

House Bill 3370

Sponsored by Representative NATHANSON; Representatives BARKER, BOONE, BUCKLEY, GREENLICK, KOMP, KOTEK, MERKLEY, ROSENBAUM, SCHAUFLEER, SHIELDS, TOMEI, WITT, Senators BROWN, CARTER, MORRISETTE, PROZANSKI, WESTLUND

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Directs Oregon Liquor Control Commission to transfer amount equal to five percent of gross revenues derived from sales of distilled liquor by bottle to Oregon Criminal Justice Commission Account. Provides that moneys be used only for establishment, operation and maintenance of drug court programs and to fund drug, alcohol and mental health treatment services provided as part of drug court programs.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to alcoholic beverages; amending ORS 137.662, 471.805 and 471.810; and declaring an
3 emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 471.810 is amended to read:

6 471.810. *[(1) At the end of each month, the Oregon Liquor Control Commission shall certify the*
7 *amount of moneys available for distribution in the Oregon Liquor Control Commission Account, and*
8 *after withholding such moneys as it may deem necessary to pay its outstanding obligations shall within*
9 *35 days of the month for which a distribution is made direct the State Treasurer to pay the amounts*
10 *due, upon warrants drawn by the Oregon Department of Administrative Services, as follows:]*

11 **(1) At the end of each month, the Oregon Liquor Control Commission shall certify the**
12 **amount of funds available in the Oregon Liquor Control Commission Account. The commis-**
13 **sion shall then withhold the amounts the commission determines to be necessary to pay the**
14 **commission's outstanding obligations.**

15 **(2) After withholding the amounts specified in subsection (1) of this section, the com-**
16 **mission shall withhold 56 percent of the remaining available funds for transfer and deposit**
17 **as provided in subsection (4) of this section.**

18 **(3) After withholding the amounts specified in subsections (1) and (2) of this section, the**
19 **commission shall cause all remaining available funds to be distributed as follows:**

20 *[(a) Fifty-six percent, or the amount remaining after the distribution under subsection (4) of this*
21 *section, credited to the General Fund available for general governmental purposes wherein it shall be*
22 *considered as revenue during the quarter immediately preceding receipt;]*

23 *[(b)]* **(a) [Twenty percent] Forty-five percent shall be distributed** to the cities of the state in
24 such shares as the population of each city bears to the population of the cities of the state, as de-
25 termined by the State Board of Higher Education last preceding such apportionment, under ORS
26 190.510 to 190.610[;].

27 *[(c)]* **(b) [Ten percent] Twenty-three percent shall be distributed** to counties in such shares
28 as their respective populations bear to the total population of the state, as estimated from time to

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 time by the State Board of Higher Education[; and].

2 [(d)] (c) *[Fourteen percent]* **Thirty-two percent shall be distributed** to the cities of the state
3 *[to be distributed]* as provided in ORS 221.770 *[and this section]*.

4 **(4) From the amount withheld by the commission under subsection (2) of this section, the**
5 **commission shall set aside an amount that is equal to five percent of the gross revenues**
6 **derived from the sales of distilled liquor in the stores operated by the commission under ORS**
7 **471.750 and transfer those funds to the Oregon Criminal Justice Commission Account. After**
8 **making the transfer, the commission shall deposit all remaining amounts withheld under**
9 **subsection (2) of this section in the General Fund. Amounts deposited in the General Fund**
10 **under this subsection are available for general governmental purposes and shall be consid-**
11 **ered revenue received during the quarter preceding the date of deposit.**

12 [(2)] (5) The commission shall direct the Oregon Department of Administrative Services to
13 transfer 50 percent of the revenues from the taxes imposed by ORS 473.030, 473.035 and 473.040 to
14 the Mental Health Alcoholism and Drug Services Account in the General Fund to be paid monthly
15 as provided in ORS 430.380.

