

# **OREGON LIQUOR CONTROL COMMISSION MINUTES**

March 16, 2009

Monday, March 16, 2009

9:00 A.M. The Commissioners present by phone were Christine Lewandowski, and Bob Rice. Chairman Phil Lang was present in person. Others present were Executive Director Steve Pharo, Deputy Director Rudy Williams and members of staff.

**Minutes** – Commissioner Lewandowski moved to approve the minutes of the February 12 Commission Meeting. Passed 3/0.

## **COMPLIANCE**

Becky Voelkel, Administrative Policy & Process Program presented.

There were 9 items, 8 were settlement agreements; The Gold Bowl Restaurant, Carmichael's Pub & Grill, Ohm, A & B Market, Jeff & Jaff's Taboo, Cactus Jack's Café, Huang Cheng Chinese Restaurant, Sushiville, and one violation case; Lucky Lounge Chinese Food.

Commissioner Lewandowski asked about item #5, what efforts were put in place to prevent violations. Ms. Voelkel said that they have installed a video camera, have an 86 list with pictures posted, pat down people with large bags, etc. – there have been no complaints since measures were enacted.

Commissioner Rice moved to ratify the 9 items including the 8 settlement agreements. Passed 3/0.

## **LICENSE MATTERS**

Dan Croy, Administrative Policy & Process Program presented.

There were 8 service permit refusals and service permit settlement agreements for Andrea L Lester and Michelle L Rayner before the Commissioners for their approval.

Commissioner Rice moved to ratify the refusals and settlement agreements under tabs A & B. Passed 3/0.

## **RULES**

Jennifer Huntsman, Administrative Policy and Process Division presented.

### **INITIAL ACTION**

#### **OAR 845-001-0005 Notice of Rulemaking**

This rule describes the procedure the Commission utilizes to inform interested parties of intended rulemaking. ORS 183.341(4) requires an agency to adopt such rules of procedure which provide a reasonable opportunity for interested persons to be notified of the agency's intention to adopt, amend or repeal a rule. Staff propose an amendment of our notice rule in order to more closely match the standard rule language utilized in the Attorney General's sample notice rule, while also better reflecting the Commission's specific rulemaking notice procedure.

Commissioner Lewandowski moved to initiate rulemaking to amend OAR 845-001-005 and to hold a rulemaking hearing at staff's discretion. Passed 3/0.

### **FINAL ACTION**

**OAR 845 Division 5 Temporary Events Housekeeping Package**

Staff is proposing amendments to three Division 5 rules governing temporary events, such as catering and temporary use of an annual license at another location. There are no new concepts in these housekeeping amendments. The proposed amendments match the changes recently made to Minor Posting and Temporary Sales License rules.

Commissioner Rice moved to amend OAR 845-005-0405, -005-0410, -005-0415 effective April 1, 2009. Passed 3/0.

Commissioner Fisker joined the meeting.

**OAR 845-006-0335 Age Verification Housekeeping**

This rule describes the requirements and responsibilities of licensees and permittees to prevent minors from purchasing and consuming alcohol on their premises or from being in an area that is prohibited to minors. The purpose of the amendment is to clarify when the Commission may sanction verification of age violations under the applicable statute versus under this rule, and also to clarify sanctioning under multiple sections of this rule.

Commissioner Lewandowski moved to amend OAR 845-006-0335 effective April 1, 2009. Passed 4/0.

**ADMINISTRATION**

Tom Erwin, Government Affairs and Communications Director presented.

Bill #	Summary	Commission Position Taken
HB 2239	Person commits offense of refusal to take test for intoxicants if person refuses to submit to blood or urine test if requested to do so. This is the third of three Governor’s Advisory Committee on DUII bills.	support
HB 2550	Directs OLCC to issue limited number of smoking licenses to allow smoking in taverns that meet certain conditions.	neutral
HB 2771	Eliminates wine tax exemption for small vinters.	neutral
HB 2836	Allows cigar bar to hold full on premises sales license without serving meals.	Contact Committee Chair Shaufler to discuss concerns that bill as proposed violates constitutional requirement of food needing to be served when distilled spirits is served by the drink.
HB 3014	Requires OLCC to refuse issuance or renewal of license if local governments recommends refusal for certain conditions	Contact House Rules Committee to discuss concerns about possible constitutional issues. If can’t be significantly changed, staff has authority to oppose the bill.
HB 3122	Allows certain license holders to obtain verification of capacity of pint glasses used	Neutral, but will need to review fiscal impact

	at the premises for draft malt beverages. OLCC required to provide the sticker.	
HB 3126	Authorizes holder of off-premises sales license, under certain conditions, to store wine at licensed premises for transport to other licensed premises for sale at retail. Authorizes sale of transported wine at receiving premises on behalf of trans	Oppose
HB 3128	Allows OLCC to waive corporate surety bond required for Grower Sales Privilege or Warehouse licensee under certain conditions.	neutral
HB 3201	Requires OLCC to refuse issuance of license if commission has reasonable grounds for refusal. Requires commission to cancel or suspend license upon finding, or having reasonable belief of, grounds for cancellation or suspension.	Contact legislative sponsors to express concerns about the bill. If it can't be changed, staff has authority to oppose.
HB 3302	Modifies definition of smoke shop in Oregon Indoor Clean Air Act to include businesses that are attached to other businesses or residential property. Allows smoking in certain private clubs.	Neutral
HB 3407	Removes prohibition against local government enactment of taxes on alcoholic beverages. Applies to alcoholic beverages manufactured or imported after effective date of Act.	Neutral
SB 576	Allows county or city to make binding recommendation to OLCC regarding application for issuance or renewal of full on-premises sales license or limited on-premises sales license. Requires commission to follow recommendation.	Contact sponsor about concerns, if can't be significantly amended, would like authority to oppose
SB 604	Creates salesperson license and distillery representative license to be issued by OLCC. Prescribes activities authorized by licenses, license terms and license fees. Increases annual license fee for distillery licenses and wholesale malt beverage and wine licenses to \$500.	Support
SB 655	Repeals laws relating to required contracts between suppliers and wholesalers of alcoholic beverages. Eliminates statutorily mandated exclusive territories for wholesalers of alcoholic beverages. Repeals other laws governing relationship between suppliers and wholesalers of alcoholic beverages. Allows manufacturer or	Neutral, but may need to have further discussion on financial assistance issue

	wholesaler of alcoholic beverages to enter into agreement with retail licensee that provides for payment for alcoholic beverages, after delivery, by check or electronic fund transfer.	
SB 802	Allows OLCC to authorize delivery of ordered distilled liquor directly from distillery licensee or importer to liquor store operated by agent of commission. Allows issuance of special events license to distillery licensee.	Oppose delivery part and neutral on special events distillery license.

Adjourned: 9:27 a.m.

\_\_\_\_\_/s/\_\_\_\_\_  
Phil Lang, Chairman

\_\_\_\_\_/s/\_\_\_\_\_  
Lindy Fisker, Commissioner

\_\_\_\_\_/s/\_\_\_\_\_  
Christine Lewandowski, Commissioner

\_\_\_\_\_/s/\_\_\_\_\_  
Bob Rice, Commissioner

\_\_\_\_\_/s/\_\_\_\_\_  
Stephen A. Pharo, Executive Director  
and Secretary to the Commissioners