

MEMORANDUM

April 22, 2008

TO: Lawbook Holders

FROM: Jennifer Huntsman, Rules Coordinator

RE: Commission action on rules – April 2008 meeting

At the April 18, 2008 meeting, the Commissioners took the following actions on rules:

INITIAL ACTION

- **OAR 845-015-0143 Sale of Related Items**

This rule describes the items other than distilled spirits that may be sold in exclusive retail liquor stores. Based on a recommendation from the Agent Compensation Task Force, subsequent agent survey, and work group discussions, staff proposed amendment of this rule to add five additional items to the approved list.

Action: The Commission did NOT initiate rulemaking. Instead, initial action is deferred until after the June 2008 meeting of the Business Partners Joint Steering Committee.

FINAL ACTION – AMENDMENT OF TEMPORARY RULES

- **OAR 845 – Wine Shipper & Self-Distribution Package**

At its December 2007 meeting, the Commission adopted a package of 16 rules on a temporary basis regarding the delivery of alcoholic beverages to both Oregon residents and retail licensees. This was in response to the passage of HB 2171 & HB 2677 by the 2007 legislature. The subsequent passage of HB 3636 during the February 2008 special legislative session prompted staff to recommend amendment of 5 of those temporary rules in order to bring the rules into compliance with statute. The Commission also initiated permanent rulemaking on all 16 rules in the original package at its December 2007 Commission meeting and this rulemaking is currently underway. A rule Advisory Committee meeting was held on January 8, 2008, and a public hearing was held on March 25, 2008.

Action: The Commission amended 5 temporary rules, OAR 845-005-0416, OAR 845-005-0417, OAR 845-006-0391, OAR 845-006-0392 and OAR 845-006-0396, effective April 18, 2008 – June 28, 2008. Permanent rulemaking continues.

FINAL ACTION

- **OAR 845-006-0340– Minor Postings**

This rule describes the minor postings that the Commission assigns to those licensed premises that allow on-premises consumption. At the December

2007 meeting the Commission adopted the Metropolitan Exposition Recreation Commission's proposed amendment, effective January 1, 2008, which now allows drinking in the seats at events with minors in attendance as long as the Commission has approved a written security plan. The Commission also re-initiated rulemaking on the larger set of proposed amendments that were not adopted, and asked staff to bring this rules matter back to the Commissioners for their consideration in April 2008. Staff therefore proposed amendments which will make minor control plans enforceable, replace the currently "unposted" designation with a new Number VI minor posting, and revise the definition of a "drinking environment", all with the goal of creating more accountability, equity and clarity in the Commission's system of controlling minor patronage.

Action: The Commission amended this rule, effective June 1, 2008. This is a slightly delayed effective date so that the new minor posting signs can be ordered and distributed to field staff.

I've attached copies of documents related to this rulemaking. If you have questions about these or other rules matters, please call me at 503-872-5004 or Susan Rudberg at 503-872-5105.

Att.