

ADMINISTRATIVE HEARINGS DIVISION

January 16, 2025

STIPULATED SETTLEMENT AGREEMENT - LIQUOR VIOLATION CASE

1. Anil Khanna
Anita Khanna
dba **EZ FOOD MART (O)**
790 Wallace Rd NW
Salem, OR 97304

OAR 845-006-0335(1)(a)(b)(c) – On or about December 15, 2023, Licensee Anil Khanna failed to verify the age of a minor before allowing them to buy or be served an alcoholic beverage, when they reasonably appeared to be under 26 years of age.

(1st Level Category II(b))

Note: Licensee was charged with this violation by Notice dated October 15, 2024. The total proposed sanction was a 14-day license suspension or a \$3,500.00 civil penalty. Licensee requested a hearing and now wishes to enter into this settlement agreement.

AGGRAVATION

Commission staff proposed adding four days of aggravation because Licensee had previously been allowed to purchase age verification equipment as an offset to a failure to verify the age of a minor. In addition, Licensee personally committed the violation.

TERMS OF AGREEMENT

1. This Settlement Agreement resolves only the violation identified in the Notice.
2. Licensee admits the facts described in the Notice and accepts responsibility for the violation described in the Notice. This was Licensee's first Category II(b) violation within two years. Any subsequent Category II(b) violations within the same two years will be charged starting at the second level. Upon execution and final approval of this Settlement Agreement by the Commission, this violation shall become a permanent part of Licensee's Commission file and may be considered in any future application for any license or permit by the Licensee.
3. The standard sanction for the violation described in the Notice is a 10-day license suspension or a civil penalty of \$2,500.00. Commission staff determined that Licensee had previously been allowed to purchase age verification equipment as an offset to a failure to verify the age of a minor. OAR 845-006-0500(8)(e)(C). Commission staff also determined Licensee personally committed the violation. OAR 845-006-0500(8)(e)(E); *P-Mart*, OLCC-92-V-098, April 1993. Accordingly, the Notice proposed aggravating the penalty by four days or \$1,000.00. The Notice proposed a total penalty of a 14-day license suspension or a \$3,500.00 civil penalty.
4. As an alternative to the proposed penalty in the Notice, Licensee shall either pay a \$2,750.00 civil penalty before 5:00 PM on February 18, 2025 **OR** serve an 11-day suspension beginning at 7:00 AM on February 25, 2025 and ending at 7:00 AM on March 8, 2025. If the full penalty is not paid prior to 5:00 PM on February 18, 2025 then Licensee shall serve the full suspension. If Licensee or its employees, agents, or representatives act in any way that is not allowed by rule or statute while under suspension, OLCC may file a violation against Licensee and Licensee's license may be cancelled, suspended, or Licensee may receive a civil penalty. If OLCC notifies Licensee that Licensee has violated a rule or statute while under suspension, Licensee will be given the opportunity to contest the alleged violation in a contested case proceeding and the appropriateness of OLCC's decision to deny, suspend, or revoke the license or impose civil penalties.

(EZ FOOD MART (O))

5. Licensee withdraws the request for a hearing.
6. If Licensee's interest in the license expires or is transferred before the Commission issues the final order incorporating this Settlement Agreement, the Licensee agrees to accept a Letter of Reprimand for the violation. This reprimand becomes 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.
7. Licensee accepts this Settlement Agreement without any conditions or reservations. Licensee is aware of Licensee's right to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review if this matter was not resolved through this Settlement Agreement. Licensee is aware of Licensee's right to seek judicial review of a final order issued in the matter. Licensee freely and voluntarily waives all such rights to a contested case hearing, judicial review, or to otherwise challenge this Settlement Agreement and the Final Order incorporating this Settlement Agreement. In full satisfaction and settlement of this matter, Licensee agrees to Commission's issuance of a Final Order incorporating this Settlement Agreement as described in paragraph 8.
8. This Settlement Agreement is conditioned upon final approval by the Commission and will be reviewed by the Commissioners at their January 2025 meeting. If the Settlement 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.
9. The parties agree that this Settlement Agreement constitutes the sole, entire, and complete agreement between the parties to resolve the administrative proceeding commenced by the Notice and that no promises, inducements, or agreement not herein expressed have been made and that all terms of this Settlement Agreement are contractual and not a mere recital.
10. Licensee releases and waives any and all claims of any kind, known or unknown, past or future, against the State of Oregon or its agencies, instrumentalities, employees, officers, or agents arising out of the matters set forth in the Notice or this Settlement Agreement, including but not limited to any claim under federal or state law for damages, declaratory or equitable relief, under 42 USC § 1983 et seq, and for attorney's fees or costs.
11. Anil Khanna is a Licensee of record. Licensee of record represents and warrants that Anil Khanna individually has the authority to enter into this Settlement Agreement and bind Licensee of record on its behalf.
12. The parties agree that this Settlement Agreement and Final Order Incorporating Settlement Agreement may be executed in one or more multiple counterparts, including facsimile, scanned, and electronically transmitted counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.
13. The Settlement Agreement must be signed and received by the Commission by December 5, 2024, or this settlement offer is deemed withdrawn.