LAW ORIENTATION FOR RETAILERS

Promoting Responsible Alcohol Sales and Service
THE OLCC AND YOU

As a business owner and liquor licensee, you bring jobs to the community and provide valuable services to your neighbors. We at the Oregon Liquor Control Commission want to help you in your efforts to run a profitable business selling alcohol lawfully and responsibly.

The OLCC issues your license and regulates alcohol sales and use. Our goal is to provide quality service to all Oregonians and promote responsible alcohol use through the effective administration of the state’s Liquor Control Act.

We developed this booklet to help you understand the liquor laws that are important to the success of your business. We encourage you to use it as a guide in training your employees and in the day-to-day operation of your business. The OLCC believes that we can achieve compliance with liquor laws primarily through educational efforts with licensees like you. Working together, we can make Oregon a safe and productive place to live.

This booklet is not a legal reference and is not a complete statement of the state liquor laws or OLCC’s administrative rules. In any conflict between this booklet and Oregon laws or administrative rules, the laws and administrative rules shall prevail. Please contact your local OLCC office if you have questions about your liquor license privileges. A list of offices can be found on the last page of this booklet.

CONTACTING AN OLCC OFFICE

- It’s best to work with your local OLCC office.

- A list of OLCC offices, contact information for those offices, and which counties they serve is on the OLCC website.
All retail licenses must post this warning sign about alcohol and pregnancy. At a minimum, the licensee must post either a large sign (8 ½ x 11 inches) at the entrance to the business or a small sign (5 x 7 inches) at all points of sale. The sign is also available in Spanish.
WHAT YOUR LICENSE ALLOWS

The following is a list of general liquor laws for all retail licensees and a brief summary of the most common retail licenses. If your license is not listed below, ask your license investigator for a copy of the law that describes what your license allows.

All Retail Licenses

1. Oregon law allows the sale, service, and/or drinking of alcoholic beverages on the licensed premises from 7:00 a.m. to 2:30 a.m. on the succeeding day.

   The only exception is for a retail license located within an Oregon public use airport designated as a Category I – Commercial Service Airport by the Oregon Department of Aviation. These retail licensees may sell, serve, and allow the drinking of alcoholic beverages from 5:00 a.m. to 2:30 a.m. every day; however, from 5:00 a.m. to 7:00 a.m. alcoholic beverages may be sold or served only to a ticketed airline passenger with a valid same-day boarding pass.

2. Oregon law defines “alcoholic beverage” as any beverage containing more than 0.5% alcohol (that has not been denatured) by volume. “Denatured alcohol” is ethanol (also called ethyl alcohol or beverage alcohol) with additives for the purpose of making it, and products made with it, unfit for human consumption.

3. Licensees are allowed to have on the licensed premises only the type of alcohol the license permits. For example, if the license permits the sale of only beer and wine, then neither you nor your customers may bring distilled spirits into the business.

   The only exception is that Limited On-Premises Sales and Brewery-Public House Sales licensees may have distilled spirits on the premises if the distilled spirits are used only for cooking, are kept in a container only in the food preparation area, and the container is clearly marked “for cooking only.”

4. During your business hours you must have someone on your licensed premises who can communicate effectively with customers and OLCC employees. “Communicate effectively” means knowing how to sell and serve alcohol lawfully and being able to explain this to customers and OLCC employees. Usually, this will mean having someone who speaks English on your premises.
Distilled Spirits, Beer, Wine, and Cider
Full-On Premises Sales License

With a Full On-Premises sales license you:

- May sell at retail by the drink distilled spirits, malt beverages (beer), wine, and cider for drinking on your licensed premises.
- May sell malt beverages, wine, and cider in a securely covered container (growler) meant for drinking off of the premises. The container may not hold more than two gallons.
- May allow a patron to take a partially consumed bottle of wine from your premises, but only if the bottle of wine was served in conjunction with the patron’s meal and the patron is not a minor or visibly intoxicated.
- May be eligible to also obtain a Limited On-Premises sales and/or an Off-Premises sales license.
- Must, in all areas where alcohol is available, have food service available at all times when alcohol is sold. You may have a separate bar or lounge.
- May be able to cater food and alcohol at temporary events held at a location other than your licensed premises. You must apply for this privilege as you will need prior OLCC approval for this privilege.
- Must ensure any person who works for you mixing, selling, or serving alcohol, or supervising any person who does those duties, either has a valid Oregon service permit or has applied for an Oregon service permit. You must do this before the person does any of these duties.
- May not sell distilled spirits in a growler.
- Other than a growler, you may not sell alcohol to-go (unless you also obtain a Limited On-Premises sales and/or an Off-Premises sales license).
- Must purchase all distilled spirits from an OLCC liquor store. You may present a copy of your license to the liquor store as proof to receive a discount on distilled spirits purchased for use at your business.

Beer, Wine, and Cider
Limited On-Premises Sales License

With a Limited On-Premises sales license you:

- May sell at retail by the drink malt beverages (beer), wine, and cider for drinking on your licensed premises.
- May sell malt beverages in a factory-sealed container holding 7 or more gallons (keg) for consumption off the licensed premises AND you must follow the keg tag requirements. Contact your local OLCC office to obtain keg tags.
- May sell malt beverages, wine, and cider in a securely covered container (growler) meant for drinking off of the premises. The container may not hold more than two gallons.
- May be eligible to also obtain an Off-Premises sales license.
- May allow a patron to take a partially consumed bottle of wine from your premises, but only if the bottle of wine was served in conjunction with the patron’s meal and the patron is not a minor or visibly intoxicated.
• May be able to cater food and alcohol at temporary events held at a location other than your licensed premises. You must apply for this privilege as you will need prior OLCC approval for this privilege.

• Must ensure any person who works for you mixing, selling, or serving alcohol, or supervising any person who does those duties, either has a valid Oregon service permit or has applied for an Oregon service permit. You must do this before the person does any of these duties.

• May not sell or serve distilled spirits.

Beer, Wine, and Cider
Off-Premises Sales License

With an Off-Premises sales license you:

• May sell at retail malt beverages (beer), wine, and cider in factory-sealed containers for drinking off your licensed premises.

• May sell malt beverages (beer), wine, and cider in a securely covered container (growler) meant for drinking off of the premises. The container may not hold more than two gallons. If you sell growlers:
  → You must require any person employed by you that participates in the dispensing of malt beverage (beer), wine, or cider sold into a growler to have a valid service permit.
  → A person employed by you who doesn’t participate in the dispensing of malt beverage (beer), wine, or cider into a growler but who does ring up the sale doesn’t need a service permit.
  → The people managing or supervising those people who dispense malt beverage (beer), wine, or cider into a growler are required to have a service permit only if they also participate in the dispensing of malt beverage (beer), wine, or cider sold into a growler.

• Must ensure that any employee selling alcohol (including growlers) is at least 18 years old.

• Must ensure before your employees sell alcohol that they have read, dated, and signed the OLCC-provided brochure “What Every Store Clerk Needs to Know About Selling Alcohol.” Or as an alternative, you provide other OLCC-approved training.

• May make next-day delivery of malt beverages (beer), wine, and cider to consumers. “Next-day” means you cause a resident of Oregon to receive the alcohol after the day you receive the order.

• May qualify for same-day delivery of malt beverages (beer), wine, and cider to consumers. You must apply for this privilege as you will need prior OLCC approval for this privilege.

• May not sell distilled spirits.

• May not sell malt beverages (beer) in containers holding more than 2.25 gallons.
FOOD SERVICE AND DINING SEATING REQUIREMENTS
FOR F-COM LICENSES

There are six different types of Full On-Premises sales licenses. The most common type is a Full On-Premises sales, Commercial (F-Com). The F-Com has minimum dining seating and food service requirements.

Food Service Requirements during Meal Periods for an F-Com

- If you are open later than 5:00 p.m. you are required to have at least a 3 hour meal period.
- If you are closed by 5:00 p.m. you are required to have at least a 2 hour meal period.
- During your meal period you must provide at least 5 different meals.
  - A “meal” is a substantial food item that also: a) comes with at least one side dish; or b) has two or more side dishes available to order separately.
  - A “substantial food item” means a food item prepared or cooked on the licensed premises and that is typically served as a main course or entrée. Note that side dishes, appetizers, desserts, and snacks do not qualify as a substantial food item.
  - A “side dish” includes vegetables, fruit, salad, rice, fries, and bread.
  - “Different” means substantial food items that the OLCC determines differ in their primary ingredients or method of preparation. Different sizes of the same item are not considered different.
• At least 3 of your 5 meals must be prepared or cooked in some manner beyond the simple reheating of a pre-cooked frozen food or carry-out item obtained from another business.
• You may offer fewer than the 5 meals only if the OLCC determines that the clearly dominant emphasis of your business is food service. You will need prior OLCC approval for this privilege.

Food Service Requirements at Times other than a Required Meal Period for an F-Com

• At all times other than your meal period and in all areas where alcohol service is available, you must make available an offering of at least 5 different substantial food items.

Seating Requirements for an F-Com

• At all times during your meal period you must provide a minimum of 30 dining seats.
  → “Dining seats” means seating at indoor tables or food counters located in areas of the premises regularly open to the public where the OLCC determines that each table top or seating area provides a minimum space that will accommodate a place setting consisting of a plate or dish, glassware, napkin, and utensils for each seat.
  → Seats that don’t count as dining seats include seats in outdoor areas, at a bar, at a counter where the primary activity is preparing, serving, selling, or consuming alcohol, seats at counters in entertainment areas, and seats that don’t provide enough space to accommodate a place setting.
• You may have fewer than the 30 dining seats during your meal period only if the OLCC determines that the clearly dominant emphasis of your business is food service. You will need prior OLCC approval for this privilege.

