



Oregon Liquor Control Commission

**Government – to – Government
Annual Report 2016**

Background

The Oregon Liquor Control Commission (OLCC) administers Oregon's Liquor Control Act and Cannabis Regulation. It promotes the public interest through the responsible sale and service of alcoholic beverages and recreational marijuana products. OLCC's mission is to support businesses, public safety, and community livability through education and the enforcement of liquor and marijuana laws. Functionally, the OLCC manages the business of making packaged distilled spirits and recreational marijuana products available to adults over the age of 21.

The OLCC has Memorandums of Understanding (MOUs) with all nine recognized tribes in Oregon. These MOUs establish how Oregon state law and OLCC licensing regulations apply to the sale and service of alcoholic beverages at tribal gaming facilities and other tribal enterprises. Currently eight tribes have properties that are licensed by OLCC to sell alcoholic beverages.

Throughout 2016, the Oregon Liquor Control Commission (OLCC) continued to work with its tribal partners to promote the public interest. The focus of that work has ensured that changes to licensed businesses and compliance activities performed by OLCC and tribes support the public interest and safety. Agency staff continued to provide information and technical support to the tribes regarding liquor regulatory issues at licensed tribal businesses and provided information to tribal representatives regarding recreational marijuana laws.

The OLCC has a Tribal Relations Policy, which was revised in July 2016 (attached).

Public Safety Program

OLCC's Public Safety Program continues to connect with tribes and tribal entities through its programs. Although most of these interactions occur through licensed alcohol activity at tribal casinos, some tribes possess liquor licenses at other tribal enterprises including hotels, golf courses, travel centers and RV facilities.

This division of the OLCC operates 12 offices in five regions throughout Oregon and is responsible for supporting liquor law and recreational marijuana compliance and performing enforcement duties when needed. OLCC's focus is on graduated enforcement that begins with licensee education, but may include Notices of Warnings and Notices of Violations. When these efforts are performed on tribal properties and with tribal businesses, OLCC coordinates these activities with tribal law enforcement, gaming commissions, and casino and business management. Training is also available to tribal law enforcement and tribal license holders.

When a tribal business applies for a liquor license, license investigators review the applications and work with applicants to identify and determine the appropriate rules and laws that govern the operation of proposed businesses. In processing liquor license applications, the OLCC will make a determination to approve, deny, restrict or make

recommendation to agency Commissioners regarding the granting of a license. When applications are approved, the Licensing Division will collect the appropriate license fee and issue the license. If an application is denied or restricted, applicants are given the opportunity to contest the decision through the administrative hearing process.

License investigators work closely with tribal businesses when changes are made either to the management or operation of licensed businesses to ensure that these changes are consistent with liquor laws governing the sale and service of alcoholic beverages.

False Identification Training Course

The Public Safety Program offers instruction to help licensees and their employees recognize false or altered identification. The course provides training that highlights steps that a licensee's employees can take to recognize false or altered identification, and what to do when a licensee's staff suspects that a patron may be using false identification. This includes how to safely confiscate identification and what facts law enforcement agencies need to follow up on the use of that identification.

Minor Sales Checks

The minor decoy program is designed to reduce underage drinking, and encourages businesses to develop best practices to check identification. The OLCC's Public Safety Program uses volunteers who are between the ages of 17- 20 and who look their age to test businesses on their identification checking practices. All businesses that sell or serve alcohol are subject to a decoy visit. Typically, businesses are selected at random. This ensures, to the greatest extent possible, that each licensed business has an equal chance of being selected. Businesses may be targeted if there are documented issues with compliance with alcoholic beverage sale and service laws and rules. These issues include the failure to check, or properly check identification; allowing minors in prohibited areas; allowing minors to consume alcohol; and the sale of alcohol to minors.

When first licensed, businesses receive notice that they may be subject to minor decoy operations, and receive subsequent notices annually. Notifications include information about how to best prevent alcohol sales to minors and notifying licensees about the free ID checking course offered at all OLCC offices. OLCC also commends alcohol servers and sellers who use extra efforts to refuse to sell alcohol to minors.

The Public Safety Program cooperates with tribal governments and law enforcement in performing compliance checks on tribal land.

OLCC Administration Activity

In addition to connecting with tribes on liquor regulatory issues, the OLCC engaged with tribes in the following ways:

- In December 2015, OLCC staff attended the annual Government-to-Government Summit held in Canyonville.
- In April 2016, Commission staff consulted with members of the Confederated Tribes of the Umatilla Indian Reservation on recreational marijuana laws.
- In August 2016, staff provided an updated on recreational marijuana laws to the Health and Human Services Cluster.
- OLCC attended all Public Safety Cluster meetings in 2016. At the Public Safety Cluster's October 2016 meeting, OLCC provided an update on implementation of the recreational marijuana system.
- In December 2016, Commission staff attended the annual Government-to-Government Summit held in Lincoln City.
- 2016 legislation created the authority for the state to enter into agreements with Oregon tribes for purposes of cross-jurisdictional coordination and enforcement of marijuana-related businesses on tribal land (Section 35, Chapter 24, Oregon Laws 2016). Throughout 2016, OLCC staff participated in compact negotiations between the Governor's Office and Warms Springs Ventures, the economic development arm of the Confederated Tribes of Warm Springs.

