

MEMORANDUM

April 17, 2009

TO: Lawbook Holders

FROM: Jennifer Huntsman, Rules Coordinator

RE: Commission action on rules – April 2009 meeting

At the April 16, 2009 meeting, the Commissioners took the following actions on rules:

PETITION FOR RULEMAKING/POSSIBLE INITIAL ACTION

- **OAR 845 – Division 10 – Winery Privilege Tax Process**

We received a petition from the Oregon Winegrowers Association (OWA) requesting the adoption of a new rule in Division 10. This new rule would waive the requirement for small wineries to report monthly, even when their wines have been removed from Federal bond.

Action: The Commission accepted the petition and directed us to initiate rulemaking to adopt a new rule in Division 10.

FINAL ACTION

- **OAR 845 Two-Year Licensing Renewal Package**

We had received a petition from the Oregon Restaurant Association (ORA) requesting amendment of 3 rules in order to add language which would institute a two-year renewal licensing option for certain liquor licensees. ORA has since withdrawn their petition so staff recommended dropping rulemaking on this matter.

Action: The Commission formally dropped rulemaking on this matter.

- **OAR 845-006-0500 Suspensions and Civil Penalties**

This rule describes the various sanctions the Commission imposes on licensees, including cancellation or suspension of a license, and civil penalties. Staff proposed amendments which raised Financial Assistance violations to a Category III violation and also modified the list of possible aggravation and mitigation reasons.

Action: The Commission amended OAR 845-006-0500 and revised Exhibit 1, effective May 1, 2009.

- **OAR 845-006-0345 Prohibited Conduct**

This rule describes a variety of acts which both licensees and service permittees are prohibited from engaging in. Staff proposed amendments to strengthen and clarify prohibitions throughout this rule, and in particular, prohibitions against drinking contests and free-pouring alcohol.

Action: The Commission amended OAR 845-006-0345, effective May 1,

2009.

- **OAR 845 – Division 13 – Financial Assistance Package**

These two rules describe the point of sale materials and items of nominal value that suppliers are allowed to provide to a retailer under our “tied-house” prohibitions. Based on industry advertising concerns and subsequent Business Partner work group discussions, staff proposed amendment of these two rules to reflect more closely the Federal standards for point of sale advertising materials and consumer take-aways.

Action: The Commission amended OAR 845-013-0050 & OAR 845-013-0060, effective May 1, 2009.

I’ve attached copies of documents related to this rulemaking. If you have questions about these or other rules matters, please call me at 503-872-5004 or Laura Paul at 503-872-5105.

Att.