

## **HOUSE COMMITTEE ON GENERAL GOVERNMENT**

**January 28, 1999 Hearing Room D**

**1:00 p.m. Tapes 8-9**

**MEMBERS PRESENT: Rep. Carl Wilson, Chair**

**Rep. Jason Atkinson, Vice-Chair**

**Rep. Chris Beck, Vice-Chair**

**Rep. Jo Ann Bowman**

**Rep. Ryan Deckert**

**Rep. Steve Harper**

**Rep. Bruce Starr**

**Rep. Ron Sunseri**

**Rep. Terry Thompson**

**MEMBERS EXCUSED:**

**STAFF PRESENT: Cara Filsinger, Administrator**

**Faye D. Trupka, Administrative Support**

**MEASURE/ISSUES HEARD: HB 2336 Work Session**

**HB 2389 Work Session**

**Informational Meeting, Overview of Oregon Liquor Control**

**Commission**

TAPE/#	Speaker	Comments
<b>TAPE 8, A</b>		
005	Chair Wilson	Opens meeting at 1:18 p.m.
008	Cara Filsinger	Committee Administrator. Explains HB 2336.
010	Chair Wilson	Opens work session on HB 2336.
<b>010</b>	<b>Rep. Bowman</b>	<b>MOTION: Moves HB 2336 to the floor with a DO PASS recommendation.</b>
<b>010</b>		<b>VOTE: 8-0</b> <b>EXCUSED: 1 - Rep. Beck</b>
	<b>Chair</b>	<b>Hearing no objection, declares the motion CARRIED.</b>  <b>REP. ROSS will lead discussion on the floor.</b>
<b>015</b>	Chair Wilson	Closes work session HB 2336 and opens work session HB 2389.
<b><u>HB 2389 WORK SESSION</u></b>		
024	Filsinger	Explains HB 2389 and the HB 2389-1 and HB 2389-2 amendments.
036	Rep. Bowman	Asks about fiscal impact statement for the HB 2389-2 amendment, and would it cost \$6,000 each time or would this be a one time only expense.
041	Filsinger	Responds that this is a one time expense.
<b>046</b>	<b>Rep. Sunseri</b>	<b>MOTION: Moves to ADOPT HB 2389-1 amendments dated 01/19/99.</b>
051	Rep. Deckert	Asks would this measure apply to one piece of property or would it apply to other similar property located on Exclusive Farm Use land.
054	Chair Wilson	Responds that HB 2389-1 would apply to all churches.

058	Rep. Bowman	Asks would proponents be willing to accept an amendment that would limit it to just one such parcel being able to be developed for this particular purpose.
066	Chair Wilson	Says that it relates to any church within the state. Refers to the HB 2389-1 language in paragraph B.
077	Rep. Sunseri	Responds that there could never be more than one building on the lot.
086	Rep. Beck	States that it is narrowly drawn and as long as the remainder of the parcel meets minimum lot size there should be no problems. Asks that in dealing with any future land use bills, it would be beneficial to have an agency representative to answer questions.
109	Filsinger	Mentions that the agency representative did stop by but was unable to stay.
115		<b>VOTE: 9-0</b>
	<b>Chair Wilson</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
120	<b>Rep. Sunseri</b>	<b>MOTION: Moves to ADOPT HB 2389-2 amendments dated 01/25/99.</b>
		<b>VOTE: 9-0</b>
	<b>Chair Wilson</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
130	<b>Rep. Sunseri</b>	<b>MOTION: Moves HB 2389A to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 9-0</b>
	<b>Chair Wilson</b>	<b>Hearing no objection, declares the motion CARRIED.</b>  <b>REP. SHETTERLY will lead discussion on the floor.</b>
141	Chair Wilson	Closes work session on HB 2389 and opens informational meeting with Oregon Liquor Control Commission (OLCC).

**Informational Meeting: Oregon Liquor Control Commission**

142	Chair Wilson	Introduces Pam Erickson, Administrator and Barb Hutchison, Public Affairs Director of OLCC.
150	Pam Erickson	Administrator, OLCC. Introduces Board Chairman Phil Lang. Describes packet hand-outs and various programs ( <b>EXHIBIT A</b> ). Presents overview of OLCC history.
227	Erickson	Describes mission and goals. States that education is one of their primary roles. Presents information about sales and revenue income. States that distilled spirits are their largest revenue source.
288	Rep. Sunseri	Asks how large is the investigating force.
295	Erickson	Responds that there are thirty liquor inspectors, 11 or 12 investigators and technicians. Mentions that the head of the agency is a commission appointed by the governor.
325	Chair Wilson	Asks is there a set number of liquor outlets per town.
330	Erickson	Responds there are not but OLCC is looking at establishing a standard.
336	Chair Wilson	Asks if the individual agent is a sole proprietor.
343	Erickson	Responds that is correct. Explains that there are some establishments that are non-exclusive in smaller towns.
350	Rep. Bowman	States that there was a limit to the number of new licenses, but it was changed to unlimited licensing last session.
363	Erickson	Mentions that OLCC has a new warehouse with more up-to-date equipment. States that there are about 75,000 service permits and 13,000 licensed establishments.
416	Erickson	States that adolescent alcohol use figures are down since 1990. Mentions that a Health Division survey of high school students shows that 45.9% said they had consumed alcohol within the last 30 days.
<b>TAPE 9, A</b>		
045	Erickson	Mentions that alcohol is the number one cause of automobile crashes involving teenagers.

