REVENUE: Revenue statement issued
FISCAL: May have fiscal impact; no statement yet issued

Action:		Do pass with amendments; be printed engrossed; be referred to Ways and Means by prior reference.
Vote:		4-0-1
	Yeas:	G. George, Monroe, Starr, Deckert
	Nays:	
	Exc.:	Burdick
Prepared By:		Mazen Malik, Economist
Meeting Dates:		2/13, 3/7, 3/14

WHAT THE BILL DOES: Extends the sunset date to 2016 and establishes a permanent funding for the Tobacco Compliance Task Force from the tobacco revenues, while requiring reports to the legislature in the 2011 session.

ISSUES DISCUSSED:
- History of Task Force.
- Successes of task force. Law suites and cases.
- Multi-agency work and cooperation. DOJ, DOR, and State Police.
- Video about smuggling story.
- Funding of the task force form the tobacco revenue stream instead of the General Fund.
- Difference in elimination of the sunset and the extension of the sunset.
- Postpone the sunset, with reporting requirement.
- Policy statement, and reporting requirements

EFFECT OF COMMITTEE AMENDMENTS: The amendment extends the sunset from January 2008 to the end of 2016. It also injects a policy statement to indicate the favorability of extending the sunset every four years. A reporting mechanism is also established midway through the period.

BACKGROUND:
HB 2368 of 2003 established the funding for the Tobacco Compliance Task Force from the tobacco taxes, rather than the general fund. The tobacco tax administration of the department of revenue, which was previously funded through general fund appropriations, is a part of this task force. Additionally the Task Force draws on resources and input from the Oregon State Police and the Office of the Attorney General;. however, the funding mechanism through the tobacco tax revenue is scheduled to sunset on January 1, 2008. This bill attempts to make this funding permanently drawn from the top of the tobacco revenues. The assumption, if this bill does not pass, is that the funding will somehow revert to the general fund, rather than elapse all together.

This summary has not been adopted or officially endorsed by action of the committee.