



SENATE MAJORITY OFFICE

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Oregon Senate passes law to expand business opportunities for brewers

HB 4053 expands retail opportunities for brewery license holders

SALEM – Oregon Senate Democrats voted today to provide greater opportunities for brewers to sell their products directly to consumers.

House Bill 4053 passed on the Senate floor by a 28-0 vote on Thursday. The bill expands retail opportunities for brewery licensees to sell malt beverages, wine and cider directly to consumers; holding special events; selling growlers containing wine, malt beverages and cider; and holding a license to sell distilled spirits on the premises. Brewers would retain the ability to distribute their products through a wholesale vendor.

“This bill allows breweries to streamline their operations so that they can sell their products directly to the public more efficiently,” said Sen. Floyd Prozanski (D-Eugene), who carried the bill. “It helps breweries continue selling their products through third-party distributors while also retaining the ability for customers to purchase their products directly from breweries at their places of business. This bill will help to support one of the state’s premier industries that creates great products and is made up of numerous Oregon small businesses.”

Currently, a malt beverage manufacturer must choose whether to hold a brewery license or a brew-pub license. A brewery license allows manufacturing and distributing products, but limits retail sales. Brew-pub licenses allow for manufacture and retail, but distribution opportunities are limited. Currently, brewers can hold winery licenses simultaneously, which allow them to sell their products directly to the public. The new proposal – brought forth by a work group composed of brewers, distributors and wineries – closes that loophole by allowing direct sale

through brewery licensure. It also prohibits brewers from holding winery licenses unless they produce wine or cider on premises.

HB 4053, which originated in the House of Representatives, now will go to the Gov. Kate Brown for signature.

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