

ADMINISTRATIVE HEARINGS DIVISION
November 19, 2020

STIPULATED SETTLEMENT AGREEMENTS FOR MARIJUANA VIOLATION CASES

1. La Mota, LLC, Co-Licensee
Aaron Mitchell, Member
Rosa Cazares, Co-Licensee
dba **LA MOTA (#28CC)**
7435 SE 52nd Ave
Portland, OR 97206
(Retailer)

OAR 845-025-2800(3)(h).¹ On or about October 19, 2018, and/or on or about December 13, 2018, Licensee or Licensee's employees, agents, or representatives handled unpackaged marijuana items without the use of protective gloves, tools, or instruments that prevented the marijuana items from coming into contact with the licensed representative's skin, when (on October 19, 2018) Licensee's employee Lavelle Woods reached barehanded into one or more jars of marijuana buds and held the buds out to two consumers; and when (on December 13, 2018) Licensee's employee Vesta Miller was touching marijuana with their ungloved hand while making pre-rolls.

(Category III)

OAR 845-025-2820(2). - On or about October 19, 2018, Licensee or Licensee's employees, agents, or representatives failed to store marijuana items offered for sale in such a manner that the items were only accessible to authorized representatives until such time as the final sale to the consumer was completed, when Licensee's employee Lavelle Woods left multiple jars of marijuana on the counter within reach of at least two consumers while moving behind the counter to retrieve more jars.

(Category III)

Note: Licensee was charged with these violations by Second Amended Notice dated October 2, 2020. The total proposed penalty was a 24-day suspension or a civil penalty of \$3,960.00. Licensee requested a hearing and now wishes to enter into this settlement agreement.

AGGRAVATION

Violation Number One was aggravated for repeated misconduct, and for involvement of more than one employee.

¹ Citations are to the rules in effect at the time of the incidents in question.

(continue LA MOTA #28CC)

SYNOPSIS: Employees were observed handling usable marijuana without required gloves or tools. The shop was also the victim of several “grab and run” thefts. After an initial verbal instruction to not allow marijuana items in reach of customers prior to final sale, this was charged for an incident in which glass jars containing marijuana were left on the counter within reach of customers..

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. These were Licensee’s first and second Category III violations, charged at the first level. Any subsequent Category III violation within the same two years will be charged at the second level. These violations will become a permanent part of each licensee’s Commission file and may be considered in any future application for any license or permit by that licensee.
2. The standard sanction for these Category III violations is a 10-day license suspension, or a \$1,650.00 civil penalty, each. Violation Number One was aggravated for repeated misconduct, and for involvement of more than one employee. The total proposed penalty was a 24-day suspension or a civil penalty of \$3,960.00.
3. The Commission will reduce the sanction for each violation by three days.
4. Licensee will pay a \$2,970.00 civil penalty before 5:00 PM on December 15, 2020 **or** serve an 18-day suspension beginning at 12:00 PM (noon) on December 22, 2020 and ending at 12:00 PM (noon) on January 9, 2021.
5. Licensee withdraws its request for a hearing.
6. If a licensee’s interest in the license expires or is transferred before the Commission issues a final order on these allegations, the licensee agrees to accept a Letter of Reprimand for these violations. This reprimand will become a permanent part of the licensee’s Commission file and may be considered in any future application for a license or permit by that licensee.
7. This agreement is conditioned upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their November 2020 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee’s hearing rights, if any, will be restored. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.

2. OGX, LLC
Paul Luttrell, Member
Jonathan Showker, Member
Kathy Cook, Member
dba **VIBRANT HIGHS**
(Processor)

OAR 845-025-3215(1)(a) and (2)- From about October 22, 2018 to about February 16, 2019, Licensee operated other than its processor license privileges permitted, when Licensee and/or its employees, agents or representatives transferred, sold or transported useable marijuana to wholesalers Cascade Cannabis Distributing (License No. 100301304FE) and The Canna Company (License No. 1000168AAFO).

(Category I)

Note: Licensee was charged with this violation by Notice dated September 9, 2020. Commission staff proposed the standard sanction of license cancellation. Licensee requested a hearing and now wishes to enter into this settlement agreement.

AGGRAVATION

The violation was aggravated because it was repeated.

