

**REVENUE IMPACT OF
PROPOSED LEGISLATION
Seventy-Eighth Oregon Legislative
Assembly
2015 Regular Session
Legislative Revenue Office**

Bill Number:	HB 3534 - 5
Revenue Area:	Licenses & penalti
Economist:	Mazen Malik
Date:	4-16-2015

***Only Impacts on Original or Engrossed
Versions are Considered Official***

The revenue impact of this measure is indeterminate for the following reasons:

The measure as amended by the “-5” calls for the OLCC to start identifying and licensing all retail dealers that engage in selling tobacco products in all its forms. The license fees are to be determined by the OLCC (administratively and assumed to acquire legislative approval) to recapture costs of implementation. Given the language of the measure, the amounts of revenue and fee level might be adjusted to cover shortages or consume surpluses. The period of time that would be required for the OLCC to change the license fees or intervals of adjustment are not defined for the budgets and cost recovery and assumed to be a biennial adjustment. The second source of revenue uncertainty will come from civil penalties (\$5,000 for each violation). However, the violations are not clear in their nature and likely numbers. Moreover, they are deposited into the Tobacco Control Fund and not made of the current civil penalties process. Thus no general fund implications or court CFA revenue.