

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 847 - A**81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office***Only Impacts on Original or Engrossed
Versions are Considered Official***

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Measure Description:

Establishes Bottle Bill Expansion, Access and Transparency Task Force.

Government Unit(s) Affected:

Oregon Liquor Control Commission (OLCC), Legislative Assembly, Department of Environmental Quality (DEQ)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Analysis:

SB 847 A-Engrossed establishes the 15-member Bottle Bill Expansion, Access and Transparency Task Force with two subcommittees within this Task Force: (1) The Bottle Bill Expansion Subcommittee and (2) The Bottle Bill Access and Transparency Subcommittee. The Bottle Bill Expansion Subcommittee is charged with evaluating and making recommendations for establishing a beverage container refund value for certain beverage containers including wine in metal cans, wine in glass bottles, distilled liquor, premixed beverages containing distilled liquor, and water in quantity of more than three liters. The Bottle Bill Access and Transparency Subcommittee is charged with studying, evaluating, and making recommendations for requirements for convenience zones in markets where the volume of beverage containers redeemed at the full-service redemption center exceeds capacity. The measure authorizes the Task Force and Subcommittees to meet using video conferencing technology. The Oregon Liquor Control Commission is directed to provide staffing support to the Task Force and Subcommittees. The Task Force is required to submit a report to the Legislative Assembly with recommendations for legislation by January 1, 2022. The Task Force and its Subcommittees will sunset on December 31, 2022. The measure contains an emergency clause and takes effect on passage.

Oregon Liquor Control Commission (OLCC)

OLCC estimates the cost of supporting the Task Force and its Subcommittees to be \$182,799 Other Funds, 1 position, and 0.71 FTE for 201-23 biennium. This amount reflects the personal services and related services and supplies for one limited duration Operations and Policy Analyst 3 position to support the Task Force for 17 months from August 1, 2021 to December 31, 2022 when the Task Force sunsets. However, if OLCC is authorized to hire this employee as a permanent position who would stay on past the sunset date of the Task Force to help OLCC implement the Task Force recommendations, the fiscal impact for OLCC would be \$234,729 Other Funds, 1 position, and 0.96 FTE for 2021-23 biennium; and \$234,249 Other Funds, 1 position, and 1.00 FTE for 2023-25 biennium.

The Legislative Fiscal Office (LFO) notes that the timeframe allowed by the measure may not allow the Task Force and its Subcommittees enough time to do the work required by the measure. The measure requires a report with recommendations for legislation to be submitted to the Legislature by January 1, 2022 providing the Task Force only 6 months from the day the measure takes effect. OLCC reports that it may take the agency several months to hire and train an employee to provide support to the Task Force. In addition, OLCC notes that listing a position as a limited duration makes it difficult for the agency to hire.

Legislative Assembly

Two members of the Task Force will be legislative members who are entitled to per diem and travel reimbursement. Assuming five meetings, the estimated per diem and travel reimbursement cost for the two legislative members is expected to be approximately \$2,300 General Fund. This amount includes the Federal Insurance Contribution Act (FICA) tax, and 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 2021- 23 Legislative Assembly budget contains funds allocated for interim committee and task force, 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 2021-23 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.

Department of Environmental Quality (DEQ)

Passage of the measure is anticipated to have minimal impact on DEQ. This fiscal impact analysis assumes DEQ will reprioritize responsibilities of existing staff to allow participation on the Task Force.