SYNOPSIS: An investigation revealed transfers of useable marijuana and pre-rolls to a wholesaler in violation of processor privileges. Licensee has not exercised license privileges since October 2019 and is in process of selling the business.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violation as set out in the Notice. This was Licensee's first Category I violation. The violation was aggravated because it was repeated.
2. Commission staff proposed to cancel the license and seize and destroy any remaining marijuana items on the licensed premises for this violation.
3. Commission staff proposed the standard sanction of license cancellation and seizure and destruction of marijuana items for this violation.
4. Licensee has begun the process of selling the business. Licensee surrenders its license effective on the date the transfer of ownership of the business is completed or at 12:00 PM (noon) on February 28, 2021, whichever is earlier.
5. Licensee understands and agrees that the Commission is not representing or guaranteeing that a buyer will have an approved license on or before February 28, 2021, or that a proposed buyer will be licensable. Licensee understands and agrees that any proposed buyer will have to fully complete the application process, and the application has to receive final approval by the Commission, prior to a license being issued. If Licensee's license expires on or before February 28, 2021 and Licensee chooses to keep its license active beyond the expiration date, Licensee understands and agrees that it will have to timely submit a renewal application and any required fees. Renewal will not create any rights beyond the final surrender date.
6. Each licensee agrees to accept a letter of reprimand for the violation specified above. This letter of reprimand will become a permanent part of the licensee's Commission file and may be considered in any future or pending application for any license or permit by the licensee

(continue **VIBRANT HIGHS**)

7. Licensee withdraws its Request for Hearing in this matter.
8. This agreement is conditioned upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their November 2020 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee's hearing rights, if any, will be restored. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.

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| <p>3. La Mota Front Ave, LLC, Co-Licensee
 Aaron Mitchell, Member
 Rosa Cazares, Co-Licensee
 dba LA MOTA FRONT AVE
 7435 SE 52nd Ave
 Portland, OR 97206
 (Retailer)</p> | <p>OAR 845-025-1430(2)(c) - On or about January 23, 2019 and/or January 28, 2019, Licensee failed to have a video surveillance system that was equipped with a failure notification system that provided, within one hour, notification to the Licensee or an authorized representative of the Licensee of any prolonged surveillance interruption or failure, when Camera #24 failed from January 23, 2019 at 10:13AM to January 26, 2019 at 11:40AM and again from January 28, 2019 at 12:59AM to January 30, 2019 at 7:40AM, and Licensee and/or its employees, agents or representatives did not receive immediate notification of these surveillance interruptions or failures.</p> | <p>Note: Licensee was charged with this violation by Notice dated June 23, 2020. The total proposed sanction was a 12-day suspension or a civil penalty of \$1,980.00. Licensee requested a hearing and now wishes to enter into this settlement agreement.</p> |
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AGGRAVATION

The violation was aggravated for repeated misconduct.

(1st Level Category III)

SYNOPSIS: The facts are as stated in the charge. La Mota’s head of IT explained that no one was notified of the outages, but that they had replaced the system and set it to provide notice to himself, the new store manager, and the CEO of La Mota.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violation as set out in the Notice. This was Licensee’s first Category III violation. Any subsequent Category III violation within the same two years will be charged at the second level. This violation will become a permanent part of each licensee’s Commission file and may be considered in any future application for any license or permit by that licensee.
2. The standard sanction for this violation is a 10-day license suspension, or a \$1,650.00 civil penalty. The violation was aggravated for repeated misconduct. The total proposed sanction was a 12-day suspension or a civil penalty of \$1,980.00.
3. The Commission will reduce the sanction to a nine-day license suspension, or a \$1,485.00 civil penalty.
4. Licensee will pay a \$1,485.00 civil penalty before 5:00 PM on December 15, 2020 **or** serve a nine-day suspension beginning at 12:00 PM (noon) on December 22, 2020 and ending at 12:00 PM (noon) on December 31, 2020.
5. Licensee withdraws its Request for Hearing in this matter.
6. If a licensee’s interest in the license expires or is transferred before the Commission issues a final order, the licensee agrees to accept a Letter of Reprimand for this violation. This reprimand will become a permanent part of the licensee’s Commission file and may be considered in any future application for a license or permit by that licensee.
7. This agreement is conditioned upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their November 2020 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee’s hearing rights, if any, will be restored. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.

