

FISCAL IMPACT OF PROPOSED LEGISLATION

80th Oregon Legislative Assembly – 2020 Regular Session
Legislative Fiscal Office

Measure: HB 4088 - A

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Michael Graham
Reviewed by: Michelle Deister, Theresa McHugh
Date: February 12, 2020

Measure Description:

Establishes Task Force to Promote Social Equity in the Cannabis Industry.

Government Unit(s) Affected:

Oregon Liquor Control Commission (OLCC), Legislative Assembly, Legislative Policy and Research Office (LPRO), Legislative Administration Committee (LAC)

Summary of Fiscal Impact:

Costs related to the measure are anticipated to be minimal - See explanatory analysis.

Analysis:

The measure establishes the 11-member Task Force to Promote Social Equity in the Cannabis Industry. The Task Force is charged with identifying barriers to starting and growing businesses in the cannabis industry for people of color, low-income people and people with prior cannabis-related convictions; recommending additional community investments in areas disproportionately impacted by marijuana criminalization; and recommending solutions, including legislation and funding sources to establish a cannabis social equity program. The Task Force must submit a report of its findings and recommendations to the Legislature by November 1, 2020. The Task Force sunsets on December 31, 2020.

Legislative Policy and Research Office (LPRO)

The measure requires LPRO to provide staff support to the Task Force. The 2019-21 Legislative Branch budget should contain funds allocated for LPRO to support interim committees and task forces. Costs to staff the meetings would likely be covered by LPRO's existing budget, resulting in a minimal fiscal impact.

Legislative Assembly

The measure specifies that non-legislative members of the Task Force are not entitled to compensation, but they may be reimbursed for actual and necessary travel and other expenses incurred in the performance of their official duties. Two members of the Task Force will be legislative members who are entitled to per diem and travel reimbursement. Assuming three Task Force meetings, the estimated per diem and travel reimbursement cost for the two legislative members and the nine non-legislative members is \$4,300 General Fund in 2020. This amount includes the Federal Insurance Contribution Act (FICA) tax, and it assumes per diem remains at \$151 per day and the average mileage of 90 miles at the current rate of \$0.58 per mile. Although the 2019-21 Legislative Assembly budget includes funds allocated for interim committees and task forces, if the work required by this Task Force, or if the cumulative enactment of other legislation with interim committees and task forces exceeds expenditure levels beyond those assumed in the 2019-21 budget, additional General Fund resources may be required. The Task Force would not incur additional costs to the Legislative Assembly budget if the meetings are held at the Capitol building during Legislative Session, Task Force, or Legislative Days.

Oregon Liquor Control Commission

The measure requires a representative of the Oregon Liquor Control Commission (OLCC), who has expertise in marijuana regulation, to serve on the Task Force. This fiscal impact statement assumes OLCC will reprioritize duties and existing resources to accommodate staff participation on the Task Force.