OREGON LIQUOR & CANNABIS COMMISSION

LEGISLATIVELY ADOPTED BUDGET

2021 - 2023

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CERTIFICATION

I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the accuracy of all numerical information has been verified.

OREGON LIQUOR & CANNABIS COMMISSION

AGENCY NAME

9079 SE McLoughlin Blvd., Milwaukie, Oregon

AGENCY ADDRESS

Paul A. Rosenbaum
Paul A. Rosenbaum (Apr 13, 2022 13:29 PDT)

04/13/22

SIGNATURE

Paul Rosenbaum - Commission Chairman

TITLE

Notice: Requests of agencies headed by a board or commission must be approved by official action of those bodies and signed by the board or commission chairperson. The requests of other agencies must be approved and signed by the agency director or administrator.

_____ Agency Request

_____ Governor's Budget

X Legislatively Adopted

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BUDGET NARRATIVE

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2021-2023 BUDGET
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HB 5018 A BUDGET REPORT and MEASURE SUMMARY **Carrier:** Rep. Leif

Joint Committee On Ways and Means

Action Date:	06/16/21
Action:	Do pass with amendments. (Printed A-Eng.)
House Vote	
Yeas:	11 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Smith G, Sollman, Stark
Senate Vote	
Yeas:	12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen
Prepared By:	Tamara Brickman, Department of Administrative Services
Reviewed By:	Michelle Deister, Legislative Fiscal Office

Oregon Liquor Control Commission
2021-23

Budget Summary*

	2019-21 Legislatively Approved Budget[1]	2021 - 23 Current Service Level	2021-23 Committee Recommendation	Committee Change from 2019-21 Leg. Approved $ Change	% Change
Other Funds Limited	$ 258,548,499	$ 267,933,012	$ 292,967,965	$ 34,419,466	13.3%
Other Funds Cap. Improvements	$ 377,943	$ 237,745	$ 237,745	$ (140,198)	-37.1%
Total	$ 258,926,442	$ 268,170,757	$ 293,205,710	$ 34,279,268	13.2%

Position Summary

Authorized Positions	365	363	383	18
Full-time Equivalent (FTE) positions	362.29	361.00	380.50	18.21

[1] Includes adjustments through January 2021

Summary of Revenue Changes

The Oregon Liquor Control Commission's (OLCC) main sources of revenue are the sale of distilled spirits, privilege taxes on malt beverages and wines, and licenses and fees. All revenue received by OLCC is Other Funds. Based on the updated gross sales forecast by OLCC for 2021-23 of $1,639,500,798 (including $41.3 million in per-bottle surcharge revenue), this recommendation results in an estimated balance for distribution pursuant to ORS 471.810 of $616.1 million. This results in the following estimated distribution amounts (after adjusting for additional bottle surcharge revenue and agency ending balance of $1.5 million):

- General Fund: $351.3 million
- Cities: $110.8 million
- City Revenue Sharing: $77.5 million
- Counties: $55.4 million
- Mental Health: $20.3 million
- Oregon Wine Board: $745,172

OLCC allocates marijuana licensing fee revenue to support a portion of agency administration, support services, and overhead expenditures in the Administration and Support Services Division. This budget recommendation assumes 26% of such expenses will be supported by recreational marijuana licensing fees, while 7% will be supported by medical marijuana licensing fees. This recommendation includes adoption of a new compensation formula to retail agents and distillery agents, for which additional expenditure limitation is incorporated in Policy Packages 108 and 110.

Summary of Transportation and Economic Development Subcommittee Action

OLCC's mission is to support businesses, public safety, and community livability through education and the enforcement of liquor and marijuana laws. OLCC is the agency responsible for regulating the sale and service of alcoholic beverages in Oregon. OLCC administers the state's Liquor Control Act and regulates the production, processing, and sale of recreational marijuana in Oregon through the Control, Regulation, and Taxation of Marijuana and Industrial Hemp Act. The agency also regulates the production, processing, and sale of medical products sold to Oregon Medical Marijuana Program (OMMP) cardholders in OLCC licensed marijuana retail shops. Oregon is one of 17 control states where the state maintains the exclusive right to sell packaged distilled spirits. The business of OLCC takes place in communities throughout the state.

The Subcommittee recommended a budget of $293,205,710 Other Funds expenditure limitation and 383 positions (380.50 FTE). This represents an increase of 13.2% from the 2019-2021 legislatively approved budget. The agency position count is increased by 18 positions (18.21 FTE) from the 2019-2021 legislatively approved budget.

Distilled Spirits Program

The Distilled Spirits Program (DSP) makes distilled spirits available for sale by the bottle through liquor stores run by independent, contracted business people (liquor agents), appointed by the liquor Commissioners in a competitive process, which balances customer service, access, and revenue generation. The program regulates legal and responsible sales through the liquor stores. In addition, distilled liquor is available for sale in distillery tasting room outlets. The program centrally purchases, warehouses, and distributes distilled spirits to Oregon's liquor stores and also oversees liquor agents.

The Distilled Spirits program is supported revenue from liquor sales, license fees and fines, server education fees, taxes on malt beverages and wines (Privilege Tax), and miscellaneous income. ORS 471.805 directs the OLCC to distribute available money to the state General Fund, cities, counties, and Mental Health. The Subcommittee recommended a budget of $33,857,162 Other Funds expenditure limitation and 77 positions (77.00 FTE). The Subcommittee recommended the following package:

Package 107: Distribution Center Equipment Replacement. This package provides $270,000 in expenditure limitation for OLCC to replace aging equipment necessary for conducting warehouse/distribution center work. Equipment to be replaced includes fork lifts, order pickers, and batteries. Replacement of this equipment ensures health and safety of distribution center workers, and ensures demand is met for shipping, receiving and replenishment.

Public Safety Services Program

The Public Safety Services (PSS) Program regulates the manufacture, distribution, and sale of alcoholic beverages and provides management of personnel who oversee the production, processing, and sale of recreational marijuana. This program focuses on ensuring the legal sale of alcohol and marijuana, service of alcohol to responsible adults, and minimizing alcohol and marijuana-related public safety risks. This program

implements all fundamental agency responsibilities and strategies related to licensing, education, and enforcement. A primary mission for this work is to prevent the sale of alcohol and marijuana to minors. In addition, the program provides oversight for 2,267 marijuana licenses including producers, processors, wholesalers, retailers, laboratories, and 56,650 marijuana worker permittees. To ensure statewide reach, the program has five regional offices (including its headquarters in Milwaukie) and eight satellite offices.

The PSS program is funded through Other Funds revenue received by OLCC through liquor sales, alcohol and marijuana license fees and fines, server permits and marijuana worker permit fees, taxes on malt beverages and wines (Privilege Tax), and miscellaneous income. The Subcommittee recommended a budget of $29,751,161 Other Funds expenditure limitation and 116 positions (114.00 FTE). The Subcommittee recommended the following packages:

Package 204: Alcohol Compliance & Licensing Staff. This package includes two permanent management positions (2.00 FTE) for OLCC's public safety division: A Medford Regional Office manager, to supervise both marijuana and alcohol regulatory positions; and an assistant licensing manager for alcohol licensing. Funding is also included to provide for 10 temporary positions related to minor decoy operations. OLCC has a persistently high position turnover among its licensing and enforcement staff, due to growth in the recreational marijuana program. Once existing vacancies are filled, the agency will be more accurately able to assess the number of additional positions - if any - needed to meet its public safety and licensing performance measure targets and workload needs. The agency can return to the February 2022, or a subsequent Emergency Board, with a request for positions based on demonstrable remaining workload needs. The package includes additional expenditure limitation of $683,758 Other Funds.

Package 205: Administrative Hearings Case Presenters. This package provides resources for four permanent positions (4.00 FTE) to assist OLCC in addressing a backlog of cases, which escalated with growing field compliance and citation of marijuana licensees. OLCC requires additional case presenters to adjudicate these cases and handle the processing of violations resulting from the growing number of licensing and enforcement staff. The backlog compromises the agency's ability to process cases in a timely manner. Additional expenditure limitation in the amount of $1,052,348 Other Funds is associated with this package.

Administration and Support

The Administration and Support Services Program provides the infrastructure to achieve the liquor commission policy direction and for OLCC programs to provide services to its customers and stakeholders. Functions include setting and implementing policy; providing public information; internal and external communications; hiring staff; providing fiscal accountability and recordkeeping; administering privilege tax collection; providing information technology services; stewardship of facilities; business continuity; internal auditing; staff training; labor relations; commodity purchasing; personal property control; building and equipment leasing; motor pool management; physical plant and building maintenance; mailroom services; and central supplies. OLCC engaged in a partial reorganization of its structure during the 2019-21 biennium, and created a new division within the Administration and Support Services program called the Policy, Analysis, Communication, and Education Division (PACE). The PACE program is designed to streamline and lead improvements to agency-wide policy, analysis, communication, and education services. PACE replaces the former division of Administration and Support Services known as Management Consulting.

The Administration and Support program is funded through Other Funds revenue received by OLCC, derived through the sale of distilled spirits, license fees from alcohol and marijuana, penalties, transfers from the Marijuana Administrative Fund, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The Subcommittee recommended a budget of $32,910,552 Other Funds expenditure limitation and 90 positions (90.00 FTE). The Subcommittee recommended the following packages:

Package 090: Analyst Adjustments. This package eliminates two positions (2.00 FTE) that have been vacant an extended period of time. The positions are an Administrative Specialist 2 position (1500018) and an Information Systems Specialist 4 position (2600687). The package has the effect of adjusting Other Funds expenditure limitation downward by $360,905.

Package 099: Microsoft Consolidation. Microsoft 365 is being consolidated within the Office of the State Information Officer at the E5 level of service. This cost will be built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service. The consolidation results in a reduction to Other Funds expenditure limitation of $256,766. OLCC may require additional expenditure limitation to support its transition to a consolidated Microsoft 365 environment. Once these costs are calculated and assessed within the context of available expenditure limitation, the OLCC can, if necessary, request this limitation during the February 2022 legislative session or at a subsequent Emergency Board meeting.

Package 302: Human Resources Staffing. This package includes four permanent Human Resource Analyst 2 positions (4.00 FTE), three of which will manage standard HR functions (including leave, benefits, safety, labor relations, classification and compensation analyses) but with a particular emphasis on recruitments. The remaining position will function as a full-time dedicated trainer, whose efforts will be focused on establishing training programs for managers (many of whom have been internally promoted but have no formal supervisory training), cross training curricula to maximize efficiencies within divisions, and supporting diversity and inclusion efforts within OLCC. The package results in additional Other Funds expenditure limitation of $1,009,200 Other Funds.

OLCC has made significant improvements to its marijuana licensing renewals process; however, a moratorium on processing new producer license applications is still in place. A full complement of agency personnel, properly on-boarded, is expected to help ease backlogs in this division, as well as maintain sufficient staffing in the warehouse. Distribution center (warehouse) staffing has been erratic since the outbreak of COVID-19, with a higher percentage of employees in this division utilizing leave, or temporary workers not reporting at all in some cases. As of May, 2021, OLCC had 56 vacant positions, or 15% of its current service level total. Investment in employee recruitment and retention efforts will ensure the agency is able to fully leverage its existing position authority and meet its performance measure targets in the areas of licensing, enforcement, and distribution.

Package 303: Information Services Management & Support. This package includes a permanent Administrative Specialist 2 position (1.00 FTE) to support the division, and a permanent Principal Executive Manager D position (1.00 FTE) serving a Project Management function as Office and Vendor Relationship Manager. This package provides additional assistance for its Enterprise Modernization program, currently underway and with the goal of replacing insufficient, outdated and unsupported technology. This has been a multi-year, multi-project effort. The Office of Information Services operates with no administrative support. Given the number of IT planning and modernization projects underway, the division requires a dedicated position to coordinate the needs and activities related to project completion, as well as manage relationships and responses to multiple quality assurance and IT vendors. Additional Other Funds expenditure limitation of $522,397 is associated with this package.

Package 306: Liquor Auditor & Payroll Contracting. This package provides the Financial Services Division with a permanent liquor auditor position (1.00 FTE) to address issues related to significant growth (20%) in the number of liquor stores that have opened since expansion began in 2017. This package also proposes to contract payroll services with the Department of Administrative Services. Additional Other Funds expenditure limitation of $394,185 is associated with this package.

Package 311: Privilege Tax Subscription Services. This package provides $1,110,000 in additional Other Funds expenditure limitation for subscription and maintenance costs for the online privilege tax system, which allows wine and beer licensees subject to privilege taxes to file reports online and make payments. The system was funded in 2019 and will be operationally completed in the 2021-23 biennium.

Package 801: LFO Analyst Adjustments. This package reclassifies two positions based on position reviews approved by the Department of Administrative Services Chief Human Resource Office, to resolve work out of class issues and allow OLCC to utilize existing position authority to greater effect. The reclassifications upgrade a Public Affairs Specialist 3 to a Principal Executive Management E to manage OLCC's communications group, and an Accountant to a Principal Executive Manager E to reflect supervisory duties related to managing financial services operations. Additional Other Funds expenditure limitation of $50,976 is associated with this package.

Recreational Marijuana Program

The Recreational Marijuana Program is responsible for enforcing regulations relating to producers, wholesalers, processors, retailers, laboratories, marijuana worker permits, and research certificates with an emphasis on voluntary compliance. The program also manages compliance and enforcement of a product tracking system, which is required to be used by licensees to track all marijuana and marijuana products from plant viability to final sale to the consumer. Additionally, the program is responsible for implementation of a marijuana worker permitting program for all recreational marijuana businesses, and to conduct investigations, inspections, seizures, and detect and deter violations related to OLCC-licensed marijuana facilities. The program maintains a focus on preventing intentional diversion from the OLCC licensed marijuana facilities to the black market, regulation of all marijuana products sold in OLCC retail stores, labeling and packaging

compliance for both recreational and medical marijuana, assisting in the development of testing requirements and standards for product testing, and working with the Department of Revenue to reconcile product movement with taxes paid.

The Recreational Marijuana Program is solely funded with Other Funds revenues from license and application fees for marijuana related businesses. The Subcommittee recommended a budget of $23,477,207 Other Funds expenditure limitation and 79 positions (78.50 FTE). The Subcommittee recommended the following packages:

Package 088: September 2020 Emergency Board. This package biennializes the costs of a permanent position (1.00 FTE) the OLCC received during the September 2020 Emergency Board meeting, adding $208,241 Other Funds expenditure limitation.

Package 409: Marijuana Licensing Specialists. This package adds $1,840,000 Other Funds, and includes an additional six permanent regulatory specialists (6.00 FTE) and two permanent licensing investigator positions (2.00 FTE) to keep up with the demand for complex change requests in business and ownership structures, and in added endorsements requested more than 2,000 active marijuana licensees with annual renewals. As of April, the backlog in license applications awaiting processing stood at 577 (down from 1,100 in August of 2020), and 4,527 worker permits in process. The growth in hemp related operations is driving the need for the two additional investigatory positions.

Package 413: CBD Inhalant Regulation. The package includes two permanent positions: A Compliance Specialist 3 position and an Administrative Specialist 2 position at a cost of $346,147 Other Funds. These positions are assumed to start in January of 2022 and budgeted at 0.75 FTE each, although they will be permanent full-time positions.

This package assumes the passage of Senate Bill 96 (2021). SB 96 gives OLCC authority to regulate CBD vaping products. Currently, OLCC, the Oregon Health Authority and the Oregon Department of Agriculture cooperate on the regulation of various cannabis product value-chains in Oregon. Marijuana and hemp products intended for human consumption are tested for THC and CBD levels and the presence of certain solvents or pesticides. However, once hemp has been tested and converted into industrial hemp products, there is no longer any tracking or regulation of the product on its path to final consumers. This package, along with SB 96, allows OLCC to coordinate, manage, and facilitate product testing.

Package 801: LFO Analyst Adjustments. This package transfers $487,897 in Marijuana licensing revenue to the Department of Agriculture (ODA) to support that agency's pesticide regulation program. ODA regulates the sale and use of pesticides and fertilizers in Oregon, and cannabis grown in Oregon is considered an agricultural crop by ODA. It is illegal to use pesticides on cannabis that are not on an approved guide list for this crop. Required product testing in labs that indicates the presence of a prohibited pesticide are referred to ODA for further investigation and follow up.

The ODA pesticide program is supported by fees paid by licensed applicators and dealers, and a small amount of Federal Funds. ODA reports that its pesticide testing program gets about 90 cases per year referred from the OLCC. All such referrals require a site visit, and, if a full investigation is warranted may require about 40 hours of work that could include interviews, detainment of crops, development of a product sampling plan, and maintenance of case files. An educational case involves less work, a standard settlement agreement, and documented follow-up to ensure the grower is meeting terms. ODA has unresolved cases dating as far back as 2017, and cites cannabis case referrals as among the reasons for the difficulty getting caught up. This package is sufficient to support two ODA positions (absent capital outlay costs), and is included for the 2021-23 biennium only. The marijuana program currently also supports -- through a revenue transfer -- a permanent position, a natural resource specialist 4, at ODA with the title of Cannabis Policy Coordinator, at a cost of $305,175 for the 2021-23 biennium. While cross-agency collaborations regarding cannabis are important for the health and safety of consumers and Oregonians generally, a transparent way of identifying and prioritizing partnerships of this type, and determining whether and how to fund existing collaborations and future proposals, is merited. The Subcommittee approved the following budget note:

Budget Note

The Oregon Liquor Control Commission is directed to inventory existing and anticipated regulatory efforts and services involving recreational and medical marijuana licensees that are delivered cooperatively through other state agencies, but receive or request marijuana licensing revenue to fund costs. These efforts may include (but may not necessarily be limited to) agricultural and crop-related policy development, pesticide labeling and investigation, lab testing of licensee products performed by state regulatory entities, enforcement activities, and public health-related issues. As part of its evaluation, the OLCC is expected to develop narrow criteria for what activities in other agencies have a direct correlation to cannabis licensees, and for which financial support may be sought. OLCC will report to the Joint Committee on Ways and Means prior to the conclusion of the 2021-23 biennium describing the following:

- All existing cross agency partnerships that are currently supported by OLCC marijuana licensee revenue, including the amount supported by licensees and recipient agency contributions to those efforts;
- Requested but as yet unfunded cross-agency initiatives to date (including contributions to those efforts by affected agency parties);
- The extent to which OLCC believes it would be helpful to designate some amount of licensee fees for such efforts;
- Options for identifying -- with the assistance of licensee stakeholders -- transparent funding mechanisms for existing and potentially future efforts, including suggested amounts; and
- Suggested criteria for inclusion of such activities in future agency budget requests.

The Joint Committee on Ways and Means recommends that the OLCC biennially review intergovernmental agreements with agencies and entities with which it transfers revenue or contracts for services supported by marijuana revenue, evaluate the extent to which those arrangements require ongoing support, and include this information in OLCC's budget request document.

The package also reclassifies two positions based on position reviews approved by the Department of Administrative Services Chief Human Resource Office, to resolve work out of class issues and allow OLCC to utilize existing position authority to greater effect. The reclassifications result in $40,272 in additional Other Funds expenditure limitation to fund the upgrade an Operations and Policy Analyst 3 position to an Operations and Policy Analyst 4, reflecting additional duties as the senior policy advisor for the recreational marijuana program; and reclassification of a Principal Executive Manager D position to a Principal Executive Manager E, reflecting a supervisory role of additional positions, tasked with performance analysis and management, packaging and laboratories, and analysis of data associated with the METRC system.

Agents Compensation Program

The Agent Compensation Program contains the funds OLCC distributes to liquor agents to operate the stores and a commission for sales in distillery tasting room outlets. OLCC contracts with individual and private business people to operate exclusive and nonexclusive liquor stores and distillery tasting rooms around the state to make distilled spirits available in a managed and socially responsible manner. These independent contractors (called liquor agents) receive funds from which they pay all store expenses, including rent, utilities, store fixtures, remodeling, moving, and staffing costs. From the net, they fund their own salary and any benefits or retirement savings.

The Agent Compensation Program is funded solely from liquor revenues received by OLCC. The Subcommittee recommended a budget of $166,885,952 Other Funds expenditure limitation and no positions within this budget structure. The Subcommittee recommended the following packages:

Package 108: Agent Compensation Formula. This package is the result of work asked of the agency to update the compensation rates for liquor store agents. In 2019-21, the agency worked with liquor store agents to examine the current liquor store agent compensation formula, which has remained relatively unchanged since 1986. This package updates the compensation formula to increase the number of compensation classes from six to ten and includes retail lease and wage escalators to reflect costs in various regions of the state. An additional $13,500,000 in Other Funds expenditure limitation is included to accommodate the changes in the compensation formula.

Package 110: Distillery Agent Compensation. This package reflects changes to the compensation rates for distillery agents. In 2019, the funding for distillery agents who sell only products they manufacture out of tasting rooms was separated from liquor agents to acknowledge the differences between the business models. At that time, no changes were made to the formula. This package reflects a proposal crafted in 2020 in cooperation with distillery agents. It changes the distiller compensation formula to 45% commission on the first $250,000 in sales from all tasting rooms connected to a distiller and 17% for all sales over $250,000. SB 316 (2021) mirrors statutory language for the formula and this package assumes the passage of SB 316 (2021). An additional $3,500,000 in additional expenditure limitation is included in the budget to accommodate this compensation formula change.

Package 801: LFO Analyst Adjustments. This package adjusts expenditures for store operating expenditures based on an updated sales forecast release subsequent to the Governor's Budget.

As in previous biennia, sales in excess of forecasts may require the agency to seek additional expenditure limitation for this purpose from the legislature or emergency board.

Medical Marijuana Program

The Medical Marijuana Program resulted from the passage of Senate Bill 1057 (2018), which requires Oregon Medical Marijuana Program (OMMP) medical marijuana grow sites, with more than two patients, and OMMP processors and retailers, to be tracked by OLCC's cannabis tracking system. OLCC was given the responsibility to administer the tracking and to perform inspections to assure OMMP marijuana is properly accounted for.

The Medical Marijuana Program is funded solely from marijuana tax dollars and fees paying for OMMP tracking program expenses. The Subcommittee recommended a budget of $6,085,931 Other Funds expenditure limitation and 21 positions (21.00 FTE). The Subcommittee recommended the following package:

Package 090: Analyst Adjustments. This package eliminates two positions (2.00 FTE). The positions being eliminated have been vacant for more than six months and are two Regulatory Specialists (6000163, 6000176) and result in a reduction in Other Funds expenditure limitation of $377,080.

Capital Improvements

The Capital Improvements program provides for stewardship of OLCC's building and grounds. OLCC owns its main office and distribution center complex on McLaughlin Blvd., in Milwaukie. OLCC's distribution center encompasses the warehouse connected to the main office building and a second warehouse on Millport Road, which was acquired in 2007. The entire campus houses approximately 219 employees; and 109 employees are located in 13 different leased field offices.

Funding for Capital Improvements is derived through revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine, and other miscellaneous sources. The Subcommittee recommended a budget of $237,745 Other Funds expenditure limitation and no positions.