053	Chair Wilson	Asks if statistics show where the young people are getting alcohol.
056	Erickson	Replies that younger teens are getting alcohol from their parents. Reports that some older teens are purchasing from stores.
065	Chair Wilson	Asks will we have an opportunity to talk about the minor decoy program.
069	Erickson	Responds yes. Mentions that the number of licenses has increased since 1991, but staffing has decreased by approximately 10%.
101	Erickson	States that OLCC's goal is to free up staff to be able to spend more time on their work rather than spending time in meetings.
138	Chair Wilson	Asks if OLCC targets problem areas.
147	Erickson	Responds that the number of DUI's has increased so OLCC is sending more people out to investigate and observe.
163	Chair Wilson	Asks if OLCC is sending young people to stores that have a reported problem or is it a random selection.
171	Erickson	States that the decoy program is explained in the handout <b>(EXHIBIT A)</b> . Mentions criteria for the program was developed in a series of public meetings. Says that some random stings are being done.
213	Rep. Bowman	Questions how many retail sales liquor outlets are in Oregon.
217	Erickson	Responds with approximately 3,000.
222	Erickson	Explains OLCC has focused on the minor decoy program as the primary method of reducing sales to minors. Mentions there are other programs that OLCC would like to focus on, but have limited staff. Reports that over 900 decoy visits have happened in the last two years. Comments that most sales to minors are made because of carelessness.
263	Chair Wilson	Asks if there are any cases where the clerk is cited.
267	Erickson	Responds yes, clerks and the licensee are cited and it is a criminal penalty. Mentions a desire to launch a program against furnishers.
309	Erickson	Presents information about the problem of sales to minors, visibly intoxicated persons and neighborhood livability.

315	Rep. Beck	Comments on his district's local issues.
328	Rep. Sunseri	Asks if OLCC deals with crimes that happen in a licensed facility.
341	Erickson	Reports that nude dance facilities seem to pull in a rowdy crowd.
354	Rep. Sunseri	Questions how many licenses have been revoked in recent years because of crimes.
360	Erickson	Responds that not many have been revoked.
366	Barb Hutchison	Public Affairs, OLCC. States that a recent southeast Portland establishment was shut down because of drug offenses.
373	Erickson	Responds that there was a business in Astoria which they were able to shut down because of a crime committed by the licensee.
376	Rep. Thompson	Asks about nude dancing establishments and OLCC possible regulations.
384	Erickson	Replies these businesses create problems and issues for neighbors. Believes they should be regulated but is unsure whether OLCC would be the most appropriate agency.
399	Rep. Thompson	Suggests that perhaps the police department should be regulating that kind of issue.
402	Erickson	Mentions that the decoy program is an effective way of reducing sales to minors.
413	Rep. Deckert	Asks why it is not a good idea to privatize OLCC.
424	Erickson	Says there are two areas that need to be considered: revenue reduction and control over the consumption of alcohol.
450	Rep. Thompson	Comments that smaller liquor stores would like to have advertising capabilities.
480	Erickson	Mentions that many ideas are being investigated to increase the sales of alcohol, particularly for the smaller outlets. States that OLCC is looking into health benefits for employees for licensed stores.
<b>TAPE 8, B</b>		

060	Rep. Beck	Asks about the beer and wine tax.
061	Erickson	Responds that the beer and wine tax is one of the lowest in the nation.
070	Rep. Beck	Remarks that he'd like to see a tax analysis.
079	Erickson	Responds that they have the information and can provide it to members.
084	Hutchison	Discusses proposed legislation. Describes HB 2141. States that OLCC would like to mandate an education program for clerks who sell alcohol
108	Rep. Thompson	Asks definition of clerk.
110	Hutchison	Defines clerk as person who sells in grocery store, mom and pop or AM-PM. Recognizes that several outlets have training programs. States that they are not mandatory.
121	Rep. Thompson	Asks if a clerk does not have a permit can they sell beer and wine.
126	Hutchison	Responds that there will be a grace period of 45 days upon implementation of the mandatory program.
143	Rep. Thompson	Asks for information about black listing law.
147	Hutchison	Indicates Legislative Counsel believes that it is not black listing. Describes HB 2142. Asks for statutory language that it would not be against the law for a young person working with a law enforcement agency to attempt to purchase alcohol.
160	Chair Wilson	Asks the status of those who have been involved in an on-going investigation.
165	Hutchison	Replies that it has not been a problem to date as OLCC has been functioning under an Attorney General's opinion. Describes HB 2143. States that liability insurance is required by all retail and package stores. Describes new bill currently being drafted which has to do with license consolidation. Says that she will explain further in the next few weeks.
193	Rep. Deckert	Asks about HB 2141 and how the funds will be generated to pay for new program.
196	Hutchison	Responds that it would be a self-supporting program.
203	Chair Wilson	Closes informational meeting and adjourns meeting at 2:28 p.m.

Submitted By, Reviewed By,

Faye D. Trupka, Cara Filsinger,

Administrative Support Administrator

**EXHIBIT SUMMARY**

**A ñ Handouts and pamphlets, OLCC, 145 pp.**