

News Release

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OLCC sends over \$620 million back to cities and counties

Initiation of rulemaking for marijuana, alcohol programs

PORTLAND, Ore. – Over the course of the past two years, the Oregon Liquor and Cannabis Commission (OLCC) has provided \$620.7 million dollars to cities, counties and public health programs. This funding provides communities and statewide public health and safety programs with vital resources that benefit Oregonians daily and is a key benefit of Oregon's control state model for liquor.

At its regularly scheduled meeting on July 20th, Commissioners received the perspective of Rick Garza, Former Executive Director of the Washington State Liquor and Cannabis Board in a presentation on Washington State. Garza spoke to how in Washington – which formerly operated as a liquor control state prior to 2012 – consumers felt the effects of privatization in terms of higher prices and reduced selection for smaller brands. Garza additionally fielded Commissioners questions on compliance efforts, delivery and operations in the state.

Commissioners also received an in-depth report on the agency's finances and heard presentations from the City of Portland's Cannabis Program (CPOT). Commissioners also initiated rulemaking, approved stipulated settlement agreements and approved a new independently operated liquor store in Venetta, Oregon.

Oregon liquor consumers are "buying up" and choosing higher-priced liquor options. This resulted in 2.4 percent increase in revenue over the prior year. This was an increase in profitability for the agency, but notably without an increase in consumer consumption. Information on the <u>agency's budget</u> can be found on the OLCC website.

The city of Portland's Cannabis Policy Oversight Team, an advisory group within city's Bureau of Development Services, provided the Board of Commissioners with a review of their annual report from 2022. The report focused upon issues facing Portland's cannabis industry as well as a summary of its Cannabis Emergency Relief Fund (CERF). Commissioners asked that the city work with the OLCC and industry partners to find consensus on improvements that could benefit the industry overall.

With the legislative session complete, the Commissioners initiated rulemaking to respond to several bills that passed during the 2023 legislative session. The legislative changes include developing more robust requirements for alcohol delivery to consumers and technical changes to both the marijuana and alcohol programs. Staff will hold advisory committee meetings and public comment periods to allow industry and the public to weigh in on the

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proposed changes. Commissioners also finalized a relaxation on artificially derived cannabinoids to allow the industry more time to come into line with the requirements.

In other business, the Commission approved a new liquor store agent for a store in the Willamette Valley. Commissioners appointed Tim Woodhead as the permanent retail agent for the Veneta liquor store. Woodhead is the current retail agent for a store in Eugene as well.

The Commission also ratified two stipulated settlement agreements for alcohol licensees and a permittee. Commissioners denied one settlement. Detailed information on the specific cases below can be found <u>on the OLCC website</u>:

Alcohol Stipulated Settlement Agreements

SHARI'S OF SOUTH BEND (L) in Bend, <u>will pay a \$2,250 fine</u> **OR** <u>serve a nine-day</u> <u>license suspension</u>, for one violation.

JESIAH LOVE (PERMITEE) in Eugene, <u>will pay a \$350 fine **OR** serve a 14-day</u> <u>suspension</u>, for two violations.