Summary of Performance Measure Action

See attached Legislatively Adopted 2021-23 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Liquor Control Commission
Tamara Brickman - (971) 719-3492

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
2019-21 Legislatively Approved Budget at Jan. 2021*	$ -	$ -	$ 258,926,442	$ -	$ -	$ -	$ 258,926,442	365	362.29
2021-23 Current Service Level (CSL)*	$ -	$ -	$ 268,170,757	$ -	$ -	$ -	$ 268,170,757	363	361.00
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 84500-001 - Distilled Spirits									
Package 107: Distribution Center Equipment									
Capital Outlay	$ -	$ -	$ 270,000	$ -	$ -	$ -	$ 270,000		
SCR 84500-002 - Public Safety Services Program									
Package 204: Alcohol Compliance & Licensing Staff									
Personal Services	$ -	$ -	$ 576,538	$ -	$ -	$ -	$ 576,538	2	2.00
Services and Supplies	$ -	$ -	$ 53,320	$ -	$ -	$ -	$ 53,320		
Capital Outlay	$ -	$ -	$ 53,900	$ -	$ -	$ -	$ 53,900		
Package 205: Administrative Hearings Case Presenters									
Personal Services	$ -	$ -	$ 914,908	$ -	$ -	$ -	$ 914,908	4	4.00
Services and Supplies	$ -	$ -	$ 106,640	$ -	$ -	$ -	$ 106,640		
Capital Outlay	$ -	$ -	$ 30,800	$ -	$ -	$ -	$ 30,800		
SCR 84500-003 - Administration and Support									
Package 090: Analyst Adjustments									
Personal Services	$ -	$ -	$ (360,905)	$ -	$ -	$ -	$ (360,905)	-2	-2.00
Package 099: Microsoft 365 Consolidation									
Services and Supplies	$ -	$ -	$ (256,766)	$ -	$ -	$ -	$ (256,766)		
Package 302: Human Resources Staffing									
Personal Services	$ -	$ -	$ 871,760	$ -	$ -	$ -	$ 871,760	4	4.00
Services and Supplies	$ -	$ -	$ 106,640	$ -	$ -	$ -	$ 106,640		
Capital Outlay	$ -	$ -	$ 30,800	$ -	$ -	$ -	$ 30,800		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
Package 303: Information Services Management & Support									
Personal Services	$ -	$ -	$ 453,677	$ -	$ -	$ -	$ 453,677	2	2.00
Services and Supplies	$ -	$ -	$ 53,320	$ -	$ -	$ -	$ 53,320		
Capital Outlay	$ -	$ -	$ 15,400	$ -	$ -	$ -	$ 15,400		
Package 306: Liquor Auditor & Payroll Contracting									
Personal Services	$ -	$ -	$ 195,430	$ -	$ -	$ -	$ 195,430	1	1.00
Services and Supplies	$ -	$ -	$ 191,055	$ -	$ -	$ -	$ 191,055		
Capital Outlay	$ -	$ -	$ 7,700	$ -	$ -	$ -	$ 7,700		
Package 311: Privilege Tax Subscription Services									
Services and Supplies	$ -	$ -	$ 1,110,000	$ -	$ -	$ -	$ 1,110,000		
Package 801: LFO Analyst Adjustments									
Personal Services	$ -	$ -	$ 50,976	$ -	$ -	$ -	$ 50,976	0	0.00
SCR 84500-004 - Recreational Marijuana Program									
Package 088: September 2020 Emergency Board									
Personal Services	$ -	$ -	$ 208,241	$ -	$ -	$ -	$ 208,241	1	1.00
Package 409: Marijuana Licensing Specialists									
Personal Services	$ -	$ -	$ 1,565,120	$ -	$ -	$ -	$ 1,565,120	8	8.00
Services and Supplies	$ -	$ -	$ 213,280	$ -	$ -	$ -	$ 213,280		
Capital Outlay	$ -	$ -	$ 61,600	$ -	$ -	$ -	$ 61,600		
Package 413: CBD Inhalant Regulation									
Personal Services	$ -	$ -	$ 294,547	$ -	$ -	$ -	$ 294,547	2	1.50
Services and Supplies	$ -	$ -	$ 51,600	$ -	$ -	$ -	$ 51,600		
Package 801: LFO Analyst Adjustments									
Personal Services	$ -	$ -	$ 40,272	$ -	$ -	$ -	$ 40,272	0	0.00
SCR 84500-005 - Agents Compensation Program									
Package 108: Agent Compensation Formula									
Services and Supplies	$ -	$ -	$ 13,500,000	$ -	$ -	$ -	$ 13,500,000		
Package 110: Distillery Agent Compensation									
Services and Supplies	$ -	$ -	$ 3,500,000	$ -	$ -	$ -	$ 3,500,000		
Package 801: LFO Analyst Adjustments									
Services and Supplies	$ -	$ -	$ 1,502,180	$ -	$ -	$ -	$ 1,502,180		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
SCR 84500-006 - Medical Marijuana Program									
Package 090: Analyst Adjustments									
Personal Services	$ -	$ -	$ (377,080)	$ -	$ -	$ -	$ (377,080)	-2	-2.00
TOTAL ADJUSTMENTS	$ -	$ -	$ 25,034,953	$ -	$ -	$ -	$ 25,034,953	20	19.50
SUBCOMMITTEE RECOMMENDATION *	$ -	$ -	$ 293,205,710	$ -	$ -	$ -	$ 293,205,710	383	380.50
% Change from 2019-21 Leg Approved Budget	0.0%	0.0%	13.2%	0.0%	0.0%	0.0%	13.2%	4.9%	5.0%
% Change from 2021-23 Current Service Level	0.0%	0.0%	9.3%	0.0%	0.0%	0.0%	9.3%	5.5%	5.4%

*Excludes Capital Construction Expenditures

Legislatively Approved 2021 - 2023 Key Performance Measures

Published: 6/15/2021 11:50:46 AM

Agency: Liquor Control Commission, Oregon

Mission Statement:

Support businesses, public safety and community livability through education and the enforcement of liquor and marijuana laws.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
1. Sales to Minors - Percentage of licensees who refuse to sell to minor decoys.		Approved	84%	90%	90%
2. RATE OF SECOND VIOLATION - Percentage of licensees detected to have violated a liquor law in a second, separate, incident occurring within 2 years after the year of the first violation.		Approved	4.40%	12%	12%
3. Licensing Time - Average days from application receipt to license issuance.		Approved	85	75	75
4. CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Expertise	Approved	82%	85%	85%
	Helpfulness		83%	85%	85%
	Availability of Information		64%	85%	85%
	Overall		74%	85%	85%
	Timeliness		67%	85%	85%
	Accuracy		77%	85%	85%
5. OLCC Rate of Return - Net OLCC distribution divided by actual expenses.		Approved	$2.61	$2.50	$2.50
6. Best Practices - Percent of total best practices met by the Board.		Approved	95%	100%	100%
7. Sales to Minors- Recreational Marijuana - This measure is the rate at which licensees refuse to sell marijuana products to minor decoys.		Approved	90%	90%	90%
8. Time to license- marijuana - Average days to license completed marijuana applications.		Approved	195	85	85

LFO Recommendation:

The Legislative Fiscal Office recommends key performance measures as presented.

The Legislative Fiscal Office notes that should the Joint Ways and Means Subcommittee on Capital Construction approve additional warehouse capacity and IT infrastructure, any resulting increases to agency efficiency and sales (and thus, the rate of return) over time, it will take several years before these improvements are online and being utilized by the agency; in the short term (2021-23 biennia) the OLCC may fall slightly short of its rate of return measure target (KPM #5).

SubCommittee Action:

The Subcommittee recommended approval of the Key Performance Measures and Targets as presented.

HB 5006 A BUDGET REPORT and MEASURE SUMMARY **Carrier:** Rep. Rayfield

Joint Committee On Ways and Means

Action Date:	06/24/21
Action:	Do pass with amendments. (Printed A-Eng.)
House Vote	
Yeas:	10 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Sollman, Stark
Exc:	1 - Smith G
Senate Vote	
Yeas:	12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen
Prepared By:	Julie Neburka, Legislative Fiscal Office
Reviewed By:	Laurie Byerly and Theresa McHugh, Legislative Fiscal Office

Emergency Board
2021-23

Various Agencies
2021-23

Public Defense Services Commission
2019-21

HB 5006A (extract)
Page 2 of 79:

Budget Summary	**2019-21 Legislatively Approved Budget**	**2021-23 Committee Recommendation**	**Committee Change**
Emergency Board			
General Fund - General Purpose		$ 50,000,000	$ 50,000,000
General Fund - Special Purpose Appropriations			
State Employee Compensation		$ 198,000,000	$ 198,000,000
Non-State Employee Compensation		$ 20,000,000	$ 20,000,000
Family Treatment Court Programs		$ 10,000,000	$ 10,000,000
Pre-trial Release (SB 48)		$ 2,500,000	$ 2,500,000
State Response to Natural Disasters		$ 150,000,000	$ 150,000,000
Transforming Justice Initiative		$ 10,000,000	$ 10,000,000
Department of Early Learning and Care		$ 5,130,265	$ 5,130,265
Dental Rates		$ 19,000,000	$ 19,000,000
OHA/DHS Caseload Costs		$ 55,000,000	$ 55,000,000
Essential Workforce Health Care Program		$ 30,000,000	$ 30,000,000

ADMINISTRATION PROGRAM AREA

Page 3 of 79:

Budget Summary	**2019-21 Legislatively Approved Budget**	**2021-23 Committee Recommendation**	**Committee Change**
Oregon Liquor Control Commission			
Other Funds		$ 27,639,318	$ 27,639,318
Other Funds Debt Service		$ 7,547,093	$ 7,547,093

Page 38-39 of 79:

Oregon Liquor Control Commission

To finance construction of a new liquor distribution center and headquarters facility, the Subcommittee approved the cost of bond issuance and 2021-23 debt service for the Oregon Liquor Control Commission (OLCC) as follows:

- For purchase of land and warehouse construction, $632,735 Other Funds expenditure limitation for cost of issuance and $3.4 million Other Funds expenditure limitation for debt service.
- For information technology systems for licensing, enforcement, and distribution center sales and inventory management, $390,000 Other Funds expenditure limitation for cost of issuance, and $3.2 million Other Funds expenditure limitation for debt service.
- For an order fulfillment and conveyor system, $175,000 Other Funds expenditure limitation for cost of issuance and $896,730 Other Funds expenditure limitation for debt service.

The cost of the new facilities is estimated to total $89.5 million. Bond authorization is provided in SB 5505 for the acquisition of property and construction of a new liquor distribution center and headquarters facility ($52.5 million); a new distribution center sales and inventory management information technology system ($27 million); and a conveyor and order fulfillment system for the new facility ($10 million). Expenditure limitation for the land and construction and the conveyor system is included in SB 5506, the Capital Construction bill.

OLCC has been working with the Capitol Projects Advisory Board and the Department of Administrative Services on due diligence related to facility replacement and property acquisition. A market evaluation is scheduled to occur in the autumn of 2021, final site selection is projected to occur in April of 2022, and construction is anticipated to be completed in 2024.

The Subcommittee provided the following instruction to OLCC:

BUDGET NOTE

Prior to disposition of its existing properties adjacent to McLoughlin Boulevard in Milwaukie, the Oregon Liquor Control Commission is directed to report to the Joint Committee on Ways and Means on plans for the sale and disposition of its existing distribution center, office headquarters, and Milport Road warehouse. The report shall include information on the zoning of the properties, submitted offers, real estate fees and commissions paid to contractors and real estate professionals engaged, conditions of sale, and listing price of the properties. In addition, the OLCC shall report on the new warehouse and headquarters location, purchase price, construction and relocation schedule; its interim operations plan including new leases and estimated costs; an overview of measures the agency will take to minimize disruption to licensees, contract liquor agents, and other stakeholders; and a summary of efforts to secure financial systems and data during the transition.

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SB 5505 A BUDGET REPORT and MEASURE SUMMARY **Carrier:** Sen. Girod

Joint Committee On Ways and Means

Action Date:	06/24/21
Action:	Do pass with amendments. (Printed A-Eng.)
Senate Vote	
Yeas:	12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen
House Vote	
Yeas:	10 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Sollman, Stark
Exc:	1 - Smith G
Prepared By:	Jean Gabriel, Department of Administrative Services
Reviewed By:	Amanda Beitel, Legislative Fiscal Office

Various
2021-23

Budget Summary

None.

Summary of Capital Construction Subcommittee Action

Senate Bill 5505 limits the maximum amount of bonds and third party financing agreements state agencies may issue and the amount of revenue state agencies may raise from such issuance. The proceeds from the issuance of bonds are included as revenues in agency budgets. This bill also allocates the federal tax-exempt private activity bond volume cap allowed under the Internal Revenue Code of 1986, as amended, to certain state agencies and the Private Activity Bond Committee established in ORS 286A.615.

The Subcommittee approved bond authorizations in Senate Bill 5505 for the following purposes:

General Fund Obligations

1. The Subcommittee approved Article XI-G general obligation bond authority of $120,000,000 to fund grants to Public Universities and Community Colleges to finance six new capital projects for Public Universities, six new capital projects for Community Colleges, and five reauthorized capital projects approved during previous legislative sessions for Community Colleges. The proceeds of the bonds will be used to provide grants through grant programs administered by the Higher Education Coordinating Commission (HECC). Projects are described later in this report.

2. The Subcommittee approved Article XI-H general obligation bond authority of $10,300,000, which includes $10,000,000 in net proceeds and $300,000 for costs of issuing the bonds, for the Department of Environmental Quality (DEQ) to finance pollution control facilities or related activities. Net proceeds will replenish DEQ's Industrial Orphan Site Account, which is used to investigate and cleanup highly contaminated sites.

3. The Subcommittee approved Article XI-M general obligation bond authority of $111,300,000, which includes net proceeds of $110,000,000 and $1,300,000 for costs of issuing bonds and approved Article XI-N general obligation bond authority of $50,750,000, which includes net proceeds of $50,000,000 and $750,000 for costs of issuing bonds. The proceeds of the Article XI-M bonds will be used to provide grants for seismic rehabilitation of public education buildings, and the proceeds of the Article XI-N bonds will be used to provide grants for seismic rehabilitation of emergency services buildings through grant programs administered by the Oregon Business Development Department.

4. The Subcommittee approved Article XI-P general obligation bond authority of $126,090,000, which includes $125,000,000 in net proceeds and $1,090,000 for costs of issuing bonds, to fund matching grants to school districts for capital costs including construction, improvement, or remodel of facilities and acquisition of equipment through the Oregon School Capital Improvement Matching program administered by the Oregon Department of Education.

5. The Subcommittee approved General Fund supported Article XI-Q general obligation bond authority of $1,254,710,636 to finance the capital costs of projects for real or personal property owned or operated by the state. The projects and agencies are listed below, with the exception of HECC; projects funded by grants from the HECC to Public Universities are described later in this report.

    - Department of Revenue, Electronic Valuation Information System: approved $4,245,000 Article XI-Q bonds to finance $4,157,000 of project costs and $88,000 for costs of issuing the bonds. The project is to implement a new property tax appraisal information system to modernize and replace current disparate systems and tools that are used to manage the property valuation processes.

    - Oregon Military Department, Ashland Armory Service Life Extension: approved $5,480,000 Article XI-Q bonds to finance $5,373,235 of project costs and $106,765 for costs of issuing the bonds. The project is for design and construction of additions and alterations to the Ashland Armory, including seismic upgrades. The improvements will bring the facility into conformance with current building code and will include replacing mechanical, electrical, and plumbing systems as well as remodeling existing classrooms, administrative space, latrines, showers, equipment storage areas, kitchen, and assembly hall areas. In addition, the project will include emergency enhancements and replacement of failed paving areas and replacement of existing site lighting, landscaping, and fencing.

    - Oregon Military Department, Corvallis Armory Service Life Extension: approved $4,375,000 Article XI-Q bonds to finance $4,317,605 of project costs and $57,395 for costs of issuing the bonds. The project is for design and construction of additions and alterations to the Corvallis Armory, including seismic upgrades. The improvements will bring the facility into conformance with current building code and will include replacing mechanical, electrical, and plumbing systems as well as remodeling existing classrooms, administrative space, latrines, showers, equipment storage areas, kitchen, and assembly hall areas. In addition, the project will include emergency enhancements and replacement of failed paving areas and replacement of existing site lighting, landscaping, and fencing.

    - Oregon Military Department, Resiliency Grant Fund: approved $10,210,000 Article XI-Q bonds to finance $10,000,000 of project costs and $210,000 for costs of issuing the bonds. The bond proceeds will be used to purchase emergency preparedness equipment, which will be owned by the Oregon Military Department and distributed to local governments and other federal tax- exempt qualified recipients through the Office of Emergency Management State Preparedness and Incident Response Equipment Grant (SPIRE) program. A maximum of $2,000,000 may be spent on urban search and rescue preparedness equipment.

- Oregon Military Department, Washington County Readiness Center: approved $5,410,000 Article XI-Q bonds to finance $5,300,000 of project costs and $110,000 for costs of issuing the bonds. The project is to construct a new National Guard Readiness Center in Washington County for the training, administrative and logistical needs of the Oregon Army National Guard as a replacement for the Hillsboro Armory. The project includes construction as well as providing utility services, information systems, fire detection and alarm systems, hazardous materials abatement and disposal, roads, walks, curbs, gutters, storm drainage, parking areas, and site improvements. The bond proceeds will be used as matching funds for a federal grant.

- Oregon State Police, Central Point Office Expansion: approved $34,435,000 Article XI-Q bonds to finance $33,961,269 of project costs and $473,731 for costs of issuing the bonds. The project is to remodel and expand the Central Point Office facility to add space for the forensic lab, evidence, medical examiner and patrol functions. In addition, the project includes modernizing the existing space and adding two auxiliary buildings.

- Oregon State Police, Springfield Forensic Lab and Medical Examiner's Office: approved $62,710,000 Article XI-Q bonds to finance $61,982,733 of project costs and $727,267 for costs of issuing the bonds. The project is for the design and construction of a new forensic lab and medical examiner facility in Springfield.

- Oregon State Police, Springfield Patrol Area Command Office: approved $14,490,000 Article XI-Q bonds to finance $14,261,687 of project costs and $228,313 for costs of issuing the bonds. The project is for the design and construction of a new command office facility in Springfield, including a warehouse for storage.

- Department of Corrections, Capital Improvement and Renewal: approved $70,745,000 Article XI-Q bonds to finance $70,000,000 of project costs and $745,000 for costs of issuing the bonds. The project is to address capital improvements at multiple facilities, including replacement or improvement of roofs, HVAC, hardscaping, plumbing, electrical systems, communication and security systems, and other building elements.

- Department of Corrections, Electronic Health Records: approved $13,635,000 Article XI-Q bonds to finance $13,400,000 of project costs and $235,000 for costs of issuing the bonds. The project is to acquire and implement an information technology solution to track the health care records of adults in custody. The solution will replace paper based tracking and may be a commercial off-the-shelf system or a software as a service system. The bond proceeds will be used for costs that are eligible to be capitalized, which may include software acquisition or licensing, software configuration and interfaces, coding, hardware, installation to hardware, and testing.

- Department of Corrections, Off-Net Telephone Infrastructure: approved $3,825,000 Article XI-Q bonds to finance $3,770,433 of project costs and $54,567 for costs of issuing the bonds. The project is to design, purchase, and implement a centralized Voice over Internet Protocol (VoIP) communications system for use in multiple institutions to replace outdated legacy telephone systems.

- Oregon Youth Authority, Camp Riverbend Dorm Renovation: approved $6,975,000 Article XI-Q bonds to finance $6,867,101 of project costs and $107,899 for costs of issuing the bonds. The project involves capital improvements to renovate and expand two living units and supporting spaces at the Camp Riverbend Youth Transitional Facility, including the Riverbend building and the Hilgard building.

- Oregon Youth Authority, Capital Improvements: approved $11,060,000 Article XI-Q bonds to finance $4,152,319 of reauthorized projects costs plus $6,742,239 of new project costs and $165,442 for costs of issuing the bonds. The project involves capital improvements to permanent structures and fixtures at multiple facilities to address needs identified by the Facility Condition Assessment completed on OYA facilities.

- Oregon Youth Authority, Control Room Renovations: reauthorized $1,300,000 Article XI-Q bonds to finance $1,195,000 of project costs and $105,000 for costs of issuing the bonds. The project involves capital improvements to renovate the control rooms at the Rogue Valley, Eastern Oregon and Oak Creek Youth Correctional Facilities.

- Oregon Youth Authority, JJIS IT System Modernization: approved $7,870,000 Article XI-Q bonds to finance $7,756,531 of project costs and $113,469 for costs of issuing the bonds. The project is to modernize the Juvenile Justice Information System (JJIS) to replace the current legacy system with a web-based case management information technology solution.

- Oregon Youth Authority, MacLaren Infirmary and Pharmacy Renovation and Expansion: reauthorized $1,720,000 Article XI-Q bonds to finance $1,679,000 of project costs and $41,000 for costs of issuing the bonds. The project involves capital improvements to renovate and expand the infirmary, clinic and pharmacy at the MacLaren Youth Correctional Facility to meet operational needs.

- Oregon Youth Authority, MacLaren West Cottages Renovations: approved $20,795,000 Article XI-Q bonds to finance $12,478,547 of reauthorized project costs plus $8,000,000 of new project costs and $316,453 for costs of issuing the bonds. The project involves capital improvements to renovate and remodel multiple living units on the west side of the campus at MacLaren Youth Correctional Facility.

- Oregon Youth Authority, Oak Creek Medical and Dental Clinic Renovations: reauthorized $710,000 Article XI-Q bonds to finance $675,385 of project costs and $34,615 for costs of issuing the bonds. The project involves capital improvements to remodel and expand the medical and dental clinic at the Oak Creek Youth Correctional Facility, including addressing needs identified by the Facility Condition Assessment completed on OYA facilities.

- Oregon Youth Authority, Rogue Valley Facility Improvements: reauthorized $7,110,000 Article XI-Q bonds to finance $6,974,243 of project costs and $135,757 for costs of issuing the bonds. The project involves capital improvements to renovate and remodel four living units at the Rogue Valley Youth Correctional Facility.

- Oregon Youth Authority, Tillamook Dorm Renovation: approved $10,495,000 Article XI-Q bonds to finance $10,279,899 of project costs and $215,101 for costs of issuing the bonds. The project involves capital improvements to renovate and remodel two living units and supporting spaces at the Tillamook Youth Correctional Facility.

- Oregon Youth Authority, Tillamook Medical and Dental Renovations: reauthorized $690,000 Article XI-Q bonds to finance $652,775 of project costs and $37,225 for costs of issuing the bonds. The project involves capital improvements to remodel and expand the medical and dental clinic at the Tillamook Youth Correctional Facility to meet operational needs.

- Oregon Health Authority, Oregon State Hospital Salem Well Water Treatment Facility: approved $4,555,000 Article XI-Q bonds to finance $4,492,750 of project costs and $62,250 for costs of issuing the bonds. The project is to construct a well water treatment facility and potable water storage tank to provide a backup water supply for the Oregon State Hospital in Salem to be used in the event of disruption or contamination of the city water supply.

- Oregon Health Authority, Oregon State Hospital Salem/Junction City Automated Dispensing Cabinets: approved $3,555,000 Article XI-Q bonds to finance $3,500,000 of project costs and $55,000 for costs of issuing the bonds. The project is to replace approximately 40 automated medication dispensing cabinets deployed throughout patient care areas on the Salem and Junction City campuses of the Oregon State Hospital. The project includes replacement of the computers in each cabinet.

- Higher Education Coordinating Commission, FAMIS System Replacement: approved $5,105,000 Article XI-Q bonds to finance $5,000,000 of project costs and $105,000 for costs of issuing the bonds. The project is to acquire and implement an information technology system to replace the existing Financial Aid Management Information System (FAMIS) that is used for administration of financial aid programs.

