



Oregon Liquor Control Commission

Government – to – Government Annual Report 2019

Steven Marks, Executive Director

Tribal Liaison: Kelly Routt, Director of Administrative Policy & Process

Introduction

The Oregon Liquor Control Commission (OLCC) administers Oregon's Liquor Control Act and the Adult and Medical Use of Cannabis Act. 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 available to adults over the age of 21 and issues licenses to businesses to manufacture, distribute, and sell alcoholic beverages or recreational marijuana products.

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 2019, 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). All OLCC employees have access to this policy, which is stored electronically with all other OLCC internal policies and procedures.

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 an Oregon tribe or a business registered to an Oregon tribe 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 18-20 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.

Public Safety Program Regional Office Activity

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 businesses licensed to tribes:

- Cottonwood Resort at Indian Head Casino (Warm Springs)
- Wildhorse Resort & Casino (Pendleton)
- Plateau Travel Center (Madras)
- PCC Wildhorse (Pendleton)
- Hamley Steakhouse (Pendleton)
- Hamley Café (Pendleton)

In January 2019, the Bend regional manager and field staff met with Wildhorse casino employees to discuss casino expansion, future licensing needs and provided education on compliance topics. The Regional manager also met with the Director of Public Safety and Umatilla Tribal Police in January 2019.

OLCC received liquor license applications from the Confederated Tribes of the Umatilla Indian Reservation in May 2019 for Pendleton Country Club and in August 2019 for Hamley Steakhouse and Hamley Café. Liquor licensing staff from the Portland office worked with the tribe so that they could obtain temporary licenses while the license applications were being investigated. Because these premises were located off tribal land, OLCC staff educated the tribe on purchasing distilled spirits from retail sales agents.

Staff received an inquiry from Indian Head Casino regarding liquor licensing for a special event.

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 businesses licensed to tribes:

- 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)

Eugene Regional Office staff were in contact with the Food and Beverage Manager at Chinook Winds on several occasions as well as premises security. Staff issued special event licenses applied for by Chinook Winds casino staff.

In July 2019, staff investigated a complaint stemming from a Lincoln City Police Department report documenting a possible failure to check identification at Chinook Winds casino. The person was over the age of 21 but did not have identification on their person. Staff gave verbal instructions to check ID of all patrons who appear under 26.

In December 2019, OLCC staff received an anonymous complaint regarding a possible sale to a visibly intoxicated person at Chinook Winds Casino. Staff gave verbal instructions to the Food and Beverage Manager regarding sales to intoxicated persons.

Staff conducted premises checks at Seven Feathers and Chinook Winds casinos throughout the year and observed no issues. Staff communicated with the Events Manager related to special event applications and issued special event licenses.

In May 2019, OLCC licensing staff issued a reminder to the Seven Feathers Truck and Travel center regarding the need for prior approval for retailer-conducted tastings of beer and wine.

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 businesses licensed to tribes:

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

Staff in the Coos Bay satellite office investigated a complaint of selling alcohol to a visibly intoxicated person. OLCC staff issued a Notice of Proposed License Suspension/Civil Penalty in January 2010 for this violation. The Mill Casino paid a civil penalty to resolve the violation.

Staff conducted premises visits throughout the year at The Mill Casino and the Three Rivers Casinos in Florence and Coos Bay and observed no issues.

Staff issued special event licenses applied for by The Mill Casino.

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 businesses licensed to tribes:

- Spirit Mountain Casino (Grand Ronde)

In January 2019, Salem Regional Office staff contacted casino food and beverage staff regarding patrons who had been cited for DUII after consuming alcohol at Spirit Mountain. Staff gave verbal instruction on not serving alcohol to patrons who are visibly intoxicated, and notified casino staff that training is available.

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 businesses licensed to tribes in this region.

OLCC Administration Activity

Distilled Spirits Program

Retail Services staff received an inquiry regarding operating a liquor store on tribal lands near Pendleton. Staff provided information on regulations relating to becoming a liquor agent, and the limitations in holding both a liquor agent contract and a full on-premises sales license.

OLCC Executive staff consulted with the Confederated Tribes of the Umatilla Reservation regarding purchasing distilled spirit for sales by the drink at their new businesses located off tribal lands. OLCC and the tribe agreed that distilled spirits for these locations would be purchased from an OLCC retail sales agent.

Marijuana Program

Under ORS 475B.543, the Governor's office may enter into an agreement with the governing body of a federally recognized Indian tribe located in this state for the purpose of cross-jurisdictional coordination and enforcement of marijuana-related businesses licensed to conduct business on tribal trust land by the governing body of the federally recognized Indian tribe.

In 2019, OLCC received inquiries from the public on whether marijuana is sold on tribal land. While one tribe has a compact with the Governor's office relating to cross-jurisdictional marijuana activity, to OLCC's knowledge no tribe is engaging in such activity.

Bottle Bill Program

OLCC's Bottle Bill staff reached out to tribal licensees to provide information on compliance with the Oregon bottle bill.

Other Activity

In addition to connecting with tribes on liquor regulatory issues, in 2019 the OLCC engaged with tribes in the following ways:

- To comply with Executive Order 17-12, OLCC conducted a search of its records to determine whether it possessed tribal cultural resources. OLCC summarized its findings and submitted its report to tribal members on November 14, 2019.
- The OLCC tribal key contact attended tribal public safety cluster meetings held throughout the year.
- The OLCC tribal key contact attended the 2019 Annual Government-to-Government Summit hosted by the Confederated Tribes of the Umatilla Reservation on December 3, 2019.

Agency Contact Information

OLCC Executive Director:

Steven Marks
Oregon Liquor Control Commission
9079 McLoughlin Blvd
Portland, OR 97222
(503) 872-5000
Email: steven.marks@oregon.gov

Tribal Key Contact:

Kelly Routt
Director, Administrative Policy & Process
Division
Oregon Liquor Control Commission
9079 SE McLoughlin Blvd
Portland, OR 97222
Tel.: (503) 872-5007
Email: kelly.routt@oregon.gov

OLCC website: www.oregon.gov/olcc



Policy and Procedures

SUBJECT: Tribal Relations Policy

NUMBER: PP 845-103-002

APPLICATION: Commission-Wide

REVISED: July 2016

APPROVED: /s/ Steve Marks **DATE:** 07/28/2016
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.