

News Release

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

For more information: Mark Pettinger, OLCC Spokesperson <u>mark.pettinger@oregon.gov</u> 971-235-7561 (mobile)

August 1, 2020

OLCC to Alcohol Licensees: Keep Your "Distance"

Failure to follow face covering, social distancing requirements comes with a cost Flagrant bars, restaurants, retailers selling alcohol could face license suspension

PORTLAND, OR. – At a special Commission meeting **on Friday, July 31, 2020**, the Oregon Liquor Control Commission approved a temporary rule requiring OLCC alcohol licensees to abide by the Governor's directives regarding facial coverings and social distancing requirements or face the possibility of an immediate suspension of their license. The public health guidelines apply statewide and have been implemented to reduce the potential spread of the COVID-19 virus.

Since the 4th of July holiday weekend OLCC compliance staff have been observing face covering and social distancing compliance. This work is in addition to their regular duties – checking compliance with OLCC statutes and rules – bars, restaurants and retailers selling beer, wine and cider to go. According to OLCC inspectors, compliance has improved since the enforcement started.

Between July 3rd and July 18th, OLCC inspectors visited 2,371 businesses with liquor licensees and gave verbal instructions to 163 licensees, or about seven percent of the businesses inspected. During that time frame, the OLCC referred 27 cases of alcohol licensees failing to follow social distancing and face covering standards to Oregon's Occupational Safety and Health Administration (OR OSHA). Previously, only OR OSHA had authority to penalize businesses not following the rules.

OLCC inspectors also report there are licensees persistently and flagrantly choosing not to follow the requirements. The Commission's action will allow the OLCC to immediately suspend the license of a licensee if they have been non-responsive to OLCC's verbal instructions and/or OR OSHA action.

"Most retailers and those in the hospitality industry are making sure they're protecting the health of their communities, safeguarding their employees and customers, and taking proper precautions to stay open," said Steve Marks, OLCC Executive Director. "For those licensees that choose to jeopardize public health, and the state's economic health – you've been given fair warning."

The OLCC took a similar enforcement approach in April when it immediately suspended the liquor licenses of The Sportsman Tavern in Cave Junction and the Los Arcos Mexican Grill in Salem for violating the Governor's Executive Orders, which at the time halted the sale of alcohol for consumption in bars and restaurants.

Page 2 – August 1, 2020

OLCC - Temporary Rule - Immediate License Suspension

Both licensees have since settled their charges with the OLCC. Los Arcos paid a \$4,125 fine and The Sportsman Tavern paid a \$7,095 fine.

The Oregon Restaurant and Lodging Association (ORLA) testified to the Commission that hospitality industry operators have made a significant investment of time, energy and money to implement the required social distancing guidelines. ORLA told Commissioners that it supports the OLCC taking action against hospitality industry members that are intentionally not following the rules.

"We simply cannot let the actions of a few operators result in another statewide industry shut down," said Greg Astley, ORLA Director of Government Affairs. "It puts thousands of industry small businesses and jobs at risk. We need these standards to be upheld so we can continue to remain open. Taking a more surgical approach in shutting down establishments in our industry that are intentionally skirting the rules is just an unfortunate reality we have to deal with head-on."

The Chair of the OLCC Commission expressed concern that the agency is taking on additional responsibilities while at the same time leaving critical positions unfilled, including three compliance inspector positions, and three licensing investigator positions. In addition to expanded compliance activity, the OLCC is experiencing an increase in liquor licensing activity as bars and restaurants make physical and operational changes to their businesses. OLCC has left 22 positions vacant in anticipation of the legislature requesting state agencies to make budget cuts.

"You've got six positions that are vitally important in terms of carrying this out, because you're way understaffed to begin with," said Paul Rosenbaum, OLCC Chair. "We're bringing in revenue to the state. We're doing all of the work that needs to be done. We really can't afford to lose these positions because when you lose these positions it's a matter of public health, it's a matter of public safety, and it's a matter of revenue."

OLCC Commissioner Kiauna Floyd represents alcohol licensees on the Commission, and is herself a restaurant operator. Floyd complimented the majority of the industry for innovating to re-open and keep staff and patrons safe. But Floyd admonished the handful of licensees whose actions threaten public health, and the livelihood of industry employees, many who've been unemployed since the start of the pandemic.

"If you are in fact throwing caution to the wind and in fact choosing not to comply with the rules and safety guidelines required of industry, shame on you," said Floyd. "It is completely, completely unacceptable, and your actions are putting Oregon's hospitality industry in jeopardy."

The temporary rule takes effect immediately, but it will not be applied to the OLCC licensees whose cases the OLCC has already referred to OR OSHA.

###

For reference:

Oregon Health Authority – Statewide Mask, Face Shield, Face Covering Guidance

OHA – Phase 1 Reopening Guidance: Restaurants/Bars/Breweries/Tasting Rooms/Distilleries

OHA – Phase 2 Reopening Guidance: Restaurants/Bars/Breweries/Tasting Rooms/Distilleries