



News Release

Oregon Liquor Control Commission
9079 SE McLoughlin Blvd., Portland, OR 97222-7355
1-800-452-6522

For more information:

Bryant Haley Alcohol Program Spokesperson
bryant.haley@oregon.gov 971-990-3254 (mobile)

July 19, 2021

OLCC adjusts to provide post-pandemic support to hospitality industry

New warehouse part of strategic growth plan

Legislature adds to OLCC's responsibilities, boosts agency oversight and revenue generation

PORTLAND, OR. – In the wake of Oregon's recently completed 2021 legislative session, the Oregon Liquor Control Commission pledged to help the state's hospitality industry as it emerges from the pandemic and to take steps to ensure that more than half a billion dollars in state revenue doesn't slip away. These are some of the implications of the recent legislative session Commissioners discussed during their regularly scheduled monthly meeting on **Thursday, July 15, 2021.**

Oregon lawmakers approved a series of bills that will continue the transformation of the OLCC's regulatory responsibilities from an agency focused on oversight of the alcohol industry to a regulator engaged in consumer protection of alcohol and cannabis products, control of adult intoxicants, and upholding public health and safety laws.

The legislature green lighted the OLCC to modernize its licensing system and alcohol distribution and tracking infrastructure, approving funding for information technology upgrades and a new consolidated warehouse. Even before the pandemic [distilled spirits sales](#) have grown steadily year-over-year straining the existing capacity at OLCC's two warehouses.

Currently, the OLCC stocks more than 3,100 products, including more than 800 made by Oregon distillers, and a new warehouse will allow the OLCC to continue to offer a wide selection of products as well as the flexibility to add new items as they become available. Without the expansion the state is projected to lose \$586.9 million during the next decade. The OLCC has been laying the groundwork to acquire a new warehouse for more than a year.

"This agency is the second or third largest revenue producer for the state of Oregon period," said OLCC Chair Paul Rosenbaum. "In the next three to five years, we are probably going to surpass two or three billion dollars in revenue combined. I applaud the legislature for understanding that we couldn't do that without them supporting us 100% in everything they did in this legislative session."

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OLCC Commission Meeting - Alcohol

During the pandemic the OLCC loosened rules to provide bars and restaurants greater flexibility to conduct business when social distancing restrictions were in place. Many of those changes, such as “cocktails to go” proved to be effective for the hospitality industry and popular with consumers; lawmakers have directed the OLCC to make some of those temporary rule changes permanent, but to add post-pandemic public safety restrictions.

“Where this agency has to go, we really have to help all of our licensees,” said OLCC Executive Director Steve Marks. “The hospitality industry, alcohol and cannabis move on to post-Covid recovery. We’ve got a lot of challenges there for the industry over the next two years. To make sure Oregon’s economy is strong and we do our part with that with the resources given to us.”

The OLCC also provided technical support to legislators working to curb illegal hemp and marijuana production and bring hemp produced intoxicating products under stricter control. Currently Delta-8-THC, which is chemically extracted from hemp, can be sold to children at neighborhood convenience stores; [House Bill 3000](#) requires the OLCC to keep THC products away from kids. HB 3000 also directs OLCC to work the Oregon Department of Agriculture and other state and local government agencies to crack down on illegal cannabis grows.

“This was an incredibly prolific legislative session for OLCC,” said Marks. “I’d actually characterize it as the most prolific since prohibition. We got the [agency] name change, we got a number of alcohol policy changes that are technical, and a new warehouse. Pretty incredible amount of work, and an unprecedented amount of budget.”

The agency’s evolving mission is reflected in a law changing the agency’s name to the Oregon Liquor & Cannabis Commission effective August 2, 2021.

The Commission also approved penalties in several stipulated settlements for violations committed by alcohol licensees, placed restrictions on two Full On-Premises Sales licenses of an Astoria based restaurant operator, and started the rulemaking process to reconcile OLCC’s rules with new laws approved by legislators.

The Commission ratified the following violation fines and suspensions based on stipulated settlements (*detailed information on specific cases can be found [here on the OLCC website](#)*):

Dimond Bare Bones (O) in Pendleton failed to verify the age of a minor before allowing them to purchase an alcoholic beverage. Licensee accepts responsibility for the violation and will either pay a \$1,485.00 civil penalty by August 16, 2021 OR serve a nine-day suspension beginning on August 23, 2021 and ending on September 1, 2021.

Licensee is: Dimond Brothers, Inc.; Rohullah Pad Shah, President/Stockholder; Ijaz Babakarkhel, Stockholder.

River Pig Saloon (F-COM) in Portland allowed corporate principals to consume alcoholic beverages while on duty, and allowed employees and entertainers to serve alcohol to themselves. Licensee accepts responsibility and will either pay a \$3,630.00 civil penalty by August 16, 2021 OR serve a 22-day suspension beginning on August 23, 2021 and on September 14, 2021.

Licensee is: Zeco Development Group, LLC; Ramzy Hattar, Mng Member; Shadi Hattar, Member.

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A copy of the Stipulated Settlement Agreements for Alcohol Violation Cases can be found on the [OLCC website](#), on the Laws & Rules page under the [Final Orders](#) section.