- Oregon Department of Education, Oregon School for the Deaf ADA Restrooms: approved $1,065,000 Article XI-Q bonds to finance $1,024,625 of project costs and $40,375 for costs of issuing the bonds. The project is to improve Americans with Disabilities Act (ADA) accessibility in restrooms throughout the Oregon School for the Deaf campus.

- Oregon Department of Education, Oregon School for the Deaf Fire Alarm System Replacement: approved $3,145,000 Article XI-Q bonds to finance $3,091,923 of project costs and $53,077 for costs of issuing the bonds. The project is to replace the fire alarm system throughout the Oregon School for the Deaf campus.

- Oregon Department of Education, Oregon School for the Deaf Windows Upgrade: approved $1,425,000 Article XI-Q bonds to finance $1,383,452 of project costs and $41,548 for costs of issuing the bonds. The project is to replace windows with energy efficient windows in facilities at the Oregon School for the Deaf.

- Oregon Department of Forestry, Capital Improvements: approved $2,464,209 Article XI-Q bonds to finance $2,431,809 of project costs and $32,400 for costs of issuing the bonds. The project involves making capital improvements to address deferred maintenance at various facilities.

- Oregon Department of Forestry, Toledo Facility Replacement Phase II: approved $1,136,227 Article XI-Q bonds to finance $1,115,640 of project costs and $20,587 for costs of issuing the bonds. The project is to replace the Unit Office Facilities Compound located in Toledo and relocate it to a more centrally located area that will be outside of the mapped tsunami inundation zone.

- Oregon Parks and Recreation Department, State Parks Capital Improvement and Renewal: approved $50,750,000 Article XI-Q bonds to finance $50,000,000 of project costs and $750,000 for costs of issuing the bonds. The project is to finance the capital costs of making improvements to facilities in multiple Oregon state parks. The project includes improvements or replacements to facilities and related infrastructure such as buildings, water systems, septic and sewer systems, electrical systems, restroom and shower facilities, as well as modernizing and expanding campgrounds.

- Oregon Department of Fish and Wildlife, Capital Improvement and Renewal: approved $5,105,000 Article XI-Q bonds to finance $5,000,000 of project costs and $105,000 for costs of issuing the bonds. The project involves making capital improvements to replace buildings and address deferred maintenance at various facilities.

- Oregon Housing and Community Services, Local Innovation and Fast Track (LIFT) Housing and Permanent Supportive Housing: approved $413,490,000 Article XI-Q bonds to finance $410,000,000 of project costs and $3,490,000 for costs of issuing the bonds. The bond proceeds will be used to acquire, construct, remodel, repair, equip or furnish real property in which the department will

take an operational or ownership interest to provide affordable housing for Oregonians with low income and citizens in historically underserved communities and communities of color, as well as affordable housing that will be combined with tenancy supports and other services for low income citizens with high needs, including persons with disabilities and persons coming out of chronic homelessness. The authorization includes up to $60,000,000 to fund qualified LIFT Rental applications from the 2021 Notice of Funding Availability period that did not receive funding due to inadequate resources. This will expedite the delivery of 635 affordable homes in Tillamook, Salem, Umatilla, Lincoln City, Tigard, and Portland.

- Oregon Judicial Department, Benton County Courthouse: approved $20,730,000 Article XI-Q bonds to finance $20,383,129 of project costs and $346,871 for costs of issuing the bonds. The project is to construct a new facility to replace the Benton County Courthouse. Proceeds will be deposited in the Oregon Courthouse Capital Construction and Improvement Fund (OCCCIF) to support state matching funds for the project.

- Oregon Judicial Department, Clackamas County Courthouse: approved $95,400,000 Article XI-Q bonds to finance $94,500,000 of project costs and $900,000 for costs of issuing the bonds. The project is to construct a new facility to replace the Clackamas County Courthouse. Proceeds will be deposited in the OCCCIF to support state matching funds for the project.

- Oregon Judicial Department, Crook County Courthouse: approved $11,885,000 Article XI-Q bonds to finance $11,700,000 of project costs and $185,000 for costs of issuing the bonds. The project is to construct a new facility to replace the Crook County Courthouse. Proceeds will be deposited in the OCCCIF to support state matching funds for the project.

- Oregon Judicial Department, Linn County Courthouse: approved $16,110,000 Article XI-Q bonds to finance $15,900,000 of project costs and $210,000 for costs of issuing the bonds. The project is to construct a new facility to replace the Linn County Courthouse. Proceeds will be deposited in the OCCCIF to support state matching funds for the project.

- Oregon Judicial Department, Supreme Court Building Renovation: approved $21,950,000 Article XI-Q bonds to finance $21,700,000 of project costs and $250,000 for costs of issuing the bonds. The project is to renovate the Oregon Supreme Court building, including seismic updates, energy efficiency improvements, and various systems and safety upgrades.

- Legislative Administration Committee, Document Publishing and Management System: approved $4,310,000 Article XI-Q bonds to finance $4,250,000 of project costs and $60,000 for costs of issuing the bonds. The project is to develop and implement a document publishing and management software system.

Dedicated Fund Obligations

6. The Subcommittee approved a $180,000,000 authorization to the Department of Veterans' Affairs for issuance of Article XI-A general obligation bonds to finance farm and home loans to veterans.

7. The Subcommittee approved Article XI-F(1) general obligation bond authority of $114,505,000 to fund loans to Public Universities through the Higher Education Coordinating Commission to finance three capital projects. The projects are described later in this report.

8. The Subcommittee approved a $10,000,000 authorization to the Department of Environmental Quality for issuance of Article XI-H general obligation bonds to finance pollution control facilities or related activities. Bond proceeds are used as matching funds for federal Clean Water State Revolving Fund (CWSRF) capitalization grants and provide low-cost loans for the planning, design or construction of projects that prevent or mitigate water pollution.

9. The Subcommittee approved a $50,000,000 authorization to the Housing and Community Services Department for issuance of Article XI- I(2) general obligation bonds to provide financing for multi-family housing for the elderly and for disabled persons.

10. The Subcommittee approved Article XI-Q general obligation bond authority of $224,634,564 to finance all or a portion of the following projects:

    - Department of Administrative Services, Executive Building Interior and Seismic Renovation: approved $45,620,000 Article XI-Q bonds to finance $45,000,000 of project costs and $620,000 for costs of issuing the bonds. The project involves renovation of the Executive Building, including seismic updates and upgrades of the exterior envelope and the building systems including electrical, mechanical, plumbing, and fire sprinkler systems. Debt service on the bonds will be paid using agency resources (Other Funds).

    - Department of Administrative Services, Justice Building Exterior Renovations: reauthorized $3,555,000 Article XI-Q bonds to finance $3,500,000 of project costs and $55,000 for costs of issuing the bonds. The project is to renovate the building exterior, including replacement of wood window casements, and to install ten additional secondary distribution panels and feed power panels and circuit breakers. Debt service on the bonds will be paid using agency resources (Other Funds).

    - Department of Administrative Services, North Valley Complex Infrastructure Upgrades/Tenant Improvements: approved $60,820,000 Article XI-Q bonds to finance $60,000,000 of project costs and $820,000 for costs of issuing the bonds. The project is to renovate the North Valley Complex in Wilsonville and make tenant improvements and related site improvements to ready the building for use by multiple agencies. Debt service on the bonds will be paid using agency resources (Other Funds).

    - Department of Administrative Services, Portland State Office Building Improvements: reauthorized $8,730,000 Article XI-Q bonds to finance $8,600,000 of project costs and $130,000 for costs of issuing the bonds. The project is to replace the exterior windows;

replace the roof; and upgrade security, electrical and HVAC systems. Debt service on the bonds will be paid using agency resources (Other Funds).

- Department of Administrative Services, Revenue Building Electrical System Upgrades: reauthorized $7,120,000 Article XI-Q bonds to finance $7,000,000 of project costs and $120,000 for costs of issuing the bonds. The project is to upgrade the electrical and HVAC systems in the Revenue Building. Debt service on the bonds will be paid using agency resources (Other Funds).

- Department of Administrative Services, Yellow Parking Lot Paving: approved $4,055,000 Article XI-Q bonds to finance $4,000,000 of project costs and $55,000 for costs of issuing the bonds. The project involves paving the existing gravel Yellow Parking Lot in the Capitol Mall area and making necessary site improvements related to storm water, landscaping and other site improvements. The project also includes a public electric vehicle charging component. Debt service on the bonds will be paid using agency resources (Other Funds).

- Oregon Department of Forestry, Capital Improvements: approved $2,420,791 Article XI-Q bonds to finance $2,388,962 of project costs and $31,829 for costs of issuing the bonds. The project involves making capital improvements to address deferred maintenance at various facilities. Debt service on the bonds will be paid using agency resources (Other Funds).

- Oregon Department of Forestry, Toledo Facility Replacement Phase II: approved $1,578,773 Article XI-Q bonds to finance $1,550,167 of project costs and $28,606 for costs of issuing the bonds. The project is to replace the Unit Office Facilities Compound located in Toledo and relocate it to a more centrally located area that will be outside of the mapped tsunami inundation zone. Debt service on the bonds will be paid using agency resources (Other Funds).

- Oregon Liquor Control Commission, Liquor Warehouse Conveyor System: approved $10,175,000 Article XI-Q bonds to finance $10,000,000 of project costs and $175,000 for costs of issuing the bonds. The project is to acquire and install a new conveyor and order fulfillment system for use in the agency's new warehouse. Debt service on the bonds will be paid using agency resources (Other Funds).

- Oregon Liquor Control Commission, Liquor Warehouse Land and Building: approved $53,170,000 Article XI-Q bonds to finance $52,537,265 of project costs and $632,735 for costs of issuing the bonds. The project includes the purchase of land and the design and construction of a new warehouse and headquarters for agency operations. Debt service on the bonds will be paid using agency resources (Other Funds).

- Oregon Liquor Control Commission, Liquor Warehouse Management IT System: approved $27,390,000 Article XI-Q bonds to finance $27,000,000 of project costs and $390,000 for costs of issuing the bonds. The project is to acquire and implement an

information technology system to replace legacy systems for warehouse management, licensing, and enforcement. Debt service on the bonds will be paid using agency resources (Other Funds).

11. The Subcommittee approved Other Financing Agreements authority of $100,000,000 for other financing agreements, including capital leases and real estate lease-purchase or similar agreements for the purchase, construction, or improvement of real property, for the Department of Administrative Services. The payments related to financing agreements will be paid using agency resources (Other Funds).

Revenue Bonds

12. The Subcommittee approved the Housing and Community Services Department direct revenue bond authority of $500,000,000 and pass- through revenue bond authority of $1,300,000,000.

13. The Subcommittee approved the Department of Transportation direct revenue bond authority of $880,000,000 for the issuance of Highway User Tax revenue bonds.

14. The Subcommittee approved the Oregon Business Development Department direct revenue bond authority of $30,000,000 for the Oregon Infrastructure Finance Authority Bond Bank Program. Pass-through revenue bond authority of $600,000,000 for Industrial Development bonds and $2,500,000 for the Beginning and Expanding Farmer Loan Program was also approved.

15. The Subcommittee approved Department of Administrative Services, Lottery Revenue Bond limit of $492,440,000. This amount provides funding for 55 projects authorized in Senate Bill 5534. A list of Lottery Revenue Bond projects can be found in SB 5534.

16. The Subcommittee approved pass-through revenue bond authority of $1,000,000,000 for the Oregon Facilities Authority.

Detail of projects authorized for the Higher Education Coordinating Commission through bond financing is included below.

Higher Education Coordinating Commission

HECC - Public Universities

The Subcommittee approved 10 new capital projects for public universities to finance total project costs of $445,905,100. The projects are included in the budget for the Higher Education Coordinating Commission (HECC). The proceeds of Article XI-G and Article XI-Q general obligation bonds will be used to provide grants from HECC to the applicable public university, and the debt service on these bonds will be paid with General Fund. Each university must provide the constitutionally required match for the Article XI-G bonds before the bonds can be issued. The proceeds of Article XI-F(1) bonds will be used to provide loans from HECC to the applicable public university, and the debt service on the

Article XI-F(1) bonds will be paid by HECC with Other Funds using loan repayments received from the applicable university made with university resources. The approved projects are listed below.

All Public Universities

The Subcommittee approved the following project for the seven public universities, to be allocated to each individual university by HECC:

- Capital Improvement and Renewal: approved $80,810,000 Article XI-Q bonds to finance $80,000,000 of project costs and $810,000 for costs of issuing the bonds. The capital improvement projects will address deferred maintenance, code compliance, safety issues, and Americans with Disabilities Act (ADA) accessibility improvements for campus facilities. The projects will not involve: acquisition of buildings, structures, or land; classroom or lab modernization; or improvements to auxiliary facilities, which are typically self-supporting.

Eastern Oregon University

- Inlow Hall Renovation, Phase II: approved $17,920,200 Article XI-Q general obligation bonds to finance $17,700,200 of project costs and $220,000 for costs of issuing the bonds and $600,000 Article XI-G general obligation bonds to finance $564,900 of project costs and $35,100 for costs of issuing the bonds. The project is to renovate Inlow Hall including improvements to the roofing system, building envelope, HVAC systems, and seismic updates. The project also includes the remodel of offices, attic, basement, and student support areas to optimize the use of space.

Oregon Institute of Technology

- Residence Hall: approved $55,650,000 Article XI-F(1) general obligation bonds to finance $55,000,000 of project costs and $650,000 for costs of issuing the bonds. The project is to construct a new facility for student housing with approximately 900 beds and study space on the Klamath Falls campus.

- OMIC R&D Center for Additive Manufacturing Innovation Phase II: approved $5,105,000 Article XI-Q general obligation bonds to finance $5,000,000 of project costs and $105,000 for costs of issuing the bonds. The project is to construct two new research labs within the Research and Development (R&D) facility, including a powdered metal handling vault and airlock to support the addition of laser powder bed fusion and binder jetting methods of additive manufacturing to the facility. The project also includes completion of office space, including conference rooms and collaborative space for manufacturers to work on site with OMIC R&D and partner university researchers to develop and evaluate additive related research projects.

Oregon State University

- Cascades Student Success Center: approved $8,930,000 Article XI-Q general obligation bonds to finance $8,800,000 of project costs and $130,000 for costs of issuing the bonds and $5,105,000 Article XI-G general obligation bonds to finance $5,000,000 of project costs and $105,000 for costs of issuing the bonds. The project is to construct a new Student Success Center on the Cascades Campus which will be used to provide academic and career advising, tutoring, mental health counseling, study spaces and a health wellness center.

- Cordley Hall Renovation, Phase II: approved $61,690,000 Article XI-Q general obligation bonds to finance $61,000,000 of project costs and $690,000 for costs of issuing the bonds and $25,375,000 Article XI-G general obligation bonds to finance $25,000,000 of project costs and $375,000 for costs of issuing the bonds. The project is to renovate Cordley Hall, including improvements related to accessibility, safety, seismic upgrades and mechanical and electrical system efficiency. Interior spaces will also be renovated, such as laboratories, classrooms and offices. In addition, the project includes construction of a new cooling plant building adjacent to Cordley Hall.

- Reser Stadium West Grandstands: approved $40,555,000 Article XI-F(1) general obligation bonds to finance $40,000,000 of project costs and $555,000 for costs of issuing the bonds. The project is to replace the west grandstands of the football stadium, including replacement of the grandstands and enclosed fan seating areas, restrooms, concessions, press boxes, and athletic support spaces. In addition, the project includes replacement or improvements to adjacent parking, pedestrian paths, and fire and travel lanes. This project may also include interior space for academics or a health care partner.

Portland State University

- Gateway Center Reuse and Extension: approved $45,585,000 Article XI-Q general obligation bonds to finance $45,000,000 of project costs and $585,000 for costs of issuing the bonds, and $5,105,000 Article XI-G general obligation bonds to finance $5,000,000 of project costs and $105,000 for costs of issuing the bonds, and $18,300,000 Article XI-F(1) general obligation bonds to finance $18,000,000 of project costs and $300,000 for costs of issuing the bonds. The project is to renovate the existing Art Building and construct an addition on an adjacent lot to expand space available for the School of Art and Design, the Center for Student Health and Counseling, and the Speech and Hearing Sciences program. The project includes adding laboratory spaces, as well as improving and expanding spaces for classrooms, student study and collaboration, student mentoring and advising, and exhibition spaces. In addition, the facility will be designed to include private sector commercial space.

University of Oregon

- Heritage Building Renovation: approved $53,285,000 Article XI-Q general obligation bonds to finance $52,650,000 of project costs and $635,000 for costs of issuing the bonds and $5,960,000 Article XI-G general obligation bonds to finance $5,850,000 of project costs and $110,000 for costs of issuing the bonds. The project is to renovate the Heritage Building, including classrooms, faculty offices, and the

theatrical performance hall. The renovation will update and modernize classrooms and workstations, as well as address deferred maintenance, safety issues, and building and site code violations.

Western Oregon University

- Student Success Center: approved $20,920,000 Article XI-Q general obligation bonds to finance $20,680,000 of project costs and $240,000 for costs of issuing the bonds and $695,000 Article XI-G general obligation bonds to finance $660,000 of project costs and $35,000 for costs of issuing the bonds. The project is to construct a new Student Success Center building that will house student services such as advising, tutoring, student support groups, computer labs, and smart classrooms. The new facility will be located on the site of the existing Old Education Building, which will be demolished.

HECC - Community Colleges

The Subcommittee approved six new capital projects and reauthorized five capital projects approved in prior biennia for community colleges to finance total project costs of $75,946,994. The projects are included in the budget for the Higher Education Coordinating Commission (HECC). The proceeds of Article XI-G bonds will be used to provide grants from HECC to the applicable community college, and the debt service on the bonds will be paid with General Fund. Each community college must provide the constitutionally required match for the Article XI-G bonds before the bonds can be issued. Match funds may come from a variety of sources including grants, donations, partnership contributions, local bond levies, or some combination of sources. The approved projects are listed below.

- Blue Mountain Community College – Facility for Agricultural Resource Management (FARM) Phase 2: reauthorized $6,615,000 Article XI-G bonds to finance $6,500,000 of project costs and $115,000 for costs of issuing the bonds. The project is to design and construct a new facility to support animal science programs, including veterinary assistant/technician, equine and the livestock judging and rodeo teams. The constitutionally required match for the Article XI-G bonds is expected to be provided from various sources, which may include grants, donations, or a local bond levy.

- Central Oregon Community College – Classroom Building Redmond Campus: reauthorized $8,125,000 Article XI-G bonds to finance $8,000,000 of project costs and $125,000 for costs of issuing the bonds. The project is to construct a new classroom building on the campus in Redmond. The facility will include science and computer laboratories, classrooms, student study areas, and support spaces. In addition, the project will include instructional technology and technology infrastructure. The community college will provide the constitutionally required match for the Article XI-G bonds through various sources, which may include a local bond levy, capital campaign donations and/or grant proceeds.

- Chemeketa Community College – Building 7 Remodel: approved $8,125,000 in Article XI-G bonds to finance $8,000,000 of project costs and $125,000 for costs of issuing the bonds. The project is to remodel the Physical Education facility (Building 7), including the redesign and

remodel of learning spaces, upgrades of interior and exterior building components, and possibly targeted seismic reinforcements. The community college will provide the constitutionally required match for the Article XI-G bonds through college capital funds.

- Clatsop Community College – Maritime Science Building: reauthorized $8,120,000 Article XI-G bonds to finance $7,996,994 of project costs and $123,006 for costs of issuing the bonds. The project includes the purchase of currently leased Marine and Environmental Research Training Station (MERTS) campus land, renovation of the existing science building, and construction of a new Maritime Science Building on the MERTS campus, which will include classrooms, labs, and expanded faculty and support space. The community college will provide the constitutionally required match for the Article XI-G bonds through various funding options, including bonds and a capitalcampaign.

- Klamath Community College – Childcare Resource Learning Center: approved $1,540,000 Article XI-G bonds to finance $1,500,000 of project costs and $40,000 for costs of issuing the bonds. The project is to construct a new Childcare Learning Complex for education program students to complete course lab practicums and gain workforce experience through internships. The facility will include space for meetings, offices, and classrooms as well as common areas for student access to campus resources. The community college will provide the constitutionally required match for the Article XI-G bonds through grants and/or donations.

- Linn-Benton Community College – Agricultural Center: approved $8,125,000 Article XI-G bonds to finance $8,000,000 of project costs and $125,000 for costs of issuing the bonds. The project is to construct a new Agricultural Center for animal sciences instruction that will include a horse barn, arena, livestock barn, classroom building with laboratories, and related outbuildings. The facility is expected to provide fenced and managed acreage for livestock as well as covered pens and barns for animals and feed. The project also includes parking areas for instruction and college-sponsored events. The community college will provide the constitutionally required match for the Article XI-G bonds by issuing debt through a private bank placement.

- Mt. Hood Community College – Accessibility Upgrades, Dental Hygiene Lab, and Deferred Maintenance: approved $8,125,000 Article XI-G bonds to finance $8,000,000 of project costs and $125,000 for costs of issuing the bonds. The project is to improve accessibility, update classrooms and labs, and modernize elevators. In addition, the project includes replacing sidewalks and parking as well as improvements to address deferred maintenance such as replacement of roofs and building envelopes. The community college will provide the constitutionally required match for the Article XI-G bonds through various possible sources which may include grants, donations, partnership contributions, a local bond levy, or some combination of sources.

- Oregon Coast Community College – Workforce Education and Resiliency Center: reauthorized $8,125,000 Article XI-G bonds to finance $8,000,000 of project costs and $125,000 for costs of issuing the bonds. The project is to construct a new building to provide space for workforce development academic programs, student study areas, as well as administrative and faculty offices. The community college will provide the constitutionally required match for the Article XI-G bonds through various revenues, including a local bond levy and a capital construction campaign.

- Rouge Community College – Transportation Technology Center: approved $7,120,000 Article XI-G bonds to finance $7,000,000 of project costs and $120,000 for costs of issuing the bonds. The project is to construct a new facility on the Redwood Campus for instruction and training in the field of transportation technology. The facility will include inventory management, project storage, vehicle and equipment bays, lab preparation areas, faculty offices, student study areas, support staff offices and work areas. The project will also include purchase of instructional technology and technology infrastructure to enable connectivity to the existing technology network and expand the current capability for technology based instruction. The community college will provide the constitutionally required match for the Article XI-G bonds through a combination of funding from a capital campaign and a bond levy.

- Tillamook Bay Community College – Classroom/Office Building and Renovations: approved $8,125,000 in Article XI-G bonds to finance $8,000,000 of project costs and $125,000 for costs of issuing the bonds. The project is to construct a new facility that will include classrooms, offices, support space and community event space. In addition, the project includes renovations to an existing building to provide additional classrooms, study areas, and student support offices. The community college will provide the constitutionally required match for the Article XI-G bonds with a combination of donations, grants and a bond levy.

- Treasure Valley Community College – Nursing-Allied Health Professions Center: reauthorized $5,015,000 Article XI-G bonds to finance $4,950,000 of project costs and $65,000 for costs of issuing the bonds. The project is to construct a new building to serve as a Nursing-Allied Health Professions Center that will provide classrooms and lab spaces for students, as well as an office suite for nursing instructor and instructional support spaces. The new facility is expected to be built on land owned by the community college. The college will provide the constitutionally required match for the Article XI-G bonds through fundraising.