LIQUOR LIABILITY INSURANCE

The following licenses must have a minimum of $300,000 in liquor liability insurance. You may satisfy this requirement with either an insurance policy or a bond.

• Full On-Premises (all six types).
• Limited On-Premises.
• Brewery-Public House
• Winery (but only if on-premises consumption, including tastings, is offered).
• Brewery (but only if on-premises consumption, including tastings, is offered).
• Grower Sales Privilege (but only if on-premises consumption, including tastings, is offered).
• All special licenses if the event will be open to the public and the expected attendance will exceed 300 individuals per day. These special licenses are a Temporary Sales License (TSL), Temporary Use of an Annual License (TUAL), Special Event Winery (SEW), Special Event Grower (SEG), Special Event Brewery-Public House (SEBPH), Special Event Brewery (SEB), and Special Event Distillery (SED).

You must show proof of insurance or a bond before the OLCC will issue you a 90-Day Temporary Authority to Operate, a new license, or renew your existing license.

For insurance, you must give the OLCC a certificate of insurance that shows the following: all applicants as insured, the premises address, liquor liability (not just “liability”) insurance, liquor liability
coverage of at least $300,000, the coverage is current (not expired), and names the OLCC as a Certificate Holder.

For a bond, you must provide proof by giving the OLCC a copy of the bond.

Only a public body meeting the requirement in ORS 30.282(2) may qualify for a self-insurance exemption.

Failure to maintain liquor liability insurance could result in the cancellation of your license.

**Posting the proof of insurance or making it available at your premises**

As required by OAR 845-005-0400(5), you must maintain valid and current proof of insurance or bond on your licensed premises and either:

- Post the proof of insurance or bond in full public view at your premises; or
- Make the proof of insurance or bond available at any time for immediate inspection by any Commission employee.

**RENEWING YOUR LICENSE**

Oregon is divided into 4 renewal districts (see table below). *Your license year is determined by the county where your business is located (with the exception of Portland which is divided into 2 districts).*

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<th>COUNTIES</th>
<th>LICENSE YEAR</th>
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<tr>
<td><strong>DISTRICT 1</strong>&lt;br&gt;Multnomah &amp; City of PORTLAND NORTH of Burnside Street center line</td>
<td><strong>January 1 to December 31</strong>&lt;br&gt;We will mail your renewal application in October. Return the completed application by the date specified on the form to avoid late fees.</td>
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<tr>
<td><strong>DISTRICT 2</strong>&lt;br&gt;Clackamas, Clatsop, Columbia, Marion, Polk, Tillamook, Washington, &amp; Yamhill</td>
<td><strong>April 1 to March 31</strong>&lt;br&gt;We will mail your renewal application in January. Return the completed application by the date specified on the form to avoid late fees.</td>
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<td><strong>DISTRICT 3</strong>&lt;br&gt;Benton, Coos, Curry, Douglas, Lane, Lincoln, Linn, &amp; City of PORTLAND SOUTH of Burnside Street center line</td>
<td><strong>July 1 to June 30</strong>&lt;br&gt;We will mail your renewal application in April. Return the completed application by the date specified on the form to avoid late fees.</td>
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<td><strong>DISTRICT 4</strong>&lt;br&gt;Baker, Crook, Deschutes, Gilliam, Grant, Harney, Hood River, Jackson, Jefferson, Josephine, Klamath, Lake, Malheur, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco &amp; Wheeler</td>
<td><strong>October 1 to September 30</strong>&lt;br&gt;We will mail your renewal application in July. Return the completed application by the date specified on the form to avoid late fees.</td>
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Renewed licenses are issued for one year. Your first license will likely be issued for a partial year to synchronize with your renewal district. You must renew your license each year by completing a
renewal application, paying the annual fee, and submitting both the application and the fee to the OLCC before your license expires.

If you do not renew your license before it expires, you must stop selling and serving alcohol until we issue you a new license. It is a violation to sell and serve alcohol with an expired license. If you sell and serve alcohol with an expired license you may receive an administrative or criminal citation.

If you do not renew your license by 30 days after expiration, you cannot renew your license and you must apply as a new outlet.

HELP US RENEW YOUR LICENSE

Avoid these common reasons license renewal applications are returned:

Questions
Answer all of the renewal questions.

Local Government Fee
Pay your local government fee and check the local government fee box on the back of your renewal application. You must pay the local government fee before you send OLCC your renewal application.

Signatures
Individual Licensees: Have all of the individuals listed as licensees at the top of the renewal form sign the renewal application form.

Entity Licensees (corporations, limited liability companies (LLCs), limited partnerships, etc.): Have an authorized representative, such as a corporate officer, partner, managing member, or attorney with written approval, sign the renewal application form for each organization or entity. The authorized representative must be a person the OLCC recognizes. If you make changes in your entity during the year, and have not already told the OLCC in writing, you must report the changes on the renewal application.

Renewal Fee
Enclose the correct fee with your renewal application. If you miss the deadline listed on the application, you must include the late fees.

Server Education
Make sure that your server education course has not expired. If you are an entity, make sure that your server education designee’s course has not expired. The course must be taken every five years to renew your license.

Questions on License Renewal
If you have questions, call the license renewal desk at 503-872-5138 or 800-452-6522 ext 5138.
**CHECKING ID**

**Minor Decoy Operation**
As a licensee of the OLCC, your business is subject to a minor decoy visit without notice. OLCC and local law enforcement agencies may visit your premises in an effort to measure your compliance with state liquor laws regarding checking identification and sale of alcohol to minors.

The OLCC and local law enforcement agencies may use people (minor decoys) under the age of 21 in an attempt to purchase alcohol from your business. Minor decoys will look under 26 years of age, will not lie about their age, or use false identification. If a licensee or employee sells alcohol to a minor decoy, the seller and licensee are subject to administrative and/or criminal penalties. Our goal is to help you and your employees prevent the illegal sale of alcohol to minors. If you and your staff would like training on ID checking, please call your local OLCC office.

**Whose ID should I check?**
A person must be at least 21 years old to purchase alcohol. The law requires you and your employees to ask anyone who looks under 26 years of age for proper identification.

**Reasonable Doubt**
The law says you and your employees must check the age of a person when there is *any reasonable doubt* that the person is at least 21 years old. The law says that *reasonable doubt* exists if the person looks to be under the age of 26.

**What is acceptable ID?**
In Oregon, there are only 6 types of ID that are acceptable alone (that don’t require a 2nd piece of ID):

1. An unexpired and unaltered U.S. state or District of Columbia driver license with or without a photo.
2. An unexpired and unaltered identification card or driver license issued by a U.S. state, District of Columbia, Puerto Rico, Guam, Northern Mariana Islands, United States Virgin Islands, or American Samoa with photo, name, date of birth, and physical description.
3. An unexpired and unaltered ID card issued by a federally recognized Indian tribe with photo, name, physical description, and date of birth.
4. An unexpired and unaltered passport or passport card.
5. An unexpired and unaltered U.S. military ID card.
6. An unexpired and unaltered NEXUS or SENTRI card.

**Warning:** Beware of internet and “mail order” type cards that say “State Resident” or “Personal ID.” These cards are made to look like official IDs, but they are not. If you cannot tell whether the card was issued by an official state agency, do not accept it. Additionally, Consular Cards are not acceptable ID.

**Examples of how to tell if the ID is valid**

- Check the expiration date – **expired ID in NOT valid**.
- Ask the person to remove the ID from the wallet or plastic folder.
- Feel the ID for cuts, slits, bumps, uneven lamination, and other signs of alteration.
- Examine the ID in good light.
- Look for erasures and misaligned numbers.
• Compare the ID to the person presenting it: photo, name, date of birth, description, etc.
• Ask the person questions; such as: What’s your address? What’s your zip code? Etc.

If you have any doubt about the person’s age or ID, Do not sell alcohol to that person

**What if I believe the ID is false?**
If the ID is false, altered, expired, or looks illegally produced, refuse the sale of alcohol. Do not try to keep the ID if the person resists or becomes threatening. If you do keep the ID turn it over to the DMV or OLCC.

**What if the person does not have one of the five pieces of acceptable ID?**
You must refuse to serve or sell alcohol to that person or you must follow the Statement of Age card process.

• Obtain the Statement of Age cards from the OLCC.
• The person must have 2 pieces of ID.
  → One must be a *descriptive piece of ID* with the person’s name, address, date of birth, signature, and a photo or physical description. An example is a Federal employee ID.
  → The second piece must be *back-up ID* which has the person’s name and, if possible, signature on it. Examples are credit card, social security card, and personal checks.
• It is your responsibility to determine that the ID is valid and the photo, physical description, and signature match the person presenting the ID.
• Then have the person fill out the top portion of the card and sign it.
• Then the person checking the ID fills out the bottom portion of the card and signs it.

**MINOR POSTINGS**

The OLCC assigns minor postings to licenses that allow on-premises consumption of alcohol. Examples of these licenses are restaurants, nightclubs, wineries, breweries, and distilleries. Minor postings are in effect 24 hours a day.

Minor postings tell owners, servers, and the public when and in what areas of the premises minors are allowed or prohibited. “Minor” means a person under the age of 21 and includes employees, servers, and the public.

Licensees must use the minor posting signs provided by the OLCC, but may frame them to match the business’ decor.

Minor posting signs must be in full public view. The OLCC Investigator or Inspector will help identify where to place the signs. Licensees may not remove or change minor postings without OLCC approval. Licensees must immediately replace any altered, unreadable, or missing signs.
#1 Minor Posting: NO MINORS PERMITTED ANYWHERE ON THIS PREMISES

- This posting is assigned to an entire premises, such as a typical tavern.
- Unless allowed by exception, no minors are permitted anywhere on the premises. This includes minor service permittees and minor employees such as kitchen staff.
- In some circumstances, minors other than service permittees and employees may be permitted. Examples are a minor vendor, minor contractor, and minor entertainer.