4. Smith Scientific Industries, Inc.
Anthony Smith, Pres/Dir/Stkhldr
William Waldrop, Secretary/Dir
EVIO, Inc., Stockholder
Lori Glauser, Dir/Stockholder
William Waldrop, Dir/Stockholder
dba **EVIO LABS MEDFORD**
(Laboratory)

OAR 845-025-5000(1)(b)(d).² From approximately April 12, 2017 to December 19, 2018, Licensee operated other than its license permits when Licensee and/or its employees, agents or representatives transferred, transported or disposed of marijuana items consisting of usable marijuana, concentrates, extracts or cannabinoid products left over from sample packages provided to it for testing (retention samples), by giving these marijuana items to its employees and/or permitting them to remove these marijuana items from the licensed premises.

(Category I)

OAR 845-025-7540(1),(4). From approximately April 12, 2017 to December 19, 2018, Licensee intentionally failed to enter data into the METRC Cannabis Tracking System (CTS) that fully and transparently accounted for all inventory tracking activities, when Licensee and/or its employees, agents or representatives intentionally failed to disclose that it was transferring retention samples to its employees to take off the premises, and/or intentionally failed to disclose that the retention samples had left the licensed premises.

(Category I)

ORS 475B.246(1). On or about March 25, 2019, Licensee or Licensee's employees, agents, or representatives made intentional false representations or statements to the OLCC in order to induce or prevent action by the Commission when Licensee or Licensee's employees, agents, or representatives Anthony Smith and/or Ian Riversong stated to an OLCC Inspector that they had never instructed any of Licensee's employees to lie to the OLCC, and that they had never given permission to Licensee's employees to take home lab samples of marijuana.

(Category I)

Note: Licensee was charged with these violations by Notice dated May 13, 2020. Staff proposed the standard sanction of license cancellation. Licensee requested a hearing and now wishes to enter into this settlement agreement.

AGGRAVATION

Violations One, Two and Three were aggravated because they were repeated. The violations were aggravated because there were three or more violations within two years under circumstances indicating disregard for law or failure to control the premises.

² Citations are to the rules in effect at the time the violations occurred.

(continue **EVIO LABS MEDFORD**)

OAR 845-025-7540(1)(2), OAR 845-025-5045(1). On or before March 25, 2019, Licensee or Licensee's employees, agents, or representatives failed to enter data into CTS that fully and transparently accounted for all inventory tracking activities when marijuana items identified in CTS as being in Licensee's inventory at the licensed premises (UID 1A4010300008982000000772; 1A401030000ABE1000000756; 1A4010300001F42000002130; 1A4010300001F43000001253; 1A4010300000963000000689; and 1A40103000194B1000000003) were not physically located at the licensed premises.

(Category III)

SYNOPSIS: Multiple complaints received from Licensee's employees prompted an investigation which revealed several violations, including violations of lab license privileges in which Licensee permitted employees to take marijuana samples home for personal use, Licensee and management staff instructed employees to lie to OLCC about these lab practices/policy, and mismanagement of Licensee's recording keeping and CTS inventory.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. Violations One, Two and Three were Licensee's first through third Category I violations. Violation Four was Licensee's first Category III violation.
2. Violations One, Two and Three were aggravated because they were repeated. The violations were aggravated because there were three or more violations within two years under circumstances indicating disregard for law or failure to control the premises.
3. Commission staff proposed the standard sanction of license cancellation and refusal to renew, and seizure and destruction of marijuana items, for these violations.
4. Licensee has begun the process of selling the business. Licensee surrenders its license effective on the date the transfer of ownership of the business is completed or at 12:00 PM (noon) on January 31, 2021, whichever is earlier.
5. Licensee understands and agrees that the Commission is not representing or guaranteeing that a buyer will have an approved license on or before January 31, 2021, or that a proposed buyer will be licensable. Licensee understands and agrees that any proposed buyer will have to fully complete the application process, and the application has to receive final approval by the Commission, prior to a license being issued. Licensee understands and agrees that its license will not be renewed.
6. Each licensee agrees to accept a letter of reprimand for the violations specified above. This letter of reprimand will become a permanent part of the licensee's Commission file and may be considered in any future or pending application for any license or permit by the licensee.
7. Licensee agrees that any marijuana items on the premises after the date of license surrender that were not properly transferred to another licensee prior to the date of surrender may be seized and destroyed by the Commission.

