

MEMORANDUM

December 2, 2011

TO: Lawbook Holders

FROM: Jennifer Huntsman, Rules Coordinator

RE: Commission action on rules – December 2011 meeting

At the December 1, 2011 meeting, the Commissioners took the following actions on rules:

FINAL ACTION

- **OAD 845 – Division 15 – Retail Store Package**

In order to update and modernize the current distilled spirits retail system, staff proposed amendments in this rule package which would allow corporations to be retail sales agents, build more flexibility into the retail store classification process, update the resignation buy-out program, and add flexibility to accommodate future pilot programs.

Action: The Commission did NOT adopt all of the proposed amendments. The Commission amended OAD 845-015-0101, OAD 845-015-0190 & OAD 845-015-0196, and adopted OAD 845-015-0210, effective January 1, 2012. Final action is deferred until March 2012 on the proposed amendment of OAD 845-015-0105 (building more flexibility into the retail store classification process) and OAD 845-015-0115 & OAD 845-015-0118 (allowing corporations to be retail sales agents).

- **OAD 845-009-0135 Responsible Vendor Program**

HB 2148 changes the definition of “retail licensee” for the purpose of who may participate in the Responsible Vendor Program, and this rule needs to be amended to bring it into compliance with the new statutory language effective January 1, 2012. Staff also recommended minor amendments to the program standards related to required postings, as well as some housekeeping amendments.

Action: The Commission amended OAD 845-009-0135, effective January 1, 2012.

- **OAD 845-005-0425 Qualifications for Wine Self-Distribution Permit for Wine and Cider**

This rule describes the qualifications necessary for an out-of-state manufacturer to obtain a Self-Distribution Permit, which allows the permittee to ship wine or cider they manufacture directly to Oregon retail licensees. HB 2147 passed with an emergency clause, effective June 2, 2011, and eliminated the statutory requirement to provide a true copy of an applicant’s manufacturing license. This rule needed to be amended to bring it into statutory compliance.

Action: The Commission amended OAD 845-005-0425, effective January 1, 2012.

- **OAD 845-015-0120 Retail Sales Agent Selection Procedure**

This rule describes the Commission’s standard procedure for seeking applications

from the public to fill a retail sales agent vacancy. Staff recommended amending the rule to provide greater flexibility in advertising methods, beyond just printed newspaper ads.

Action: The Commission amended OAR 845-015-0120, effective January 1, 2012.

- **OAR 845-015-0185 Special Orders for Distilled Spirits**

This rule describes the Commission's procedures for special orders for distilled spirits by customers. SB 944 eliminates the one case minimum order requirement in some circumstances, and this rule needs to be amended to bring it into statutory compliance effective January 1, 2012.

Action: The Commission amended OAR 845-015-0185, effective January 1, 2012.

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.

Att.