Senate Bill 5505, SECTIONS 1 - 3.

Program Designation	2019-21 Legislatively Approved	2021-23 Governor's Budget	2021-23 Committee Recommendations	Changes from Governor's Budget
GENERAL OBLIGATION BONDS				
General Fund Obligations				
Higher Education Coordinating Comm. - PU (Art. XI-G)	$ 50,605,000	$ 37,910,000	$ 42,840,000	$ 4,930,000
Higher Education Coordinating Comm. - CC (Art. XI-G)	$ 52,400,000	$ 69,040,000	$ 77,160,000	$ 8,120,000
Dept of Environmental Quality (Art. XI-H)	$ -	$ 10,300,000	$ 10,300,000	$ -
Oregon Business Development Dept. (Art. XI-M)	$ 101,240,000	$ 110,995,000	$ 111,300,000	$ 305,000
Oregon Business Development Dept. (Art. XI-N)	$ 20,270,000	$ 50,620,000	$ 50,750,000	$ 130,000
Oregon Department of Education (Art. XI-P)	$ 126,090,000	$ 138,065,000	$ 126,090,000	$ (11,975,000)
Department of Administrative Services (Art. XI-Q)	$ 788,914,223	$1,069,371,580	$ 1,254,710,636	$ 185,339,056
Dedicated Fund Obligations				
Department of Veterans' Affairs (Art. XI-A)	$ 180,000,000	$ 180,000,000	$ 180,000,000	$ -
Higher Education Coordinating Comm. (Art. XI-F(1))	$ -	$ -	$ 114,505,000	$ 114,505,000
Dept of Environmental Quality (Art. XI-H)	$ 10,000,000	$ 10,000,000	$ 10,000,000	$ -
Housing and Community Services Dept (Art. XI-I(2))	$ 50,000,000	$ 50,000,000	$ 50,000,000	$ -
Department of Administrative Services (Art. XI-Q)	$ 50,135,777	$ 202,788,420	$ 224,634,564	$ 21,846,144
Total General Obligation Bonds	**$ 1,429,655,000**	**$1,929,090,000**	**$ 2,252,290,200**	**$ 323,200,200**
REVENUE BONDS				
Direct Revenue Bonds				
Housing and Community Services Department	$ 500,000,000	$ 500,000,000	$ 500,000,000	$ -
Department of Transportation				
Highway User Tax	$ 485,000,000	$ 880,000,000	$ 880,000,000	$ -
Oregon Business Development Department	$ 100,000,000	$ 30,000,000	$ 30,000,000	$ -
Department of Administrative Services				
Lottery Revenue Bonds	$ 247,075,000	$ 342,545,000	$ 492,440,000	$ 149,895,000
Total Direct Revenue Bonds	**$ 1,332,075,000**	**$1,752,545,000**	**$ 1,902,440,000**	**$ 149,895,000**

Pass Through Revenue Bonds				
Oregon Business Development Department				
Industrial Development Bonds	$ 600,000,000	$ 600,000,000	$ 600,000,000	$ -
Beginning and Expanding Farmer Loan Program	$ 5,000,000	$ 2,500,000	$ 2,500,000	$ -
Oregon Facilities Authority	$ 1,000,000,000	$1,000,000,000	$ 1,000,000,000	$ -
Housing and Community Services Department	$ 900,000,000	$ 900,000,000	$ 1,300,000,000	$ 400,000,000
Total Pass Through Revenue Bonds	**$ 2,505,000,000**	**$2,502,500,000**	**$ 2,902,500,000**	**$ 400,000,000**
Total Revenue Bonds	**$ 3,837,075,000**	**$4,255,045,000**	**$ 4,804,940,000**	**$ 549,895,000**

CERTIFICATES OF PARTICIPATION AND OTHER FINANCING AGREEMENTS				
Department of Administrative Services	**$ 80,000,000**	**$ 201,240,000**	**$ 100,000,000**	**$ (101,240,000)**

Senate Bill 5505, SECTION 4
Private Activity Bond Allocation for Calendar Years 2022 and 2023

	2019-21 Legislatively Approved Budget		**2021-23 Committee Recommendations**	
Allocation For:	2020 Calendar Year	2021 Calendar Year	2022 Calendar Year	2023 Calendar Year
Oregon Business Development Department, Industrial Development Bonds	$ 40,000,000	$ 40,000,000	$ 40,000,000	$ 40,000,000
Oregon Business Development Department, Beginning and Expanding Farmer Loan Program	$ 2,500,000	$ 2,500,000	$ 1,000,000	$ 1,000,000
Oregon Housing & Community Services Department	$250,000,000	$250,000,000	$250,000,000	$250,000,000
Private Activity Bond Committee	$147,524,865	$147,524,865	$151,862,385	$151,862,385
Totals	**$440,024,865**	**$440,024,865**	**$442,862,385**	**$442,862,385**

SB 5506 A BUDGET REPORT and MEASURE SUMMARY **Carrier:** Sen. Johnson

Joint Committee On Ways and Means

Action Date:	06/24/21
Action:	Do pass with amendments. (Printed A-Eng.)
Senate Vote	
Yeas:	12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen
House Vote	
Yeas:	10 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Sollman, Stark
Exc:	1 - Smith G
Prepared By:	Jean Gabriel, Department of Administrative Services
Reviewed By:	Amanda Beitel, Legislative Fiscal Office

Capital Construction – Various Agencies
2021-23

Capital Construction – Military Department and Higher Education Coordinating Commission
2019-21

Capital Construction – Military Department and Higher Education Coordinating Commission
2017-19

Budget Summary

	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change from 2019-21 Legislatively Approved	
			$ Change	% Change
Other Funds Capital Construction	$ 805,033,837	$ 1,474,928,925	$ 669,895,088	83.2%
Federal Funds Capital Construction	$ 65,271,000	$ 34,869,187	$ (30,401,813)	-46.6%
Total	$ 870,304,837	$ 1,509,798,112	$ 639,493,275	73.5%

2019-21 Supplemental Expenditure Limitation Adjustments

Oregon Military Department

Boardman Tactical Unmanned Aerial Vehicle Facility (Federal Funds)	$ 3,000,000	$ 3,000,000
Umatilla Wastewater Treatment Facility & Water Supply Line (Federal Funds)	$ 2,075,000	$ 2,075,000

Higher Education Coordinating Commission

Blue Mtn CC - Facility for Agricultural Resource Management, Ph II (Other Funds)	$ (1,500,000)	$ (1,500,000)

2017-19 Supplemental Expenditure Limitation Adjustments

Oregon Military Department

Camp Umatilla Regional Training Institute Re-Set (Federal Funds)	$ 4,200,000	$ 4,200,000

Higher Education Coordinating Commission

Blue Mtn CC - Facility for Agricultural Resource Management, Ph II (Other Funds)	$ (5,000,000)	$ (5,000,000)
Clastsop CC - Maritime Science Building (Other Funds)	$ (7,996,994)	$ (7,996,994)
Mt. Hood CC - Maywood Park Center (Other Funds)	$ (8,000,000)	$ (8,000,000)
Oregon Coast CC - Workforce Education & Resiliency Center (Other Funds)	$ (8,000,000)	$ (8,000,000)

Revenue Summary

Other Fund revenues include proceeds from the issuance of general obligation bonds authorized under Article XI-Q, XI-G and XI-F(1) of Oregon's Constitution, the depreciation component of the Uniform Rent program and other deposits in the Department of Administrative Services Capital Projects Fund established by ORS 276.005, aircraft registration fees assessed in accordance with ORS 837.040 and 837.045, insurance proceeds, as well as state gasoline tax and driver and vehicle related fees. Federal Funds revenues are from the National Guard Bureau and the Federal Aviation Administration.

Summary of Capital Construction Subcommittee Action

SB 5506 provides six-year expenditure limitation for capital construction projects. Projects in excess of $1.0 million for the acquisition of land and the acquisition, planning, constructing, altering, repairing, furnishing, and equipping of building and facilities are categorized as capital construction projects. In addition, SB 5506 extends the six-year expiration dates and expenditure limitations for specified projects as well as removes or modifies expenditure limitation amounts for specified projects approved in prior biennia.

Oregon Department of Administrative Services

Deferred Maintenance: $15,500,000 Other Funds (Capital Projects Fund) is approved for various capital and tenant improvements in multiple DAS-owned buildings. These improvements include: roof replacements for the Commerce Building, Salem Motor Pool, and the Agricultural Building; replacement of lighting packages and supporting electrical infrastructure for energy efficiency in multiple buildings; replacement and upgrade of elevator controls in various facilities; and upgrades to HVAC systems in multiple buildings.

Gender Neutral Facilities and Mothers' Rooms: $10,000,000 Other Funds (Capital Projects Fund) is approved to design and construct mothers' lactation rooms, wellness rooms, and gender neutral bathrooms in multiple DAS-owned buildings.

Capitol Mall Parking Structure Improvements: $2,750,000 Other Funds (Capital Projects Fund) is approved to make structural and seismic safety repairs and storm water handling system repairs to the Capitol Mall parking structure as well as irrigation system repairs in the Capitol Park above the parking structure.

Dome Building and Yaquina Hall Improvements: $1,500,000 Other Funds (Capital Projects Fund) is approved for parking lot and street improvement projects at the Dome Building and Yaquina Hall.

Climate Adaptation and Net Zero Solutions: $2,000,000 Other Funds (rent revenue) is approved to design innovative solutions to implement during capital construction projects such as heat recovery, lighting and building controls, insulation, or daylighting technologies and evaluate the return on investment for traditional solutions versus high efficiency modern technologies.

Parking Lot Improvements and EV Charging Station Expansions: $2,000,000 Other Funds (Capital Projects Fund) is approved to install electric vehicle (EV) charging stations and perform surface replacement and upgrades in multiple state-owned parking lots.

Executive Building Interior and Seismic Renovation: $45,000,000 Other Funds (Article XI-Q Bonds) is approved to renovate the Executive Building, including seismic updates and upgrades of the exterior envelope and the building systems including electrical, mechanical, plumbing, and fire sprinkler systems.

North Valley Complex Infrastructure Upgrades/Tenant Improvements: $60,000,000 Other Funds (Article XI-Q Bonds) is approved to renovate the North Valley Complex in Wilsonville and make tenant improvements and related site improvements to ready the building for use by multiple agencies.

Yellow Parking Lot Paving: $4,000,000 Other Funds (Article XI-Q Bonds) is approved to pave the existing gravel Yellow Parking Lot in the Capitol Mall area and make necessary site improvements related to storm water, landscaping and other site improvements. The project also includes a public electric vehicle charging component.

Oregon Military Department

Ashland Armory Service Life Extension: $5,373,235 Other Funds (Article XI-Q Bonds) is approved for design and construction of additions and alterations to the Ashland Armory, including seismic upgrades. The improvements will bring the facility into conformance with current building code and will include replacing mechanical, electrical and plumbing systems as well as remodeling existing classrooms, administrative space, latrines, showers, equipment storage areas, kitchen, and assembly hall areas. In addition, the project will include emergency enhancements and replacement of failed paving areas and replacement of existing site lighting, landscaping and fencing.

Corvallis Armory Service Life Extension: $4,317,605 Other Funds (Article XI-Q Bonds) is approved for design and construction of additions and alterations to the Corvallis Armory, including seismic upgrades. The improvements will bring the facility into conformance with current building code and will include replacing mechanical, electrical and plumbing systems as well as remodeling existing classrooms, administrative space, latrines, showers, equipment storage areas, kitchen, and assembly hall areas. In addition, the project will include emergency enhancements and replacement of failed paving areas and replacement of existing site lighting, landscaping and fencing.

Camp Umatilla Barracks Facilities: $8,000,000 Federal Funds (National Guard Bureau) is approved to design and construct a National Guard transient training barracks for advanced skills trainees conducting training at Camp Umatilla's Regional Training Institute. The project includes construction of a barracks and associated utility services, information systems, fire detection and alarm systems, fixtures, furnishings and equipment, hazardous waste remediation and disposal, roads, walks, curbs, gutters, storm drainage, parking areas, and site improvements. In addition, the project includes construction of a new transient training open bay enlisted barracks at Camp Umatilla. The barracks will provide billeting space for soldiers and will include building systems both within and outside of the primary facility's perimeter including latrine, showers, and laundry with minimal site development, parking, and landscaping.

Camp Umatilla Guard Shack: $1,100,000 Federal Funds (National Guard Bureau) is approved to construct a new controlled entry point, gate, and guardhouse at Camp Umatilla to improve operational readiness and comply with antiterrorism force protection requirements. The project will be permanent construction and include an improved entry point for commercial activities, a new gate, identification check station building (guard house), roadway improvements, truck inspection lane and barricade system.

Washington County Readiness Center: $5,300,000 Other Funds (Article XI-Q Bonds) and $22,700,000 Federal Funds (National Guard Bureau) is approved for construction of a new National Guard Readiness Center in Washington County for the training, administrative and logistical needs of the Oregon Army National Guard as a replacement for the Hillsboro Armory. The project includes construction as well as providing utility services, information systems, fire detection and alarm systems, hazardous materials abatement and disposal, roads, walks, curbs, gutters, storm drainage, parking areas, and site improvements.

Boardman Tactical Unmanned Aerial Vehicle Facility: $3,000,000 Federal Funds (National Guard Bureau) is approved as an increase to the 2019-21 capital construction expenditure limitation established for construction of a new tactical unmanned aerial vehicle facility at the Naval Bombing Range in Boardman. The additional funding will be used to construct an off-grid power system for the tactical unmanned aerial vehicle operations building at the Naval Weapons System Training Facility. The project will include use of photovoltaics with battery storage and diesel backup generator power and may include additional resiliency features such as bio-mass wood pellet heating system with propane backup. Federal funds capital construction limitation is increased from $12,000,000 to $15,000,000 to utilize federal funds provided for the off-grid power system.

Umatilla Wastewater Treatment Facility and Water Supply Line: $2,075,000 Federal Funds (National Guard Bureau) is approved as an increase to the 2019-21 capital construction expenditure limitation established in the 2019 session and increased at the September 2020 meeting of the Emergency Board for construction of a new wastewater treatment system and a new main water supply line for potable water at Camp Umatilla. Federal funds capital construction limitation is increased from $6,825,000 to $8,900,000 to accommodate cost increases to complete the project.

Camp Umatilla Regional Training Institute Re-Set: $4,200,000 Federal Funds (National Guard Bureau) is approved as an increase to the 2017-19 capital construction expenditure limitation established at the December 2018 meeting of the Emergency Board and increased at the September 2020 Emergency Board meeting for improvements to the Regional Training Institute at Camp Umatilla. Federal funds capital construction limitation is increased from $20,800,000 to $25,000,000 to utilize federal funds provided for the project.

The Subcommittee approved the extension of the project expiration date and expenditure limitation for the Youth Challenge Armory (Other Funds) to December 31, 2021 and for the Camp Umatilla Regional Training Institute (Other Funds) to December 31, 2022.

The Subcommittee also approved the proposal from the Oregon Military Department, as required by ORS 396.515 (4), for the sale of the Armory and Field Maintenance Shop in Lebanon.

<u>Oregon Youth Authority</u>

Camp Riverbend Dorm Renovation: $6,867,101 Other Funds (Article XI-Q Bonds) is approved for capital improvements to renovate and expand two living units and supporting spaces at the Camp Riverbend Youth Transitional Facility, including the Riverbend building and the Hilgard building.

Capital Improvements: $6,742,239 Other Funds (Article XI-Q Bonds) is approved for capital improvements to permanent structures and fixtures to address needs identified by the Facility Condition Assessment completed on OYA facilities.

MacLaren West Cottages Renovations: $8,000,000 Other Funds (Article XI-Q Bonds) is approved for capital improvements to renovate and remodel two living units on the west side of the campus at MacLaren Youth Correctional Facility.

Tillamook Dorm Renovation: $10,279,899 Other Funds (Article XI-Q Bonds) is approved for capital improvements to renovate and remodel two living units and supporting spaces at the Tillamook Youth Correctional Facility.

The Subcommittee approved the extension of the project expiration dates and expenditure limitations to September 30, 2021 for the following projects: Rogue Valley Facility Improvements (Other Funds); CCTV Cameras (Other Funds); Deferred Maintenance and Capital Improvements (Other Funds); and MacLaren Facility Improvements (Other Funds).

Department of Corrections

Capital Improvement and Renewal: $70,000,000 Other Funds (Article XI-Q Bonds) is approved for capital improvements at multiple facilities, including replacement or improvement of roofs, HVAC, hardscaping, plumbing, electrical systems, communication and security systems, and other building elements.

Off-Net Telephone Infrastructure: $3,508,206 Other Funds (Article XI-Q Bonds) is approved to design, purchase, and implement a centralized Voice over Internet Protocol (VoIP) communications system for use in multiple institutions to replace outdated legacy telephone systems.

Oregon State Police

Central Point Office Expansion: $33,961,269 Other Funds (Article XI-Q Bonds) is approved to remodel and expand the Central Point Office facility to add space for the forensic lab, evidence, medical examiner and patrol functions. In addition, the project includes modernizing the existing space and adding two auxiliary buildings.

Springfield Forensic Lab and Medical Examiner's Office: $61,982,733 Other Funds (Article XI-Q Bonds) is approved for the design and construction of a new forensic lab and medical examiner facility in Springfield.

Springfield Patrol Area Command Office: $14,261,687 Other Funds (Article XI-Q Bonds) is approved for the design and construction of a new command office facility in Springfield, including a warehouse for storage.

Department of Transportation

Meacham Maintenance Station: $12,000,000 Other Funds (fee revenue) is approved to construct a new Meacham Maintenance Station that will include heated and cold storage bays, a wash bay, and office space. The project also includes constructing a salt storage shed and an additional wash station, as well as drilling a new well.

South Coast Maintenance Station: $16,200,000 Other Funds (fee revenue) is approved to design and begin site development for a new South Coast Maintenance Station to accommodate the consolidation of three obsolete maintenance stations into one location in Coos County. The sites being consolidated include two owned facilities, the Coos Bay and Davis Slough maintenance stations, and one leased facility, the Coquille construction office.

Region 3-5 Headquarters HVAC Upgrades: $3,800,000 Other Funds (fee revenue) is approved to replace the HVAC systems and make other energy efficiency improvements in the region 3, region 4 and region 5 headquarters buildings and the region 4 Department of Motor Vehicles building.

The Subcommittee approved the extension of the project expiration date and expenditure limitation for the South Coast Maintenance Station (Other Funds) to June 30, 2023 and for the Meacham Maintenance Station (Other Funds) to June 30, 2024.

Department of Aviation

Siletz Bay State Airport Runway and Electrical Rehabilitation: $320,000 Other Funds (aircraft registration fees) and $3,069,187 Federal Funds (Federal Aviation Administration) is approved to conduct renovations at the Siletz Bay State Airport. This project includes rehabilitation of the runway and electrical system, which is needed to meet federal standards for safe operating conditions.

Department of Forestry

Santiam District Office Replacement: $2,500,000 Other Funds (insurance proceeds) is approved to design and construct a new Santiam District Office to replace the facility that was destroyed by wildfire in 2020.

Toledo Facility Replacement Phase II: $1,632,842 Other Funds (Article XI-Q Bonds) is approved to replace the Unit Office Facilities Compound located in Toledo and relocate it to a more centrally located area that will be outside of the mapped tsunami inundation zone.

Oregon Department of Fish and Wildlife

Capital Improvement and Renewal: $5,000,000 Other Funds (Article XI-Q Bonds) is approved for capital improvements to replace buildings and address deferred maintenance at various facilities.

Oregon Parks and Recreation Department

Capital Improvement and Renewal: $50,000,000 Other Funds (Article XI-Q Bonds) is approved to finance the capital costs of making improvements to facilities in multiple Oregon state parks. The project includes improvements or replacements to facilities and related infrastructure such as buildings, water systems, septic and sewer systems, electrical systems, restroom and shower facilities, as well as modernizing and expanding campgrounds.

Oregon Health Authority

Oregon State Hospital, Salem Well Water Treatment Facility: $4,492,750 Other Funds (Article XI-Q Bonds) is approved to construct a well water treatment facility and potable water storage tank to provide a backup water supply for the Oregon State Hospital in Salem to be used in the event of disruption or contamination of the city water supply.

Oregon State Hospital, Salem/Junction City Automated Dispensing Cabinets: $3,500,000 Other Funds (Article XI-Q Bonds) is approved to replace approximately 40 automated medication dispensing cabinets deployed throughout patient care areas on the Salem and Junction City campuses of the Oregon State Hospital. The project includes replacement of the computers in each cabinet.

Oregon Housing and Community Services

Local Innovation and Fast Track (LIFT) Housing and Permanent Supportive Housing: $410,000,000 Other Funds (Article XI-Q Bonds) is approved to acquire, construct, remodel, repair, equip or furnish real property in which the department will take an operational or ownership interest to provide affordable housing for Oregonians with low income and citizens in historically underserved communities and communities of color, as well as affordable housing that will be combined with tenancy supports and other services for low income citizens with high needs, including persons with disabilities and persons coming out of chronic homelessness.

Oregon Liquor Control Commission

Liquor Warehouse Conveyor System: $10,000,000 Other Funds (Article XI-Q Bonds) is approved to acquire and install a new conveyor system for use in the agency's new warehouse.

Liquor Warehouse Land and Building: $52,537,265 Other Funds (Article XI-Q Bonds) is approved for the purchase of land and the design and construction of a new warehouse and headquarters for agency operations.

Oregon Department of Education

Oregon School for the Deaf ADA Restrooms: $1,024,625 Other Funds (Article XI-Q Bonds) is approved to improve Americans with Disabilities Act (ADA) accessibility in restrooms throughout the Oregon School for the Deaf campus.

Oregon School for the Deaf Fire Alarm System Replacement: $3,091,923 Other Funds (Article XI-Q Bonds) is approved to replace the fire alarm system throughout the Oregon School for the Deaf campus.

Oregon School for the Deaf Windows Upgrade: $1,383,452 Other Funds (Article XI-Q Bonds) is approved to replace windows with energy efficient windows in facilities at the Oregon School for the Deaf.

Oregon Judicial Department

Supreme Court Building Renovation: $21,700,000 Other Funds (Article XI-Q Bonds) is approved to renovate the Oregon Supreme Court building, including seismic updates, energy efficiency improvements, and various systems and safety upgrades.

Higher Education Coordinating Commission (HECC)

HECC - Public Universities

The Subcommittee approved a $445,905,100 Other Funds Capital Construction six-year expenditure limitation for the Higher Education Coordinating Commission for distribution of general obligation bond proceeds to public universities. This amount corresponds to the total project amounts for 10 new university projects authorized in SB 5505. Projects are funded with proceeds from the issuance of Article XI-Q bonds, Article XI-G bonds, and Article XI-F(1) bonds and will be disbursed as grants or loans, as applicable, pursuant to grant contracts and loan agreements between HECC and each university. Project descriptions are included in SB 5505. The expenditure limitation expires June 30, 2027.

HECC - Community Colleges

The Subcommittee approved a $56,496,994 Other Funds Capital Construction six-year expenditure limitation for the Higher Education Coordinating Commission for distribution of Article XI-G general obligation bond proceeds to community colleges. This amount corresponds to the total project amounts for six new community college projects authorized in SB 5505 and two reauthorized projects for which expenditure limitation from prior biennia is being removed and reestablished in 2021-23. Projects are funded with proceeds from the issuance of Article XI-G bonds and will be disbursed as grants pursuant to grant agreements between HECC and each community college. Project descriptions are included in SB 5505. The expenditure limitation expires June 30, 2027.

