

A-Engrossed
House Bill 3495

Ordered by the House June 27
Including House Amendments dated June 27

Sponsored by COMMITTEE ON ELECTIONS AND RULES

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Permits manufacturers of malt beverages that have privilege tax liability of less than \$1,000 [*per tax period*] **in previous calendar year** to deposit with Oregon Liquor Control Commission funds equal to tax liability [*in prior period*] **for year** in lieu of posting required bond.

A BILL FOR AN ACT

1
2 Relating to bonding requirement for malt beverage manufacturers; creating new provisions; and
3 amending ORS 471.311.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2005 Act is added to and made a part of ORS chapter 473.**

6 **SECTION 2. (1) If a manufacturer's total tax liability under ORS 473.030 (1) in the pre-**
7 **vious calendar year was less than \$1,000, the manufacturer may deposit with the Oregon**
8 **Liquor Control Commission an amount in cash equal to the manufacturer's total tax liability**
9 **under ORS 473.030 (1) for the previous calendar year in lieu of the bond required by ORS**
10 **471.155 (1).**

11 **(2) If a manufacturer's actual tax liability under ORS 473.030 (1) is less than the amount**
12 **deposited under subsection (1) of this section, the manufacturer may request that the com-**
13 **mission refund the excess funds or may apply those funds toward the manufacturer's tax**
14 **liability under ORS 473.030 (1) for the next calendar year.**

15 **(3) If a manufacturer's actual tax liability under ORS 473.030 (1) is greater than the**
16 **amount deposited under subsection (1) of this section, the manufacturer shall pay to the**
17 **commission the additional amount owed in the manner required under ORS 473.060.**

18 **SECTION 3. ORS 471.311 is amended to read:**

19 471.311. (1) Any person desiring a license or renewal of a license under this chapter shall make
20 application to the Oregon Liquor Control Commission upon forms to be furnished by the commission
21 showing the name and address of the applicant, location of the place of business which is to be op-
22 erated under the license, and such other pertinent information as the commission may require. No
23 license shall be granted or renewed until the applicant has complied with the provisions of the Li-
24 quor Control Act, the provisions of the Oregon Distilled Liquor Control Act and the rules of the
25 commission.

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

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 under ORS chapter 183.

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

11 (4) The commission may waive the fee imposed under subsection (3) of this section if it finds that
 12 failure to submit a timely application was due to unforeseen circumstances or to a delay in pro-
 13 cessing the application by the local governing authority that is no fault of the licensee.

14 (5) The annual license fee is nonrefundable and shall be paid by each applicant upon the
 15 granting or committing of a license. **Subject to ORS 471.155 and section 2 of this 2005 Act,** the
 16 annual license fee and the minimum bond required of each class of license under this chapter are
 17 as follows:

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
Special events winery license may be issued to a winery licensee at	\$ 10 per day	
Brewery-Public House, including Certificate of Approval	\$ 250	\$ 1,000
Limited On-Premises Sales	\$ 200	None
Off-Premises Sales	\$ 100	None
Temporary Sales	\$ 25 for events lasting five hours or less and \$25 for each additional period of five hours or less	
Grower sales privilege		

1	license	\$	250	\$	1,000
2	Special events grower				
3	sales privilege				
4	license	\$	10	per day	

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7 (6) The fee for a certificate of approval or special certificate of approval granted under ORS
8 471.289 is nonrefundable and must be paid by each applicant upon the granting or committing of a
9 certificate of approval or special certificate of approval. No bond is required for the granting of a
10 certificate of approval or special certificate of approval. Certificates of approval are valid for a pe-
11 riod commencing on the date of issuance and ending on December 31 of the fifth calendar year fol-
12 lowing the calendar year of issuance. The fee for a certificate of approval is \$175. Special
13 certificates of approval are valid for a period of 30 days. The fee for a special certificate of approval
14 is \$10.

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

17 (8) The annual license fee for a full on-premises sales license held by a private club as described
18 in ORS 471.175 (7), or held by a nonprofit or charitable organization that is registered with the state,
19 is \$200.