



Oregon

2023-25 GOVERNOR'S RECOMMENDED BUDGET

Oregon Liquor and Cannabis Commission



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Oregon Liquor and Cannabis Commission 2023-25 Governor's Budget Overview

- **Important Issues**

- **Warehouse Project** – In 2021-23, OLCC received the authority to sell \$173 million in Article XI-Q bonds to purchase land, design and construct a new warehouse and headquarters, acquire and implement a new information technology system, and acquire and install a new conveyor and order fulfillment system.
 - Land has been purchased
 - RFP evaluations for General Contractor complete, notice of intent to award issued to JE Dunn.
 - Expect fully executed GM/GC contract by end of April 2023.
- **Home Delivery Oversight and Enforcement** – Due to the expansion of internet alcohol sales and shipping nationwide, with the use of 3rd party delivery services, OLCC has proposed regulation in order to provide training, permitting and deterring fines related to issues with delivery of alcohol at the doorstep.





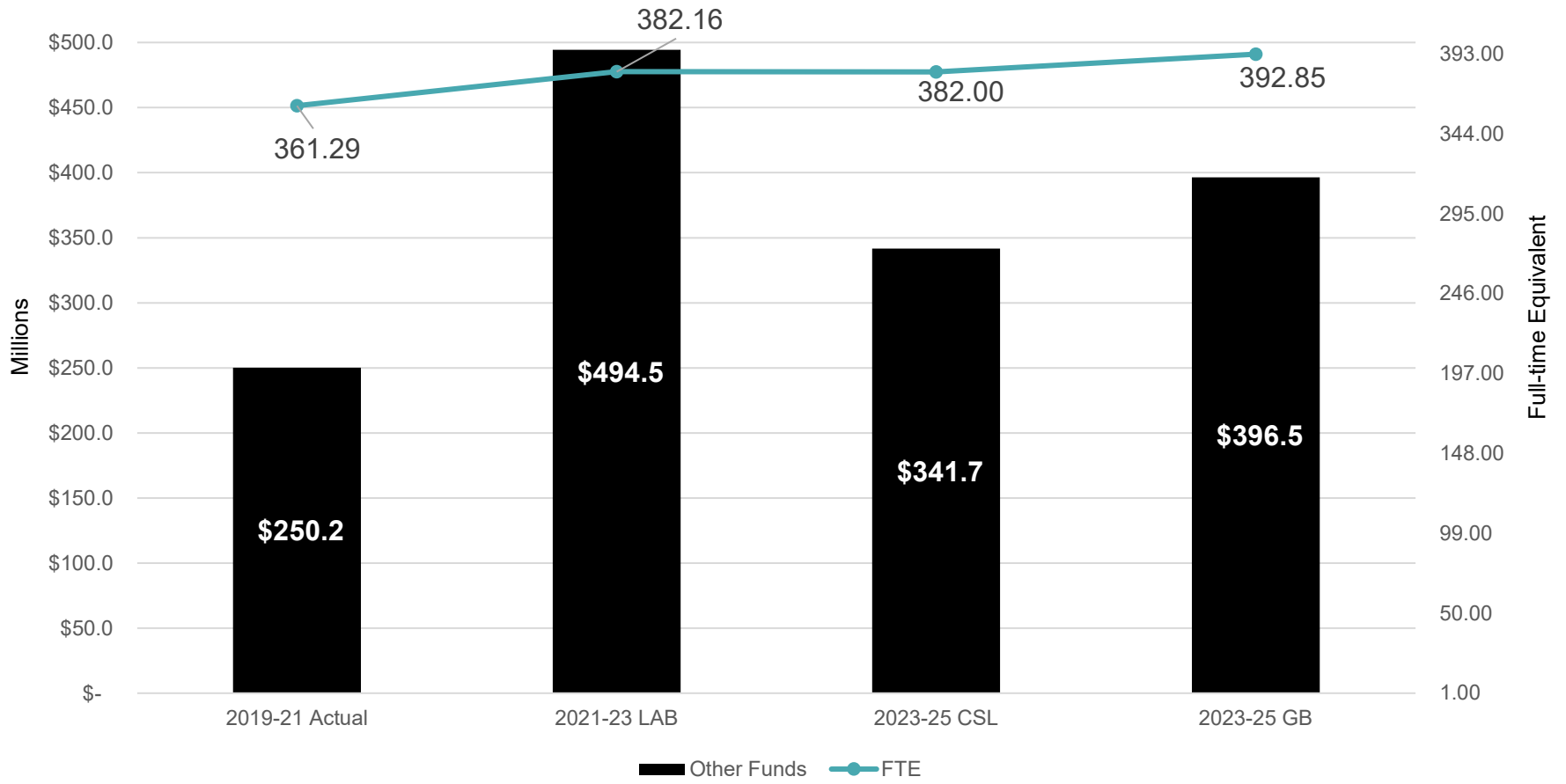
Oregon Liquor and Cannabis Commission 2023-25 Governor's Budget Overview

