

News Release

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Commission reviews lifting of license application pause Settlements with marijuana licensees approved

PORTLAND, OR. – At its regularly scheduled meeting on **November 18, 2021,** OLCC Commissioners were updated on the agency's plans to accept new recreational marijuana license applications. The Commission also approved several stipulated settlement agreements for violations by recreational marijuana licensees.

In June of 2018, the OLCC paused accepting recreational marijuana license applications because the volume was overwhelming the agency's ability to effectively process the applications. The Oregon Legislature followed with a 2019 mandate putting a hold on the OLCC issuing any new producer applications until 2022.

During the "licensing pause", the OLCC has made significant changes to the license approval and license renewal process. The OLCC has cut by 50% the amount of time it currently takes to process applications from nine months in Q3, 2020 to four-and-a-half months in Q3, 2021.

The OLCC lifted the pause on November 8, 2021 as outlined in this Compliance Education Bulletin.

Andy Jurik, OLCC Director of Statewide Licensing, pointed to three main changes that have helped in the turnaround: giving staff the ability to make decisions about an application without the need for duplicative review; rolling over to a later time applicants not ready to move forward on their application; and assigning license related inspections to dedicated inspectors instead of spreading that work around all the compliance staff.

Lifting the pause had raised concerns that other licensing activity – change of ownership or change of location requests – would be impacted. However, the OLCC's focus will be on the applicant or licensee that is **ready** to move forward.

"We're in the process of making one stream, or one queue and we're going to just start processing applications in the time that they were received," said Jurik.

Jurik told the Commission the 232 applicants that submitted applications after the 2018 pause took effect have been notified, but that less than 50% indicated they were ready to proceed with their application, and about five percent have dropped out of the application process. Applicants have 60 days from when they're assigned to an OLCC investigator to complete their application.

"The post-pause applications that want to proceed are going to be merged into the queue," said Jurik. "They're not going to go to the bottom, they're not going to go to the top, they're going to be merged in."

The Commission also approved the following violation fines and suspensions based on stipulated settlements (*detailed information on specific cases can be found <u>here</u> on the <u>OLCC website</u>):*

WHISKEY CREEK CANNABIS will pay a \$2,640 fine OR serve a 16-day recreational marijuana producer license suspension for two violations.

Licensee is: WCCDI, LLC; David Pippenger, Member.

RAINWATER HOLDINGS <u>will surrender its marijuana producer license</u> for <u>three violations</u>, on the date the transfer of ownership of the business is completed or on February 16, 2022, whichever is earlier.

Licensee is: Rainwater Holdings, LLC; Rajeev Yalamanchili, Member.

SPYGLASS MANAGEMENT <u>will surrender its marijuana producer license</u> for <u>three violations</u>, on the date the transfer of ownership of the business is completed or on February 16, 2022, whichever is earlier.

Licensee is: Spyglass Management, LLC; Ankit Patel, Member.

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*The locations of OLCC marijuana producer, processor and wholesale licensees are exempt from public disclosure under Oregon law.

A copy of the Stipulated Settlement Agreements for Marijuana Violation Cases can be found on the <u>OLCC website</u>, on the Laws & Rules page under the <u>Final Orders</u> section.