(continue_ **EVIO LABS MEDFORD**)

8. Licensee withdraws its Request for Hearing in this matter.
9. This agreement is conditioned upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their November 2020 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee's hearing rights, if any, will be restored. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.

5. MNG Holdings, LLC
Michael Ng, Member
Patrick Martin, Member
dba **MR NICE GUY RETAIL (#DCF8)**
504 NW 3rd Street
Corvallis, OR 97330
(Retailer)

OAR 845-025-2820(2). On or about July 28, 2019, Licensee or Licensee's employee, agent, or representative failed to store marijuana items offered for sale in such a manner that the items were only accessible to authorized representatives until such time as the final sale to the consumer was completed, when an employee left multiple marijuana items in an open display case within reach of a consumer, who subsequently stole three of the items from the premises.

(Category III)

OAR845-025-1160(3). On or about July 29, 2018, Licensee or Licensee's employees, agents, or representatives failed to notify the Commission of the theft of marijuana items from the licensed premises within 24 hours of its occurrence.

(Category III)

Note: Licensee was charged with these violations by Notice dated August 26, 2020. The total proposed sanction was a 22-day license suspension or \$3,630.00 civil penalty. Licensee requested a hearing and now wishes to enter into this settlement agreement.

AGGRAVATION

Staff added two days of aggravation because Violation Number One was repeated.

SYNOPSIS: During a routine inspection of a retailer, the inspector discovered that they had been the victim of a theft a few months earlier that had not been reported to the Commission as required by the rules. Licensee representatives claimed they failed to report it due to a miscommunication between the store manager and the compliance officer. Upon reviewing the surveillance video of the theft, the inspector noticed that the customer was able to take a jar of flower and two package of edibles from open display cases when the budtender turned his back on the customer multiple times.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice.
2. These were Licensee's first and second Category III violations within two years. They were charged at the first level because they were discovered concurrently. Any subsequent Category III violation within the same two years will be charged at the second level.
3. Commission staff originally proposed for these violations the standard sanction of a 10-day suspension or civil penalty of \$1,650.00 for each. Staff added two days of aggravation because Violation Number One was repeated. The total proposed sanction was a 22-day license suspension or \$3,630.00 civil penalty.
4. The Commission will reduce the sanction by six days.
5. Licensee will pay a \$2,640.00 civil penalty before 5:00 PM on December 15, 2020 **OR** serve a 16-day suspension beginning at 12:00 PM (noon) on December 22, 2020 and ending at 12:00 PM (noon) on January 7, 2021.

(continue_ **MR NICE GUY RETAIL (#DCF8)**)

6. Licensee withdraws its request for a hearing.
7. If a licensee's interest in the license expires or is transferred before the Commission issues a final order on the allegations, the licensee agrees to accept a Letter of Reprimand for the violations. This reprimand will become a permanent part of the licensee's Commission file and may be considered in any future application for any license or permit by that licensee.
8. This agreement is conditioned upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their November 2020 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee's hearing rights, if any, will be restored. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.

6. MNG Holdings, LLC
Michael Ng, Member
Patrick Martin, Member
dba **MR NICE GUY SALEM**
1460 State Street
Salem, OR 97301
(Retailer)

ORS 475B.610(2), OAR 845-025-7020(2)(d), OAR 845-025-7030(1)(a), and/or OAR 845-025-7170(1)(2).
On or about July 29, 2019, Licensee or Licensee's employee, agent, or representative sold, offered for sale, and/or transferred marijuana items to a consumer, patient, or designated primary caregiver in a canister that did not have a label that was printed on or affixed to the container holding the marijuana item, and was therefore noncompliant with OAR 845-025-7030(1)(a). Each sale, transfer, or offer for sale of a marijuana item not labeled in accordance with OAR 845-025-7000 to OAR 845-025-7190 is a violation.

Note: Licensee was issued a Notice dated August 26, 2020. Staff proposed the standard sanction of \$400.00. Licensee requested a hearing and now wishes to enter into this settlement agreement.

