

Oregon Liquor Control Commission Advisory Committee Meeting

Minutes

Specials License Package

OAR 845-005-0410

OAR 845-005-0413

OAR 845-005-0414

OAR 845-005-0415

OAR 845-005-0440

Tuesday, March 24, 2015

9:00 am – Noon

Present

Clark McCool (McMenamins Inc.), Ted Pappas (Oregon Distillers Guild), Bill Cross (Willamette Valley Vineyards), Devon Howard (Ransom Spirits), Bryant Haley (OLCC), Will Higlin (OLCC), Dan Croy (OLCC), Danica Hibpshman (OLCC), John Eckhart (OLCC), Jesse Sweet (OLCC), Carolyn Moreno (OLCC)

Invited but Not Present

Andy Smith (City of Portland), Todd Engstrom - (Portland Police Bureau), Paul Vanorden (Portland Noise Review Board), Doug Ehrich, Commander (Hillsboro Police Department), Kathy Stromvig / Anne Pratt (Mothers Against Drunk Driving), Daniel Estes (Oregon Department of Transportation), Lisa Frisch / Bill Sinnott (Portland Downtown Retail & Clean & Safe Programs), Lise Gervais (Public Action Management), Daniel Ward (Oregon Alcohol & Drug Policy Commission), Paul van Orden, Officer (Portland Noise Control Program), Scott Winkels (League of Oregon Cities), Theresa Marchetti (Portland Office of Neighborhood Involvement), Veronica Rinard (Travel Portland), Patty McMillan (Safe Communities Program Coordinator - Clackamas County), Janelle Lawrence (Oregon Impact), Mike Boyer - ONI Liquor Licensing Coordinator, Bill Perry – (Balance point strategies), Steve McCoid, (ORLA's President/CEO), Brian Butenschoen (Oregon Brewers Guild), Brian McMenemy (McMenamin's), Doug LaPlaca (Visit Bend), Paul Roman – (Romain Group), Mike O'Gorman - Craft brew.com, Brad Whiting (Clear Creek Distillery, HRD Spirits), Pete Mulligan (NW Cider Association), Dan Jarman (Oregon Wine Board), Charlie Thorpe – (Southern Wine Spirit West), Jim Bernau – (Willamette Valley Vineyards), Bill Cross – (Willamette Valley Vineyards), Jana McKamey - Oregon Winegrowers Association

Meeting Minutes

The meeting began at approximately 9:15 a.m. on March 24, 2015 in room 103A of the Oregon Liquor Control Commission's Portland Headquarters. Bryant Haley, OLCC Rules Coordinator, moderated the discussion.

Welcome Statement: Mr. Haley opened the meeting with a brief welcome statement and a review of the rulemaking process and the purpose of advisory committee meetings, in general.

Mr. Haley explained that the purpose of an advisory committee is to increase the public's involvement in the drafting and development of administrative rules. The Oregon Legislature, through its enactment of the Administrative Procedures Act (chapter 183 of the Oregon Revised Statutes) has noted the critical importance of public participation in the development and implementation of sound public policy. Mr. Haley stated that advisory committees are an excellent way to solicit input from external stakeholders during the early stages of the rulemaking process.

Mr. Haley stated that during this meeting, he would seek members' input on the proposed amendments to the rule as well as their likely fiscal impact. Mr. Haley explained that the Commissioners would consider members' suggestions and comments; however, the Commissioners would not be bound by the conclusions that the advisory committee reached or the topics that it discussed.

Mr. Haley stated that under Oregon's Public Meeting Law, advisory committee meetings like this one are open to the public. Consequently, members of the public may observe the meeting, but may not offer comments. Mr. Haley also stated that the meeting would be digitally recorded and that a summary of the discussion would be published. However, because advisory committee meetings are intended to promote the open exchange of ideas, Mr. Haley explained that meeting minutes would be limited to the topics discussed and the main points made and, except for Mr. Haley, individual speakers would not be identified by name in the meeting minutes. Mr. Haley asked members who wished to receive a copy of the meeting minutes to sign the provided attendance sheet.

Discussion of the Proposed Rule Language: Mr. Haley opened the discussion of the proposed amendments with a brief review of the rulemaking history. Mr. Haley stated that the Special Licenses Package entered rulemaking in January of 2015. Mr. Haley also stated that the purpose of the proposed amendments was to eliminate the 31 days limit on special licenses and allow for more business opportunities. Mr. Haley stated that there are three primary measures already in place that give the Commission the ability to control these licenses: (1) The applicant must still obtain the local government's (city or county) approval of each application. (2) The Commission won't approve the application until there is a control plan approved by the Commission. (3) There is a limit on the number of licensed days per application (the limit is 5 days or 7 days, depending on the type of application). This limit allows the Commission to monitor an event, and if

necessary, require an enhanced control plan for future events

The committee then began to discuss the proposed amendments. Advisory committee members were supportive of the proposed amendments.

Mr. Haley, stated that some staff have a concern that licensees could continually get Temporary Service Licenses (TSLs) instead of getting an annual license. However, Mr. Haley re-stated that staff feel comfortable with the review controls already in place and that the 31-day limit is a barrier to certain businesses.

At this point, a committee member noted that a Licensee would spend about \$18,205.00 applying for TSLs to skirt an annual license which would make no economic sense. Further, a member stated that, for the distilleries to setup tastings at farmers markets costs them no money in licensing and that the rule change would allow them to attend more farmers markets without brushing up against the 31-day limit. Several committee members commented that it be would foolish to attempt to run a business by spending more time and money filling out temporary applications.

Discussion of the Fiscal Impact Statement: Next, Mr. Haley solicited the advisory committee's help in drafting the Commission's fiscal impact statement. The purpose of the fiscal impact statement is to project, as accurately as possible, the expected economic impact of the proposed amendments. To guide this discussion, Mr. Haley directed the attendees to a brief questionnaire designed to assess the likelihood that the proposed amendments would result in a financial impact on business, and if so, the expected cost to comply with the proposed amendments.

Advisory committee members did not anticipate any negative fiscal impacts from the proposed amendments.

Next in Rulemaking: Mr. Haley stated that a public hearing on this matter has been tentatively scheduled for May 27th, 2015, and that the period for public comments has been tentatively scheduled to end at 5:00 p.m. on June 10, 2015. Mr. Haley also stated that the proposed amendments to the Special Licenses Package are tentatively scheduled to be presented for final action at the July 2015 Commission Meeting.

Mr. Haley closed the meeting by thanking members for their attendance and participation. The meeting ended at approximately 9:30 a.m. on March 24, 2015.