- Emerging Issues
 - Governor's budget provides increased investments to enhance OLCC's efforts in maintaining public safety related to the legal sales of alcohol and marijuana in Oregon.



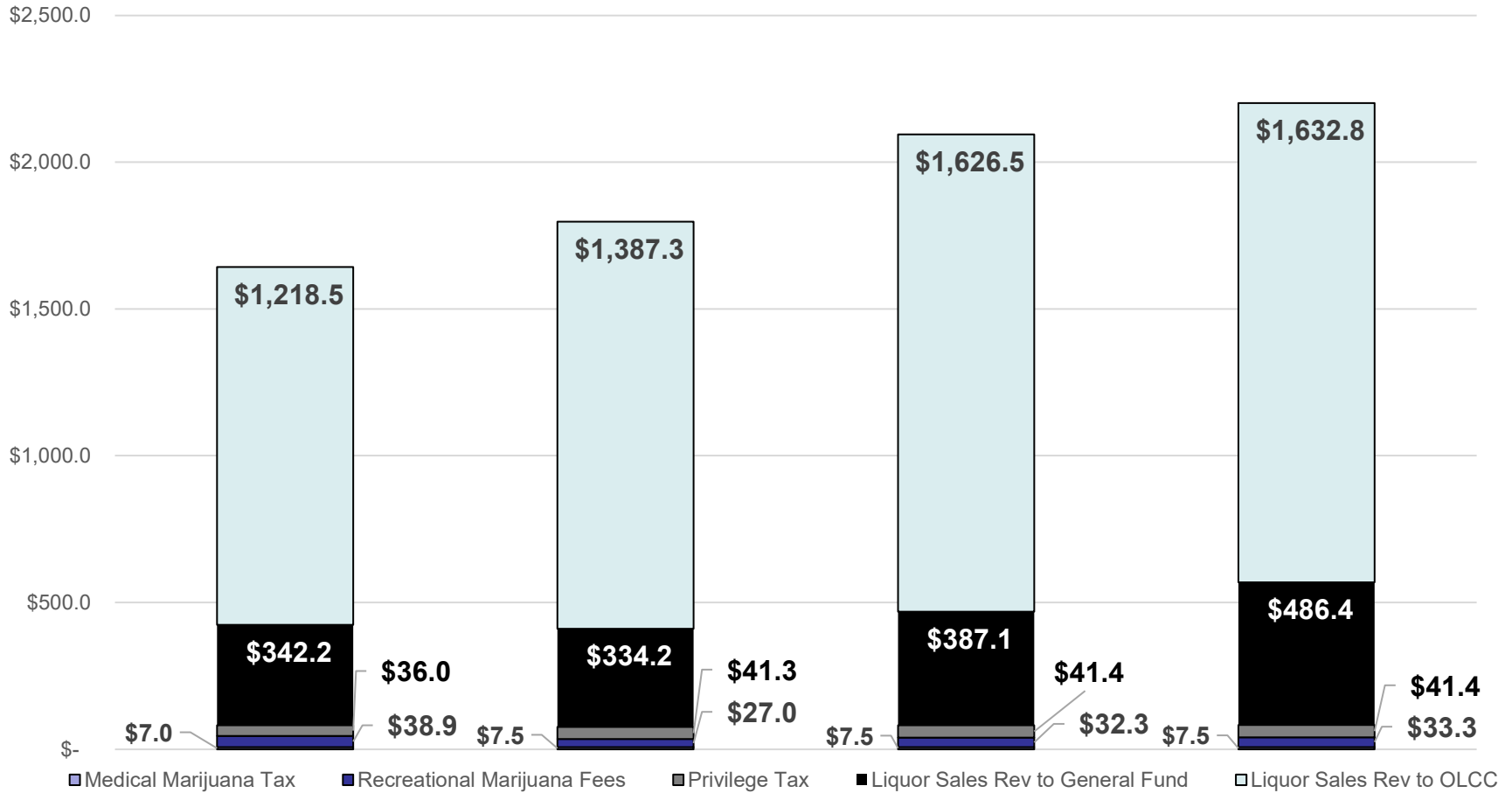


