

## MINUTES OF OLCC ADVISORY COMMITTEE MEETING

### Signs (REPEAL) OAR 845-007-0025

Wednesday, March 4, 2009 at 10:00 AM in Room 103A,  
Commission Offices, Portland

Present: Rob VanVolkinburg (Hood River Distillers); Hobie Pearson (Elk Rock Bar & Grill/Action Server Education); Charlie Thorpe (Southern Wine & Spirits); Linda Ignowski, Jeff Jett, Laura Paul, Jennifer Huntsman (OLCC Staff).

Invited but not Present: Shawn Miller (NW Grocers Association); Brian Fleming (Albertsons); Chris Girard (Plaid Pantries/ONSA); Paul Romain (OBWDA); Erica Hagedorn (7-11/A-B); Jay Nelson (Young's Market Company of Oregon); Judy Craine (Holman Bar & Grill); Bill Perry (Oregon Restaurant Association); Juan Molina (MADD); Judy Cushing, Pete Schulberg (Oregon Partnership); Pamela Erickson (Public Action Management); Stephanie Soares Pump (Governor's Council on Alcohol & Drug Abuse Programs); Officer Jacob Clark (Portland Police Bureau); Jeff Ruscoe (Mental Health & Addictions Services); Gretchen McKenzie (ODOT); Theresa Marchetti (Office of Neighborhood Involvement).

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The meeting began at approximately 10:05 a.m. in Room 103A of the OLCC's Milwaukie office. Jennifer Huntsman, OLCC Rules Coordinator, moderated the discussion and opened the meeting with a review of the process, history of how this rulemaking came about and introductions of those in attendance and their interest in this rule. Ms. Huntsman reminded everyone of the purpose of this meeting.

Ms. Huntsman explained that the Legislature has said (through Oregon's Administrative Procedures Act) that it wants agencies to involve interested parties in policy development. Rulemaking is one way agencies develop policies and Advisory Committees are a good way to hear from people or groups likely to have an interest in a particular issue - or who are likely to be impacted by a policy or change an agency is considering. She explained that Advisory Committees are just that: advisory. The purpose of an Advisory Committee is to give everyone a chance to express their thoughts on issues. The Commissioners are not bound by what we discuss or decide in these meetings. They are the policy-makers, and will make the final decision on whether to adopt the proposed amendments. Under Oregon's Public Meeting Law, this meeting is open to the public. We will take and retain minutes of the meeting. The discussion today will be informal; the minutes will

reflect the main points that are made. We do not identify who said what, except for Ms. Huntsman. Everyone on the mailing list for this rule will be sent a copy of the minutes; attendees were reminded to record their name and email address on the sign-in sheet.

Ms. Huntsman noted that members of this advisory committee would discuss the possible repeal of OAR 845-007-0025 Advertising Signs on Licensed Premises. This rule limits each licensed premises to only four alcoholic beverage signs that are visible from the outside.

The proposal to repeal this rule came from the Business Partners Joint Steering Committee. Industry and staff see the current rule as problematic in its application. Often signs can be seen from outside a licensed premises that are on the back wall of a business. Typically these signs are neon signs, banners, pendants or posters. The current rule prohibits pendants that can be seen from outside because each flag in the pendant is considered a separate sign.

This repeal would remove overly restrictive and often illogical prohibitions on how a business may utilize advertising inside its premises. Because advertising alcoholic beverage specials outside of a licensed premises would still be prohibited (OAR 845-007-0020(2)), regulation of our core public safety concerns, such as over consumption, would be maintained.

Ms. Huntsman explained that we would be discussing the rule language in detail and that this discussion and suggestions will be used in the permanent rulemaking process.

There will be a formal rulemaking hearing on this matter on Tuesday, June 2, 2009 at 10:00 am in Room 103A. Ms. Huntsman advised that she will repeat that information at the end of the meeting, but asked everyone to please note the dates on their agendas for the hearing and public comment period. Staff plans to have this back to the Commissioners for the August meeting for possible final action to repeal this rule.

Ms. Huntsman asked members to introduce themselves before proceeding to discuss the proposed repeal.

One member questioned whether or not this rule applied to happy hour advertising inside the licensed establishment. Staff clarified that the rule only applies to the number of signs that are visible from the outside. The rules that prohibit advertising happy hours outside a licensed establishment would not be changed by repealing this rule.

All committee members agreed that OAR 845-007-0025 is unreasonable and impractical. Repealing the rule makes sense for them and for OLCC enforcement

purposes.

### Fiscal Impact Statement

Ms. Huntsman led the committee through a discussion of the Fiscal Impact Statement and the need to quantify (if possible) fiscal impacts this rulemaking will have in general, as well as any adverse impact on small businesses. During the discussion on the Fiscal Impact Statement, the following points were made:

The committee felt that the only fiscal impacts would be positive.

Retail licensees would benefit since they would be allowed to receive and use more signs inside their premises from distilled spirits, beer, and wine suppliers.

Manufacturers would have the ability to offer more signs to licensees to promote their products.

The repeal of this rule could save licensees money spent on fines they could potentially be given for violating the rule.

The committee saw potential benefit to the public since it would also free up enforcement resources for the critical public safety mission of the agency rather than policing the number of signs that can be seen from outside a licensed premises.

Ms. Huntsman stated that a new draft of the proposed rule repeal will go out with the Advisory Committee minutes within the next few weeks. This will be the version of the proposed rule repeal that folks will be asked to comment on at the hearing and in this next written comment period.

Ms. Huntsman reminded members of the rest of the process: the rulemaking hearing is currently scheduled for Tuesday, June 2, 2009 at 10:00 am in Room 103A. Written comment would then be received into the rulemaking record until 5:00 pm on Tuesday, June 16, 2009. The tentative plan is to present a report to the Commissioners at their August 2009 meeting for possible final action on this matter.

Ms. Huntsman closed the meeting by thanking members for their attendance and participation. The meeting ended at 10:15 am.