#2 Minor Posting: NO MINORS PERMITTED IN THIS PORTION OF THE PREMISES

- This posting is assigned to an area of a premises, such as a lounge, bar, or video poker room.
- Minor service permittees and minor employees are allowed in the area to perform some work duties and to go to and return from a rest room.
- When in the area, minor service permittees and minor employees may not: check ID, control conduct in the area, mix, sell, or serve alcoholic beverages, or directly supervise any person who does mix, sell, or serve alcoholic beverages.
- In some circumstances, minors other than service permittees and employees may be permitted. Examples are a minor vendor, minor contractor, and minor entertainer.
- A minor customer that is in a room or area where minors are allowed may go to and return from a rest room that is in a room or area with a #2 minor posting provided the minor does not remain longer than necessary in the room or area with the #2 minor posting.

#3 Minor Posting: MINORS ALLOWED IN THIS AREA

- No sign is physically posted in the area but OLCC records will show this posting.
- This posting is assigned to an area of a premises where there will never be a drinking environment and drinking alcohol will never be the predominant activity.
- All minors are allowed in this area at all times.

#3A Minor Posting: MINORS ALLOWED IN THIS AREA DURING SPECIFIED TIMES

- This posting is assigned to an area to allow minors when there is no drinking environment and drinking alcohol does not predominate and to prohibit minors during times when there is a drinking environment or drinking alcohol does or is likely to predominate.
- Minors may use entertainment devices during the times minors are allowed.
- During the times minors are prohibited, minor service permittees and minor employees are allowed in the area to perform some work duties and to go to and return from a rest room.
- During the times minors are prohibited and when in the area, minor service permittees and minor employees may not: check ID, control conduct in the area, mix, sell, or serve alcoholic beverages, or directly supervise any person who does mix, sell, or serve alcoholic beverages.
- In some circumstances, during the times minors are prohibited, other minors may be permitted. Examples are a minor vendor, minor contractor, and minor entertainer.
- A minor customer that is in a room or area where minors are allowed may go to and return from a rest room that is in a room or area with a #3A minor posting during the times that minors are prohibited provided the minor does not remain longer than necessary in the room or area with the #3A minor posting during the times that minors are prohibited.
#4 Minor Posting: MINORS ALLOWED DURING THESE HOURS

- This posting is assigned to an area or entire premises that has a drinking environment to let minors consume food during times when eating food is the predominant activity.
- Eating food must be the predominant activity during the times when minors are allowed, even if minors are not present.
- Minors may not use entertainment devices in this area.
- During the times minors are prohibited, minor service permittees and minor employees are allowed in the area to perform some work duties and to go to and return from a rest room.
- During the times minors are prohibited and when in the area, minor service permittees and minor employees may not: check ID, control conduct in the area, mix, sell, or serve alcoholic beverages, or directly supervise any person who does mix, sell, or serve alcoholic beverages.
- In some circumstances, during the times minors are prohibited, other minors may be permitted. Examples are a minor vendor, minor contractor, and minor entertainer.
- A minor customer that is in a room or area where minors are allowed may go to and return from a rest room that is in a room or area with a #4 minor posting during the times that minors are prohibited provided the minor does not remain longer than necessary in the room or area with the #4 minor posting during the times that minors are prohibited.

#5 Minor Posting: MINORS ALLOWED IN TASTING ROOM

- This posting is assigned to an area or entire premises where the only alcoholic beverages served or consumed are sample tastings of distilled spirits, malt beverages (beer), wine or cider.
- The licensee may serve and sell only the type of alcoholic beverage allowed by the license.
- A sample tasting is a single container with no more than one and half ounces of wine or cider, three ounces of malt beverage, one-half ounce of distilled spirits for the general public, or one ounce of distilled spirits for a trade visitor.
- All minors are allowed in this area at all times.

#6 Minor Posting: MINORS ALLOWED WITH A MINOR CONTROL PLAN

- This posting is assigned to a premises, room, or area where minors are allowed only as per the minor control plan approved by the OLCC.
- During the times minors are prohibited, minor service permittees and minor employees are allowed in the area to perform some work duties and to go to and return from a rest room.
- During the times minors are prohibited and when in the area, minor service permittees and minor employees may not: check ID, control conduct in the area, mix, sell, or serve alcoholic beverages, or directly supervise any person who does mix, sell, or serve alcoholic beverages.
- In some circumstances, during the times minors are prohibited, other minors may be permitted. Examples are a minor vendor, minor contractor, and minor entertainer.
- A minor customer that is in a room or area where minors are allowed may go to and return from a rest room that is in a room or area with a #6 minor posting during the times that minors are prohibited provided the minor does not remain longer than necessary in the room or area with the #6 minor posting during the times that minors are prohibited.
#7 Minor Posting: MINORS ALLOWED WITH NO DRINKING ENVIRONMENT

- This posting allows minors up until no later than 9:00 p.m. in a premises, room, or area when there is no drinking environment in the premises, room, or area.
- A “drinking environment” means a combination of conditions or factors in a premises, room, or area that include but are not limited to cocktail tables, a bar, bar equipment and accessories, dim lighting, alcohol advertising, events or entertainment primarily targeted to adults, and events or operations where the monitoring of patron behavior is or could be insufficient to prevent minors from obtaining alcohol.
- Drinking alcohol is allowed to be the predominant activity at all times.
- During the times minors are prohibited, minor service permittees and minor employees are allowed in the area to perform some work duties and to go to and return from a rest room.
- During the times minors are prohibited and when in the area, minor service permittees and minor employees may not: check ID, control conduct in the area, mix, sell, or serve alcoholic beverages, or directly supervise any person who does mix, sell, or serve alcoholic beverages.
- In some circumstances, during the times minors are prohibited, other minors may be permitted. Examples are a minor vendor, minor contractor, and minor entertainer.
- A minor customer that is in a room or area where minors are allowed may go to and return from a rest room that is in a room or area with a #7 minor posting during the times that minors are prohibited provided the minor does not remain longer than necessary in the room or area.

GENERAL PROHIBITIONS

- Minors may not sit at a bar. A “bar” means a counter at which the preparation, pouring, serving, sale or consumption of alcoholic beverages is the primary activity.
  → Note: minors may sit at a food counter. A “food counter” means a counter in an area in which minors are allowed and at which the primary activity at all times is the preparation, serving, sale or consumption of food.
- Unless allowed by the following exception, minors may not be in areas where there is video poker, nude entertainment, stage revues, or other forms of adult-oriented entertainment. Also, minors may not be in areas where this entertainment is visible.
  → Exception: A minor in a room or area where minors are allowed may go to and return from a rest room that is in a room or area prohibited to minors provided the minor does not remain longer than necessary in the room or area.

MINOR EMPLOYEES & MINOR SERVICE PERMITTEES

**In a premises with a #1 minor posting**

- Minor employees and minor service permittees are prohibited from the entire premises at all times.

**In an area of the premises with a #2 minor posting**

- Minor employees and minor service permittees are allowed in the area and while in the area:
  → May NOT take food orders.
→ May go to and return from a rest room.
→ May perform the following limited work duties: restock supplies, set and clear tables, and deliver food. The person may not stay in the prohibited area any longer than is necessary to perform the work duties.
→ A minor service permittee may enter an area prohibited to minors to order and pick up drinks for service in an area where minors are allowed. The person may not stay in the prohibited area any longer than is necessary to perform the work duties.
→ May not check ID, control conduct in the area, mix, sell, or serve alcoholic beverage, or directly supervise people who mix, sell, or serve alcoholic beverages.

**In an area of the premises with a #3 or #5 minor posting**

- Minor employees and minor service permittees are allowed at all times in the area and may perform regular work duties.

**In an area of the premises with a #3A, #4, #6, or #7**

- During the times minors are allowed in the area: Minor employees and minor service permittees are allowed in the area and may perform regular work duties.
- During the times minors are prohibited from the area: Minor employees and minor service permittees are allowed in the area and while in the area:
  → May **NOT** take food orders.
  → May go to and return from a rest room.
  → May perform the following limited work duties: restock supplies, set and clear tables, and deliver food. The person may not stay in the prohibited area any longer than is necessary to perform the work duties.
  → A minor service permittee may enter an area prohibited to minors to order and pick up drinks for service in an area where minors are allowed. The person may not stay in the prohibited area any longer than is necessary to perform the work duties.
  → May not check ID, control conduct in the area, mix, sell, or serve alcoholic beverage, or directly supervise people who mix, sell, or serve alcoholic beverages.

**MINOR ENTERTAINERS**

**In an area of the premises and during the times when minors are allowed**

- Minor entertainers are allowed.

**In an area of the premises and during the times when minors are prohibited**

- This will be at all times for a #1 and #2 minor posting.
- This will be during the times minors are prohibited with a #3A, #4, #6, and #7 minor posting.
- Minor entertainers may perform in these areas. However, when not performing they must stay in an area where minors are allowed, where alcohol is not served (such as a dressing room), or in an area previously approved by the OLCC.
- Under some circumstances, entertainers age 17 and under must have prior written permission from a juvenile court judge and the licensee must have prior written permission from the OLCC.
• Minors age 13 and under must also obtain a work permit if one is required by the Oregon Bureau of Labor and Industries.

THE LAW, YOU, AND VISIBLY INTOXICATED PERSONS

What does “visibly intoxicated” mean? Visible intoxication is intoxication you can see. If you can tell on sight that a person has been drinking or using other drugs, the person is visibly intoxicated.

