

FISCAL IMPACT OF PROPOSED LEGISLATION

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

Measure: HB 2740 - 1

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

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Measure Description:

Establishes Oregon Industrial Hemp Commission.

Government Unit(s) Affected:

Oregon Liquor Control Commission (OLCC), Department of Justice (DOJ), Oregon Department of Agriculture (ODA), Oregon State University

Analysis:

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

The legislation directs the Department of Agriculture (ODA) to carryout various activities necessary to providing support to the Oregon Hemp Commission and allows ODA to charge hemp growers, handlers and seed producers a fee for licensure and renewal of licensure (previously known as a registration, however the legislation still retains language authorizing the issuance of a registration which is separate from licensure). The director of Agriculture and the Dean of the College of Agricultural Sciences of Oregon State University are ex officio nonvoting members. The Commission may adopt rules to establish the amount of payment that a commission member receives for each day, or portion of a day, during which the member is engaged in the performance of their official duties. Members, officers and employees of the commission must receive their actual and necessary travel and other expenses incurred in the performance of their official duties. The Commission may conduct scientific research, contract with independent contractors, enter into contracts for the advertising of hemp, create programs that will lead to the development of new markets in the hemp industry, and appoint subordinate officers and employees.

The Commission may levy assessments and collect a differential assessment on all units of hemp grown in the state; violations to pay these assessments constitutes a Class C misdemeanor. Subject to approval by ODA, the commission may invest moneys the commission collects or receives. A person authorized by the Commission to receive or disburse moneys must obtain a fidelity bond from the Oregon Department of Administrative Services and the Commission must pay the cost of the bond. The budget for the Commission is not subject to review by the Legislative Assembly or to future modification by the Emergency Board or the Legislative Assembly.

The bill modifies ODA registration/licenses, as well as authorizes assessments and civil penalties. A more complete fiscal analysis on the measure will be prepared as the measure is considered in the Joint Committee on Ways and Means.

Further Analysis Required