Other Funds (Article XI-G bonds) capital construction expenditure limitation established in 2017-19 is also removed for the following projects: Mt. Hood Community College, Maywood Park Center ($8,000,000); Clatsop Community College, Maritime Science Building ($7,996,994); and Oregon Coast Community College, Workforce Education and Resiliency Center ($8,000,000). Article XI-G bonds authorized for the projects in prior biennia have not been issued and previously established limitation would expire June 30, 2023. Mt. Hood Community College did not request reauthorization of the Maywood Park Center project. Capital construction expenditure limitation is reestablished in SB 5506 for the Clatsop Community College and Oregon Coast Community College projects that are reauthorized for issuance in the 2021-23 biennium. In addition, the Subcommittee approved decreasing the 2017-19 and 2019-21 Other Funds (Article XI-G bonds) capital construction expenditure limitation for Blue Mountain Community College, Facility for Agricultural Resource Management Phase II project by $5,000,000 and $1,500,000, respectively, to align total expenditure limitation with bonding authorized for the project in the 2021-23 biennium.

Various Agencies
Jean Gabriel 971-900-7691

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS	FEDERAL FUNDS	TOTAL FUNDS	POS	FTE
COMMITTEE AUTHORIZATIONS							
EDUCATION PROGRAM AREA							
Higher Education Coordinating Commission							
All - Capital Improvement and Renewal	$ -	$ -	$ 80,000,000	$ -	$ 80,000,000	0	0.00
EOU - Inlow Hall Renovation Phase II	$ -	$ -	$ 18,265,100	$ -	$ 18,265,100	0	0.00
OIT - Residence Hall	$ -	$ -	$ 55,000,000	$ -	$ 55,000,000	0	0.00
OIT - OMIC R&D Center for Additive Manufacturing Innovation	$ -	$ -	$ 5,000,000	$ -	$ 5,000,000	0	0.00
OSU - Student Success Center	$ -	$ -	$ 13,800,000	$ -	$ 13,800,000	0	0.00
OSU - Cordley Hall Renovation Phase II	$ -	$ -	$ 86,000,000	$ -	$ 86,000,000	0	0.00
OSU - Reser Stadium West Grandstands	$ -	$ -	$ 40,000,000	$ -	$ 40,000,000	0	0.00
PSU - Gateway Center Reuse and Extension	$ -	$ -	$ 68,000,000	$ -	$ 68,000,000	0	0.00
UO - Heritage Building Renovation	$ -	$ -	$ 58,500,000	$ -	$ 58,500,000	0	0.00
WOU - Student Success Center	$ -	$ -	$ 21,340,000	$ -	$ 21,340,000	0	0.00
Chemeketa CC - Building 7 Remodel	$ -	$ -	$ 8,000,000	$ -	$ 8,000,000	0	0.00
Clatsop CC - Maritime Science Building (reauthorize)	$ -	$ -	$ 7,996,994	$ -	$ 7,996,994	0	0.00
Klamath CC - Childcare Resource Learning Center	$ -	$ -	$ 1,500,000	$ -	$ 1,500,000	0	0.00
Linn-Benton CC - Agricultural Center	$ -	$ -	$ 8,000,000	$ -	$ 8,000,000	0	0.00
Mt. Hood CC - Accessibility Upgrades, Dental Hygiene Lab & Def. Maint.	$ -	$ -	$ 8,000,000	$ -	$ 8,000,000	0	0.00
Oregon Coast CC - Workforce Education and Resiliency Center (reauthorize)	$ -	$ -	$ 8,000,000	$ -	$ 8,000,000	0	0.00
Rogue CC - Transportation Technology Center	$ -	$ -	$ 7,000,000	$ -	$ 7,000,000	0	0.00
Tillamook Bay CC - Classroom/Office Building & Renovations	$ -	$ -	$ 8,000,000	$ -	$ 8,000,000	0	0.00
Oregon Department of Education							
Oregon School for the Deaf ADA Restrooms	$ -	$ -	$ 1,024,625	$ -	$ 1,024,625	0	0.00
Oregon School for the Deaf Fire Alarm System Replacement	$ -	$ -	$ 3,091,923	$ -	$ 3,091,923	0	0.00
Oregon School for the Deaf Windows Upgrade	$ -	$ -	$ 1,383,452	$ -	$ 1,383,452	0	0.00

ADMINISTRATION PROGRAM AREA

Department of Administrative Services									
Deferred Maintenance	$ -	$ -	$ 15,500,000	$ -	$ 15,500,000	0	0.00		
Gender Neutral Facilities and Mothers' Rooms	$ -	$ -	$ 10,000,000	$ -	$ 10,000,000	0	0.00		
Capitol Mall Parking Structure Improvements	$ -	$ -	$ 2,750,000	$ -	$ 2,750,000	0	0.00		
Dome Building and Yaquina Hall Improvements	$ -	$ -	$ 1,500,000	$ -	$ 1,500,000	0	0.00		
Climate Adaptation and Net Zero Solutions	$ -	$ -	$ 2,000,000	$ -	$ 2,000,000	0	0.00		
Parking Lot Improvements and EV Charging Station Expansions	$ -	$ -	$ 2,000,000	$ -	$ 2,000,000	0	0.00		
Executive Building Interior and Seismic Renovation	$ -	$ -	$ 45,000,000	$ -	$ 45,000,000	0	0.00		
North Valley Complex Infrastructure Upgrades/Tenant Improvements	$ -	$ -	$ 60,000,000	$ -	$ 60,000,000	0	0.00		
Yellow Parking Lot Paving	$ -	$ -	$ 4,000,000	$ -	$ 4,000,000	0	0.00		
Oregon Liquor Control Commission									
Liquor Warehouse Conveyor System	$ -	$ -	$ 10,000,000	$ -	$ 10,000,000	0	0.00		
Liquor Warehouse Land and Building	$ -	$ -	$ 52,537,265	$ -	$ 52,537,265	0	0.00		

PUBLIC SAFETY PROGRAM AREA

Oregon Military Department									
Ashland Armory Service Life Extension	$ -	$ -	$ 5,373,235	$ -	$ 5,373,235	0	0.00		
Corvallis Armory Service Life Extension	$ -	$ -	$ 4,317,605	$ -	$ 4,317,605	0	0.00		
Camp Umatilla Barracks Facilities	$ -	$ -	$ -	$ 8,000,000	$ 8,000,000	0	0.00		
Camp Umatilla Guard Shack	$ -	$ -	$ -	$ 1,100,000	$ 1,100,000	0	0.00		
Washington County Readiness Center	$ -	$ -	$ 5,300,000	$ 22,700,000	$ 28,000,000	0	0.00		
Oregon Youth Authority									
Camp Riverbend Dorm Renovation	$ -	$ -	$ 6,867,101	$ -	$ 6,867,101	0	0.00		
Capital Improvements	$ -	$ -	$ 6,742,239	$ -	$ 6,742,239	0	0.00		
MacLaren West Cottages Renovations	$ -	$ -	$ 8,000,000	$ -	$ 8,000,000	0	0.00		
Tillamook Dorm Renovation	$ -	$ -	$ 10,279,899	$ -	$ 10,279,899	0	0.00		
Department of Corrections									
Capital Improvement and Renewal	$ -	$ -	$ 70,000,000	$ -	$ 70,000,000	0	0.00		
Off-Net Telephone Infrastructure	$ -	$ -	$ 3,508,206	$ -	$ 3,508,206	0	0.00		
Oregon State Police									
Central Point Office Expansion	$ -	$ -	$ 33,961,269	$ -	$ 33,961,269	0	0.00		
Springfield Forensic Lab and Medical Examiner's Office	$ -	$ -	$ 61,982,733	$ -	$ 61,982,733	0	0.00		
Springfield Patrol Area Command Office	$ -	$ -	$ 14,261,687	$ -	$ 14,261,687	0	0.00		

TRANSPORTATION PROGRAM AREA									
Department of Transportation									
Meacham Maintenance Station	$ -	$ -	$ 12,000,000	$ -	$ 12,000,000	0	0.00		
South Coast Maintenance Station	$ -	$ -	$ 16,200,000	$ -	$ 16,200,000	0	0.00		
Region 3-5 Headquarters HVAC Upgrades	$ -	$ -	$ 3,800,000	$ -	$ 3,800,000	0	0.00		
Department of Aviation									
Siletz Bay State Airport Runway and Electrical Rehabilitation	$ -	$ -	$ 320,000	$ 3,069,187	$ 3,389,187	0	0.00		
NATURAL RESOURCES PROGRAM AREA									
Department of Forestry									
Santiam District Office Replacement	$ -	$ -	$ 2,500,000	$ -	$ 2,500,000	0	0.00		
Toledo Facility Replacement Phase II	$ -	$ -	$ 1,632,842	$ -	$ 1,632,842	0	0.00		
Oregon Department of Fish and Wildlife									
Capital Improvement and Renewal	$ -	$ -	$ 5,000,000	$ -	$ 5,000,000	0	0.00		
Oregon Parks and Recreation Department									
Capital Improvement and Renewal	$ -	$ -	$ 50,000,000	$ -	$ 50,000,000	0	0.00		
HUMAN SERVICES PROGRAM AREA									
Oregon Health Authority									
Oregon State Hospital, Salem Well Water Treatment Facility	$ -	$ -	$ 4,492,750	$ -	$ 4,492,750	0	0.00		
OSH Salem/Junction City Automated Dispensing Cabinets	$ -	$ -	$ 3,500,000	$ -	$ 3,500,000	0	0.00		
ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA									
Oregon Housing and Community Services									
LIFT Housing and Permanent Supportive Housing	$ -	$ -	$ 410,000,000	$ -	$ 410,000,000	0	0.00		
JUDICIAL PROGRAM AREA									
Oregon Judicial Department									
Supreme Court Building Renovation	$ -	$ -	$ 21,700,000	$ -	$ 21,700,000	0	0.00		
TOTAL	$ -	$ -	$ 1,474,928,925	$ 34,869,187	$ 1,509,798,112	0	0.00		

2019-21 Supplemental Expenditure Limitation Adjustments

Oregon Military Department							
Boardman Tactical Unmanned Aerial Vehicle Facility	$ -	$ -	$ -	$ 3,000,000	$ 3,000,000	0	0.00
Umatilla Wastewater Treatment Facility and Water Supply Line	$ -	$ -	$ -	$ 2,075,000	$ 2,075,000	0	0.00
Higher Education Coordinating Commission							
Blue Mtn CC - Facility for Agricultural Resource Management, Ph II	$ -	$ -	$ (1,500,000)	$ -	$ (1,500,000)	0	0.00

2017-19 Supplemental Expenditure Limitation Adjustments

Oregon Military Department							
Camp Umatilla Regional Training Institute Re-set	$ -	$ -	$ -	$ 4,200,000	$ 4,200,000	0	0.00
Higher Education Coordinating Commission							
Blue Mtn CC - Facility for Agricultural Resource Management, Ph II	$ -	$ -	$ (5,000,000)	$ -	$ (5,000,000)	0	0.00
Clastsop CC - Maritime Science Building	$ -	$ -	$ (7,996,994)	$ -	$ (7,996,994)	0	0.00
Mt. Hood CC - Maywood Park Center	$ -	$ -	$ (8,000,000)	$ -	$ (8,000,000)	0	0.00
Oregon Coast CC - Workforce Education and Resiliency Center	$ -	$ -	$ (8,000,000)	$ -	$ (8,000,000)	0	0.00

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HB 3000 C BUDGET REPORT and MEASURE SUMMARY **Carrier:** Rep. Morgan

Joint Committee On Ways and Means

Action Date:	06/16/21
Action:	Do pass with amendments to the B-Eng bill. (Printed C-Eng.)
House Vote	
Yeas:	11 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Smith G, Sollman, Stark
Senate Vote	
Yeas:	12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen
Prepared By:	Patrick Heath, Department of Administrative Services
Reviewed By:	Michelle Deister and Libby Chamberlain, Legislative Fiscal Office

Oregon Liquor Control Commission
2021-23

Oregon Health Authority
2021-23

Criminal Justice Commission
2021-23

Budget Summary*

	2019-21 Legislatively Approved Budget[1]	2021 - 23 Current Service Level	2021-23 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				$ Change	% Change
Oregon Liquor Control Commission					
Other Funds Limited	$ -	$ -	$ 399,007	$ 399,007	100.0%
Oregon Health Authority					
General Fund	$ -	$ -	$ 730,917	$ 730,917	100.0%
Criminal Justice Commission					
Other Funds Limited	$ -	$ -	$ 3,000,000	$ 3,000,000	100.0%
Total	$ -	$ -	$ 4,129,924	$ 4,129,924	100.0%

Position Summary

Oregon Liquor Control Commission				
Authorized Positions	0	0	1	1
Full-time Equivalent (FTE) positions	0	0	0.75	0.75
Oregon Health Authority				
Authorized Positions	0	0	3	3
Full-time Equivalent (FTE) positions	0.00	0.00	3.00	3.00

[1] Includes adjustments through January 2021

* Excludes Capital Construction expenditures

Summary of Revenue Changes

House Bill 3000 contains a General Fund appropriation of $730,917 for carrying out the purposes of the measure within the Oregon Health Authority (OHA). Other Funds revenues for the Oregon Liquor Control Commission (OLCC) and the Oregon Department of Agriculture (ODA) come from fee revenue on licensees deposited into the Marijuana Control and Regulation Fund and the Industrial Hemp Fund, respectively. HB 3000 permits ODA to charge a civil penalty of up to $10,000 for an industrial hemp crop exceeding the statutory percentage of allowable tetrahydrocannabinol (THC) on a dry weight basis.

Other Funds revenue for the Criminal Justice Commission (CJC) come from Marijuana Tax revenues. HB 3000 increases the current Marijuana Tax distributions to CJC by $375,000 per quarter from the effective date of the law until October 1, 2023. A corresponding reduction to Marijuana Tax transfers to the Drug Treatment and Recovery Services Fund (DTRSF) within OHA will also occur. For context, the Department of Administrative Services – Office of Economic Analysis estimates Marijuana Tax revenues to the DTRSF at $249.4 million in 2021-23.

Summary of Transportation and Economic Development Subcommittee Action

HB 3000 authorizes OLCC to regulate the processing, transport, sale, and purchase of artificially derived cannabinoids. The measure directs OLCC to consult with OHA and ODA to adopt rules establishing a maximum concentration for artificially derived cannabinoids allowed in a cannabinoid product and the maximum concentration of tetrahydrocannabinol, or artificially derived cannabinoid, permitted in an industrial hemp product.

Oregon Liquor Control Commission

The Subcommittee recommended $399,007 Other Funds expenditure limitation and one permanent full-time Administrative Specialist 2 (0.75 FTE) for OLCC to develop new rules around artificially derived cannabinoids, as well as labeling and testing requirements. OLCC will incur position-related costs of $207,398 for personal services, and services and supplies of $191,609, which include:

- Services and supplies costs related to the new position;
- $100,000 for overtime costs for site inspections of industrial hemp sites;
- $84,000, for OLCC's Cannabis Tracking System fees, in 2021-23; and
- Mapping-related development costs.

Oregon Health Authority

The Subcommittee recommended $730,917 General Fund and three positions (3.00 FTE) for OHA to implement the provisions of HB 3000, related to testing cannabinoid products and implementing methods and procedures for determining whether a cannabis plant is marijuana or hemp. This will require three new Compliance Specialist 3 positions (3.00 FTE), two of which will be permanent full-time and one of which will be limited duration, as well as $125,373 in personal services related services and supplies. The Compliance Specialist 3 positions will develop and optimize the measurement of new cannabinoids, provide technical assistance to laboratories, and coordinate interagency work.

Criminal Justice Commission

The Subcommittee recommended an increase in Other Funds expenditure limitation of $3,000,000 for CJC to increase funding for the Illegal Marijuana Market Enforcement Grant, which has been used to fund staff time for local law enforcement, as well as office and administrative equipment.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

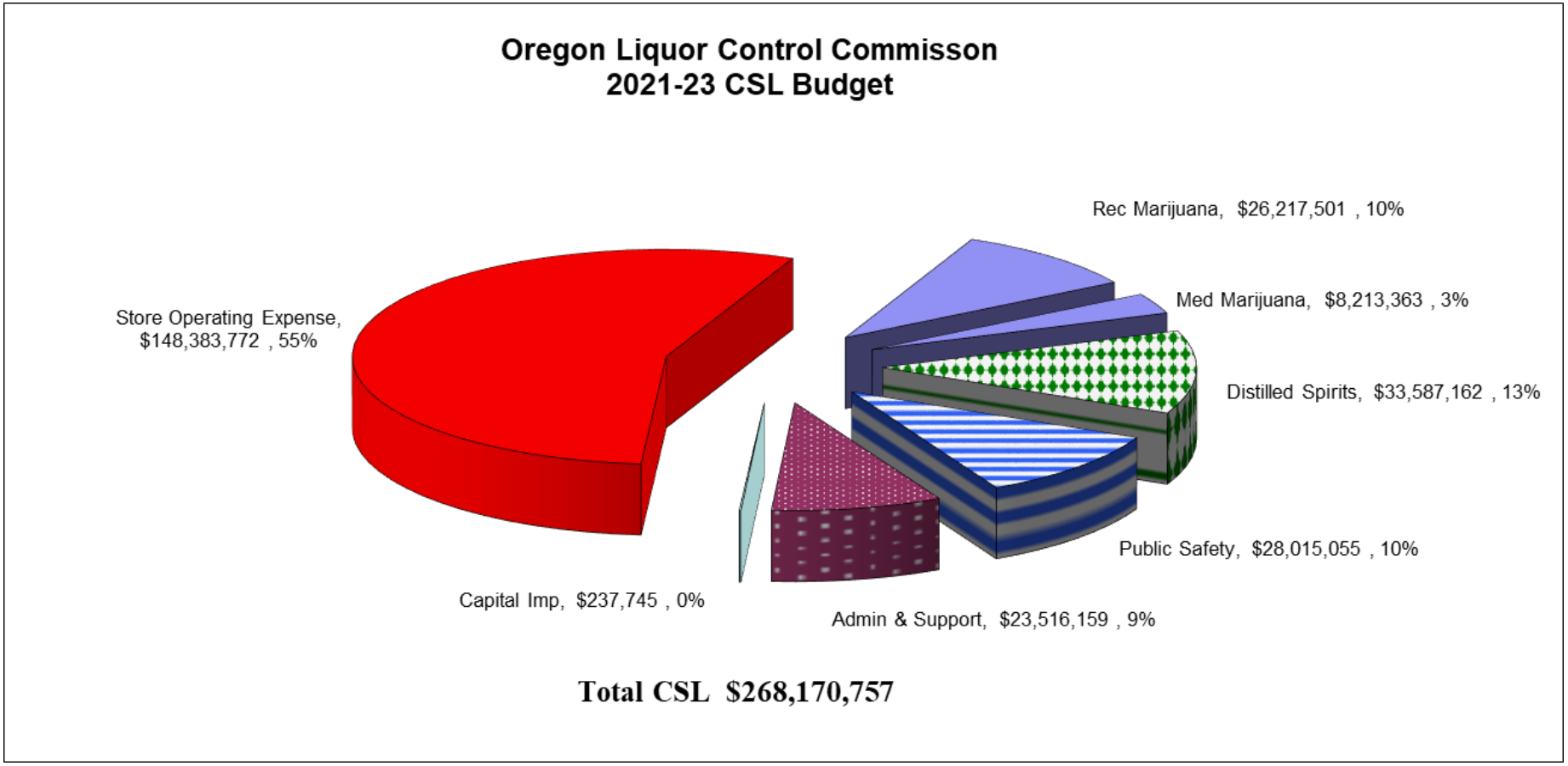
Oregon Liquor Control Commission, Oregon Health Authority, Criminal Justice Commission
Patrick Heath - 503-983-8670

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
Oregon Liquor Control Commission									
SCR 004 Recreational Marijuana Program									
Personal Services	$ -	$ -	$ 207,398	$ -	$ -	$ -	$ 207,398	1	0.75
Services and Supplies	$ -	$ -	$ 191,609	$ -	$ -	$ -	$ 191,609		
Oregon Health Authority									
SCR 030-050 Public Health									
Personal Services	$ 605,544	$ -	$ -	$ -	$ -	$ -	$ 605,544	3	3.00
Services and Supplies	$ 125,373	$ -	$ -	$ -	$ -	$ -	$ 125,373		
Criminal Justice Commission									
SCR 001 Sentencing, Policy and Research									
Special Payments	$ -	$ -	$ 3,000,000	$ -	$ -	$ -	$ 3,000,000		
TOTAL ADJUSTMENTS	$ 730,917	$ -	$ 3,399,007	$ -	$ -	$ -	$ 4,129,924	4	3.75
SUBCOMMITTEE RECOMMENDATION	$ 730,917	$ -	$ 3,399,007	$ -	$ -	$ -	$ 4,129,924	4	3.75

