



Oregon

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To: Chair Taylor, Vice Chair Knopp, and Members of the Senate Interim Committee on Labor and Business
From: Kenneth Sanchagrin, Executive Director, Criminal Justice Commission
Date: June 3, 2022
Re: Illegal Marijuana Market Enforcement Grant Program – 2022 Awards Timeline

Dear Chair Taylor, Vice Chair Knopp, and members of the Senate Interim Committee on Labor and Business:

Following a discussion during the Senate Interim Committee on Labor and Business on June 1, 2022, the Criminal Justice Commission (CJC) seeks to provide members of the committee and interested legislators with additional information regarding the process for disbursement of \$26 million in funds for the Illegal Marijuana Market Enforcement Grant Program (IMMEGP).

To date, \$6 million in funds have been authorized for awards to community-based organizations (CBOs) who will serve survivors of coercive labor conditions and abuse connected to illegal marijuana cultivation and distribution statewide. Following concerns voiced by law enforcement agency applicants, additional information was requested by the Criminal Justice Commissioners, and the remaining \$20 million in funds are scheduled to be considered during the June 15th Commission meeting.

Grant Process Timeline

December 2021

Senate Bill 893 (2021) appropriated \$20 million to the CJC in one-time General Fund to the IMMEGP, a grant program that was first implemented in 2018.¹ SB 893 also added a new grant priority to the program: providing financial assistance to local law enforcement agencies to partner with CBOs to address the ongoing humanitarian crisis associated with illegal grow sites. The new funds and additional grant priority became law effective December 14, 2021.

¹ [SB 893](#) (2021 Second Special Section) §1.

January 2022

Given the additional priority, and its significance, the CJC immediately began an outreach campaign to garner input and make potential applicants aware of the new aspects of the program. This included meetings with the U.S. Department of Justice, the Oregon Department of Justice, and individual community-based organizations (CBOs) and service providers, to understand how best to conceptualize and address the humanitarian crisis through this program. We also held a law enforcement roundtable to introduce the new grant priority and engage in discussion with illegal marijuana interdiction teams across the state to get a better understanding of what they were seeing regarding how the humanitarian crisis was affecting their communities.

Additionally, because SB 893 added a new legislative program component – addressing the humanitarian crisis – the Commission was required to engage in rulemaking to define “humanitarian crisis” and to add it to the existing legislative priorities contained in our administrative rules.² The agency began drafting temporary rules to implement these changes, the most expedient path available.

February 2022

The agency received input from stakeholders on a draft definition of “humanitarian crisis,” in early February, and the Commission adopted temporary rules implementing SB 893’s changes on February 16, 2022. By this time, House Bill 4074, a bill further amending the IMMEGP, was being considered in the 2022 Regular Legislative Session.³ This bill, among others, proposed modifying eligibility for all program funds to include CBOs, in addition to units of local government (including eligibility for the \$20 million appropriated in SB 893), as well as adding an additional \$6 million in one-time General Fund to be disbursed to only CBOs. It also adjusted the humanitarian crisis priority established in SB 893 two months earlier by changing the requirement that law enforcement *partner* with CBOs to instead allowing both law enforcement and CBOs to be grantees *separately*.

March 2022

HB 4074 ultimately passed both chambers and was signed by legislative leadership by March 8, 2022. On March 15, 2022, the agency held a grant webinar to provide instructions to any interested parties regarding new eligibility criterion and the new funds arising from the February Legislative Session. It was well attended by both law enforcement agencies and CBOs. The agency also released a draft RFGP in conjunction with the webinar so that interested parties could familiarize themselves with the new program requirements and get a head start on crafting their applications. At this time, however, the agency could not open the grant program up for applications because HB 4074 had not been signed into law.

Because HB 4074 modified the existing humanitarian crisis priority added by SB 893 and expanded eligibility for SB 893’s \$20 million to *both* units of local government and CBOs, as well as appropriated \$6 million in additional funds that must go to CBOs, the agency could not release a solicitation for the \$20 million in funds until HB 4074 was effective. The agency cannot award funds in a manner for which

² Existing legislative priorities for the IMMEGP, first enacted in SB 1544 (2018 Regular Session), included: (1) rural areas; (2) large-scale operations; (3) organized crime; and (4) diversion of illegal marijuana outside the state.

³ [HB 4074](#) (2022 Regular Session) §7.

it does not have active statutory authority. While HB 4074 provided the CJC with statutory authority to disburse funds to law enforcement and CBOs, the agency could not exercise that authority until the bill was signed into law.