Public Safety Program Regional Office Activity

Eugene Regional Office

The Eugene Regional Office, which includes satellite offices in Corvallis, Newport, and Roseburg, is responsible for licensing and enforcement in Lane, Benton, Linn, Lincoln, and Douglas Counties. This area includes the following licensed tribal facilities:

- Chinook Winds Casino Resort and Hotel (Lincoln City)
- Chinook Winds Golf Resort (Lincoln City)
- Seven Feathers Hotel & Casino Resort (Canyonville)
- Seven Feathers RV Resort (Canyonville)
- Seven Feathers Truck/Travel Center (Canyonville)

In 2016, Eugene Regional Office staff investigated and approved an extension of the premises for an outdoor area at Seven Feathers Hotel & Casino Resort. Staff also issued

several temporary sales licenses for special events held at Seven Feathers Hotel & Casino Resort.

Eugene Regional Office staff provided verbal instructions to Seven Feathers Hotel & Casino Resort and Chinook Winds Casino Resort regarding over service of alcohol. Staff conducted premises checks at both casinos at other times throughout the year and observed no issues.

Bend Regional Office

The Bend Regional Office, which includes a satellite office in Pendleton, is responsible for licensing and enforcement in Crook, Deschutes, Grant, Harney, Jefferson, Malheur, Sherman, Wheeler, Baker, Gilliam, Morrow, Umatilla, Wallowa and Wasco Counties. This area includes the following licensed tribal facilities:

- Cottonwood Resort at Indian Head Casino (Warm Springs)
- Kah Nee Ta Vacation Resort (Warm Springs)
- Wildhorse Resort & Casino (Pendleton)

The Bend Regional Office worked with the Confederated Tribes of Warm Springs to issue several temporary permits to conduct summer concerts at Indian Head Casino.

Medford Regional Office

The Medford Regional Office, which includes satellite offices in Coos Bay and Klamath Falls, is responsible for licensing and enforcement in Josephine, Jackson, Coos, Curry, Klamath and Lake Counties. This area includes the following licensed tribal facilities:

- Kla-Mo-Ya Casino (Chiloquin)
- The Mill Casino (North Bend)
- Three Rivers Casino (Florence)
- Three Rivers Casino Coos Bay (Coos Bay)

In December 2015, the Coos Bay Office worked with the Coquille tribe to change its minor posting by making a pathway for minors to get from the lobby to the restaurants by crossing over the gaming floor.

In early 2016, the Klamath Falls office worked with the Kla-Mo-Ya casino to resolve issues of over service of alcohol and failing to verify the age of a minor.

Salem Regional Office

The Salem Regional office, which includes a satellite office in Warrenton, is responsible for licensing and enforcement in Columbia, Marion, Polk, Yamhill, Tillamook, and Clatsop Counties. This area includes the following licensed tribal facilities:

- Spirit Mountain Casino (Grand Ronde)

Salem Regional Office staff met with Spirit Mountain Casino's Guest Services Director regarding plans for a new entrance and a large remodel of the casino. The proposed remodel included updating the bar areas on the main floors and in the Summit area.

Portland Regional office

The Portland Regional office is located at OLCC Headquarters in Milwaukie and is responsible for licensing and enforcement in Clackamas, Hood River, Multnomah and Washington Counties. There are no licensed tribal facilities in this region.

Agency Contact Information

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Policy and Procedures

SUBJECT: Tribal Relations Policy

NUMBER: PP 845-103-002

APPLICATION: Commission-Wide

INTERPRETATION RESPONSIBILITY: Administrative Policy & Process Director

REVISED: July 2016

NEXT REVIEW: July 2018

EFFECTIVE DATE: 15 days from date of signature

APPROVED: */s/ Steve Marks* **DATE:** *7/28/2016*
Steve Marks, Executive Director

CITATION OF AUTHORITY

Executive Order #96-30, State/Tribal Government-Government Relations; ORS 182.164, State Agencies to Develop and Implement Policy on Relationship with Tribes; and ORS 182.166, Training of State Agency Managers and Employee Who Communicate with Tribes.

DEFINITION

"Tribe" means a federally recognized Indian tribe of Oregon.

POLICY

The Oregon Liquor Control Commission values its relationship with Oregon's tribes. The agency strives to establish and maintain positive government-to-government relations between the agency and the tribes. The purpose of this policy is to formalize the relationship that exists between Oregon tribes and the Oregon Liquor Control Commission.

GUIDELINES

1. The Oregon Liquor Control Commission (OLCC) shall designate an executive or management employee, or designee, to manage and coordinate OLCC's agreements with Oregon tribes recognized by the US government, and to:
 - a. regulate tribal activities that require licensing by the agency;
 - b. contract for purchase and provision of alcoholic beverages with tribal entities;
 - c. provide other services and agreements that are, otherwise, within the scope of OLCC's agency authority in the state of Oregon.
2. Appoint an executive or management employee, or designee, to manage and coordinate OLCC's intergovernmental communications by:
 - a. identifying agency programs that affect Oregon tribes;
 - b. ensuring that relevant communication continues;
 - c. preparing an annual report as required by ORS 182.166 (3);
 - d. ensuring that all OLCC employees are aware of agency policy.
3. OLCC shall make reasonable efforts to ensure that agency action corresponds with mutual goals and missions.
4. OLCC designated employees must attend periodic training regarding tribal culture, relations, and law in order to ensure familiarity with tribal governments and an understanding of, and sensitivity to, issues relevant to tribes.
5. OLCC shall consider impacts on Oregon tribal governments when developing policies relevant to tribes, and discuss issues with tribal representatives as appropriate.