FISCAL IMPACT OF PROPOSED LEGISLATION

76th Oregon Legislative Assembly – 2012 Regular Session Legislative Fiscal Office

Prepared by: John Terpening Reviewed by: Paul Siebert Date: 1-31-2012

Measure Description:

Allows State Department of Agriculture to adopt rules to establish license fees for certain food-related establishments and occupations. Imposes limitations on timing and amount of fees established by rule. Applies to fees charged for licensing periods beginning on or after July 1, 2013. Continues existing statutory fees until adoption of fees by rule.

Government Unit(s) Affected:

Department of Agriculture

Summary of Expenditure Analysis: See Analysis

Summary of Revenue Analysis: See Analysis

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

The measure removes the statutory license fees for certain food-related establishments and occupations and permits the Department of Agriculture to adopt rules establishing license fee schedules based upon annual gross dollar volume of sales and services. The measure stipulates that the Department may not adopt a rule to establish a license fee that is more than 3% higher than the fee charged during the preceding year for establishments that maintain the same volume of sales and services. Additionally, the fees may not change more frequently than once each year. The measure requires the Department to adopt initial rules for establishing license fees to take effect no later than July 1, 2013 and stipulates that the current fees remain in effect until the adoption of new fees by rule.

The revenue impact to the Department is indeterminate. The measure provides the Department with more flexibility to adjust fees administratively by removing them from statute.

There is a minimal fiscal impact to the Department for the rule-making required by the measure.

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