

# SUBCOMMITTEE RECOMMENDATION

## HB 5019

### Oregon Liquor and Cannabis Commission

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To: Ways and Means Full Committee  
From: Transportation and Economic Development Subcommittee  
Carrier: Representative Gomberg

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HB 5019 is the budget bill for the Oregon Liquor and Cannabis Commission.

The Subcommittee recommends a budget of \$404,756,012 Other Funds and 410 positions, totaling 401.01 FTE for the 2025-27 biennium. This is less than one percent increase over the current service level. The Subcommittee recommendation results in an estimated \$515.5 million of distributable liquor revenue, of which \$294.1 million will go to the General Fund.

The recommended budget includes:

- \$6.8 million in expenditure limitation for bond proceeds previously approved in the 2023-25 biennium for IT modernization projects;
- \$2.4 million to move the agency's headquarters and liquor distribution operations to new locations;
- \$11.1 million and 17 positions for implementation and ongoing operations of the distilled spirits supply chain IT system. Seven of these positions are limited duration;
- \$1.7 million for regulatory costs of hemp, pursuant to the passage of HB 4121 in 2024; and

- \$1.3 million for two additional managers for the recreational marijuana program and the replacement of 9 agency motor pool vehicles.

The costs of these packages are offset by reductions to budgeted funds for liquor and distillery agent compensation, which will not be needed due to lower sales forecasts.

The Transportation and Economic Development Subcommittee recommends HB 5019 be amended by the –2 amendment and be reported out do pass, as amended.