORS 471.990 (1).”

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