

**OREGON LIQUOR & CANNABIS COMMISSION**  
**CHAPTER 845**  
**EXHIBIT 1**  
**OAR 845-006-0500(7)(8)**  
**(Effective 6/20/2020)**

| Category | 1 violation in a 2-year period | 2 violations in a 2-year period | 3 violations in a 2-year period | 4 violations in a 2-year period | 5 violations in a 2-year period | 6 violations in a 2-year period | 7 violations in a 2-year period |
|----------|--------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| I        | Cancel                         |                                 |                                 |                                 |                                 |                                 |                                 |
| II       | 30 days                        | Cancel                          |                                 |                                 |                                 |                                 |                                 |
| II(a)    | 10 days                        | 30 days                         | Cancel                          |                                 |                                 |                                 |                                 |
| II(b)    | 10 days or \$2500              | 30 days or \$4950               | 30 days                         | Cancel                          |                                 |                                 |                                 |
| III      | 10 days or \$1650              | 30 days or \$4950               | 30 days                         | Cancel                          |                                 |                                 |                                 |
| III(a)   | 10 days or \$1650              | 20 days or \$3300               | 30 days or \$4950               | 30 days and \$4950              | 30 days                         | 60 days                         | 90 days                         |
| IV       | 7 days or \$1155               | 10 days or \$1650               | 20 days or \$3300               | 30 days                         | Cancel                          |                                 |                                 |
| V        | 3 days or \$495                | 7 days or \$1155                | 10 days or \$1650               | 20 days or \$3300               | 30 days                         | Cancel                          |                                 |

**SANCTIONS**

-- These are guidelines only. Commission may impose a different sanction where appropriate.

-- Amounts are retail, wholesale, and manufacturer licensee civil penalties (\$5000 maximum per violation). Service permittees: multiply days by \$25 (\$500 maximum per violation).

**Categories for Most Common Violations**

**Category I (violations that make licensee ineligible for a license)**

| Statute          | Administrative Rule | Violation   |
|------------------|---------------------|---|
| 471.155          |                     | Failed to maintain a bond (manufacturer/wholesaler) |
| 471.315(1)(a)(F) |                     | Habit of using to excess                            |
| 471.315(1)(a)(J) |                     | Convicted of a felony (Licensee)                    |
| 471.385(1)(b)    |                     | Convicted of a felony (Service Permittee)           |
| 471.315(1)(c)    |                     | History of serious and persistent problems          |
| 471.365(2)       |                     | Allowed use of service permit by another            |
| 471.405(1)       |                     | Sale of alcohol other than as license permits       |
|                  | 845-005-0355(5)     | Restriction violation                               |

|  |   |   |
|--|---|---|
|  | 845-005-0400                                    | Failed to maintain liquor liability insurance or bond   |
|  | 845-006-0347(2)(b)(c);<br>845-006-0347(3)(b)(c) | Permitting disorderly or unlawful activity resulting in death or serious physical injury or involves use of deadly weapon against another person; or results in Class A felony sexual offense |
|  | 845-006-0399(7)                                 | Sale of manufacturer-sealed containers of distilled liquor by F-COM   |
|  | 845-006-0475                                    | Failed to notify prior to complete change of ownership/<br>Allowed interest in business without prior Commission approval   |
|  | 845-006-0498(3)                                 | Operating while suspended   |

**Category II (violations that create an immediate threat to public health or safety)**

| <b>Statute</b>                                  | <b>Administrative Rule</b>               | <b>Violation</b>   |
|---|--|--|
| 471.315(1)(a)(B)<br>471.385(1)(a)<br>471.425(1) |  | Made false statement or representation to induce or prevent Commission action  |
| 471.675   |  | Interfered with investigation  |
|   | 845-006-0345(1)                          | Under the influence of intoxicants while on duty   |
|   | 845-006-0345(3)                          | Failed to call police at inspector's request   |
|   | 845-006-0345(5)(a)                       | Denied inspector/police officer access to premises during regular business hours   |
|   | 845-006-0345(5)(b)                       | Failed to promptly admit inspector / police officer premises is or appears closed  |
|   | 845-006-0345(15), (16)                   | Violating an order issued by the Governor or a public health law created pursuant to an order by the Governor related to the manufacture, possession, sale, purchase, transport, importation, or delivery of alcohol; or permitting the same |
|   | 845-006-0347(2)(d)<br>845-006-0347(3)(d) | Permitting disorderly or unlawful activity that involves use of dangerous weapon against another person with intent to cause death or serious physical injury  |

**Category II(a) (violations for unlawful drug activity)**

| <b>Statute</b> | <b>Administrative Rule</b> | <b>Violation</b>                                |
|----------------|----------------------------|---|
| 471.316        | 845-006-0348               | Unlawful drug activity on the licensed premises |

**Category II(b) (violations for the sale of alcohol to a minor or failure to check identification. For the first offense in this category, the Commission computes the civil penalty by multiplying the number of days in the suspension by \$250 for retail, manufacturer, and wholesale licensees, and by \$35 for service permittees)**

| Statute    | Administrative Rule | Violation  |
|------------|---------------------|--|
| 471.410(2) |                     | Knowingly sold/made alcohol available to a minor   |
|            | 845-006-0335(1)     | Failed to verify the age of a minor (sale/service) |

