

**HB 4089 A BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

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**Oregon Liquor Control Commission**

**2017-19**

PRELIMINARY

## **Budget Summary\***

	<b>2017-19 Legislatively Adopted Budget</b>	<b>2018 Committee Recommendation</b>	<b>Committee Change From 2017-19 Leg. Adopted</b>	
Other Funds	\$ -	\$ 284,856	\$ 284,856	100.0%
Total	\$ -	\$ 284,856	\$ 284,856	100.0%

## **Position Summary**

Authorized Positions	0	2	2	
Full-time Equivalent (FTE) Positions	0.00	0.83	0.83	

\* Excludes Capital Construction Expenditures

## **Summary of Revenue Changes**

The Oregon Liquor Control Commission (OLCC) assesses fees for certifying hemp growers and handlers, currently set at \$750. OLCC currently has 210 hemp growers and handlers, and anticipates a total of 225 accounts in 2017-19 and 325 total accounts in 2019-21.

The Industrial Hemp Fund is created in the Oregon Department of Agriculture to keep hemp licensing and user fees separate and distinct from other agency revenue that roll-up into the agency's interest-bearing Treasury fund account. The new account will assist the Department in properly accounting for revenue from Hemp licenses and fees.

## **Summary of Capital Construction Subcommittee Action**

House Bill 4089 establishes the Oregon Industrial Hemp Agricultural Pilot Program within the Oregon Department of Agriculture (ODA). The measure requires OLCC to track the sale, transfer and transportation of industrial hemp sold through the retail market, making hemp growers users of the Oregon Cannabis Tracking System. Expenditure limitation of \$284,856 Other Funds, and two positions (0.83 FTE) was included for the new responsibilities under House Bill 4089 to implement the new requirements and develop rules and processes related to hemp growers transferring products to the retail system. The costs include \$100,000 in 2017-19 in user fees for the Cannabis Tracking System. OLCC estimates agency costs associated with this work will increase to \$673,291 in the 2019-21 biennium, with nearly half of those expenses attributable to Cannabis Tracking System user fees.

## DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Liquor Control Commission  
Patrick Heath - 503-378-3742

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS</u>									
<b>SCR 004-00 - Recreational Marijuana</b>									
Personal Services	\$ -	\$ -	\$ 135,539	\$ -	\$ -	\$ -	\$ 135,539	2	0.83
Services and Supplies	\$ -	\$ -	\$ 149,317	\$ -	\$ -	\$ -	\$ 149,317		
<b>TOTAL SUBCOMMITTEE ADJUSTMENTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 284,856</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 284,856</b>	<b>2</b>	<b>0.83</b>