(Category III)

SYNOPSIS: A customer reported that he purchased marijuana flower from the retailer that was not as advertised. A subsequent investigation showed that the budtender sold the customer marijuana in a canister that did not have a label affixed to it, but was loose in the bag that the canister was placed in, which is a violation of OLCC's labeling requirements.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violation as set out in the Notice. This packaging and labeling violation will not be considered in future licensing actions.
2. Commission staff proposed the standard sanction for a single Category III non-intentional packaging and labeling violation of \$400.00.
3. In consideration of Licensee's acceptance of responsibility, the Commission will reduce the proposed penalty.
4. Licensee will pay a \$280.00 civil penalty before 5:00 PM on December 15, 2020.
5. Licensee withdraws its Request for Hearing in this matter.
6. This agreement is conditioned upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their November 2020 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee's hearing rights, if any, will be restored. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.

7. Nectar Markets, LLC
Nectar Holdings, Inc., Member
Jeremy Pratt, President/Dir/Stkhldr
Jeffrey Johnson, Vice President
Michael Olson, Secretary/Treasurer
dba **NECTAR**
4142 Liberty Road S
Salem, OR 97302
(Retailer)

OAR 845-025-1175(1), (2) and (6). On or before July 9, 2018, Licensee or its employees, agents, or representatives made physical changes to the licensed premises that materially or substantially altered the licensed premises or the usage of the licensed premises from the plans originally approved by the Commission without the Commission's prior written approval, when walls from the "check-in" area were removed, glass sales displays were repositioned, certain cameras were repositioned and three cameras were removed in the limited access area of the premises.

Note: Licensee was issued a Notice dated May 13, 2020. Staff proposed the standard sanction of a 10-day suspension or a civil penalty of \$1,650.00. Licensee requested a hearing and now wishes to enter into this settlement agreement.

(1st Level Category III)

Verification of Compliance (VOC) Warning - OAR 845-025-7540(1), (2). On or about July 9, 2018, Licensee or its employees, agents, or representatives failed to enter data into the METRC Cannabis Tracking System (CTS) that fully and transparently accounted for all inventory tracking activities when several marijuana items listed in Licensee's inventory in CTS were found at the premises to have non-corresponding unique identification tags associated with them.

(1st Level (Category III))

SYNOPSIS: During an inspection, substantial alterations were observed to have been made to the premises without prior notification and approval. This was attributed to an employee not following protocol. Management subsequently submitted a new floor plan. A CTS violation alleged against the licensee qualifies for a warning under the Verification of Compliance program.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for Violation One as set out in the Notice. This was Licensee's first Category III violation within two years. Any subsequent Category III violation within the same two years will be charged at the second level. The violation will become a permanent part of each licensee's Commission file and may be considered in any future application for any license or permit by that licensee.
2. Under the Verification of Compliance Program, the Commission withdraws Violation Two and issues a warning in lieu of a violation. A Notice of Warning for violation of OAR 845-025-7540(1), (2) will be placed on Licensee's record.
3. The standard sanction for a Category III violation is a 10-day suspension or a civil penalty of \$1,650.00.
4. The Commission will reduce the sanction by three days.

(continue **NECTAR**)

5. Licensees will pay a \$1,155.00 civil penalty before 5:00 PM on December 15, 2020, **OR** serve a seven-day suspension beginning at 12:00 PM (noon) on December 22, 2020 and ending at 12:00 PM (noon) on December 29, 2020.
6. Licensee withdraws its Request for Hearing in this matter.
7. If a licensee's interest in the license expires or is transferred before the Commission issues a final order on the allegation, the licensee agrees to accept a Letter of Reprimand for the violation. This reprimand will become a permanent part of the licensee's Commission file and may be considered in any future application for any license or permit by the licensee.
8. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their November 2020 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee's hearing rights, if any, will be restored. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.

8. MediRec, LLC
Vandal Industries, Inc., Member
Eric Buckner, President
dba **ALBION FARMS**
(Producer)

VOC Warning- OAR 845-025-1450(2)(d). On or about March 12, 2019, Licensee and/or Licensee's employees, agents or representatives failed to keep onsite surveillance recordings for a minimum of 90 calendar days, when the premises only had 22 days of surveillance recordings available.