What does the law say is my responsibility regarding visibly intoxicated persons? It is against the law to serve or sell alcohol to a visibly intoxicated person. The law says that you shall not "knowingly allow" a person to drink or continue to drink alcohol after you have observed that the person is visibly intoxicated. This means: FIRST, do not sell alcohol or serve an alcoholic drink to a visibly intoxicated person. SECOND, if a customer is in the middle of a drink and begins to show signs of visible intoxication, you must remove the drink or at least attempt to remove it.

What do you mean when you say I have to remove the drink? The law says you must make a good faith effort to remove the drink. The law defines this as: Placing your hand on the drink and trying to remove it, or, if you have reason to believe that touching the patron’s drink could cause a disturbance, you must make a verbal request for the drink.

What if I try and fail? If you make a good faith effort, there is no violation, even if you are unsuccessful in removing the drink. If you have not made a good faith effort, as defined by the law, you will need to make that effort or you will be in violation.

What if I made a good faith effort and an Inspector comes in and the patron is still drinking? You need to tell the Inspector that you have made a good faith effort and what you did to make that effort. The Inspector must prove that you did not make a good faith effort in order for there to be a violation. In the absence of other evidence, the Inspector will take your word. The Inspector may ask you to try again. Our goal is to get the drink away from the visibly intoxicated person.

What if I cut someone off and take his drink, but another customer gives him another drink? If you see a patron with another drink after you cut him off, you need to immediately try again to get that drink away from him. You may wish to find out how the patron got the drink, so that you can take steps to avoid the patron getting another drink. A customer who provides alcoholic liquor to a visibly intoxicated person may be criminally and civilly liable for his action.

What will happen to me if I allow a visibly intoxicated person to continue to drink alcohol? You could be fined and your license or service permit suspended. Repeated violations could lead to the cancellation of your license or service permit. In addition, you could be held liable in a third party liability law suit if the visibly intoxicated person injures another person or damages someone else’s property.
50 SIGNS OF VISIBLE INTOXICATION

Serving alcohol to a visibly intoxicated person (VIP) is against the law. If you can tell on sight that a person has been drinking or using other drugs, the person is visibly intoxicated. Servers are not expected to know a customer’s blood alcohol content (BAC) as determined by a blood, breath, or urine test, but they are required to recognize visible intoxication.

Here are some common signs of visible intoxication. These are not all of the possible signs. If a person shows just one or two of these signs that does not necessarily mean the person is intoxicated. But if a person shows a combination of several signs, or has a sudden change in behavior, that could be a strong indication that the person is intoxicated. Remember that intoxication can result from the use of drugs other than alcohol. If you’re not sure, don’t serve.

**Appearance**
1. Bloodshot, glassy, or watery eyes
2. Flushed face
3. Droopy eyelids
4. Blank stare or dazed look
5. Twitching or body tremors
6. Disheveled clothing

**Speech**
7. Thick, slurred speech
8. Loud, noisy speech
9. Speaking loudly, then quietly
10. Rambling train of thought
11. Unusually fast or slow talking
12. Slow response to questions or comments
13. Repetitive statements
14. Bravado, boasting
15. Making irrational statements

**Behavior**
23. Swaying, staggering, or stumbling
24. Unable to sit straight
25. Careless with money
26. Difficulty making change
27. Restless
28. Depressed or sullen
29. Crying or moody
30. Extreme or sudden change in behavior
31. Overly animated or entertaining
32. Crude, inappropriate speech or gestures
33. Drowsiness or falling asleep
34. Lack of focus and eye contact
35. Difficulty standing up
36. Unusual walk
37. Can't find mouth with glass
38. Falling down or falling off of chair
39. Difficulty lighting cigarettes
40. Lighting more than one cigarette
41. Clumsy
42. Difficulty remembering
43. Spilling drinks
44. Disoriented
45. Agitated, anxious
46. Grinding teeth
47. Vomiting

**Attitude**
16. Annoying other guests and employees
17. Argumentative
18. Aggressive or belligerent
19. Obnoxious or mean
20. Inappropriate sexual advances
21. Overly friendly to other guests or employees
22. Boisterous

**Other**
48. Odor of alcohol, marijuana or chemicals
49. Excessive perspiration
50. Repeated trips to rest room or outside area
MONITORING CUSTOMERS
INSIDE AND OUTSIDE YOUR BUSINESS

Neighborhood Livability

Liquor licensees are responsible for monitoring the behavior of customers outside as well as inside their businesses. The law is designed to insure that restaurants, taverns, grocery stores, and convenience stores that sell alcohol don’t disturb their neighbors.

The majority of a licensee’s customers do not cause problems for neighbors, but some licensees have occasional problems. Most often, prompt attention and cooperative efforts with the OLCC can help prevent continuing disturbances or resolve problems to the mutual satisfaction of those involved. If you are having difficulties with customers, we will be glad to help you develop a plan to correct the situation before it escalates.

The law focuses on businesses with serious and persistent problems caused by customers who are noisy, disorderly or involved in illegal activities and the disturbances are related to the sale or service of alcohol. Licensees are responsible for customer disturbances in the immediate vicinity of the premises. If the problems are not brought under control, the OLCC may issue violation tickets or may refuse to renew the license.

Licensees must be aware of, monitor, and avoid the following problems, specifically stated in the law: Obtrusive or excessive noise, public drunkenness, fights, altercations, harassment, unlawful drug sales, music or sound vibrations, alcohol or related litter, trespassing on private property, public urination.

If you run a restaurant, tavern, or lounge, you need to avoid these problems:
• Noise and other disturbances involving patrons outside the premises (shouting, fighting, revving car engines, loud car radios)
• Sounds or vibrations from music that interferes with normal living activities of neighbors
• Patrons drinking on the street, in the parking lot or in a park across the street where drinking is illegal
• Customers discarding alcohol containers or related litter on the street or in neighbors’ yards.
• Patrons urinating in public or trespassing on private property
• Drug dealing or drug use in parking lot or nearby property

If you run a grocery or convenience store, you need to avoid these problems:
• Noise and other disturbances involving patrons outside the premises (shouting, fighting, revving car engines, loud car radios)
• Patrons drinking on the street, in the parking lot or in a park across the street where drinking is illegal
• Discarded alcohol containers or related litter on the street or in neighbors’ yards
• Adults purchasing alcohol for minors after being contacted by the minor outside the store
• Cruisers who use the store parking lot for a place to park, play loud music, and consume alcohol or drugs
• Shoplifting and robberies involving alcohol
• Drug dealing or drug use in parking lot or nearby property
The OLCC will work with licensees to help them develop plans to correct problems created by customer behavior. Contact your local OLCC office for further information.

**PROHIBITED CONDUCT**

*You are responsible for the activities of your employees*

If your employees violate a liquor law, you (and possibly your employee) will be held responsible even if you are not at the business when the violation occurs. Be sure your employees understand and obey liquor laws.

Here is a partial list of miscellaneous activities prohibited by liquor laws:

**Noisy or Disorderly Activities**: You or your employees must not permit noisy or disorderly activities on the licensed premises or in areas you control that are adjacent to or outside the premises. “Disorderly activities” are those that harass, threaten or physically harm another person. “Noisy Activities” include types of noise from inside your business or caused by patrons outside your business that a reasonable person would not expect to hear inside or outside of a business where alcohol is sold. If your business is located in a city or county that has local noise ordinances, you may also receive a violation from the OLCC.

**Unlawful Activities**: You or your employees must not permit any unlawful activity on the licensed premises or in areas you control that are adjacent to or outside the premises. Examples of unlawful activities include: prostitution, illegal drug sales or use, illegal gambling, and anything else prohibited by state or local criminal codes.

**Eviction of Customers**: You or your employees who know that a customer has engaged in noisy, disorderly or unlawful activities must evict that customer from the premises for at least a 24-hour period. The 24-hour period begins at the time the licensee evicts the patron.

**Drinking Alcohol Outside the Premises**: You or your employees must not permit anyone to drink alcohol in any parking lot you control that is associated with the licensed business unless the OLCC has approved the sale or service of alcohol in the area.

**Open Containers**: You or your employees must not permit a person to take an open container of alcoholic beverages from the licensed premises. However, the following exceptions are allowed:

- Full On-Premises and Limited On-Premises licenses: may allow a patron to remove a partially consumed bottle of wine from the license premises if the wine was served in conjunction with the patron’s meal and the patron is not a minor or visibly intoxicated.
- Winery and Grower Sales Privilege licenses: may allow a patron to remove a partially consumed bottle of wine from the license premises if the patron is not a minor or visibly intoxicated.
- Licensees selling “growlers” may allow a patron to remove the growler from the licensed premises. A “growler” is defined as a refillable, securely-covered container with a capacity of
two gallons or less that contains malt beverage, wine, or cider and the malt beverage, wine, or cider has been sold to the consumer at retail.

**Drinking Alcoholic Beverages on Duty:** Generally, no licensee, permittee, or agent of a licensee may drink alcoholic beverages or be under the influence of intoxicants while on duty.

1. **On duty:**
   
a) Means from the beginning of a work shift that involves the mixing, sale or service of alcoholic beverages, checking identification or controlling conduct on the premises, to the end of the shift including any breaks.
   
b) It also means, for those working outside a scheduled work shift, having the authority to put himself or herself on duty and performing acts on behalf of the licensee which involve the mixing, sale or service of alcoholic beverages, checking identification or controlling conduct on the premises. Whether a person is paid or scheduled for work is not determinative of whether the person is considered “on duty.”
   
c) “A work shift that involves the sale and service of alcoholic beverages” includes supervising those who mix, sell or serve, check identification or control the premises.

