

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
Seventy-Sixth Oregon Legislative
Assembly 2011 Regular Session
Legislative Revenue Office

Bill Number: SB 5522 - A
Revenue Area: OLCC Revenues
Economist: Mazen Malik
Date: 06/06/2011

Measure Description:

Limits biennial expenditures from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by Oregon Liquor Control Commission.

Revenue Impact: \$2.2 million increase in the OLCC General Fund transfer and \$1.7 million to local governments (\$1.34 to cities, and \$0.39 to counties) in the 2011-13 biennium. An additional \$26.5 million in bottle surcharge revenue is also a product of this bill.

Impact Explanation:

The budget of \$133,661,718 Other Funds and 239 positions (231.72 FTE) for the OLCC is a \$3.93 million decrease from the 2011-13 Current Service Level assumed in the May forecast. The decrease in agency expenditure leaves additional transfer amounts of 56% (of the savings) to the general fund, 34% to cities and 10% to counties. The budget also includes expenditure limitation associated with the continuation of a \$0.50 per bottle surcharge through the 2011-13 biennium, which is projected to generate \$29 million in additional gross revenue, with \$2.55 million being distributed to liquor agents for sales commission. The balance of the money (\$26.5) is expected to be directed to the general fund in the program change bill. When that occurs, it will be considered as new General Fund revenue.

Creates, Extends, or Expands Tax Expenditure: Yes No