(Category I)

VOC Warning - OAR 845-025-1450(2)(e)(l). On or about March 12, 2019, Licensee and/or Licensee's employees, agents, or representatives failed to keep off-site backup recordings described in OAR 845-025-1450(2)(l) for a minimum of 30 days.

(1st Level Category II)

VOC Warning - OAR 845-025-7520(1)(a)(d)(e). On or before April 4, 2019, Licensee and/or Licensee's employees, agents or representatives failed to properly tag all marijuana inventory with a unique identification tag pursuant to the system requirements of the METRC Cannabis Tracking System (CTS), when untagged totes of useable marijuana were found in the premises' finished product room.

(1st Level Category III)

VOC Warning - OAR 845-025-7540(1) On or about April 4, 2019, Licensee and/or Licensee's employees, agents, or representatives failed to enter data into CTS that fully and transparently accounted for all inventory tracking activities when CTS showed 23 marijuana items/packages that had failed pesticide testing were in Licensee's inventory and only nine of those marijuana items/packages were found at the premises.

(1st Level Category III)

Note: Licensee was issued a Notice dated December 11, 2019. Staff proposed the standard sanction of license cancellation. Licensee requested a hearing and now wishes to enter into this settlement agreement.

AGGRAVATION

Staff proposed aggravating Violations Five and Six because Violation Five was personally committed by Licensee Eric Buckner and Violation Six was repeated.

(continue **ALBION FARMS**)

ORS 475B.261(2), OAR 845-025-5500(4). From about August 27, 2016 to about March 28, 2019, Licensee and/or Licensee's employees, agents, or representatives failed to verify that Member/President Eric Buckner had a valid marijuana worker permit before allowing him to perform any work of the kind described in ORS 475B.261(1) and/or OAR 845-025-5500(1).

(1st Level Category III)

OAR 845-025-1230(9)(a) On or about before March 20, 2019, Licensee and/or Licensee's employees, agents, or representatives failed to record in CTS the names and permit numbers of employees or license representatives Jeff Richardson, Damey Russell, Lacey Sowers, Katie Summerfield, Neiona Triplett, Shari Young.

(1st Level Category III)

SYNOPSIS: An investigation turned up several violations including camera surveillance requirements, untagged product, inventory discrepancies and worker permit violations. Licensee attributed video surveillance issues with errors made in the installation and setup of the security system. Licensee has submitted proof of recent compliance with surveillance requirements and corrected worker permit requirements. Four of the six violations qualify for a warning under the Verification of Compliance Program.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for Violation Five and Violation Six as set out in the Notice. These were Licensee's first and second Category III violations and were charged at the first level. The standard sanction for a Category III violation is a 10-day suspension or a \$1,650.00 civil penalty each. Commission staff proposed aggravating Violations Five and Six because Violation Five was personally committed by Licensee Eric Buckner and Violation Six was repeated. These violations will become a permanent part of each licensee's Commission file and may be considered in any future application for any license or permit by that licensee.
2. Commission staff proposed the standard sanction of license cancellation and refusal to renew the license because Violation One was a Category I violation. However, under the Verification of Compliance Program, the Commission withdraws Violations One through Four and issues a warning in lieu of those violations. A Notice of Warning for violation of OAR 845-025-1450(2)(d), OAR 845-025-1450(2)(e)(I), OAR 845-025-7520(1)(a)(d)(e), and OAR 845-025-7540(1) will be placed on Licensee's record.
3. The Commission will reduce the sanction and impose either an 18-day suspension or a \$2,970.00 civil penalty.
4. Licensee will either pay a \$2,970.00 civil penalty before 5:00 PM on December 15, 2020 **OR** serve an 18-day suspension beginning at 12:00 PM (noon) on December 22, 2020 and ending at 12:00 PM (noon) on January 9, 2021.

(continue_ALBION FARMS)

5. Licensee withdraws the request for hearing.
6. If a licensee's interest in the license expires or is transferred before the Commission issues a final order on the allegations, the licensee agrees to accept a Letter of Reprimand for the violations. This reprimand will become a permanent part of the licensee's Commission file and may be considered in any future application for any license or permit by that licensee.
7. This agreement is conditioned upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their November 2020 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee's hearing rights, if any, will be restored. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.