**Category III (violations that create a potential threat to public health or safety OR violations of the tied house or financial assistance prohibitions)**

| Statute          | Administrative Rule | Violation  |
|------------------|---------------------|--|
| 471.315(1)(a)(J) |                     | Convicted of a crime other than a felony (Licensee)  |
| 471.385(1)(b)    |                     | Convicted of a crime other than a felony (Service Permittee)   |
| 471.360(1)(b)    |                     | Permitted mixing/selling/serving, or supervising those who do, without a service permit  |
| 471.410(1)       |                     | Knowingly sold/made alcohol available to a visibly intoxicated person (VIP)  |
| 471.412(1)       |                     | Knowingly allowing a VIP to consume or continue to consume (4 <sup>th</sup> violation within two years; first three are reprimands per ORS 471.412(4)) |
|                  | 845-006-0335(3)(a)  | Permitted minor to consume alcohol   |
|                  | 845-006-0340(8)(b)  | Failed to follow minor control plan  |
|                  | 845-006-0345(1)     | Drinking on duty   |
|                  | 845-006-0345(4)     | Destroyed or concealed evidence; refused to give evidence upon lawful request of Inspector or police; encourage another to do this                     |
|                  | 845-006-0345(8)     | Drive-up window  |
|                  | 845-006-0345(11)    | Prohibited conduct: promotions   |
|                  | 845-006-0345(12)    | Self-service   |
|                  | 845-006-0345(13)    | Marijuana use  |
|                  | 845-006-0345(17)    | Mix any cannabinoid or industrial hemp commodity with alcoholic beverage   |
| 471.425(2)       | 845-006-0347(2)     | Permitted disorderly activity, other than CAT I or CAT II<br>Permitted noisy activity  |
|                  | 845-006-0347(3)     | Permitted unlawful activity, other than CAT I or CAT II  |
|                  | 845-006-0347(5)     | Drinking alcohol in parking lot  |

|         |  |   |
|---------|--|---|
| 471.394 | 845-006-0370                                 | Accepted or provided financial assistance   |
| 471.398 | 845-013-0001 to 0110<br>845-006-0459 to 0469 | Food service violation  |
|         | 845-009-0145(3), (4)                         | Off-Premises Sales clerk/liquor agent's employee did not complete required training and continued to sell alcohol |

**Category III(a) (violations for the sale of alcohol to a minor or failure to check identification when the retail licensee qualifies under the Responsible Vendor Program)**

| Statute    | Administrative Rule | Violation   |
|------------|---------------------|---|
| 471.410(2) |                     | Knowingly sold/made alcohol available to a minor (Responsible Vendors only)   |
|            | 845-006-0335(1)     | Failed to verify the age of a minor (sale/service) (Responsible Vendors only) |

**Category IV (violations that create a climate conducive to abuses associated with the sale or service of alcoholic beverages)**

| Statute    | Administrative Rule                             | Violation   |
|------------|---|---|
|            | 845-006-0335(1)                                 | Failed to verify the age of a minor (minor in prohibited area)  |
| 471.351(1) |   | Failed to permit premises or records inspection   |
| 471.305    |   | Brewery or Wholesale Malt Beverage and Wine Licensee delivered malt beverages to an unlicensed location |
|            | 845-006-0335(3)(b)                              | Permitted minor to enter or remain in a prohibited area   |
|            | 845-006-0335(4)                                 | Permitted minor to work in prohibited area  |
|            | 845-006-0335(6)                                 | Permitted minor entertainer in a prohibited area  |
|            | 845-006-0340(8)(c)                              | Failed to make available minor control plan   |
|            | 845-006-0347(4)                                 | Failed to evict patron  |
|            | 845-006-0360(1)(c)                              | Failed to make service permit immediately available for inspection                                      |
|            | 845-006-0400                                    | Wine Self-Distribution Permittee delivers wine or cider to a non-endorsed retail licensee               |
|            | 845-006-0425(1)                                 | After-hours operation (retail licensees)  |
|            | 845-006-0497(5)                                 | Failure to submit an acceptable compliance plan or follow an approved compliance plan                   |
|            | 845-006-0435<br>845-010-0170<br>845-013-0001(4) | Failed to keep required records   |
|            | 845-006-0450                                    | Retail On-Premises Malt   |

|            |                            |   |
|------------|----------------------------|---|
|            |                            | Beverage or Wine Sampling   |
|            | 845-006-0498(1), (2)(b)    | Removed, altered, or covered suspension notice sign   |
|            | 845-007-0015               | Advertising media, coupons  |
|            | 845-009-0130(2), (5)       | Failed to meet training brochure requirements for off-premises employees                                  |
|            | 845-009-0145(5)(b), (5)(c) | Failed to notify whether Off-Premises Sales Clerk/liquor agent's employee completed clerk training course |
| 471.480(1) |                            | Sale of alcohol by juvenile (Off-premises sales license)  |
| 471.482(1) |                            | Sale of alcohol by juvenile (all other sales licenses)  |

**Category V (violations inconsistent with the orderly regulation of the sale or service of alcoholic beverages)**

| Statute  | Administrative Rule | Violation   |
|----------|---------------------|---|
| 459A.710 | 845-020-0040        | Failure to accept container returns                                 |
|          | 845-005-0400(5)(d)  | Failure to post or provide proof of insurance or bond               |
|          | 845-006-0340(9)(c)  | Failed to post or replace minor postings                            |
|          | 845-006-0345(6)     | Unlawfully permitted an open container of alcohol to leave premises |
|          | 845-006-0345(7)     | Permitted unauthorized liquor on premises                           |
|          | 845-006-0345(9)     | Gave or permitted liquor as a prize                                 |
|          | 845-006-0365        | NSF check (licensee used or wholesaler failed to report)            |
|          | 845-006-0475        | Corporate licensee failed to advise of change (other than stock)    |
|          | 845-006-0480(2) (4) | Changes in premises without prior Commission approval or notice     |
|          | 845-006-0480(3)     | Change of trade name without timely notification                    |
|          | 845-006-0481        | Failed to notify Commission of temporary closure                    |
|          | 845-007-0020        | Advertising restrictions  |
|          | 845-007-0035        | Failed to remove objectionable and nonconforming advertising        |