

FISCAL IMPACT OF PROPOSED LEGISLATION

79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office

Measure: HB 3388

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

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Measure Description:

Provides that person may not make retail sale of tobacco product or inhalant delivery system at or from premises located in this state unless person sells tobacco product or inhalant delivery system at or from premises for which license has been issued.

Government Unit(s) Affected:

Oregon Health Authority (OHA), Department of Revenue(DOR), Oregon State Police (OSP), Oregon Liquor Control Commission (OLCC), Judicial Department (OJD)

Analysis:

This fiscal impact statement is for the purpose of transmitting the measure from the House Committee on Revenue to the Joint Committee on Ways and Means.

Senate Bill 235 establishes a licensing program for retailers of tobacco products and inhalant delivery systems. The bill requires the Department of Revenue (DOR) to manage the licensing program, and provides the Oregon Health Authority (OHA) with regulatory authority. Retailers of tobacco and inhalant delivery products must obtain a license for the retail sale of tobacco products or inhalant delivery systems from the Department of Revenue (DOR) by January 1, 2018. Licenses must be renewed annually. Medical marijuana dispensaries and recreational marijuana retailers are exempt from the licensing requirement unless products sold contain nicotine.

The bill provides that fees and penalties collected from tobacco product and inhalant delivery system retailers for licensure would cover all costs of program administration, including inspections. The bill requires DOR to adopt rules establishing fees for license application, issuance, and renewal. The bill authorizes DOR to impose civil penalties for violation of provisions of this bill. In addition, OHA is authorized to adopt by rule fees necessary to pay the expenses relating to administering and enforcing the provisions of this bill. Pursuant to an agreement outlined in the bill, DOR would collect and transfer fee moneys to OHA.

This bill is anticipated to have a fiscal impact to the Oregon Health Authority, the Department of Revenue, the Oregon State Police, the Oregon Liquor Commission, and the Judicial Department. The amount of this impact is still being determined. A more complete fiscal analysis on the bill will be prepared as the measure is considered in the Joint Committee on Ways and Means.

Further Analysis Required