BUDGET NARRATIVE

OREGON LIQUOR & CANNABIS COMMISSION
AGENCY SUMMARY
2021-23 BUDGET

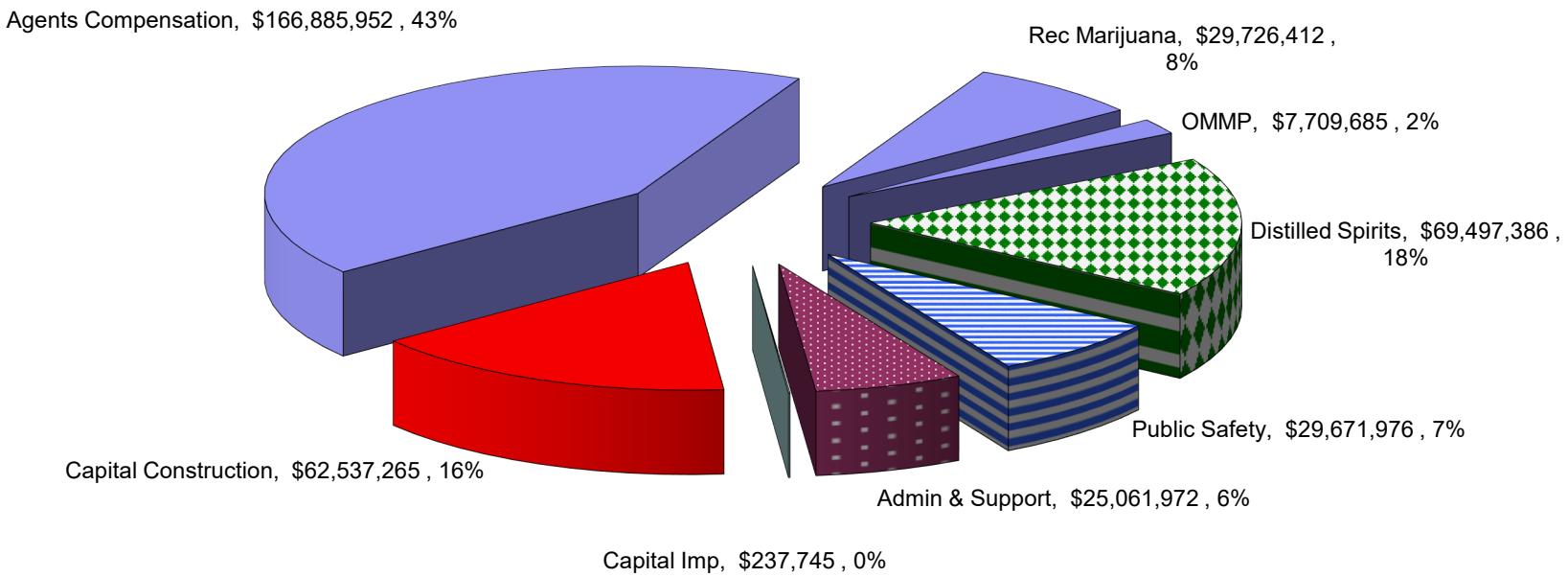
A. BUDGET SUMMARY GRAPHICS



BUDGET NARRATIVE

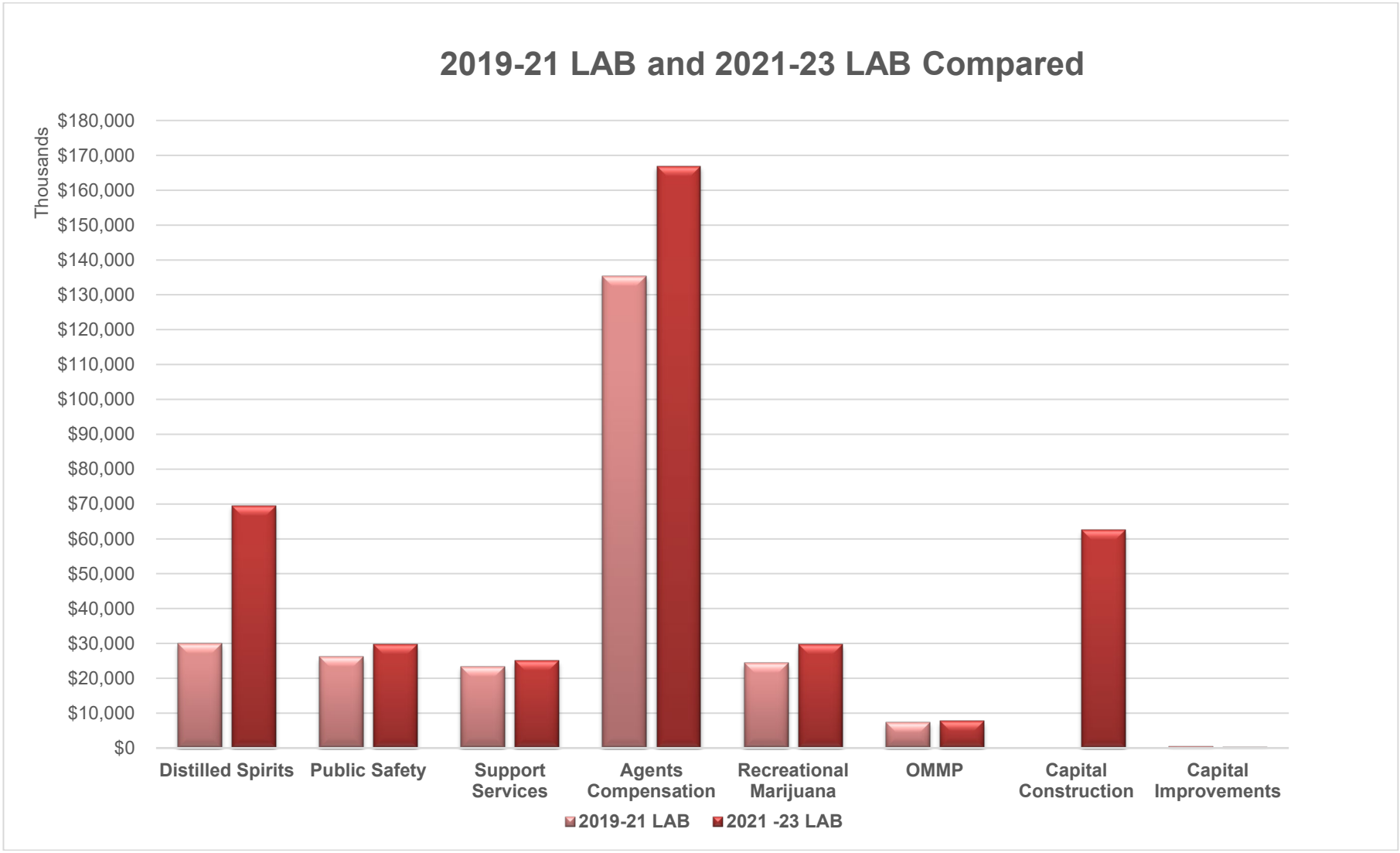
BUDGET SUMMARY GRAPHICS Continued:

Oregon Liquor & Cannabis Commisson
2021-23 Legislatively Adopted Budget



Total LAB $ 391,328,393

BUDGET SUMMARY GRAPHICS Continued:



B. MISSION STATEMENT AND STATUTORY AUTHORITY

The mission of the Oregon Liquor & Cannabis Commission (OLCC) is to support businesses, public safety, and community livability through education and the enforcement of liquor and marijuana laws. This mission and its values took on heightened importance as the agency worked to support communities and licensees struggling in a COVID-19 environment; in the agency's response with the Oregon Health Authority to the EVALI lung injury crisis; in leveling the highest fine in OLCC history against a marijuana operator; in approving Oregon's largest marijuana business acquisition; in prioritizing the reduction of the marijuana licensing backlogs; and in work with Oregon Solutions to bring Oregon's wine industry towards a common agenda. Ever since the agency was charged with regulating marijuana, the OLCC has developed a reputation for innovation in serving our stakeholders and citizens though adaptation to changing circumstances and growth.

Under this mission, the commission continually seeks new ways of doing business, and this requires new rules and significant education for employees and stakeholders. Key issues range from providing consumer protection for alcohol and marijuana, developing bottle redemption guidelines, supporting digital marketplaces that serve OLCC customers with convenience and safety and focusing on modernization to stabilize revenue generation into the future. In applying this mission, the Commission is ever mindful of its responsibility to manage the alcoholic beverage and marijuana control systems and bottle bill responsibilities intelligently: ensuring that any growth or changes are socially responsible, mindful of diversity and equity values, responsive to citizens' needs, and encouraging the success of Oregon licensee businesses while meeting the agencies own business development goals for the citizens of Oregon in the generation of revenue to support public services. Fundamentally important, this mission fully embraces the Commission's critical public safety obligations to control the sale and service of alcohol and marijuana—to ensure Oregon's youth under age 21 are not being sold products OLCC regulates—and to prevent the diversion of marijuana by licensees of the state.

The OLCC administers Oregon's Liquor Control Act and Cannabis Regulation. The agency's alcohol and marijuana authority is derived from Oregon Revised Statutes Chapters 471, Alcoholic Liquor Generally; 473, Wine, Cider and Malt Beverage Privilege Tax; 474, Trade Practices Related to Malt Beverages; 459A.700 to 740, Beverages Containers, the Bottle Bill; 475B Cannabis Regulation, and Administrative Rules Chapter 845.

BUDGET NARRATIVE

During the 2019 Regular Session the Legislature passed several bills that impacts agency operations including:

Alcohol Policy Legislation

- SB 246 – Eliminate $2.60 license fee
- SB 248 – Doubles annual alcohol license fees
- SB 287 – Standards for small farm breweries
- SB 112 – Who owes tonnage tax clarified
- SB 829 – Wine label requirements
- SB 914 – Requires appellation of origin on wine labels
- HJM 8 – Encourages stringent federal laws on wine labeling
- HB 2509 – Prohibits single use checkout bags
- HB 2334 – Reduces Service Permit violation to misdemeanor.
- HB 3239 – Removes limits on how many on premises licenses a distillery can hold
- HB 3113 – Increases winery licensee premises allowed

Recreational, Medical Marijuana, and Hemp Legislation

- SB 218 – Authorizing production license refusal
- SB 365 – Prohibits local government from imposing marijuana systems development charge
- SB 420 – Procedures for setting aside marijuana conviction
- HB 3067 – Requires annual certification of eligible for distribution of marijuana monies
- SB 582 – Authorizes Governor to enter into inter-state regulatory agreements for marijuana export
- HB 2098 – Policy and technical fixes for marijuana statutes
- HB 3200 – Requires consent of owner for marijuana production

Bottle Bill Policy Legislation

- SB 93 – Bottle Bill omnibus legislation
- SB 247 – Fee for Redemption Centers
- SB 522 – Prohibits return of beverage containers not sold in Oregon
- SB 590 – Defines space for storage
- SB 914 – Registration of distributors and importers

Budget and Tax Distribution Legislation

- SB 72 – Travel awards tracking and reporting
- SB 1049 – Creates new provisions for retirement plans
- SB 5519– OLCC Budget
- HB 5050 – Appropriations Bill

C. AGENCY STRATEGIC BUSINESS PLANS

The agency's long-term strategies focus on the state's long-term vision and outcomes, specifically: A Thriving Oregon Economy; Excellence in State Government; and Safer, Healthier Communities. The agency utilizes the governing principles of supporting economic development, public safety, accountability, transparency, customer service, diversity and stewardship of state resources to guide agency operations and services that will enhance its long-term strategic directions for the public services it provides. The following discussion outlines strategic considerations utilized by the agency in its continuing efforts to evolve its core business capacity for the distribution of distilled spirits, its alcohol and marijuana licensing and enforcement programs and for its responsibilities for the Bottle Bill container redemption and facility siting.

Key initiatives include:

- Tackling pressing capacity limitations on spirits distribution to capture $1.5 billion in revenue over 10 years
- Supporting on-premises bar and restaurant profitability and recovery
- Modernizing agency and program IT to improve the efficiency of all services
- Increasing public safety compliance oversight through data driven and educational field enforcement presence
- Creating a seamless, streamlined organization that has a high level of acumen in policy development, data analysis, communication, and education as a basis for effective management and control
- Evolving Oregon's recreational marijuana program with timely processes for licensing with a commitment to developing strong consumer protection capabilities surrounding additives and product testing
- Assuming a lead role in the coordination of cannabis regulation for medical marijuana and hemp
- Providing support for the Oregon Bottle Bill and facilitate industry partner work to expanded redemption opportunities through bottle drop and bottle drop express locations
- Preparing for the future by modernizing commerce for alcohol beverages

BUDGET NARRATIVE

Agency Overview

Core Functions

- Generates revenue through its Distilled Spirits business through the purchasing, warehousing, and distribution of bottled distilled spirits to OLCC-appointed retail agents
- Collects and oversees the state privilege tax on malt, wine and cider alcoholic beverages
- Licenses and regulates alcohol and marijuana businesses and temporary events
- Issues alcohol server permits and marijuana worker permits
- Assesses sanctions and fines for violations of marijuana and alcohol laws and rules
- Administers Bottle Bill redemption requirements and approves redemption centers
- Tracks medical marijuana production and transfers to patients and inspects OHA medical growers who grow for more than two cardholders and OHA medical processors and dispensaries
- Manages the transfer of hemp into the OLCC system and tracks hemp products processed and sold through OLCC licensees
- Licenses and enforces standards for a private network of marijuana testing laboratories

Predictable and Stable Revenue Generation: Third largest generator of public funds

- 2021-23 estimates $607 million in liquor revenue distributed to general fund, cities, counties and health programs
- 2021-23 estimates $338 million in marijuana tax revenue distributed to schools, cities, counties and health programs (Office of Economic Analysis)

Funding Sources-

- OLCC marijuana program and hemp tracking is funded by marijuana and hemp license fees and dedicated to program administration.
- OLCC tracking of OHA medical marijuana program is funded by OHA fees and marijuana tax proceeds.
- OLCC alcohol program is funded by license fees, sales of distilled spirits, and beer and wine tax revenue.
- OLCC warehouse construction, conveyor systems, and IT management systems will be funded by the sale of XI-Q bonds.

The following discussion outlines the challenges the agency faces in its efforts to build an infrastructure to match the agency as it is today.

Challenge: Agency Characterized by 6 Years of Growth and Change

COVID-19 Response

- ***New*** Remote work implemented for approximately 225 employees (87% of non-warehouse workforce), social distancing implemented for warehouse
- ***New*** Realignment of enforcement duties to assist in licensing backlog
- ***New*** Virtual board meetings and rulemaking
- ***New*** Streamlined licensing processes
- ***New*** Temporary rules designed to protect public health and support modified business operations by alcohol and marijuana licensees
- ***New*** Coordination with bottle redemption services and retailers on health challenges associated with beverage container recycling
- ***New*** Alcohol license fee due date extension
- ***New*** Forgiveness of alcohol licensing and privilege tax late fees
- ***New*** Communication infrastructure
- ***New*** Policy coordination to provide unified policy, data analytics, communication and education as an agency and industry wide and consumer service.

Warehouse Expansion and IT

- ***New*** Facility study shows near term inadequacy of aging warehouse infrastructure to meet expected spirits demand driven by population growth and ratio of one store per 15,000 people. Over the next ten years the lack of warehouse capacity threatens the commission's ability to realize an additional $1.5 billion in revenue.
- ***New*** IT modernization is underway with contracting in place to create a new system for reporting and a tax collection system to facilitate payment of malt, wine cider privilege taxes.
- ***New*** Project management and quality control is in place for oversight of the development of IT infrastructure to manage the entire distilled spirits supply chain including order placement, product delivery from the manufacturer, warehouse space utilization, shipping and transportation services to retail liquor store delivery, and the creation of ordering and sales reports.
- ***New.*** Project management and quality control is in place for oversight of the development of critical marijuana and alcohol licensing and compliance systems.

Note: *The loss of warehouse technology functionality and subsequent disruption in shipping is estimated to result in $3.1 million in daily revenue losses.*

BUDGET NARRATIVE

Staff and Leadership Changes

- 230 positions prior to legalization of recreational marijuana; in 2019-21 reaches 364 positions in the Legislatively Adopted Budget.
- Approximately 240 employees or 66% have been with the agency or in their position for less than five years; ongoing recruiting, onboarding and continual training on new regulations and rules are required
- ***New*** Retirement eligible managers and leadership threaded throughout the agency
- ***New*** Organizational structure aligned for leadership and policy development in a changing environment

Implementing 2015, 2016, 2017, 2018, and 2019 Statutory Changes

- ***New*** license privileges
- ***New*** Rulemaking (draft, rules advisory committee, board approval)
- Online Marijuana License system, Online Worker Permit System, Cannabis Tracking System, Alcohol Permit System
- ***New*** Electronic Privilege Tax System
- ***New*** Process and procedure development
- ***New*** OLCC tracking of OHA medical marijuana dispensaries, processors and grow sites with more than two patients

Marijuana license and enforcement activity exceeds estimates

- Initial estimate 1,200 applications; have received total of 5,789
- Initial estimate 800 licensees; now 2,267
- 1,1,41 applications for new licenses assigned or pending assignment for review; 132 further applications waiting for local LUCS approval
- Initial estimate 4,000 marijuana worker permits; now 56,657
- Applicant and licensee training and education
- 5.2 million visits to marijuana website; 19,651 subscribers to GovDelivery marijuana information topics

Retail Alcohol Expansion

- Marketing and outreach completed in five regions
- 42 retail stores appointed, 36 opened and 6 withdrawn; new stores generated $136 million in sales
- 93 retail distillery tasting rooms open as of June 1, 2020. Biennium; volume of cases distributed in 2019-21 are expected to increase by 3.5% per year.

BUDGET NARRATIVE

Strategic Approach to Challenges

Creating a culture of change

The leadership of OLCC continues to work on updating the agency's strategies for the future. The commissioners, executive director and division directors are in key positions to introduce fresh approaches to the work of the agency. There is both excitement and stress present within the agency as a dedicated, knowledgeable and seasoned staff work to enable new ideas and new ways of working. This approach has served the agency well as it continues to pivot rules and processes to support economically distressed licensees and to maximize productivity while working remotely.

The OLCC has a culture that prides itself on its service, expertise, transparency, and integrity. It is both the producer of public services and a provider of public safety and that integrated responsibility is reflected across the breadth of the organization. Integration of these dual responsibilities remains one of the most vital elements of an OLCC plan for the future and remains a touchstone as it evaluates responses to a changing environment.

Supporting distressed businesses

The OLCC makes a positive contribution to Oregon's economic development and community livability by realigning rules and regulations to support business growth and protect public safety. OLCC's diverse licensee base provides significant economic contributions to vibrant communities throughout Oregon. The OLCC's liquor agents and licensees sell and produce revenue from within the community; likewise, Oregon's manufacturing industry and servers throughout the state earn their livings and income when local businesses thrive. OLCC's management of liquor sales and beer and wine privilege taxes produces the third largest source of revenue for the State of Oregon, and licensee enabled tax revenue from marijuana is now the fourth largest stream of state revenue. The vast majority of this revenue stream is directly and indirectly returned to services within communities through allocations to the general fund, cities, and county public safety and health programs. The OLCC's marijuana program is self-funded through license fees. OLCC licensees grow, process and sell usable marijuana and processed products in retail outlets throughout the state. Tax revenue from retail sales are expected to grow as this industry continues to mature. While the Oregon Department of Revenue collects and distributes marijuana taxes, the OLCC has a substantial role in auditing data and financial transactions through the agency's Cannabis Tracking System.

Supporting alcohol and marijuana businesses as they transition business models during a COVID-19 and post-COVID environment is critical to preserving jobs, tourism and revenue. Over the next year, on-premises alcohol business licensees will likely decline due to the hard financial hit these businesses are experiencing with stay at home limitations and new social distancing requirements. The OLCC will focus on its ability to increase the profitability of these businesses through its rules and regulations and on expediting licensing services for this specifically impacted sector of the economy that provides well-paying jobs and employment throughout Oregon. Serving alcohol and marijuana business with increased efficiency is a critical support to Oregon's economy.

Creating new means to advance public health and safety

The OLCC has duties to oversee the safe operations of its licensed alcohol and marijuana facilities and Bottle Bill redemption centers to ensure compliance. This is particularly important during the pandemic, as OLCC licensees are required to maintain social distancing, the public increases its demand for home delivery and stores grapple with redemption of redeemable containers. New to the agency is a focus on enforcing the Governor's executive orders which impact the many bars, restaurants, brew pubs and wineries that OLCC regulates. Working with OSHA and OHA to enforce seating capacity, distance between patrons and mask requirements enhances OLCC's role in preserving public health. Options for home delivery—while temporary—may become permanent as it becomes a consumer preferred method of shopping.

Fundamental to the work of the agency is to prevent sales to minors. The Commission is not satisfied by the rate of non-sales to minors. In the past decade, the ratio of alcohol inspectors to licensees has increased, subsequently, the likelihood of an inspection or a minor decoy operation is reduced as the program becomes mostly complaint driven. To close the gap and eliminate sales to minors, the OLCC intends to pursue four primary strategies: 1) Increase the number of decoy operations; 2) Expand upon the agencies general prevention communication strategy by providing increased community-level communications when non-sales to minors are faltering or not improving so community and licensee-based awareness is heightened; 3) Increase licensee education; and 4) Monitor the implementation of heightened fines for violations.

Another central focus of the OLCC is to reduce the incidents in alcohol and marijuana sales to visibly intoxicated persons. This fundamental interest of the OLCC is primarily pursued through the general structure of rules, training and enforcement. The agency utilizes a primary strategy of training licensees, alcohol server permittees and marijuana worker permit holders, to reduce the incidents of sales and service to visibly intoxicated people. This focus needs to expand to include those responsible for delivery to the door.

Today there are legal and illegal home delivery of alcohol concerns given the unregulated nature of the internet. As well, digital marketing and home delivery of internet sales is becoming prevalent. National carriers and same day or immediate fulfillment home delivery is only effectively regulated when a licensee of OLCC is doing the delivery. Cyber sales monitoring, training and

accountability methods for ensuring ID checks at the door are all necessary to enforce state values about the sale of alcohol on the doorstep. The OLCC has concerns, based on experiences in other states and globally, that home delivery systems can lead to sales to minors. With given resources, OLCC does not have effective oversight of home sales transactions. However, the legal market and licensees are anxious to join with the rest of retail and compete for sales delivered to the home like so many other consumer products. The state interest is broader than public safety enforcement in this area as the state (OLCC) operates a distilled spirits distribution system and oversees the contracting of private businesses or agent stores to make sales. In the alcoholic beverage world, spirit sales will likely lose market share to malt, wine and cider. Home delivery regulation and effective increased oversight remain important emerging issues and new means to provide oversight and allowances for home delivery is a priority for the industry and commission.

Opening new lines of communications with stakeholders

The OLCC sees improved communication strategies as a fundamental need to support its duties to keep the public safe, licensees in compliance, and the business of OLCC productive. The pandemic has shifted the agency's focus to technology based solutions. Virtual board meetings, virtual RACS and rule hearings, You Tube videos, electronic bulletins, agency intranet, Microsoft 365 Teams meetings, Go To Meetings, electronic surveys, virtual inspections, and a redesigned web has allowed OLCC staff to communicate internally, interact and receive input from stakeholders and process its work in new ways. The OLCC sees a future in which it will affirmatively support Oregon's development through active policies and communication with the greater alcoholic beverage and marijuana industry and its stakeholders across the state. Over the next biennium the OLCC will work to enhance and refine its internal communication channels to integrate, train and onboard new employees and those new to their positions. External communications will be of particular importance, as new procedures and rules are adopted to respond to the pandemic. This begins with establishing the means to communicate with licensees, permittees and agents on a regular basis. OLCC responsibilities cover the entire state, and combined operations of the agency cover 19 to 20 hours on most days. This broad community responsibility should be matched by strong community-level communications. OLCC's strategies for the future include bolstering responsiveness and capability to electronically engage local licensees, communities and employees at the policy, process and operational levels.

Agency Process Improvement Efforts

Process improvements have been a high priority for OLCC for several biennia, including streamlining and the development of plans for technological and automation improvements for the Public Safety Services Program and Distilled Spirits Programs. In response to the pandemic, the agency has focused on consolidating and eliminating processes and procedures that duplicated efforts and created "log jams" in the renewal and licensing process, particularly for marijuana. New temporary rules for the alcohol program have required quick development of procedures that eased the approval process for struggling licensees. Together, these changes will aid in

economic recovery for licensees, supporting them as they sell their businesses, bring in new investors and change their physical footprints and business models. The focus on system improvement has been particularly prevalent as the agency worked to integrate the Marijuana Program responsibilities throughout the organization. Rather than creating a completely separate stand-alone program with redundant services, the agency integrated central office support for marijuana throughout the organization. A proportional share of management services and staff are allocated to marijuana and paid through marijuana funds, and with the addition of OMMP tracking responsibilities, a proportional share will be paid through marijuana tax funds. Integrating these services creates efficiencies, as systems, such as finance and purchasing, are already in place. Agency leadership, including managers of key divisions, have responsibility for managing both alcohol and marijuana staff. This creates efficiencies and consistency throughout the agency. The integration, while positive, continues to create stresses as new needs are identified, departments are rearranged, desks are moved and job responsibilities are realigned. Agency reorganization implemented in the 2019-21 biennium allowed the agency to adapt and consolidate the generation of policy choices and decision making, resulting in efficient and effective responses to a rapidly changing environment. The changes, focus on policy coordination, interdepartmental project teams and agency improvement efforts which have served the agency well in the pandemic. Energized staff have resulted in a high degree of problem solving efforts to meet the challenges of licensees and communities throughout Oregon.