16 [(3) *If the amount of revenues received from the taxes imposed by ORS 473.030 for the preceding*
17 *month were reduced as a result of credits claimed under ORS 473.047, the commission shall compute*
18 *the difference between the amounts paid or transferred as described in subsections (1)(b), (c) and (d)*
19 *and (2) of this section and the amounts that would have been paid or transferred under subsections*
20 *(1)(b), (c) and (d) and (2) of this section if no credits had been claimed. The commission shall direct the*
21 *Oregon Department of Administrative Services to pay or transfer amounts equal to the differences*
22 *computed for subsections (1)(b), (c) and (d) and (2) of this section from the General Fund to the recip-*
23 *ients or accounts described in subsections (1)(b), (c) and (d) and (2) of this section.]*

24 **(6) If the amount of revenues received from the taxes imposed by ORS 473.030 for the**
25 **preceding month was reduced as a result of credits claimed under ORS 473.047, the commis-**
26 **sion shall compute, for the amount distributed for the month to cities and counties under**
27 **subsection (3) of this section and for the amount transferred for the month to the Mental**
28 **Health Alcoholism and Drug Services Account under subsection (5) of this section, the dif-**
29 **ference between the amount actually distributed or transferred and the amount that would**
30 **have been distributed or transferred under this section if the credits had not been claimed.**
31 **The commission shall direct the Oregon Department of Administrative Services to pay to the**
32 **cities and counties, and to transfer to the Mental Health Alcoholism and Drug Services Ac-**
33 **count, amounts from the General Fund equal to the differences between the amounts so**
34 **determined.**

35 [(4) *Notwithstanding subsection (1) of this section, no city or county shall receive for any fiscal year*
36 *an amount less than the amount distributed to the city or county in accordance with ORS 471.350 (1965*
37 *Replacement Part), 471.810, 473.190 and 473.210 (1965 Replacement Part) during the 1966-1967 fiscal*
38 *year unless the city or county had a decline in population as shown by its census. If the population*
39 *declined, the per capita distribution to the city or county shall be not less than the total per capita*
40 *distribution during the 1966-1967 fiscal year. Any additional funds required to maintain the level of*
41 *distribution under this subsection shall be paid from funds credited under subsection (1)(a) of this*
42 *section.]*

43 **(7) The commission shall make the transfers and distributions required by subsections**
44 **(3) and (4) of this section not later than 35 days after the end of the month for which the**
45 **funds have been certified to be available.**

1 **SECTION 2.** ORS 137.662 is amended to read:

2 137.662. (1) The Oregon Criminal Justice Commission Account is established separate and dis-
3 tinct from the General Fund. All moneys received by the Oregon Criminal Justice Commission, other
4 than appropriations from the General Fund, and except those moneys described in ORS 475A.160,
5 shall be deposited into the account and are continuously appropriated to the commission to carry
6 out the duties, functions and powers of the commission.

7 **(2) All moneys deposited in the Oregon Criminal Justice Commission Account under ORS**
8 **471.810 (4) may be used by the commission only for the establishment, operation and main-**
9 **tenance of drug court programs as described in ORS 3.450 and to fund drug, alcohol and**
10 **mental health treatment services provided as part of drug court programs.**

11 **SECTION 3.** ORS 471.805 is amended to read:

12 471.805. (1) Except as otherwise provided in ORS 471.810 [(2)] (5), all money collected by the
13 Oregon Liquor Control Commission under this chapter and ORS chapter 473 and privilege taxes
14 shall be remitted to the State Treasurer who shall credit it to a suspense account of the commission.
15 Whenever the commission determines that moneys have been received by it in excess of the amount
16 legally due and payable to the commission or that it has received money to which it has no legal
17 interest, or that any license fee or deposit is properly refundable, the commission is authorized and
18 directed to refund such money by check drawn upon the State Treasurer and charged to the sus-
19 pense account of the commission. After withholding refundable license fees and such sum, not to
20 exceed \$250,000, as it considers necessary as a revolving fund for a working cash balance for the
21 purpose of paying travel expenses, advances, other miscellaneous bills and extraordinary items
22 which are payable in cash immediately upon presentation, the commission shall direct the State
23 Treasurer to transfer the money remaining in the suspense account to the Oregon Liquor Control
24 Commission Account in the General Fund. Moneys in the Oregon Liquor Control Commission Ac-
25 count are continuously appropriated to the commission to be distributed and used as required or
26 allowed by law.

27 (2) All necessary expenditures of the commission incurred in carrying out the purposes required
28 of the commission by law, including the salaries of its employees, purchases made by the commission
29 and such sums necessary to reimburse the \$250,000 revolving fund, shall be audited and paid from
30 the Oregon Liquor Control Commission Account in the General Fund, upon warrants drawn by the
31 Oregon Department of Administrative Services, pursuant to claims duly approved by the commission.

32 **SECTION 4. This 2007 Act being necessary for the immediate preservation of the public**
33 **peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect**
34 **on its passage.**