



News Release

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

For more information:

Matthew Van Sickle, Alcohol & Bottle Bill Program Spokesperson
matt.vansickle@oregon.gov 503-928-0273 (mobile)

Mark Pettinger, Marijuana Program Spokesperson
mark.pettinger@oregon.gov 971-235-7561 (mobile)

February 15, 2024

Commission reviews 2023 Compliance Activity

Beer & wine distributors testify on business conditions Chance-to-Purchase program relaunch outlined

PORTLAND, Ore. – At its regularly scheduled meeting today, Commissioners of the Oregon Liquor and Cannabis Commission (OLCC) reviewed the agency’s alcohol and marijuana compliance activity that took place in 2023, received an update on the beer and wine distribution business, and heard details about the relaunch of the agency’s program to make rare and hard-to-find distilled spirits available to the public.

OLCC’s Compliance Division provided the Commission with a rundown of all the compliance and enforcement activities the agency’s regulatory specialists had undertaken during the previous calendar year.

In 2023, the agency’s alcohol compliance group handled 6,544 compliance cases, and more than half of those complaints didn’t require any action. Four hundred complaints were referred to OLCC’s Administrative Hearings Division (AHD), and 268 of the cases sent to AHD resulted from minor decoy operations. More than 2,300 cases led to regulatory specialists providing verbal instructions to licensees on corrective actions to take to become compliant.

OLCC’s marijuana compliance group processed 3,731 compliance cases in 2023 and 2,357 of those were closed with no action taken. Of the remaining cases, 204 were referred to OLCC’s Administrative Hearings Division, and 97 of those referrals resulted from minor decoy operations. The OLCC gave verbal instructions to become compliant to 1,083 licensees, and 65 of those cases were results from the marijuana group’s Verification of Compliance (VOC) program.

The OLCC started the [Verification of Compliance program](#) in 2020 for marijuana licensees. The VOC program is a fix-it-ticket compliance model, and an extension of the agency’s “education first” approach. Since the OLCC started regulating cannabis in 2016, the agency has emphasized compliance education to make sure that licensees are following Oregon laws and OLCC rules. The Alcohol Compliance group is now working to establish a Verification of Compliance program for alcohol licensees.

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OLCC's Analytics Division oversees the state's Cannabis Tracking System (METRC) and uses data from METRC to flag suspicious activity. In 2023, the Analytics Division conducted 1,112 METRC audits. Of those audits 82 percent of them didn't identify any issues or resulted in verbal instructions to licensees; the remaining 18 percent were referred to OLCC's Marijuana Compliance group for further investigation.

In 2023, the agency's Administrative Hearings Division filed 282 alcohol licensee and permittee cases, and 204 marijuana licensee and permittee cases. Four of the alcohol cases were for license or permit cancellation, and nine of the marijuana cases were for license or permit cancellation.

The Oregon Beer & Wine Distributors testified to the Commission that in 2023 that sales of beer in Oregon declined three percent and sales of wine in Oregon fell by two percent. According to the distributors the closure of bars and restaurants during and after the pandemic, as well as national trends showing decreased alcohol consumption, have kept the distribution business from returning to pre-pandemic levels.

The OLCC's Distilled Spirits Division reviewed for Commissioners the new plan and oversight processes put in place in advance of restarting the agency's Chance-to-Purchase program. That program provides an opportunity for Oregon residents to purchase rare and hard-to-find bottles of distilled spirits. When Chance-to-Purchase relaunches later in the first quarter of 2024, drawings will be conducted under the review of an auditor from outside the agency, and more vigorous and transparent tracking of all bottles provided for Chance-to-Purchase events will be in place.

Also, the Commission approved a temporary rule to not penalize marijuana licensees that face unforeseen complications getting a required Certificate of Tax Compliance from Oregon's Department of Revenue. Now, on a case-by-case basis, the OLCC will grant relief from potential license suspension to licensees attempting to work through those complications.

The Commission also started rulemaking action to help ensure that the agency's rules align with how the OLCC's new licensing system – [Cannabis and Alcohol Management Program \(CAMP\)](#) works.