2. Despite #1, a person may self-serve and may taste malt beverages, wine, or cider while on duty or as an agent of a licensee only under the following circumstances:
   
a) The person is not a minor.
   
b) The person is not visibly intoxicated.
   
c) The time the alcoholic beverage is consumed is between 7:00 a.m. and 2:30 a.m. on the succeeding calendar day.
   
d) The alcoholic beverage consumed is **ONLY** malt beverages, wine, or cider (consuming distilled liquor or drinks containing distilled liquor while on duty is not allowed).
   
e) The amount of alcoholic beverage consumed per serving does not exceed one ounce.
   
f) The person does not consume more than a total of six ounces of alcoholic beverages while on duty between 7:00 a.m. and 2:30 a.m. on the succeeding calendar day.
   
g) The purpose of the consumption is for educational purposes or to test the quality of the alcoholic beverage to ensure the product is not flawed or deteriorated.

**Alcoholic Beverage on the Premises:** You and your employees must not have or permit any alcoholic beverage on the licensed premises which your license does not allow you to sell or serve. The only exception is that limited on-premises sales and brewery-public house sales licensees may have distilled spirits on the premises if the distilled spirits are used only for cooking, are kept in a container only in the food preparation area, and the container is clearly marked “for cooking only.”

**Drive-up Window:** If you are licensed to sell alcohol for off-premises consumption, you or your employees must not sell or deliver any alcohol through a drive-up window.

**Liquor as a Prize:** You or your employees must not give or permit to be given any alcoholic beverage as a prize, premium, or consideration for any lottery, contest, game of chance or skill, or any competition of any kind on the licensed premises. Charitable, fraternal or religious organizations may offer alcohol as a prize in certain specific and narrow circumstances. Call your local OLCC office for more information.
**Access to Premises**: You or your employees must not deny entrance to the licensed premises to an OLCC regulatory employee or police officer who wants to conduct a reasonable search to ensure compliance with liquor laws. Once the OLCC employee or police officer is on the licensed premises, you or your employees may not ask the OLCC employee or officer to leave until they have had an opportunity to complete their search. Examinations of premises that are or appear closed occur only when there is reason to believe a liquor law violation is occurring.

**Calling the Police**: You or your employees must not fail to call the police if an OLCC regulatory employee directs you to do so.

**Evidence**: You or your employees must not destroy, damage, alter, remove, or conceal potential evidence, or refuse to give an OLCC regulatory employee or police officer this evidence when the employee or officer lawfully requests it.

**NSF Checks**: It is a violation to pay wholesalers for your alcohol with NSF checks (“not sufficient funds,” bounced, or bad checks). It could be considered a form of “credit,” and thus financial assistance. Wholesalers are required to report NSF checks to the OLCC.

**Marijuana Use**: No licensee or permittee will permit the use, consumption, ingestion, or inhalation of marijuana items as defined in ORS 475B.015 and OAR 845-025-1015 on a premises licensed to sell or serve alcoholic beverages.

**KEEPING AN INCIDENT LOG**

The OLCC encourages you to keep an Incident Log. Examples of when you should complete a log include anytime you or your employees intervene to prevent or stop patron conduct such as:

- Refusing someone alcohol service
- Cutting someone off or removing a drink
- Arranging safe transportation home for someone who appears intoxicated
- Stopping an argument, fight, or assault
- Stopping other illegal activities
- Asking a noisy patron to be quiet as they leave or drive away

Other activities to put in your log include whenever an incident is reported to the police or OLCC, whenever you receive a complaint from a neighbor, or any other time you think it necessary.

Sometimes complaints, investigations, or lawsuits do not surface until weeks, months, or years after the incident occurred. Gathering complete and accurate information immediately after an incident is one of the best ways to document how you and your employees handled the problem.

Be sure your employees are instructed on the importance of filling out incident logs. Keep completed forms in a safe place and retain them for at least 5 years.
DPSST CERTIFICATION REQUIREMENTS
FOR SECURITY PROFESSIONALS

Oregon law requires individuals who function primarily as security professionals to be certified by the Oregon Department of Public Safety Standards and Training (DPSST). An employee is likely considered a private security professional if his/her primary responsibility includes any of the security services described below. If these duties are performed, even if the individual is working part-time, the individual may need to be DPSST certified:

- Control of access to the premises
  → Exception: Under some conditions a person with a valid OLCC service permit may not be required to be DPSST certified. Contact the DPSST for the details.
- Observation and reporting of any unlawful activity
- Prevention of theft or misappropriation of any goods, money or other items of value
- Protection of individuals or property, including but not limited to proprietary information, from harm or misappropriation
- Taking enforcement action by lawfully detaining persons or placing persons under citizen’s arrest
- Providing canine services for the purposes of guarding or detection
- Taking enforcement action by detaining or placing persons under arrest as authorized by the person’s employer as part of the person’s employment.

Types of certification
- Unarmed Security Professional
- Armed Security Professional
- Instructor
- Alarm Monitor

Types of licenses
- Executive Manager
- Supervisory Manager

Contact the DPSST for certification
- The DPSST website at http://oregon.gov/DPSST
- DPSST phone 503-378-8531

Any person applying for security professional certification must:
- Be at least 18 years of age, 21 if seeking armed certification
- Must have satisfactorily completed the training requirements as defined by law
- Demonstrate minimum standards
- Not be required to register or be registered as a sex offender
- Have no disqualifying criminal history
- Have no disqualifying history of mental illness

Compliance
OLCC inspectors, police, and other law enforcement officers may issue citations for failure to have the necessary certification. Fines range from $250 to $1,500.
WHO NEEDS TO HAVE A SERVICE PERMIT
& TAKE SERVER EDUCATION

Who needs a service permit?
Employees - Any person employed by a licensee of the commission who participates in any manner in the mixing, selling or serving of alcohol for consumption on the licensed premises is required to have a service permit. This includes managers/supervisors who oversee servers and bartenders or who also take alcoholic drink orders, hostesses who take drink orders and cashiers who ring up drink orders.

The employees who do not need service permits are those who never mix, sell, serve alcohol or manage any person that does. This could include ID checkers, security guards, bouncers, bus people who clear and set up tables, and cooks.

Licensees whose names appear on their liquor license - If your individual name appears on the liquor license as a licensee, you do NOT need to have a service permit. However, you still need to pass a server education class every 5 years.

Entities (such as corporations, LLCs, and limited partnerships) - Any member who participates in the mixing, serving or selling of alcohol for drinking on the premises, or who manages workers who do, must have a service permit.

Who needs to take the server education course?
Employees – Any employee who needs a service permit and does not already have one must take and pass a server education class within 45 days of signing the application.

Licensees whose names appear on their liquor license - If your individual name appears on the liquor license as a licensee, you must take and pass a server education class.

Entities (such as corporations, LLCs, and limited partnerships) – If a corporation or other business entity has its name on the liquor license, a designated person or persons must take and pass a server education class on behalf of the business entity.

How do I and my employees get a service permit?

1. **Before** you or your employees mix, sell, or serve alcoholic beverages, or manage any person that does mix, sell, or serve alcoholic beverages, you or your employees must obtain a temporary service permit. The online Service Permit application portal is available at www.oregon.gov/OLCC.

2. To get a temporary service permit, you or your employee will need to create a user account, fill out the application, and submit the application online with payment.

3. To get a 5-year permit, you or your employee will need to take an alcohol server education course, upload your course proof/certificate and take the test in your OLCC user portal within 45 days of your application.
How may I keep track of my employees’ service permits?
You should create a service permit file where you keep copies of service permit applications that you have signed and sent to the OLCC. You should note the **45 days deadline** each employee has to pass the server education course. You should review the file regularly to make sure your employee complies with the requirement. You should also keep copies of your employees’ service permits. Highlight the permit expiration date on each permit and review the file regularly to make sure that your employee renews his/her permit on time.

**Remember, you are responsible for the acts of your employees**
- You are responsible for your employees’ performance, even before they take a server education course. You may be cited if they violate a liquor law.
- Your employees must have their service permit available for inspection any time they are working.
- The service permit is your employee’s license to serve alcohol. It belongs to your employee, not to you.
- A service permit expires **5 years** from the date the service permit is issued.
- A service permit must be renewed every **5 years**. Renewing a service permit is the same process as applying for a new one. The server must retake server education.

**ALCOHOL SERVICE**
**BY EMPLOYEES 18-20 YEARS OLD**

If your business has a #1 minor posting, minor employees and minor service permittees are prohibited from the entire premises at all times.

In an area of a premises with a minor posting that allows minors, you may employ 18 to 20 year olds to take orders for and serve alcohol in this area provided the primary duty of the minor service permittee is food service. In the area where minors are allowed the minor service permittee may:

1. Take orders for and serve alcohol **only** in connection with food service.
2. Pour alcohol as a service to patrons at their tables.
3. Draw alcohol from the tap if the drawing is done in an area where minors are allowed.

In an area of a premises with a minor posting that prohibits minors, a minor service permittee may enter the area to perform only the following limited duties and may remain in the area only as long as necessary to perform these specific duties:

1. Order and pick up drinks for service in areas where minors are allowed.
2. Restock supplies.
3. Set and clear tables.
4. Deliver food (but not take food orders).

Employees 18 to 20 years old may **NOT**:

1. Mix drinks.
2. Serve drinks in the bar or lounge area.
3. Take food orders in areas prohibited to minors.
OWNERSHIP OF YOUR BUSINESS

Declare All Owners – When you apply for your liquor license, you must specify the real and true names of all persons who own or have an ownership interest in the business. All persons applying as an individual must sign the application. In the case of an entity, a duly authorized officer or member must sign the application. Entities must disclose the individuals required by the OLCC. The liquor license is granted only to the persons or entities specified in the application and only for the premises designated on the application.

