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## OREGON SENATE REPUBLICAN LEADER OREGON HOUSE REPUBLICAN LEADER OREGON SENATE INDEPENDENT LEADER PRESS RELEASE

## FOR IMMEDIATE RELEASE

Date: March 21, 2023

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## Knopp, Breese-Iverson, Boquist Send Letter to the Governor Urging Independent Nonpartisan Counsel to Investigate OLCC

**SALEM, Ore.** – This morning, Senate Republican Leader Tim Knopp (R-Bend), House Republican Leader Vikki Breese-Iverson (R-Prineville), and Senate Independent Leader Brian Boquist (I-Rural Yamhill & Polk Counties) sent a letter to Governor Kotek urging that independent nonpartisan investigations be launched into the OLCC's alleged favorable treatment of land acquisitions and rare liquor distribution.

The letter reads as follows:

"Dear Governor Kotek,

Today, we urge you to launch independent nonpartisan investigations into the Oregon Liquor and Cannabis Commission's (OLCC) potential favorable treatment of (1) land acquisitions; and (2) rare liquor distribution. It is with an unwavering commitment to full transparency that we request these investigations be conducted by independent outside counsel.

We ask that you use your statutory authority<sup>1</sup> to investigate the potential favorable treatment of alcohol distribution and land acquisitions of the Oregon Liquor and

<sup>&</sup>lt;sup>1</sup> ORS 180

Cannabis Commission. According to recent reports<sup>2</sup>, the price tag for land and a new warehouse for the OLCC "...rose by 133% between 2019 and 2022 — from an estimated \$62.5 million to \$145.7 million. It has risen higher since." Prior to the purchase, and for the first time on record, the Oregon Public Lands Advisory Commission rejected this land acquisition. Since the rejection was advisory, the agency pushed the deal through regardless. On the outset, this suggests a negligent breach of the agency's fiduciary duty. In the spirit of government transparency, working Oregonians deserve assurance they can trust the Legislature and State Agencies with their tax dollars.

In recent months, there have been multiple reports that lawmakers, public officials, and management at the OLCC had benefitted from the diversion of bottles of high-end, rare liquor.<sup>3</sup> Most recently, in mid-March, three top OLCC officials were fired for their involvement, leaving us with more questions than answers. We request OLCC and the Attorney General release the names of all lawmakers who used their position for personal gain, an action which Oregon government ethics laws clearly prohibit. The keeping of public records is fundamental in ensuring accountability in our government. To preserve public trust, it is imperative the names be released.

We understand that in certain instances<sup>4</sup>, investigations are being conducted by the Department of Justice. This is not sufficient. Therefore, we request independent nonpartisan counsel be used for these investigations. On multiple occasions you have committed to increasing accountability and oversight in state government, taking a customer service approach to public service. We agree that this leads to good governance.<sup>5</sup> In keeping with our shared goals of accountability and transparency, we ask that you take immediate action."

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<sup>&</sup>lt;sup>2</sup> Bourbon scandal sparks new doubts about Oregon Liquor and Cannabis Commission warehouse project

<sup>&</sup>lt;sup>3</sup> Top OLCC officials kept popular booze -- including Pappy Van Winkle -- for themselves, diverting it from public

<sup>&</sup>lt;sup>4</sup> Willamette Week: Oregon Attorney General Announces Criminal Investigation of OLCC Rare Liquor Graft

<sup>&</sup>lt;sup>5</sup> Kotek announces 36-county listening tour, framework for first year as governor