

**SB 1520 B BUDGET REPORT and MEASURE SUMMARY**

**Carrier:** Rep. Scharf

**Joint Committee On Ways and Means**

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**Action Date:** 02/26/22

**Action:** Do Pass the B-Eng bill.

**House Vote**

**Yeas:** 7 - Bynum, Evans, Gomberg, McLain, Nosse, Sanchez, Valderrama

**Nays:** 4 - Breese-Iverson, Reschke, Smith G, Stark

**Senate Vote**

**Yeas:** 9 - Anderson, Golden, Gorsek, Hansell, Knopp, Lieber, President Courtney, Steiner Hayward, Taylor

**Nays:** 2 - Girod, Thomsen

**Exc:** 1 - Frederick

**Prepared By:** Tamara Brickman, Department of Administrative Services

**Reviewed By:** Tim Walker, Legislative Fiscal Office

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**Oregon Liquor and Cannabis Commission  
2021-23**

## **Budget Summary\***

	2021-23	2022	Committee Change from	
	Legislatively Approved Budget	Committee Recommendation	2021-23 Leg. Approved	
			\$ Change	% Change
Other Funds Limited	\$ -	\$ 101,426	\$ 101,426	100%
Total	\$ -	\$ 101,426	\$ 101,426	100%

## **Position Summary**

Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	0.33	0.33

\* Excludes Capital Construction expenditures

## **Summary of Revenue Changes**

Senate Bill 1520 increases Other Funds expenditure limitation for the Oregon Liquor and Cannabis Commission (OLCC) by \$101,426 for implementation of the requirements in the bill. The revenue will initially be derived from the liquor fund with the expectation of reimbursement of those funds from fees established in SB 1520.

## **Summary of Transportation and Economic Development Subcommittee Action**

SB 1520 requires distributors with sales of more than 500,000 beverages in the state within the previous calendar year, who do not participate in a distributor cooperative, to establish a program to provide redemption services comparable to services provided by a distributive cooperative in the state. The distributors are required to pay an annual fee to OLCC in the amount of \$3,000 multiplied by each full-service redemption center in the state. The bill also requires fees to be paid to OLCC by smaller beverage distributors not participating in a distributor cooperative. The fees required of those distributors are \$25,000 for distributors with sales between 15,000 - 500,000 beverages in the previous calendar year, and \$5,000 for distributors with sales of less than 15,000 beverages. These fees are to be paid into the Bottle Bill Fund. The bill exempts distributors participating in a cooperative providing redemption services (defined in the bill) from these fees. The measure requires OLCC to notify large distributors in violation of the measure and establishes civil penalties. The measure also modifies requirements for notices to be displayed by dealers, requires a deposit on certain wine containers and requires distributor cooperatives to report to the Legislative Assembly no later than February 15th of each year.

The Subcommittee recommended an increase in Other Funds expenditure limitation for OLCC of \$101,426 for one permanent full-time position (0.33 FTE) to administer and coordinate bottle redemption activities.

## DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Liquor and Cannabis Commission  
 Tamara Brickman -- (971) 719-3492

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS</u>									
<b>SCR 003 - Administration and Support</b>									
Personal Services	\$ -	\$ -	\$ 68,266	\$ -	\$ -	\$ -	\$ 68,266	1	0.33
Services and Supplies	\$ -	\$ -	\$ 33,160	\$ -	\$ -	\$ -	\$ 33,160		
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 101,426</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 101,426</b>	<b>1</b>	<b>0.33</b>
% Change from 2021-23 Leg. Approved Budget	0.00%	0%	100%	0%	0%	0%	100%	100%	100%

\*Excludes Capital Construction Expenditures