Changes in Existing Ownership – Once licensed by the OLCC, you must receive OLCC approval before you make any changes in who owns or has an ownership interest in the business. The OLCC may suspend or cancel your liquor license if you fail to obtain approval before a person acquires an ownership interest in the business. Here are the most common examples of changes to existing ownership:

- Change from one or more individual owners to an entity. You must file the proper application materials with the OLCC prior to making the change.
- Changes in a privately-held entity.
  → You must obtain prior written approval from the OLCC whenever a person intends to acquire or accumulate ownership or control of 10% or more of the entity.
  → You must notify the OLCC immediately in writing when there has been a change in an officer, director, managing member, or other person who controls the entity.
- Changes in a publicly-traded entity.
  → You must notify the OLCC within 60 days of the acquisition whenever a person accumulates ownership or control of 10% or more of the entity.
  → You must notify the OLCC by July 1 of each year in writing when there has been a change in an officer, director, managing member, or other person who controls the entity.

Ownership Interest Defined – Ownership interest is indicated by the following behaviors, benefits, or obligations:

a) Any person or entity, other than an employee, agent, or representative acting under the direction of the owner, that exercises control over, or is entitled to exercise control over, the business.

b) Any person or entity, other than an employee, agent, or representative acting under the direction of the owner, that incurs, or is entitled to incur, debt or similar obligations on behalf of the business.

c) Any person or entity, other than an employee, agent, or representative acting under the direction of the owner, that enters into, or is entitled to enter into, a contract or similar obligations on behalf of the business.

d) Any person or entity, other than an employee, agent, or representative acting under the direction of the owner, who sells or manufacturers alcoholic beverages at the premises or who imports alcoholic beverages to the premises or is entitled to sell or manufacture alcoholic beverages at the premises or import alcoholic beverages to the premises.

e) Any person or entity identified as a lessee, tenant, or renter (or similar term) of the premises proposed to be licensed.
f) Any person or entity owning the real or personal property of the premises proposed to be licensed, unless the owner of the property has given control over the property to another party via a lease or rental agreement or similar agreement.

g) When the applicant is an entity (like a corporation or LLC), any person or entity defined as an applicant or licensee as per OAR 845-006-0301.

**Financial Interest Defined** – In addition to denying an application because the applicant(s) or proposed operation do not qualify for a liquor license, the OLCC may deny, cancel, or suspend a license if an unlicensable person has a financial interest in the business. Examples of financial interest include:

a) A licensee.
c) Any person who rents or leases real property to a licensee or applicant for use by the business.
d) Any person who rents or leases personal property to a licensee or applicant for use in the business for a commercially unreasonable rate.
e) Any person who lends money, real property or personal property to a licensee or applicant for use in the business.
f) Any person who gives money, real property or personal property to a licensee or applicant for use in the business.
g) A spouse or domestic partner of the licensee or license applicant. For purposes of this subsection, “domestic partners” includes adults who share the same regular and permanent address and would be financially effected by the success or failure of the business as well as adults who qualify for a “domestic partnership” as defined under ORS 106.310.

**CHANGES IN OPERATION**

The OLCC issues licenses with the understanding that you will operate your business as you proposed at the time of licensing. The OLCC may cancel, suspend, fine or refuse to renew your license if you fail to get the required approval or give the required notice.

**Prior Approval Necessary**
All OLCC licensees must receive prior approval from the OLCC before expanding the licensed premises to include other areas where alcoholic beverages are sold, served, made, or stored. This includes outdoor areas such as a patio or sidewalk café.

**Notification Necessary**
The following require notification to the OLCC:

a) A licensee licensed to sell alcoholic beverages at retail for on-premises consumption must notify the Commission in writing and provide an updated floor plan whenever the licensee changes the physical dimensions of the licensed premises within 30 days of the change.
b) A licensee must notify the Commission in writing whenever the licensee changes the business trade name within 30 days of the change.
c) A licensee licensed to sell alcoholic beverages for on-premises consumption must notify the Commission in writing of any change to the premises or the business operation that could
reasonably affect the minor posting assigned to the premises or any room or area of the premises prior to the change.

d) When the Commission issues a license in the name of a corporation, limited partnership or business entity other than individual persons, the licensee must designate a person or persons (depending on business structure) to take the server education course and pass the exam on the licensee's behalf. The designee must have the authority to set, implement or change the licensee's practices for selling and serving alcoholic beverages. The licensee may change its designee. If the designee no longer qualifies to act on the licensee's behalf, the licensee must appoint a new designee within 20 days. The licensee must give the Commission written notification within ten days of the appointment. The new designee must take the course and pass the exam within 45 days of appointment.

CLOSING YOUR BUSINESS

TEMPORARY CLOSURES (Closing to Go on Vacation, Remodel, Etc.)

Closing for less than 14 days: No notice is required.

Closing for more than 14 days: Written notice is required. You must give the OLCC written notice no later than 21 days after the closure, and your written notice must state your reason for closing and your estimated re-opening date.

PERMANENT CLOSURE

If you close your business permanently, you must surrender your license. Your license is valid until it expires, whether or not you are operating and all of the requirements are still in effect. For example, you must still maintain liquor liability insurance if your license requires it.

To surrender your license, you must submit a request to OLCC specifying the date you are no longer operating. The surrender is not effective until the Commission accepts it.

You may also request authorization to return your unsold beer and wine to your wholesalers, who may be willing to accept returned product. Include this request with your surrender request.

CLOSING TO CATER TO PRIVATE PARTIES

Close part of your business: For Full On-Premises, Commercial (F-Com) and Limited On-Premises Sales licenses. Prior written notification to the OLCC is required only if the event will restrict the general public more than once per week from areas that were approved for patronage by the general public.

Close your entire business: For Full On-Premises, Commercial (F-Com) Sales licenses. You may close your entire business any time as long as you give the OLCC 48-hour prior written notice.
ADVERTISING

The OLCC regulates the advertising of alcohol to encourage its moderate and responsible use, to discourage the appeal of alcohol to minors, and to minimize health and safety problems caused by the misuse of alcohol.

**Flyers** – You may not advertise alcohol through handbills, flyers, or leaflets that are posted or passed out on public property.

**Exterior Signs** – You may NOT accept free exterior signs referring to alcohol from a wholesaler or manufacturer that are larger than 2,160 square inches (approximately 3’ x 5’). You may accept a sign larger than 2,160 square inches if you pay the fair market price for it.

**Coupons** – The OLCC allows manufacturers to offer *mail in rebates* and *cross promotional rebate coupons*.

*Mail in rebate coupons* must be redeemable only by mail, except that a manufacturer may offer instantly redeemable coupons for products sold to consumers under the manufacturer’s retail privileges at the manufacturer’s licensed premises; coupons must bear an expiration date; manufacturers must require proof of purchase; and coupons must be valid only for adults of legal drinking age.

*Cross Promotional rebate coupons* provide a discount or rebate on food, non-alcoholic beverages, or non-food items with or without the purchase of alcohol. For example, $1.00 off tortilla chips with the purchase of a six pack of beer. Such coupons may be offered for generic or branded products (for example, store brand hot dogs or name brand hot dogs) but may not be limited exclusively to a store brand.

The OLCC allows retailers to issue *coupons on alcohol* provided that the retailer bears all costs associated with the redemption of the coupon and receives no payment from any manufacturer. Examples include rain checks, coupons that provide a discount on meals including alcohol to be consumed at the licensed premises, discount coupons for any product the retailer sells, and customer loyalty cards. Retailer issued coupons may be instantly redeemable or mail in. The retail licensee must pay for all discounts on alcohol provided under retailer issued coupons.

**Happy Hour** –

- A liquor licensed business may advertise “happy hour” or similar terms outside the licensed premises only as allowed by OLCC rule OAR 845-007-0020.
- Advertising is considered “outside the licensed premises” if the advertising is visible or audible from the outside, including advertising on a website or on a telephone answering machine recording. Responding via email or telephone to a question from a member of the public is not considered advertising and thus is allowed.

What is ALLOWED under the rule?

- A business may use “happy hour” and similar terms that reference discounts on food and/or alcohol.
• A business may advertise its regular and reduced prices both inside and outside the licensed premises.

What is NOT ALLOWED under the rule?

• You may not advertise reduced prices after midnight.
• You may not advertise a reduced price for the purchase of multiple drinks. Advertising drink specials in which a customer must purchase more than one drink in order to receive the special price or all you can drink for a set price is prohibited. Examples of what’s not allowed:
  → Buy One – Get One Free
  → Two-for-One Margaritas
  → $10 Bottomless Beer
• The OLCC prohibits advertising that contains material so appealing to minors that it encourages them to purchase, possess, or drink alcohol.

FINANCIAL ASSISTANCE

To ensure that manufacturers and wholesalers (M/W) do not monopolize alcohol sales nor unduly influence or control retailers, Oregon law strictly regulates what types of services they can offer retailers. Over the past 75 years, the laws (known as the financial assistance rules) have been gradually amended to adapt to changes in society and business. Now, under limited circumstances, M/Ws may provide certain services as part of doing business with you. The following pages describe these services.

To aid in interpreting the financial assistance rule, the Commission developed the following guiding principle:

Guiding Principle

Manufacturers and Wholesalers (M/W) may promote their products but may NOT promote a retailer’s business or underwrite a retailer’s business expenses.

GENERAL LIMITATIONS

The law does not require M/Ws to give retail licensees what is listed below; it simply allows them to do so if they choose.

• M/W may give or loan what’s allowed for their products only.
• If a M/W provides something, they must provide it to all retailers upon request, subject to availability. However, M/W may give what’s allowed based on the type of business involved (for example, a Limited On-Premises license vs. an Off-Premises license) or in proportion to the size of the account.
• M/W may not disturb or alter other M/W’s products except when a retailer decides to do a general reset, in which case the retailer must first notify all M/W whose products are being moved and the retailer must move or help move the products of M/W who are not present.
- A M/W may sell or rent you items, labor, or services that they are not allowed to give you if they charge you a *reasonable fee*. A *reasonable fee* is one that at least covers the cost to the M/W for the item, labor, or service. Both you and the M/W must keep a record of the transaction.

