

FISCAL IMPACT OF PROPOSED LEGISLATION

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

Measure: HB 2672

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

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Measure Description:

Authorizes Department of Revenue to reimburse State Department of Agriculture, State Department of Energy and Water Resources Department for expenses incurred in administration and enforcement of activities related to cannabis.

Government Unit(s) Affected:

Department of Revenue (DOR), Water Resources Department (WRD), Department of Energy (DOE), Oregon Department of Agriculture (ODA),

Analysis:

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

Effective January 1, 2020 the legislation permits the Department of Revenue to reimburse the following state agencies for the administration and enforcement of activities related to cannabis: Department of Agriculture, Department of Energy, and the Water Resources Department.

Reimbursement costs to the affected agencies could vary depending on the approach taken to address administration and enforcement of activities related to cannabis. Such approaches could include 1) simply reimbursing for existing cannabis related workload, 2) additionally, alleviating any backlog of work that is due to cannabis activities, or 3) addressing, proactively, cannabis related activities (i.e. Water Resources Department could review the legality of water source information that is currently submitted to Oregon Liquor Control Commission for recreational producers-which is not currently being evaluated unless a complaint is made).

The Legislative Fiscal Office notes that the legislation does not explicitly state that valid reimbursement costs should be calculated less any related fees collected by the affected agency for activities related to cannabis. 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