



OREGON LIQUOR CONTROL COMMISSION
The Commission proposes to amend the following
Oregon Administrative Rule:

OAR 845-006-0425 Hours of Sale

PUBLIC HEARING:

Commission staff will hold a public hearing on this proposed action:

Date: April 24, 2009
Time: 10:00 am
Location: Oregon Liquor Control Commission
9079 SE McLoughlin Boulevard
Portland, OR 97222

Phone: (503) 872-5004 (toll free within Oregon 1-800-452-6522)

Fax: (503) 872-5110

Presiding Officer: Jennifer Huntsman

(Auxiliary aids for persons with disabilities are available upon advance request)

CAPTION: Amendments allowing packaged alcohol sales within Portland International Airport to ticketed passengers beginning at 5:00 a.m.

The Commission accepted a petition from the Food & Beverage Concessionaires at the Portland International Airport (PDX) requesting to amend this rule by adding language which would allow both On-Premises and Off-Premises sales licensees located at PDX to sell and serve alcohol between the hours of 5:00 a.m. and 2:30 a.m. This would be an additional two hours in the morning outside of the currently allowed hours of 7:00 a.m. to 2:30 a.m. The current proposed rule amendments differ from the petitioners' request in that they would only allow Off-Premises sales at PDX between the hours of 5:00 a.m. and 7:00 a.m.

You can obtain a copy of the proposed amendments by calling Laura Paul at 503-872-5105, or the toll-free number listed above. Rule drafts are also available on the OLCC web site: <http://oregon.gov/OLCC/> - go to the "Liquor Laws and Rules" button, then follow the link to "OLCC Proposed Rulemaking", then "Hours of Sale Rulemaking", and finally "Final Staff Rule Draft". If you wish to give your views, arguments, or information on this matter, you may do so at the public hearing, or you can submit comments by May 8, 2009. You can also email your comments to: jennifer.huntsman@state.or.us.

Documents faxed, mailed or emailed must be received by 5:00 pm on May 8, 2009.

ORS 183.335(2)(G) requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business. That comment must also be received by 5:00 pm on May 8, 2009.

The Commission reserves the right to request and receive additional comments at any time on or before the date the Commission takes final action on the proposed rule.

Statutory Authority: ORS 471, including ORS 471.030, 471.040, 471.730(1) & (5)

Other Authority: None

Statutes Implemented: ORS 471.030

Need for the Rule(s): This rule sets the hours during which licensees of the Commission may sell, dispense, serve, allow consumption of, or allow removal of alcohol. The Commission accepted a petition from the Food & Beverage Concessionaires at the Portland International Airport (PDX) requesting to amend this rule by adding language which would allow both On-Premises and Off-Premises sales licensees located at PDX to sell and serve alcohol between the hours of 5:00 a.m. and 2:30 a.m. This would be an additional two hours in the morning outside of the currently allowed hours of 7:00 a.m. to 2:30 a.m. The current proposed rule amendments differ from the petitioners' request in that they would only allow Off-Premises sales at PDX between the hours of 5:00 a.m. and 7:00 a.m.

Documents Relied Upon, and where they are available: Minutes of Advisory Committee meeting of January 30, 2009 available from the Commission's rules coordinator, Jennifer Huntsman, at 9079 SE McLoughlin Boulevard Portland, OR 97222.

Fiscal and Economic Impact, including Statement of Cost of Compliance: This statement takes into account the fiscal impact on **(a)** PDX Off-Premises Sales licensees; **(b)** Alcohol manufacturers/wholesalers; **(c)** local government; **(d)** state agencies; and **(e)** the public.

(a) PDX Off-Premises Sales licensees. The Commission anticipates the potential for only positive impact from the proposed rule amendments. No revenue loss is anticipated for any liquor licensees. PDX Off-Premises Sales licensees estimate that 2 hours of additional morning sales would generate approximately \$100,000 in additional annual sales. (If On-Premises Sales licensees were also included, it would generate a total of \$500,000 in additional annual sales.) The Port of Portland uses this revenue to offset airport operation costs, thus helping to keep airline and passenger costs down.

(b) Alcohol manufacturers/wholesalers. As a result of increased off-premises sales, both the Oregon winery and craft beer industries would also see a positive fiscal impact. As with the PDX licensees, most local wineries and breweries are small businesses.

(c) Local government. The Commission does not anticipate any fiscal impact on local government from the proposed rule amendments.

(d) State agencies. The Commission does not anticipate any fiscal impact on state agencies from the proposed rule amendments.

(e) The public. The Commission does not anticipate any significant fiscal impact on the public from the proposed rule amendments. However, there could be some indirect benefit in that increased sales of Oregon products would bring more money into Oregon's economy, thereby benefiting all Oregon residents.

Cost of Compliance: There should be no costs for anyone to comply with these amendments. There are no reporting or recordkeeping requirements required for compliance. There is no requirement for equipment, supplies, labor, or administration.

Because there is not adequate information available to accurately project the fiscal impact, the Commission is unable to calculate the potential fiscal impacts.

How were small businesses involved in the development of this rule? The Commission assumes the majority of its licensees are small businesses. We invited licensees, industry representatives, and public safety representatives, including moderation groups, to the Advisory Committee meeting where this matter was discussed.

Administrative Rule Advisory Committee consulted? Yes. An Advisory Committee met on January 30, 2009. Members included industry representatives, licensees, and members representing moderation and public safety concerns. The Committee assisted in writing this Fiscal Impact Statement.

(This notice mailed April 1, 2009)