**ITEMS A M/W MAY GIVE A RETAIL LICENSEE**

*Alcohol samples*: Only of products you do not carry. The sample size may not exceed 1 gallon of beer, 5 liters of wine, or 50 ml of distilled spirits. Beer and wine samples must be clearly marked: “Sample - not for resale.”

*Display bins or racks*: Only one per business location at any given time under these restrictions: the supplier provides no more than one bin or rack per brand name family per retailer at any given time; the cost of the display bin or rack does not exceed $300.00 (cost = the cost to the supplier who initially purchased or produced the bin or rack); the supplier has permanently marked the bin or rack with a brand name or trade name of the supplier’s alcoholic beverage product; and the retailer uses the bin or rack to display only products from the brand name family or trade name permanently marked on the bin or rack.

*Food and beverages*: For immediate consumption at a business meeting between you and the M/W, at a convention when the food and beverages are offered to all participants, and at a sports or entertainment event that the M/W attends with you. See next item.

*Tickets and admission fees*: To athletic or entertainment events (including green, court, and lane fees) only if the M/W accompanies you. A M/W may not pay associated costs, such as your airfare.

*Items at a convention*: As long as the items are offered to all convention participants.

*Gifts*: To acknowledge a special occasion, such as a grand opening, personal or business anniversary, death in the family, birthday, or holiday. The value of all gifts given to you by a M/W in a calendar year may not exceed $30 fair market value. Gifts may not include cash or anything else prohibited by these rules.

*Tavern head*: One per calendar year.

*Trade-in of a tavern head*: At fair market value as partial payment for a new one when you replace an existing draft system.

*Washers or Thomas valves*: Only those necessary for the proper operation of your draft equipment.

*Bags or shells*: New or used in sufficient quantity, for returning empty beverage containers.

**POINT OF SALE ADVERTISING MATERIALS AND CONSUMER TAKE-AWAYS A M/W MAY GIVE YOU**

*Generic Advertising*: Only generic, off-premises references to a M/W’s products that mention no specific retailer – such as radio and television commercials and billboards.
**Point of sale materials:** Items designed to be used to attract consumer attention to M/W’s products. Such materials include window decorations, posters, placards, trays, coasters, mats, menu cards, meal checks, paper napkins, foam scrapers, back bar mats, calendars, alcohol beverage lists or menus, display mirrors, table tents, chalk boards, thermometers, and similar items like value. Also allowed are signs (neon, electrical, mechanical, inflatable or otherwise). Items do not include fixtures, furniture, or furnishings prohibited by ORS 471.398(3) and OAR 845-013-0030.

**Consumer take-aways:** Items intended for use by the retailer’s customers off the premises that provide information to the customer but do not promote the retailer’s business. Only items made of paper or other similar inexpensive material are allowed to be given to the retailer such as recipes, calendars, sports and entertainment event schedules, and informational pamphlets.

**Conditions:** A M/W may provide point of sale materials and consumer take-aways to a retailer provided the following conditions are met:

- Items must bear conspicuous and substantial advertising matter about the product or supplier that is permanently inscribed or securely affixed. The name and address of the retailer may appear on the point of sale advertising materials only.
- The M/W may not directly or indirectly pay or credit the retailer for using or distributing these items.
- Items that predominantly advertise the M/W’s alcoholic beverage and a generic food items or generic words or symbols for activities are allowed.
- Beer, wine, cider, and distilled spirits lists of any products you sell, including other M/W products. A M/W may add generic food references to the list, for example, the list may say that a particular wine goes well with chicken, but it may not refer to a chicken dish on your menu.
- Exterior point of sale items given or loaned must not exceed 2,160 square inches. This includes inflatables in parking lots or other outside areas.

**SERVICES A M/W MAY PROVIDE TO YOU**

**Inspect draft equipment,** including coolers and cooling equipment, for sanitation and quality control.

**Make emergency repairs on draft equipment.**

**Instruct** you on the proper use, maintenance, and care of draft and cooling equipment.

**Tap kegs** during delivery calls.

**Deliver products** to a designated place on your premises.

**Inspect, rearrange, and replenish** the M/W’s products.

**Price** the M/W’s products. The M/W may not re-price products, including entering UPC information in your system, but the M/W may change shelf tags.

**Exchange** products delivered in error for the proper product. A M/W may exchange products that are damaged, missing labels, or near or past their shelf date for an equal amount of the identical product. If the amount exchanged is one case or less of beer, the M/W may substitute another beer of similar value. A M/W may not exchange products which you or your customers damaged.
Rent you picnic pumps, cold plates, tubs, refrigerated trailers, refrigerated vans, and refrigerated draft systems for a special event if a reasonable rental or service fee is charged and the rental period does not exceed 10 days.

**CREDIT, CASH & DISCOUNTS**

**NSF Checks**: Not Sufficient Funds, “bounced,” or bad checks: It is a violation to pay M/W with NSF checks. It could be considered a form of “credit” and financial assistance. The M/W is required to report NSF checks to the OLCC. You must pay for all your alcohol purchases with cash or check. Credit is allowed only in the exceptions listed below.

**Beer and wine returns**: A M/W may give you cash or credit when you return beer and wine but only with the Commission’s prior written approval and only under the following circumstances:

- When you permanently close your business.
- When you temporarily close your business for more than 29 days, or you stop operating because of unforeseen circumstances, such as fire, flood, or other natural disasters.
- When you close for the season if you have a seasonal business.
- After an event at which you had a Temporary Sales License.
- When you exchange beer and wine as allowed under SERVICES above and the M/W has no product available. These restrictions apply:
  → A M/W can give you credit only, not cash, and that credit must apply to your next purchase.
  → The credit must be limited to the price you originally paid for the product.
  → If the credit is for more than one case, the M/W must get prior written approval from the OLCC.

**Non-alcoholic merchandise**: A M/W may sell you non-alcoholic merchandise on credit. However, you must pay for credit purchases in full within 45 days of delivery.

**Discounts**: A M/W may NOT offer you discounts of any kind. They must charge all their retail customers the same price for any alcoholic beverage. You may not contract for delivery of alcohol more than 10 days in the future except when purchasing existing vintage-dated wines for future delivery prior to winery releases.

**Distilled Spirits Purchases**: Distilled spirits must be purchased from an Oregon liquor store. Use these steps and guidelines when purchasing distilled spirits:

- Contact a liquor store in advance to place an order. Give the store ample time to prepare the order.
- You may present a copy of your license to the liquor store as proof to receive a discount on distilled spirits purchased for use at your business.
- When you receive the order, review the contents and sign the paperwork acknowledging receipt of the contents.
- Payment for the order must be made with cash or a business check imprinted with the licensee’s business name or trade name and written for the amount of the purchase only.
- Licensees must not present checks that the bank will decline (i.e. NSF, closed account). Licensees are placed on a “cash only” basis when OLCC receives two declined checks from the licensee within a six month period.
Licensees are prohibited from using a debit or credit card for any purchase made at a liquor store that will be used for their business.

ALCOHOL TASTINGS ON A RETAILER’S PREMISES WITH INVOLVEMENT BY A M/W

Distilled Spirits

- Both distilled spirits and assistance provided by the M/W.
  -> OAR 845-005-0428, under some circumstances, allows a M/W with distilled spirits approved for sale in Oregon to provide both product and assistance with distilled spirits tastings at any Full On-Premises Sales licensed premises.
- Distilled spirits provided by the Full On-Premises Sales licensee with assistance provided by a M/W.
  -> OAR 845-006-0446, under some circumstances, allows a M/W to provide limited assistance with an event at any Full On-Premises Sales licensed premises.

Malt Beverages (beer), Wine, and Cider

- Both malt beverages, wine, and/or cider and assistance provided by the M/W.
  -> OAR 845-006-0450, under some circumstances, allows a M/W to provide both product and assistance with malt beverage, wine, and cider tastings at any Full On-Premises Sales, Limited On-Premises Sales, and Off-Premises Sales licensed premises.
- Malt beverages, wine, and/or cider provided by the Full On-Premises Sales, Limited On-Premises Sales, and Brewery-Public House licensee with assistance provided by a M/W.
  -> OAR 845-006-0446, under some circumstances, allows a M/W to provide limited assistance with an event at any Full On-Premises Sales, Limited On-Premises Sales, and Brewery-Public House licensed premises.

HEARINGS

The Oregon Liquor Control Commission holds two types of hearings:

Public hearings or meetings - Public hearings or meetings are open meetings or gatherings where the general public may comment and are not under oath. Examples are rule making hearings, where the Commission considers a proposed new rule or changes to an existing rule.

Administrative or contested case hearings - Administrative or contested case hearings are held for violation cases and license denials. They are not open for public comment and testimony is sworn under oath.
ADMINISTRATIVE or CONTESTED CASE HEARINGS

Violations or License Denials - If we refuse your license request or if we issue you a ticket for violating a liquor law, you have the right to ask for a hearing. The purpose of a contested case hearing is to make a record of the facts and arguments surrounding a case. An impartial hearings officer, not employed by the OLCC, is the presiding officer. Contested case hearings are not as formal as a court proceeding, but only people asked to testify as witnesses or those who are party to the proceedings may present information or speak on the record. Testimony is under oath and must be relevant to the issues of the case.

Representation at the hearing – If you are licensed as a sole proprietor, you may represent yourself at the hearing or hire an attorney at your own expense. If you are licensed as an entity then you must be represented by an attorney. You or your attorney may call witnesses, make arguments and introduce evidence.

Proposed Order - After the hearing, the hearings officer prepares a report of the facts and makes a recommendation called a Proposed Order. If the hearing was about a violation, the proposed order may dismiss the charge, uphold the proposed penalty, or alter it. If the hearing was about a license request, the order may reverse the decision, uphold it, or alter it.