Oregon Liquor and Cannabis Commission Expenditure History + 2023-25 Governor's Budget



Oregon Liquor and Cannabis Commission Select Alcohol and Marijuana Revenue History

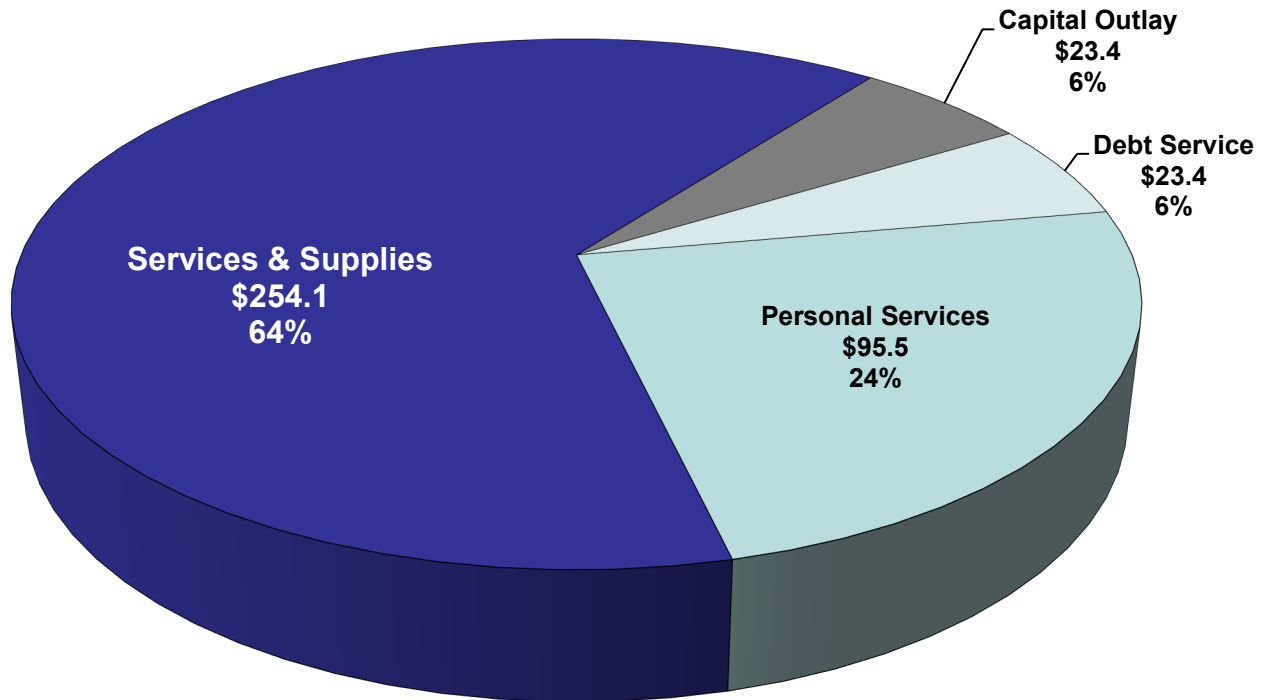
(in millions)