The extraordinary heavy lift to improve processes in 2019-21 will continue over the next two years as the agency adapts to remote work. Technology will continue to be a key driver for productivity. The agency has eight legacy and stand-alone information technology systems slated for replacement, three online systems, and is in process of developing additional electronic systems to replace manual processes. Data for the legacy systems has to be input manually, and information has to be extracted manually. Moving forward, key issues are the replacement of aging agency core technology systems, contract and vendor management, connection of disparate agency IT programs, business process change management, addressing data storage capacity issues and disaster recovery. The ability to coordinate IT projects and strategically move forward, particularly for an emerging organization with multiple needs, is very different from more static organizations with limited change. At the same time the agency is rapidly outgrowing the capacity of its central warehouse to accommodate growth from increased sales at existing retail outlets. Addressing this issue is critical to implementation of the agency's plans to increase the number of stores which will increase revenue and meet the demands of population growth. To be successful the agency is proposing a budget strategy that works within the timelines of legislative approval and regulatory oversight, and at the same time, allows the agency to build warehouse capacity and develop the technology in a timely manner. All of these activities represent a major retooling of the agency to achieve long-term goals for high performance service delivery to support commerce and revenues generated for the state over the next ten years.

Agency Two Year Plan

Build agency infrastructure to match how the agency works today

Information Technology Systems

- Invest in technology to protect core agency functions of distilled spirits distribution, finance, licensing and cannabis tracking
  - Secure appropriate levels of staffing to ensure continuation of agency operations.
  - Provide near and long-term redundancy for disaster recovery.
  - Replace unsupported legacy software.
  - Replace unsupported hardware.
  - Select and manage technology solutions for new agency mandates.
  - Set aside limitation for investment in IT projects and hardware and release by E-board as project stage gate approvals are received.
- Redesign work processes to eliminate manual processes, reliance on excel spreadsheets, and duplicate data entry
  - Connect data from disparate systems.
  - Add administrative functionality to software.
  - Utilize data to inform business intelligence and decision making.
- License and vendor selection, evaluation, and oversight
  - License inventory and management.
  - Vendor contract selection, assessments and realignment.
  - Manage Stage Gate and contracting processes.
  - Support the efficiency gains through sustained telework and improved field services.

Capital Construction and Space Planning

- Identify options to accommodate growth in distribution, licensing, and enforcement, including space utilization and build/lease options.
- Develop and begin implementation of a capital investment plan to maximize operations and investments over the next decade.
- Sustain telework status to support speed and flexibility and to minimize disruption of employee productivity and job satisfaction associated with decisions related to office and warehouse relocation.

Administration

- Manage current and continued growth of the agency responsibilities through reclassification of existing personnel and selective hiring.
- Utilize telecommuting as a primary strategy to reduce space needs for personnel in the headquarters and regional offices.
- Adapt agency policies, procedures, and contracts to reflect telework environment.
- Utilize P.A.C.E. as the centralize coordinator of agency-wide policy development, implementation and communication.

Internal Communications

- Utilize technology to enhance productivity of remote work.
- Provide staff development and training to ensure consistency between divisions in charge of licensing, public safety and the OLCC sanction processes to provide for consistent practices and high levels of accurate technical support regardless of which field or regional office provides the service.
- Refine data and measures of progress on desired outcomes.
- Build agency intranet to improve employee productivity.

External Communications

- Increase outreach to licensees on law and rule changes.
- Provide statewide access to products on the internet and connected to local stores for in-store and home delivery sales.
- Prepare licensees, permittees, and retail agents for the challenges of successful compliance through the establishment of opportunities for engagement and trainings.
- Prioritize public access and transparency to information about OLCC licensing and enforcement activities and ensure robust information is available through the agency's web and social media presence.

Preserve and build state revenue

Design/build warehouse distribution center to accommodate growth and increase revenue

- Accommodate growth in sales volume for the next ten years and beyond.
- Expand retail footprint to match population growth.
- Preserve state's ability to distribute and sell unique products, including those produced by Oregon distillers and support near-term jobs in the planning and construction phase of the project to support economic recovery.
- Reduce impact on alcohol distribution formula by securing bonds for turn-key warehouse project including IT, conveyors, and construction.

- Sell existing warehouse to offset about 25% the cost of the warehouse/IT modernization project.

Financial Services

- Create efficiencies in tax collection, business support services and payment:
  - Implement online privilege tax system.
  - Increase data analysis and dissemination for making business decisions.
  - Match financial accountability policy with technology to increase audit and inventory efficiency.
- Support businesses and jobs throughout the economic recovery of distressed licensees due COVID-19.
  - Forgiveness of late payment fees.
  - Temporary suspension of liquor liability insurance.
  - Extended due dates for license renewal.
  - Privilege tax rebates on stale products.
  - Pre-payment of agent commissions.
  - Allow return of distilled liquor purchased for cancelled events.

Retail Services

- Increase data analysis and disbursement to improve liquor profitability and increase revenue.
- Replace consignment model of agent compensation with an enduring business compensation system.
- Establish a distinct and separate compensation formula for Oregon Distillery agents.
- Replace current legacy ordering systems to protect revenue.
- Enhance customer shopping experience.
- Plan for online ordering and home delivery.
- Continue expansion of retail footprint.

Distilled Spirits Program

- Implement critical product, space, and logistics strategies to match near-term consumer demand above warehouse capacity.
- Prioritize investments in current warehouse aging equipment to increase throughput to meet near-term forecast demand.
- Develop plans and execute a proven turnkey vendor model procurement to design and build a new warehouse and linked IT operations and data systems (occupancy of new warehouse, Spring 2024).
- Replace legacy warehouse IT systems.

Enhance livable communities through regulation, licensing, and enforcement/compliance

Regulation

- Adapt policies and rules to assist struggling licensees in the development of new economic markets.
- Adapt OLCC's role to implement OLCC responsibilities related to COVID-19.
- Collaborate with other state agencies and industry stakeholders to redefine rules to meet emerging business models.
- Adapt and innovate regulations to embrace digital commerce.
- Ensure the OLCC system services increases access to medical marijuana products for OMMP cardholders.
- Partner with Oregon Department of Agriculture to seamlessly regulate cannabis production (hemp and marijuana) and support ODA growth in ability to test cannabis to protect consumers and to hold private laboratory system accountable.
- Advance consumer protection and public health expertise to engage complex social and technical policy develop and regulation standards for both alcohol and marijuana as necessary.

Licensing

- Increase licensee outreach and education to increase rule understanding and compliance.
- Automate licensing systems and eliminate duplicate data entry.
- Refine the Cannabis Tracking System for all recreational marijuana licensees, OMMP and hemp tracking programs.
- Minimize alcohol and marijuana licensing application, permittee, and renewal backlog.

Enforcement/Compliance

- Secure appropriate staffing for the alcohol enforcement program to emphasize minor sales decoy programs and first call education.
- Analyze outcomes of prior investigations and penalties to implement a process of fair, quick and just sanctions including use of a "fix-it ticket" model for minor marijuana program violations (not for diversion or sales to minors).
- Ensure public health and safety via education and administrative enforcement actions.
- Cooperate with law enforcement agencies with the prosecution of illicit commercial marijuana offenses in Oregon.
- Operate a law enforcement only call center to answer questions, direct resources and provide real time investigation assistance.
- Refine OHA medical marijuana tracking through CTS and provide onsite and virtual inspections.
- Increase inspectors and proactive inspections of marijuana licenses including more data driven specific inspections targeting diversion.

Bottle Bill

- Continue collaboration with OBRC and Grocers on adaptation to COVID-19 requirements.
- Work with OBRC and Grocers to increase redemption options and improve store drops and collection sites.

OLCC Agency Programs

The Oregon Liquor & Cannabis Commission wholesales, distributes and contracts retail agents to sell all distilled spirits; contracts with Oregon Distillery licenses to sell their products in distillery tasting rooms; regulates all individuals and businesses that manufacture, wholesale, retail, import, export or serve alcoholic beverages to ensure compliance with state liquor laws; regulates all individuals or business that produce, process, wholesale, sell, research, or test marijuana; tracks OHA medical marijuana in the Cannabis Tracking System; tracks hemp in the Cannabis Tracking System; educates and trains liquor and marijuana licensees, alcohol server permittees and marijuana worker permittees, the public and other groups; investigates and takes compliance action when necessary against those who violate liquor and marijuana laws; provides due process in contested cases; and provides revenues for cities, counties and the state General Fund. The OLCC also has responsibilities for the Bottle Bill and approves redemption centers and ensures retailers meet their obligations for redemption of redeemable containers. It fulfills these functions in ways that encourage the development of Oregon industries.

A seven-member, citizen board of Commissioners administers the Liquor Control Act and Cannabis regulation. The OLCC carries out its mission through five operational program units: Distilled Spirits, Public Safety, Administration/Support Services, Marijuana, and OMMP Tracking. The Marijuana and OMMP Tracking Programs pay for employees in their respective programs and a proportional share of agency management and expenses. Additionally, the Store Operating Expenses Program fund contains dollars for the OLCC to pay independent, contracted liquor store agents for their services operating liquor stores. The Capital Improvement Program fund contains dollars to support the infrastructure of the Milwaukie office complex, including two warehouses and grounds owned by the OLCC. The OLCC's alcohol programs are funded through OLCC-generated revenue, such as from the sale of bottled distilled spirits, collection of privilege taxes on beer and wine, and from liquor license and permit fees and fines. The OLCC's Marijuana Program is funded through marijuana licensee and marijuana worker permit fees and fines. The OLCC's OMMP Tracking Program is funded through marijuana tax proceeds. The Bottle Bill program is partially funded through redemption center fees. In 2021-23, the agency will focus on adding capability and capacity, particularly building warehouse capacity, core technology and FTE, to support operations in both the alcohol and marijuana programs, including distilled spirits retail expansion; movement to online systems; effective use of agency facilities and IT infrastructure; enforcement and minor control goals; licensing efficiency; timely response to public records requests; and internal communications.

Distilled Spirits Program ***001***

The Distilled Spirits Program enables the socially responsible availability of distilled spirits in Oregon. It is a key contributor to state, city and county revenues and a vital part of Oregon's hospitality and tourism economy which supports the manufacturing and distribution networks for beer, wine, ciders and distilled spirits. Oregon's liquor system promotes public safety and livable communities, and maximizes revenue by making alcohol available in a managed, low overhead, environment. The program makes distilled spirits available for sale by the bottle through liquor stores run by independent, contracted business people (liquor agents), appointed by the liquor Commissioners in a competitive process that balances customer service, access and revenue generation. The program regulates legal and responsible sales through the liquor stores. In addition, distilled liquor is available for sale in distillery tasting room outlets. The Distilled Spirits Program comprises the Wholesale Operations' Distribution Center, the Purchasing Division and the Retail Services Division. The program centrally purchases, warehouses and distributes distilled spirits to Oregon's liquor stores. It oversees the liquor agents. Under this system, the OLCC can provide a varied and balanced inventory of distilled spirit brands to the public. Customers throughout the state have a world-class choice of distilled spirits available in their communities or within a reasonable distance from them at consistent prices. Through oversight of retail operations, the program ensures responsible sales in the liquor stores. Liquor agents and their customers, distillers and their representatives, and licensees purchasing spirits from liquor stores are key stakeholders of this program and serve as its partners.

Program focus for 2021-23:

- Develop and implement plans for construction of new warehouse and replacement of legacy IT systems.
- Acquire essential equipment to support daily distribution operations.
- Increase data analysis and dissemination to improve warehouse efficiency enhance space utilization.
- Target retail market expansion to support customers, revenue growth and stability.
- Increase engagement with Oregon Liquor Store Agents to enhance customer shopping experience.
- Modify agent and distillery compensation.

Public Safety Services Program ***002***

The Public Safety Services Program protects the public safety, supports livable communities and enables economic development through the administration and enforcement of liquor and marijuana laws. The program regulates the manufacture, distribution and sale of alcoholic beverages, the production, manufacture, wholesale, testing, research, retailing and tracking of marijuana, and more recently the tracking of a subset of OMMP medical marijuana and hemp entering the OLCC licensed marketplace. It builds partnerships with

local law enforcement, moderation groups and licensees. The program is comprised of three divisions: License Services Division, Public Safety Division and the Administrative Hearings Division.

The Public Safety Services Program works to license only qualified people and businesses to manufacture, distribute and sell alcohol and marijuana, and to ensure their compliance with liquor and marijuana laws. Program staff work extensively with licensees to help them understand and comply with the laws that govern them; training and educating them in processes and laws is OLCC's first strategy to gaining liquor and marijuana law compliance. Staff also works with neighborhood, civic and business groups, the general public, schools and local governments to educate them about liquor and marijuana laws and to gain their perspective on a variety of issues. This work escalated as the agency continued to work with bars and restaurants during the pandemic. Operational guidance is particularly important as each county reopens. OLCC's public safety goal is to stay true to its core principles – preventing sale and service to minors and preventing over service – while adhering to the Governor and OHA's public health guidance. Additionally, the program ensures that people who sell or serve alcohol or work in the marijuana industry take the mandatory education course to obtain their permits, and that the curriculum is effective, accurate and reflects current laws and policies. The hospitality industry (including restaurants, taverns and other businesses selling and serving alcohol at the retail level); beer and wine wholesalers and distributors; the alcoholic beverage industry; licensees of recreational marijuana; and OMMP registrants and hemp growers subject to tracking are customers of this program. Neighborhoods, communities, local law enforcement, moderation groups and local government also have interest in this program and serve as its partners.

Program focus for 2021-23:

- Work with internal and external stakeholders including local governing bodies and law enforcement to adapt rules and regulations to COVID-19 environment.
- Partner with divisions within OLCC, local governing bodies and law enforcement to ensure compliance with liquor laws, recreational marijuana laws and medical marijuana regulations to ensure public safety.
- Ensure public health and safety via administrative enforcement actions.
- Increase licensee outreach and education to increase rule understanding and compliance.
- Increase minor decoy operations with enhanced sanctions for both alcohol and Marijuana sales to minors.
- Streamline licensing and enforcement processes and procedures and eliminate licensing backlog.
- Increase accountability through consistent records management and better management controls to achieve coordination of field office activities and compliance outcomes.
- Replace manual systems and minimize duplicate data entry with automated processes.
- Refine process for sanctioning minor and major marijuana administrative violations.

Administration and Support Services Program 003

The Administration and Support Services Program (usually called the *Support Services Program* for ease) provides the infrastructure to fulfill the liquor commission policy direction, and for OLCC programs to provide services to its customers and stakeholders. The program provides a means to communicate and collaborate with external stakeholders. It provides the OLCC with an internal infrastructure to create and implement organizational structure; ensure accountability and stewardship; and provide the tools and supplies for an efficient and safe workplace. Functions include setting and implementing policy; providing public information; internal and external communications; hiring staff; providing fiscal accountability and recordkeeping; administering privilege tax collection; providing information technology services; stewardship of facilities; business continuity; internal auditing; staff training; labor relations; commodity purchasing; personal property control; building and equipment leasing; motor pool management; physical plant and building maintenance; mailroom services; and central supplies.

New to Administrative Services is the creation of P.A.C.E., a program consisting of expertise throughout the agency brought together into a centralized policy making body to serve the entire agency. This change enabled the agency to pivot quickly in response to COVID-19 and garner key multi-agency and industry input as it drafted temporary rules for commission approval, identified and implemented changes in internal processes and developed communications on changes to staff and external stakeholders. OLCC's internal users of these services are the program's customers. Additionally, external stakeholders are customers, including legislators, local governments, law enforcement, the alcohol and marijuana industries and the hospitality industry. The media is also a customer of this program. With the creation of P.A.C.E., administration and divisional customer services and enforcement effectiveness will be supported throughout the commission and OLCC will accelerate its modernization efforts for the management of its Distilled Spirits Program that is vital to state, county and city revenue growth.

Program focus for 2021-23:

- Invest in technology to protect core agency functions of distilled spirits distribution, finance, licensing and cannabis tracking.
- Initiate warehouse expansion project to protect and grow state revenue.
- Redesign work processes to eliminate manual processes, reliance on excel spreadsheets, and duplicate data entry.
- Utilize data to inform business intelligence, policy analysis, and decision making.
- Build agency intranet to improve employee productivity.
- Increase communication with all constituencies.
- Reinvigorate social responsibility educational programs for Marijuana and Alcohol licensees and contract liquor store customers.

Store Operating Expenses Program 005

The OLCC contracts with individual and private business people, to operate exclusive and nonexclusive liquor stores and distillery tasting rooms around the state to make distilled spirits available in a managed and socially responsible manner. These independent contractors (called *liquor agents*) receive funds from which they pay all store expenses, including rent, utilities, store fixtures, remodeling, moving and staffing expenses. From the net, they fund their own salary and any benefits or retirement savings. The Store Operating Expenses Program fund contains the dollars the OLCC distributes to liquor agents to operate the stores and a commission for sales in distillery tasting room outlets. In the 2019-21 biennium outreach efforts with liquor store agents resulted in a proposal to shift compensation to three part commission structure which reflects operating costs in different areas of the state. In addition, distillers have identified an alternative methodology to structure commissions for sales in distillery tasting rooms. The agent and distiller proposals are included in this budget request. Both the shopping public and business people with licenses to sell distilled spirits by the drink are customers of the liquor stores. The shopping public are customers of the distillery tasting rooms.

Program focus for 2021-23:

- Implement a new retail contracts classification and compensation business plan to stimulate an increased quality in retail business appointments, quality store improvements, improved business practices, and stable growth in revenue transferred to public program resulting from business incentives provided by restructure compensation.
- Provide annual training for agents and their staff to improve overall business practices and knowledge about liquor products, and
- Facilitate regular communications with the agents about liquor industry trends and data that can positively impact agent store operation.

Capital Budgeting 088 & 089

Through OLCC's Capital Improvements Program, the agency provides effective stewardship of OLCC-owned building and grounds. The OLCC owns—but is outgrowing—its Milwaukie office and warehouse complex, which includes the distribution center for all bottled distilled liquor. The distribution center comprises of two warehouse facilities that supply product for 282 operating stores, 36 of which have been opened since the beginning of retail expansion and generated a total of $136 million in sales. The fifth stage of expansion was completed on November 30, 2018 and those stores are beginning to exceed their initial sales volume estimates, putting additional pressure on the warehouse. The commission has approved a sixth stage of expansion; however, the timeline has slowed pending the outcome of funding for warehouse expansion efforts. Each biennium, the OLCC completes regular maintenance and repairs per its ten-year plan, and completes major projects as provided for by the Legislatively Adopted Budget.

Program focus for 2021-23:

- Develop a capital investment and bonding plan to maximize warehouse operations and IT investments over the next decade.
- Facilitate management actions and moderate investments to realize near term revenue at risk due to warehouse capacity limitations.
- Redesign workspaces to accommodate the adoption of telework.

Marijuana Regulation Program 004

In November 2014, Oregon voters approved Ballot Measure 91, which legalized the sale and use of recreational marijuana in Oregon, tasking the OLCC with regulation. Subsequent legislation in 2015 and 2016 further defined and expanded the scope of regulation, including the addition of license types, and allowing medical products to be produced, processed and sold through the OLCC system. This responsibility resulted in an added focus of the OLCC, requiring adoption in a very short timeframe of marijuana regulations relating to growers, wholesalers, processors, retailers, laboratories, marijuana worker permits and research certificates. In 2015-17 the focus in this program was on hiring and training staff, agency integration, interagency coordination (Oregon Health Authority, Department of Agriculture, and Department of Revenue), creation of processes and procedures, licensee education and licensing. A major undertaking was the development and implementation of online systems including the Cannabis Tracking System, License Application System, Packaging & Label Approval System and Marijuana Worker Permit Education and Application System. Each year the program has been responsible for many legislative workgroups and reports. In 2018 and 2019 OLCC began utilizing Cannabis Tracking System information for data driven enforcement and inspections, notably, the harvest inspections implemented in the summer of 2018, requiring producers to let OLCC know when they would be harvesting in the tracking system so inspectors were able to be on-site at the time of harvest. During the pandemic the agency incorporated virtual inspections. Both the on-site and virtual inspections identified multiple violations, but also proved to help the industry gain compliance through education. In late 2019 the United States saw an influx of illnesses and deaths related to vaping substances like marijuana and nicotine. This issue shed light on the need for the agency to perform audit testing of marijuana products to ensure the testing, labeling and ingredient lists were correct. Moving forward the agency believes it is important to continue our heightened compliance efforts related to laboratory testing. 2019 changes in statute resulted in the agency being able to levy larger monetary fines and immediately suspend licenses. Legislation also allows for the OLCC to cancel a license if the licensee is delinquent in remitting marijuana tax collected. All changes required the agency to modify electronic systems, hire and train additional staff, update policies, procedures and rules and significant statewide outreach to existing licensees and applicants.

In 2021-23, the program focus will continue on agency integration; interagency integration; enforcement; rulemaking; licensee education; licensing; compliance; converting to electronic systems; and the production and analysis of data from the Cannabis

Tracking System to aid in auditing of tax collections in conjunction with the Department of Revenue and compliance activities. Processes and procedures will be refined as statutes and rules change, and as the program gains experience. Adaptability, transparency and public and industry engagement will be key to the continued development of this new industry, public safety and community livability.

With significant changes in the medical production of marijuana, the OLCC must work to ensure access to marijuana for medical conditions identified as beneficial by medical evidence. Examples include physician recommended treatments for cancer and use in the treatment of associated nausea, pain associated with glaucoma, veterans with post-traumatic stress disorder or PTSD, use for seizures in children and adults, and for the reduction of opioid use for pain management under a physician's care.

The OLCC works closely with its partner agencies to administer this program:

- Oregon Health Authority (Oregon Medical Marijuana Program regulation, testing standards, ORELAP certification, THC concentration limits).
- Oregon Department of Revenue (taxation, audit).
- Oregon Department of Agriculture (certification of kitchen and weight scales, pesticide use).
- Oregon Department of Water Resources (regulatory authority of water use in Oregon).
- Local Government bodies and law enforcement agencies.

The marijuana program is funded solely from marijuana licensee fees and fines, paying for marijuana program expenses and personnel including its proportional share of agency-wide shared management, support staff and expenses. The Department of Revenue collects and distributes marijuana taxes.

Program focus for 2021-23:

- Continue integration of marijuana enforcement activities with Public Safety Services Program.
- Continue integration of marijuana licensing activities with Public Safety Services Program.
- Provide technical support or development of online licensing and compliance system.
- Coordinate government to government policy issues between state agencies, with federal programs and with all sovereign tribal nations.
- Refine and streamline marijuana rules, policies and procedures.
- Improve and streamline sanctioning process and CTS tracking.
- Identify needed technical statute changes and work with the legislature to achieve them in 2021.
- Provide for ongoing data reporting.
- Ensure the recreational system is servicing medical patients and their unique needs.

- Maintain fairness for subsidizing medical grower services from marijuana tax revenues and not by fees supported by recreational marijuana growers.

OMMP Tracking Program ***006***

OLCC's Medical Marijuana Tracking Program results from the passage of SB 1057 (2018) which requires that OMMP medical marijuana grow sites with more than two patients, and OMMP processors and retailers, to be tracked by OLCC's cannabis tracking system. OLCC was given the responsibility to administer the tracking and to perform inspections to assure that OMMP marijuana is properly accounted for. In 2019 – 2020 OLCC hired and trained a team of 12 inspectors that have inspected hundreds of grow sites around the state and provided education, outreach and compliance violations. Onsite and virtual inspections are key to educating growers on the rules of OHA and proper CTS tracking. During the pandemic the first 110 virtual inspections resulted in two thirds revealing compliance issues which were forward to OHA for enforcement.