Exceptions & Final Order - If you object to the Proposed Order, you may file written exceptions. Your exceptions, along with the hearing officer’s Proposed Order, will then be considered by the Commissioners at their monthly meeting. You and your attorney will have the opportunity to make final remarks to the Commissioners. The Commissioners may accept, reject, or modify the Proposed Order. The Commissioners will then issue their decision in a report called a Final Order.

VIOLATION & PENALTY SCHEDULE
CHAPTER 845
OAR 845-006-0500(7)
Exhibit 1

SANCTIONS*

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* These are guidelines only. The Commission can impose a different sanction where appropriate.
** Amounts are retail, wholesale, and manufacturer licensee civil penalties ($5000 maximum per violation). Service permittees and package store clerks: multiply days by $25 ($500 maximum per violation).

**EXAMPLES OF MOST COMMON VIOLATIONS**

**CATEGORY I** -- Not operating as proposed, allowed ownership interest in the business without prior Commission approval, premises has a history of serious and persistent problems, operated while suspended.

**CATEGORY II** -- Made false statement to Commission, interfered with investigation, failed to call police at inspector’s request, failed to promptly admit inspector or police officer.

**CATEGORY III** -- Sold alcohol to a minor, sold alcohol to a VIP, permitted unlawful, disorderly, or noisy activity, allowed a server to sell alcohol without a service permit.

**CATEGORY IV** -- Permitted a minor to enter or remain in a prohibited area, after hours operations.

**CATEGORY V** -- Unlawfully permitted liquor to leave premises, NSF check, advertising violations, altered premises without Commission approval.

**RESPONSIBLE VENDOR PROGRAM**

The Responsible Vendor Program is a FREE, self-monitoring program which rewards responsible licensees who take positive steps to prevent the sale and service of alcohol to minors by their employees.

Licensees in the program with all of the criteria in place at the time of a violation will not have licenses canceled or denied if any employee sells alcohol to a minor. Licensees will be eligible for reduced penalties or sanctions.

Any person holding a liquor license that authorizes the person to sell alcoholic beverages at retail may participate in the program.

- On-premises licensees must require employees to have either: A) an issued and valid OLCC-issued service permit before mixing, selling, or serving alcohol; or B) a temporary service permit before mixing, selling, or serving alcohol, and employees with a temporary service permit must complete an OLCC-certified Alcohol Server Education course and test within 45 days of receiving their temporary permit.

- Off-Premises Sales licensees must require employees to read and sign the Off-Premises Sales Brochure before selling alcohol.

- All licensees must train employees within three days of selling alcohol, and follow other training requirements as outlined in the rule.

- House polices on alcohol sales and checking identification must be posted for employees, and each employee must read and sign your house policy.
Signs must be permanently posted reminding patrons and employees of the legal requirements for selling alcohol.

Licensees must have no personal Category I or II violations for the past five years, or any personally committed violations within the past year.

Qualifying licensees will receive a certificate to display on their premises.

INTERESTED in the program?
Contact the Responsible Vendor Program coordinator at 503-872-5133 or 800-452-6522, ext 5133 for an application form

OREGON’S BOTTLE BILL

Oregon’s Bottle Bill was introduced in 1971 as the very first bottle bill in the U.S. The bill was created to address a growing litter problem along Oregon beaches, highways and other public areas. Later it became a tool for recycling.

Water, beer and other malt beverages, carbonated soft drinks, kombucha, and hard seltzers in metal, glass, and plastic bottles and cans in sizes up to and including 3 liters have a 10-cent Oregon refund value. All other beverages (except distilled liquor, wine, dairy milk, plant-based milk, infant formula, and beverages marketed specifically as meal replacements) have a 10-cent Oregon refund value in metal, glass, and plastic bottles and cans in sizes from 4 ounces up to and including 1.5 liters. These other beverages include but are not limited to hard cider, tea, coffee, coconut water, fruit juice, vegetable juice, energy drinks, sports drinks, smoothies, and cocktail mixers. Beverages in cartons, foil pouches, drink boxes, and metal containers that require a tool to be opened are exempt no matter what the beverage is or the size of the container. All containers with a 10-cent Oregon refund value must have OR 10¢ clearly indicated on the container for it to legally be sold or offered for sale in Oregon.

Most Oregon stores that sell beverages with a refund value must accept empty beverage containers and pay the 10-cent refund value to customers. Stores that are required to accept empty beverage containers must accept them on all days and at all hours they are open to the public. Only containers for beverages that were purchased in Oregon may legally be redeemed. Stores are not required to charge the 10-cent deposit, but they must accept container returns and pay out the refund value even if they do not charge a deposit.

The size and location of a store determines how many empty containers a store must accept. Large stores (5,000 or more square feet in size) within the first zone of a full-service redemption center

1 A full-service redemption center is a staffed facility that has received approval from OLCC to accept empty containers from consumers. Full-service redemption centers are staffed and open 7 days per week for a minimum of 10 hours per day during the summer and a minimum of 9 hours per day during the winter. They accept up to 350 containers per person per day through reverse vending machines, offer hand-count of up to 50 containers per person per day, and offer bag drop-off services. Locations and other information for approved full-service redemption centers can be found on OLCC’s website.
that participate in the redemption center may refuse to redeem all containers (these are the only Oregon stores that do not have to accept container returns). Large stores that participate in the second zone of a full-service redemption center may limit returns to 24 containers per person per day. Large stores that are not in a zone of a full-service redemption center or are in a zone of a full-service redemption center and have been granted an exemption by the OLCC must accept at least 144 containers per person per day. Large stores within a full-service redemption center zone that do not participate in the redemption center or do not have an exemption must provide equivalent services to the redemption center, including accepting up to 350 containers per person per day.

Large stores must accept the kinds of beverages sold at the store even if that brand or size isn’t sold at the store. There are six kinds of beverages covered under the Bottle Bill:

1. Water
2. Carbonated soft drinks
3. All other non-alcoholic beverages (excluding dairy milk and plant-based milk, infant formula, and meal replacement beverages)
4. Beer and other malt beverages
5. Other alcoholic beverages (excluding distilled liquor and wine)
6. Marijuana beverages

For example, if a large store sells water, soft drinks, beer, and hard cider or hard seltzer, it must accept all sizes and brands of containers for numbers 1, 2, 4, and 5 above, even other store brands. Number 3, all other non-alcoholic beverages, includes but is not limited to fruit juice, vegetable juice, energy drinks, sports drinks, tea, coffee, smoothies, and cocktail mixers. If a store sells any one of these ready-to-drink beverages, such as juice, it must accept empties for all beverages in that category. Stores that do not hold a marijuana license may refuse to accept containers for beverages found in number 6, although it’s fine to accept them.

Small stores (under 5,000 square feet in size) that are not in a full-service redemption center zone must accept at least 50 containers per person per day. Small stores cannot participate in a full-service redemption center, but if they are within a full-service redemption center zone may limit returns to 24 containers per person per day. There is no option for a small store to refuse to accept all container returns. Small stores may limit container returns to the sizes and brands that they sell, but cannot require that those beverages be purchased at their store.

In order to legally limit returns to 144, 50, or 24 containers per person per day, a notice must be posted at the store where it is clearly visible to customers. This notice is available from the OLCC and is also available in Korean and Spanish.

Stores should contact the Oregon Beverage Recycling Cooperative (OBRC) Route Operations at 503-973-6956 to arrange for pickup of the empties collected at the store. Stores cannot legally refuse to accept container returns due to a lack of storage space or because they are waiting for OBRC to provide supplies or pick up empties.

Go to OLCC’s website at https://www.oregon.gov/olcc/pages/bottle_bill.aspx to get more information on Oregon’s Bottle Bill. You can also email to OLCC.bottlebill@oregon.gov to request the required OLCC notice for your store and ask questions, including checking to see if your store is within a full-service redemption center zone.
THIRD PARTY LIABILITY

If you sell or serve alcohol to a minor or to a visibly intoxicated person, you could be held responsible (or “liable”) for any injuries or damages that person causes. This is called “third party liability.”

Liquor liability is commonly called “third party liability” because the lawsuit involves 3 parties:

1st party = the server and/or licensee
2nd party = the intoxicated person/minor
3rd party = the victim

Third party liability lawsuits usually involve automobile accidents, but not always. Sometimes the lawsuit involves a fight or an assault.

Third party liability is a civil matter which is decided in a court of law. The OLCC does not govern or judge third party liability lawsuits.

When does third party liability exist?

LIABILITY EXISTS WHEN...

SERVERS AND LICENSEES VIOLATE THE LAW.

To be found responsible in a third party liability lawsuit, this is what must happen:

1. You must break the law by giving alcohol to a visibly intoxicated person or to a minor.
2. The person suing you must prove by clear and convincing evidence that you gave alcohol to a visibly intoxicated person or that you knowingly gave alcohol to a minor or to a person you should have known was a minor.

Remember, licensees are responsible for the actions of their employees, so if your employee breaks the law and is sued, you could also be sued.

How can I protect myself from third party liability?

If you and your employees do not sell or serve alcohol to visibly intoxicated persons or minors, you will protect yourselves from third party liability.

Your best protection against liability is to:

1. Know the law
2. Know the signs of visible intoxication
3. Not sell to or serve visibly intoxicated persons
4. Not sell to or serve minors
5. Ask anyone who appears to be 26 years old or younger for identification
6. Adopt house policies that ensure responsible alcohol use and service in your business;
7. Keep an incident log of such events as fights, disturbances, refusing service to a minor or intoxicated person, and calling the police (this will document the steps you took to handle the problem)
8. Be sure your employees know and follow these guidelines