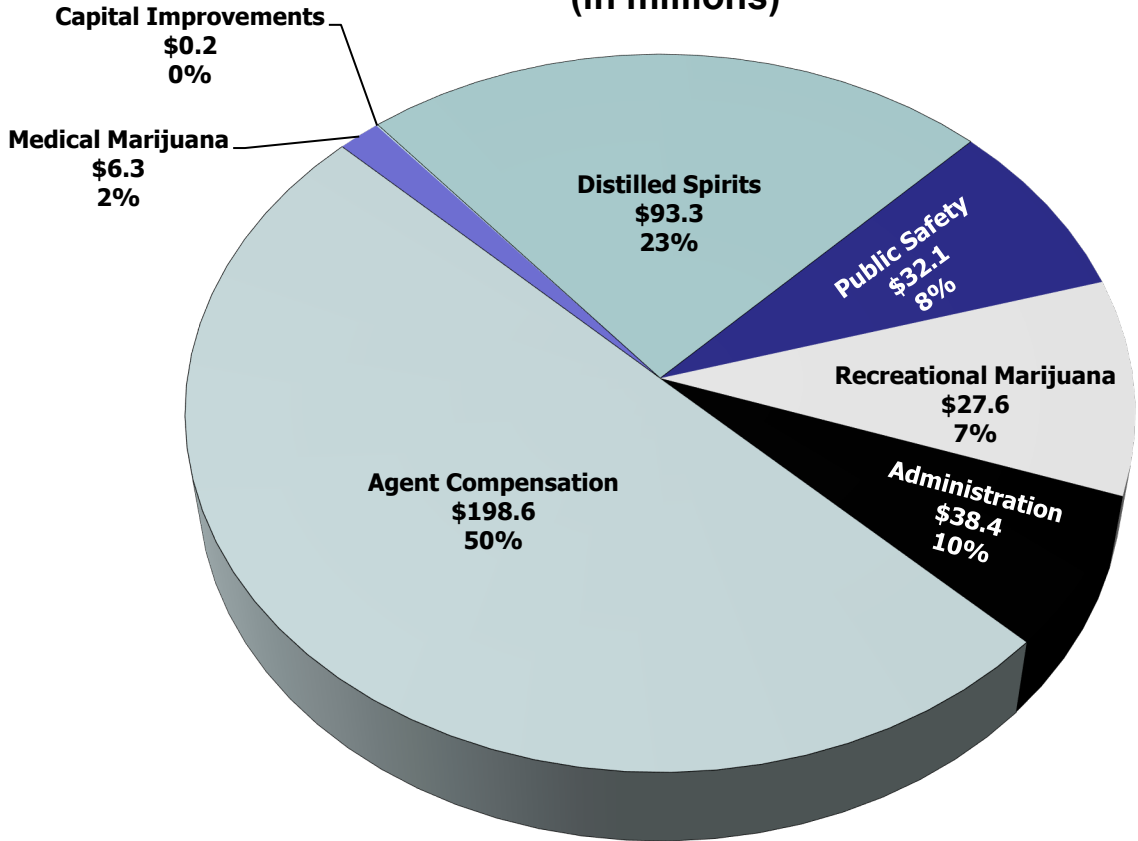
Oregon Liquor and Cannabis Commission 2023-25 Governor's Budget

Agency Budget by Expenditure Category (in millions)



Oregon Liquor and Cannabis Commission 2023-25 Governor's Budget

Governor's Budget by Agency Program (in millions)





Oregon Liquor and Cannabis Commission 2023-25 Governor's Budget

- **Governor's budget actions**

- Continue new warehouse IT project funding (\$23.2 million)
- Warehouse and IT non-bondable costs (\$14.4 million)
- Regulatory efforts for alcohol home delivery (\$0.9 million)
- IT Risk Mitigation staffing (\$0.5 million)
- Additional liquor licensing staff (\$0.3 million)
- Marijuana program vehicle replacements (\$0.4 million)
- Staffing in administration for public records requests and financial division (\$0.8 million)
- Improve marijuana lab testing integrity and outreach and communication for Marijuana program (\$1.5 million)
- Eliminate four long-term vacant positions (\$0.7 million)
- Move remaining bond sale for IT project into 2023-25





Oregon Liquor and Cannabis Commission 2023-25 Governor's Budget

- Governor's budget actions
 - Assumes additional revenues
 - \$0.50 per bottle surcharge (\$45.2 million)
 - Opening of 10 new liquor stores in 2023-25 (\$10.1 million)
 - Additional revenue associated with alcohol home delivery (\$3.6 million)





QUESTIONS?

