FISCAL IMPACT OF PROPOSED LEGISLATION **Measure: HB 2150 - A**

79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:
Directs Oregon Liquor Control Commission to allow manufacturers or importing distributors of wine, cider or malt beverages to file required statements and pay privilege taxes by electronic means.

Government Unit(s) Affected:
Oregon Liquor Control Commission (OLCC)

Analysis:
House Bill 2150 requires the Oregon Liquor Control Commission (OLCC) to enable manufacturers or importing distributors of wine, cider, or malt beverages to file required statements and pay privilege taxes by electronic means. The bill specifies that this requirement applies to statements and taxes due on or after January 1, 2019.

The Legislative Fiscal Office (LFO) notes that implementation of this bill includes an information technology project that, based on its estimated cost, requires OLCC to comply with the state's Stage Gate Review Process, therefore, the information technology pricing component of this impact statement serves as a high-level preliminary approximation. If this bill passes, the agency will have to: (1) complete business requirements analysis; (2) develop a business case; and (3) develop foundational project management plans to demonstrate the feasibility of the project and its scope, as well as cost and schedule estimates, pursuant to protocols developed by the Office of the State Chief Information Officer (OSCIO) and the Legislative Fiscal Office.

Based on a similar electronic filing system for beer and wine, OLCC predicts the fiscal impact of this bill to be an estimated $1,387,985 Other Funds for the 2017-19 biennium. This amount includes $300,000 for expenses related development of business requirements and issuance of a request for proposals (RFP) for the required system. This fiscal impact assumes that OLCC would complete the business requirements development and RFP process by January 1, 2018, at which time, the agency would provide a more accurate and detailed cost analysis for developing the automated system, including staffing impact.