On March 16, 2022, agency staff previewed temporary rules to the Commission so that they would be prepared to adopt them as soon as HB 4074 had been signed. The Commission may not adopt rules to administer program components that it does not yet have statutory authority to administer.⁴ The agency was prepared to adopt agency temporary rules, release its RFGP, and open up its online application for IMMEGP as soon as HB 4074 was signed. In the meantime, the agency also recruited new members to its IMMEGP Grant Review Committee, representing crime survivor services and CBOs, given the new priorities of, and eligibility for, the IMMEGP.

April 2022

HB 4074 was ultimately signed into law by the Governor's Office on Friday, April 15, 2022. On Monday, April 18, the Commission adopted the temporary rules necessary to implement HB 4074's program changes. On Wednesday, April 20, the agency opened the 2022 IMMEGP application. Agency staff continued to provide ongoing technical assistance to interested applicants.

May 2022

On May 9, 2022, the agency held a meeting for its Grant Review Committee to go over the new program rules, funding available, and evaluation criterion to prepare them for the application review process. The grant application timeline for these funds was exceedingly short, given the urgency to get grant funds allocated. Applications were due to the agency by noon on Wednesday, May 11, 2022, giving applicants only three weeks to submit.⁵ That same day, staff referred applications to the Grant Review Committee for review, giving members nine days to review the 12 applications. The request for grant funds exceeded available funds by more than \$12 million.⁶

On Friday, May 20, 2022, the Grant Review Committee met to discuss applications and make recommendations, which ultimately included recommending approximately \$6 million be allocated to CBOs and approximately \$20 million be allocated to law enforcement. The review committee's recommendations also included a recommendation that all law enforcement applications be reduced by an equal 33 percent to be expeditious and to fund all requests to some degree. The Commission received comments after the review meeting from a few law enforcement applicants voicing concerns that the across-the-board reduction of funds recommended by the review committee did not adequately respond to the needs of law enforcement agencies who applied.

⁴ The Commission also created an Executive Committee pursuant to ORS 137.654(4), a smaller group of Commissioners that may make decisions on behalf of the full Commission when exigent circumstances arise, specifically to give itself the ability to swiftly adopt rules and make grant awards in the event that HB 4074 became effective on any given day.

⁵ Typically, the CJC provides six to eight weeks for application development, as some jurisdictions require their agencies to receive County Commission, County Court, or municipal approval if requesting grant funds in excess of certain amounts. Additionally, some agencies do not have staff available to fill out grants, so existing staff are called upon to pull "double duty," which presents a hardship to small or understaffed agencies.

⁶ A total of \$26 million was available to all applicants. The agency received more than \$38 million in grant requests.

On Thursday, May 26, 2022, the Commission met to make grant awards. They awarded \$6 million to the two CBO applicants. The Commission, intending to be responsive to law enforcement concerns, opted to refer funding recommendations back to staff for brief additional review. Additionally, staff began working on making contract amendments available to existing IMMEGP grantees⁷ to move pre-scheduled funding disbursements up so that existing lateral personnel may fill grant positions quickly.

June 2022

Staff has begun additional review of the law enforcement applications and will present information to the Commission at its June 15, 2022, meeting. The agency plans for grant awards to be made at this time for law enforcement applications.

Suggestions for Increasing Expediency of Funding Allocations

The agency understands the need to act with urgency to get funds out to the communities suffering from the myriad dangers posed by illegal marijuana operations. Because the CJC is an administrative agency, it must still abide by regular government processes, aimed at ensuring taxpayer funds are administered legally, fairly, and transparently. The nature of the IMMEGP is that it is a competitive grant process; this necessarily requires process stages to take place, including time for rulemaking when statutory changes arise, application development and review, and award decision-making.

Should the Legislature prefer this program funding go directly to certain areas of the state or specific counties in the future, the body could opt to require the CJC to make awards to specific entities. This would greatly speed up delivery of funds, as no competitive grant process would be required, thus obviating the need for rulemaking, a competitive application process, a review process, and grant award authorizations by the Commission. Examples of where the CJC has received programs with a dedicated grantee in the originating legislation includes, among others, SB 1510 (2022 Regular Session), requiring the agency to deliver funds to the Northwest Health Foundation, as well as HB 2912 (2022 Regular Session) and HB 2631 (2019 Regular Session), requiring the agency to deliver funds to the Oregon Justice Resource Center.

The CJC appreciates the opportunity to fully describe this process to the committee members. We would be happy to provide any additional information that would be helpful, including regular updates on the IMMEGP as we continue implementation. Please do not hesitate to ask us questions as they arise.

Thank you,



Ken Sanchagrin
Executive Director, Criminal Justice Commission

CC: Senator Golden

⁷ Existing IMMEGP grantees include Jackson County, Josephine County, Deschutes County, and Polk and Yamhill counties through a joint application.