Program focus for 2021-23:

- Continued registrant education and outreach.
- Analysis of Cannabis Tracking System data.
- Performing registrant inspections.
- Data driven compliance actions.

2021-23 Legislatively Adopted Budget - OLCC Program Summary:

LEGISLATIVELY ADOPTED BUDGET

OLCC Programs	Other Funds Limitation	Positions	FTEs
Distilled Spirits	$69,497,386	76	76.00
Public Safety Services	$29,671,976	116	114.00
Administration & Support	$32,579,366	90	90.00
Recreational Marijuana	$23,836,494	80	79.25
Medical Marijuana - OMMP Tracking	$6,082,209	21	21.00
Agents Compensation	$166,885,952	0	0.00
Capital Improvements	$237,745	0	0.00
Capital Construction	$62,537,265	0	0.00
TOTALS	**$391,328,393**	**383**	**380.25**

Oregon Liquor & Cannabis Commission is Focused on Business Success and Creating a Fair Marketplace*:* The OLCC's role is to create and enforce responsive and well-defined regulations that support business innovation, create fair markets and provide education and enforcement services that foster compliance and community safety. The plethora of complex policy and regulatory issues in the alcohol and marijuana environmental sections, described below, will challenge the agency in 2021-23. Regulatory issues as it relates to changes in business models of bars and restaurants due to the pandemic; e-Commerce; trade practices; retail expansion; and agent and distiller compensation discussions are likely to dominate the policy landscape for alcohol. Implementation of recreational marijuana, OMMP marijuana and hemp programs will continue to generate significant policy and regulatory work as the agency works to maintain a legal cannabis market; increase oversight of laboratory testing; expand services to meet the needs of medical marijuana cardholders; prevent diversion from the legal market; and keep marijuana out of the hands of children. Market consolidation and licensing complexities combined with data analysis will continue to fuel the growth in need for technology and staff.

Alcohol Environmental Factors:

National Pre-COVID-19 Alcohol Market Trends (Nielsen)

- Consumer interest in health and wellbeing, led by younger generation; driving more transparency in labelling and supplier product innovations.
- Growth in lower-ABV spirits/cordials, lower-ABV ready-to-drink (RTD) cocktails, more alternative beverages with no- or low-sugar and carbs, low-calorie options, and "lifestyle-oriented drinks that tie into consumer interest in their active routines."
- Spirits will benefit from having a "versatile product range with multiple drink types, flavors, styles and mixing opportunities" allowing the category to meet the "desires of the cocktail culture" and appeal to a "broad consumer base."
- US suppliers and distributors will put more focus on their e-commerce efforts. "The industry has struggled to keep up with broader e-commerce expansion in part due to complex alcohol rules and regulations, but 2020 will represent a turning point in the industry's efforts," according to Nielsen's analytics,. "Key players will ramp up their investment, recognizing the declines in mainstream stores as consumers fill more of their overall shopping needs online – and not via a store trip."
- Packaging in RTD (ready to drink) category is key with a "focus on the convenience of slim cans and alternative packaging."

National Post-COVID-19 Alcohol Sales Predictions (Nielsen)

- With bars and restaurants closed, sales trends depict the massive shift of where consumers buy and consume alcohol. Online sales of alcohol is the fastest growing e-commerce department among consumer packaged goods.
- On-premises establishments are offering alcohol for sale alongside takeout food orders, often at prices far below the norm of the price of these products pre-Covid-19.
- U.S. alcohol market needs to sustain 22% volume growth across all alcohol categories sold off premise in order to merely level off from the impact of closed bars and restaurants
- Wine and spirits are pacing above the 22% volume growth threshold but beer including flavored malt beverages and ciders have fallen short of the benchmark
- Total dollar spending on alcohol will decline. Consumers are shifting the dollars they would have spent on alcohol in a restaurant, bar, or tasting room to alcoholic beverages they can buy at a lower mark-up from retailers and online merchants and directly from the supplier in areas where it is legal to do so.
- Many consumers seem less willing to experiment with a product or brand they don't have a strong affinity toward.
- Many consumers are trading up to larger pack sizes in their off-premises purchases.

OLCC's Sales Continue to Produce Major Revenue for State and Local Services

Alcohol Sales Continue as a Significant Revenue Producer for Oregon's State and Local Government Programs. During the 2019-21 biennium, the Legislatively Adopted Budget estimated the OLCC will collect $1.5 billion in sales revenue from the distilled spirits markup and from privilege taxes on malt, wine and cider: 94.5% of the revenue comes from sales of distilled spirits, 3% from collection of wine and beer taxes and 1% from liquor license fees. The $1.5 billion in sales revenue supports the distilled spirits operation; warehouse personnel; capital cost; the cost of goods; private shipping contractor costs; and the compensation of liquor store agents and Oregon distillers. Just under $60 million of this revenue supports OLCC statewide public safety enforcement services, administrative hearings and OLCC administration. A total of $599 million is the estimated distribution in 2019-21 to state and local government programs – a critical resource for education, health, and public safety. Counting OLCC's regulatory program about $659 million was generated to support public services throughout Oregon. The current forecast for the 2021-23 biennium is $1.6 billion in liquor sales, with a total estimated alcohol distribution of $607 million.

Liquor Sales Likely to Remain Steady during Recession. Before the Great Recession (starting in 2008), liquor sales revenue had increased at an average rate of 7% during the previous decade. After the recession began, liquor sales revenue declined to an average annual increase rate of 2%, however, over the past seven years, liquor sales have averaged a 5% annual growth rate. These increases reflect the impact of growing population and higher prices. In March 2020, the first month of the governor's stay at home order, distilled spirits sales rose nearly 20% likely driven by consumer stocking-up behavior; however, in April 2020, increases in sales were only slightly higher than the expected average.

COVID-19 Disrupts Historical Alcohol Distribution Channels

Sales Shift from Licensees to Consumers. Prior to COVID-19, in February 2020 24% of sales of distilled spirits from retail liquor stores were to licensees and 76% to consumers. During the shut-down sales of distilled spirits to licensees effectively fell to zero, while sales directly to consumers increased significantly, resulting in an early initial bump in total sales that has since moderated to more normal levels. With the closure of on-premises sales and now limited reopening for the 8,970 bars, restaurants, winery tasting rooms and brew pubs in Oregon, licensees throughout Oregon face significant economic challenges as they struggle to reopen or remain profitable. The percentage of distilled spirits sales to licensees is likely to remain stunted due to new operational guidance that includes fewer patrons and shorter hours. Sales of beer, wine and cider to licensees face similar challenges; however, some licensees have taken advantage of selling beer, wine and cider to go along with meals. Beer and wine sales have also decreased due to the cancellation of festivals and large events. During the Great Recession the share of liquor sales to consumers increased relative to on-premises sales at licensed establishments. The percent of sales to licensees dropped from 29% in 2007 (prior to the recession) to 24% in 2013 and has not

recovered, indicating that the increases in liquor sales have been driven by consumers rather than bars and restaurants. Liquor sales growth for licensees (bars and restaurants) went negative in 2009 and 2010 as many businesses were affected by the Great Recession recovered prior to the pandemic showing average annual increases of 3.0% since 2013. The current recession is likely to have similar impacts as consumer's wallets shrink and struggling bars and restaurants close. All things are not equal between sales to consumers and sales to restaurants, sales to bars and restaurants are discounted 5%.

Reduced Sales in Oregon Distillery Tasting Rooms. Oregonians support local products in the marketplace. Oregon craft distillers contribute to state revenue growth and are an important source of product diversity in the Oregon's marketplace. Prior to COVID-19, Oregon spirits accounted for 13% of annual liquor sales in the state, making them an important factor both to state revenue and distributions to local governments. As tourism and retail outlets closed during the pandemic, sales in distillery tasting rooms fell. The OLCC system provides statewide market access for craft distillers' offerings as their products are distributed through the OLCC warehouse. This is an important market advantage compared to other states and provided an avenue for sales in Oregon retail liquor stores during the pandemic. Critical to the success of these small distillers is the hand picking of bottles, allowing less than single case sales. While this service comes at some expense, it has been vital to the introduction of small, unknown distillery offerings. During the pandemic, technical software limitations in hiring temporary warehouse workers and Family and Care Act granted leave impacted the ability of OLCC to hand pick product on a number of occasions because we had no open positions to hire to in the new transitional system — this has an incremental impact on revenue and on Oregon Distillery sales. Distillers and the system would overcome this inefficiency if OLCC was granted additional flexibility to manage warehouse personnel.

Adapting to Innovations in Commerce, Customer Expectations and Creating Safe Markets

E-Commerce transactions involving Beer, Wine, and Cider: During the COVID-19 pandemic, consumer demand for access to goods and services through online tools that provide safe access, convenience and variety has skyrocketed. Consumers are ordering alcohol items for home delivery or curbside pickup when purchasing groceries, meals from bars and restaurants, and from licensees who produce beer, wine and cider. Businesses that own and operate e-commerce tools like apps and websites as well as delivery services are stepping up to meet the increasing consumer demand for these services. This trend began prior to COVID-19, is nationwide, and will continue as the economic impact of the pandemic is likely to reduce the number of physical outlets for purchases and consumers acclimate to the online environment.

E-Commerce for Spirits: The spirits market and OLCC retail stores are not insulated from the strong consumer trend of shopping from home and home delivery. Nationally states are beginning to adopt business models which allow online ordering and home delivery of distilled spirits. This becomes increasingly important as a safety measure in a pandemic environment and as an economic boost to

struggling bars and restaurants. In response to COVID-19, retail liquor stores were allowed curbside delivery of distilled spirits. Bars and restaurants, in an effort to survive, have requested the ability to sale and deliver distilled spirit cocktails as allowed in other states; however, it requires a statute change. The demand for online purchases of distilled spirits will not go away as traditional brick and mortar stores decline and shoppers purchase products online for delivery to their homes or to pre-order products for one stop pick-up. As the exclusive provider of spirits in Oregon, in an alcohol control state, the OLCC regulated system will need to adapt its distribution system to preserve revenue and meet consumer expectations by including e-commerce as a consumer choice in addition to shopping in independent agent liquor stores.

Factors Influencing Oregon Sales: The OLCC carefully watches trends and factors that influence the market within the state. One constant is the enduring positive affect the State of Washington's liquor privatization has had on border sales. While Oregon prices for distilled spirits are nation leading, Washington's highest in the country prices for distilled products benefits Oregon border sales. Recent developments in the distilled and overall alcoholic beverage marketplace are important factors to consider, including: a federal government tax break for distillers and a shift in consumer preferences for low alcohol products; an influx of cocktails in a can in the marketplace; and a rapidly growing shop from home marketplace.

Washington Privatization Continues to Boost Sales in Oregon: A ballot initiative changed the Washington liquor system in 2012. The combined effect of revenue replacement fees along with private wholesaler and retailer markups raised liquor prices about 30% over pre-privatization levels and created a significant differential with Oregon liquor prices. The impact to Oregon was that liquor stores along the Washington state line saw an average increase of 34% in sales, which has been maintained. Oregon liquor stores do not track out-of-state purchases, so it is not possible to know exactly how much revenue was generated as a result of the Washington privatization. A comparison of before and after sales for stores near the Washington state line suggests, however, that approximately $15 million in additional revenue may be added annually to Oregon sales.

Craft Beverage Modernization Act Cuts Federal Excise Taxes: The Craft Beverage Modernization Act was part of the 2017 Federal Tax Cuts and Jobs Creation Act passed in December 2017 and created a boost for Oregon distillers. It included the first reduction in federal alcohol excise taxes since the Civil War. The federal excise tax on distilled spirits was reduced from $13.50 per proof gallon (one gallon that is 50% alcohol) to $2.70 per proof gallon for the first 100,000 proof gallons, $13.34 up to 22,130,000 proof gallons and $13.50 for production above 22,130,000. This represents an 80% decline in federal excise tax for smaller distilled spirits producers and a decline in excise taxes of between $1.1-$4.6 million for large producers and importers of distilled spirits. This is in addition to lower corporate income tax rates that large distillers will enjoy from other provisions of the tax. One major industry player experienced a 1.7% decline in effective tax rate for FY 2018 and anticipates a

further 7% drop for FY 2019. The act was slated to sunset at the end of 2019; however, it has been extended to December 31, 2019.

Sales Growth in Low ABV and Cocktails in a Can Categories: As consumers become increasingly focused on convenience and health, low ABV and cocktails in a can have become two of the fastest growing categories in distilled spirit sales. In the past year Oregon has seen 20% growth in low ABV products and 328% growth in cocktails in a can. This produces a challenge for the agency as these products can be difficult to store and distribute due to their multiple line extensions with different flavor profiles and small size; they compete directly with beer and wine in cans and low ABV products sold in grocery stores. Yet, removing these products from distribution could impact revenue and have a significant impact on agent compensation.

Home Delivery Oversight and Enforcement: With the proliferation of internet alcohol sales and shipping nationwide—some of which is illegal—and with the use of third-party delivery services, Oregon has failed to provide a system of training, permitting, and deterrent fines to control delivery at the door. As this sector of activity grows, the state will have to look to new technology platforms to regulate and control sales and delivery at the doorstep. The primary issues are to make sure the sales are reported in some fashion, that permitted and trained personnel are doing the delivery, and that the state determines the proper party to fine if sales are made to minors or intoxicated persons.

Commission Leadership Creates a Culture of Accountability for Change

OLCC Commissioners and agency leadership continues to focus on creating a culture of accountability for change throughout the organization, particularly as it adapts to a COVID-19 and post COVID-19 environment. A key focus is adapting rules, operational licensing and enforcement practices, and utilizing education to increase compliance in order to both protect public safety and support the success of businesses, the creation of jobs throughout Oregon, and the creation of revenue for Oregon. This requires enhanced efforts to reach out to the local agencies, state partners and industry leaders to work on community-based solutions. The agency's successful deployment of moving operations to remote work and the ability to maintain and in some cases improve productivity while in the midst of aligning policies and procedures in response to the pandemic is a key indicator of successful adaptation to change.

Coordination of Policy and Operational Changes: The agency's reorganization of policy, analytics, communication and education staff into one program (P.A.C.E.) has streamlined policy input and decision making in the ever-changing and multi-layered response to COVID-19. The program maintains regular communication with a multitude of stakeholders and centralizes analytical support for the entire agency. Going forward the program will continue to be critical as the agency grapples with issues ranging from alcohol and marijuana licensing and enforcement, agent and distiller compensation, home delivery, warehouse expansion and the bottle bill.

Balancing Convenience and Economic Development with Public Safety: In the 2021-23 biennium, the agency will continue its measured retail expansion efforts to increase customer convenience and promote economic development through the creation of new businesses. Expansion efforts have led to discussion on whether the number of outlets selling distilled spirits is adequate to meet demand and if not how many more outlets can the state open without heightening public health concerns. While the sale of liquor generates state revenue and fuels a strong hospitality and entertainment economy that is important to citizens and tourism, alcohol can have high societal health and safety costs. While other public health and safety services have the primary responsibility of addressing the negative effects of substance addiction, the OLCC sees expansion of its enforcement capabilities as vital to keeping communities and people safe through the prevention of over service to adults and sales and service to minors.

Underage Drinking Continues to Be a Serious Problem: Underage drinking continues to be a serious problem across the nation, and in Oregon, though Oregon trends similar to national trends our state is experiencing, in recent years, a welcomed downward turn. The OLCC's number one public safety priority is preventing underage drinking. The OLCC realizes it cannot adequately address the problem alone but can be a major part of the solution by ensuring alcohol is not available to minors from licensed premises. One of the agency's biggest challenges is finding minors to participate in conducting minor decoy operations.

Minimizing the Impact of Retail Expansion on Existing Liquor Agents: The Commission's concern for balancing the expansion of liquor outlets with the impact on existing businesses is a direct example of its commitment to be accountable for change. The Commission considered the potential negative impact on existing liquor stores in their deliberations for the appointment of new stores. First, the Commission provided existing agents opportunity to participate in the expansion process and some existing agents were successful applicants along with newly created liquor business operators that were welcomed into the system through appointment by the Commission. The 36 expansion stores have generated $136 million in sales; however, there was a reduction of $26.3 million in nearby stores. This resulted in a $109.7 million net sales gain within all market areas. The Commission is pleased with the results and will continue to monitor sales trends, share them with agents and the legislature, and incorporate the findings into future location selections. Operationally, OLCC is committed to serve population growth and maintain a 1 store to 15,000 per capita ratio into the future. This policy normalizes store growth into the future and sets a standard of expectation for local liquor markets. At this per capita basis, Oregon is one of the lowest per capita store to population states. For the Oregon system, this rate of store growth balances concerns of liquor availability, profitability of existing agents, and the OLCC responsibility to serve the convenience of growth of the consumer market.

Serving a Growing Swath of the Oregon Economy and Jobs

The OLCC serves a business and consumer sector that reaches every corner of Oregon. The agency's licensees fuel a hospitality and entertainment industry that creates jobs and business opportunities throughout Oregon, including rural Oregon where jobs are often

scarce. Oregon's craft distilleries along with wineries, who produce top tier wines of international note, and craft beer brewers that produce an incredible array of products are fueling Oregon's reputation for tourism and unique dining. These businesses often utilize Oregon grown agricultural products in their businesses, from the grapes of the Willamette Valley and Southern Oregon, across the wheat fields of Eastern Oregon, to the hops grown along the pathway of the Willamette River. The focus on craft processes and Oregon grown products creates a lure and special vibrancy in bars and restaurants throughout the state. This creates an important cluster of the economy that supports jobs and economic opportunity in urban and rural Oregon as well as enjoyment for Oregonians and visitors that come to experience Oregon's natural craft products, and to enjoy the hospitality of the businesses that welcome them.

Oregon Beer, Wine, and Distillery Manufacturers Compete for Market Share: Oregon's alcoholic beverage manufacturers compete for businesses in Oregon communities, statewide, and in national and international markets. Across the spectrum of beverages, Oregon manufacturers produce many high-quality products and exclusive alcoholic beverage experiences. This is an industry that thrives on innovation and the OLCC works with manufacturers to enable the introduction of new and creative offerings in this sector.

Oregon Liquor Stores Serve the Oregon Consumer, Oregon's craft markets, and the entire hospitality economy: Agent liquor stores play a vital role in providing services to Oregon's hospitality industry, through the sales of Oregon's craft products and high-quality products from national and international manufacturers. Agent stores deliver a diverse selection of distilled spirits to bars and restaurants, many of whom differentiate themselves by focusing on locally sourced craft cocktail preparations for their patrons. Through annual OLCC agent trainings, agents have gained insights into the products from master distillers and sales experts. Increasingly, agents are making major investments to improve the shopping environment for Oregon customers, and their knowledge about their community places these small businesses in a unique position to be promoters of the cultural aspects of Oregon's thriving hospitality and entertainment businesses. Agent's knowledge of product selection serves their customers well and subsequently increases their earnings and profits. They know their customers, and their sales have generated billions of dollars to fund state, county and city services over the decades.

Considerations for Liquor Agent and Distillers Compensation Increases: Oregon's distilled spirits sales are fueled by Oregon small business owners who contract to operate retail locations for the sale of distilled spirits on behalf of the State. Retail liquor agents lease or own retail locations and are responsible for the costs of running those businesses. Interim studies have shown that lease and employment costs for liquor agents differ significantly throughout the state and compensation adjustments for those differences are a consideration. In addition to regional lease and employment costs, distillery tasting rooms face the unique challenge of selling only the distilled spirits their parent distiller produces. Local distillers have become an important part of the tourism economy of many communities throughout Oregon. Consumer experiences in local tasting rooms are marketing opportunities which fuel out of state sales and in state sales in Oregon liquor stores. The OLCC is proud of the commitment these private businesses are making to serve the

Oregon public and the OLCC will continue to work with agents and the legislature to fairly, and dependably compensate agents for their sales of state owned and controlled distilled spirits.

Marijuana Environmental Factors:

National Pre-COVID-19 Marijuana/CBD Market Trends (Nielsen)

- Although a large sector of cannabis products remain illegal under U.S. federal law, state-legalized cannabis and cannabidiol (CBD) from hemp will translate into billions of dollars of revenue.
- The legal constraints for use and sale vary by retailer, state and even by city for each sector of the cannabis market; the landscape is fluid and posed for change.
- Consumers are likely to see topical products like lotions, oils, balms and creams that are infused with hemp-derived CBD. And despite FDA pronouncements, some suppliers and retailers are selling CBD ingestible products.
- In four years the marijuana market has seen an explosion of brands and infused products; that same trend is likely in the hemp-derived CBD sector.
- Pet care is the next big CBD opportunity in the U.S.

National Post-COVID-19 Predictions for Consumer Shopping (Nielsen) Likely to Impact Marijuana Product Preference and Sales

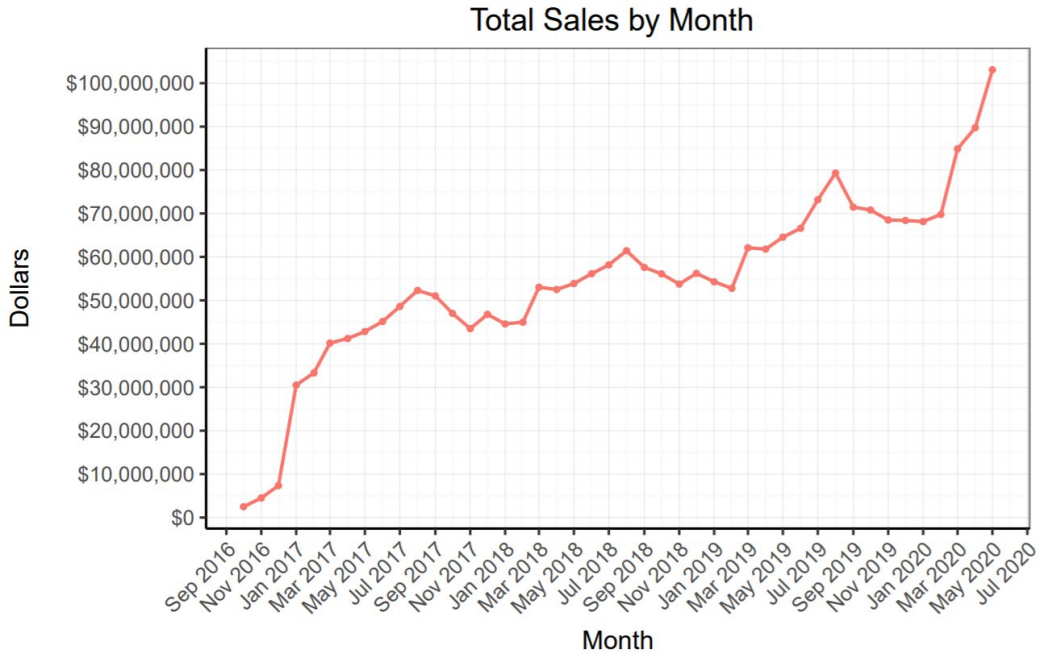
- Constrained consumers, often lower income but not exclusively, will be looking for value and seeking ways to make savings in their everyday lives; even small indulgences will be scaled back as they seek cheaper alternatives or avoid certain purchases altogether.
- Development of a homebody economy driven by consumers' choice to increasingly live, eat and entertain at home even as living restrictions ease.
- Everyday low prices, shallower discount levels, economy or bonus packs may be better ways to incentivize loyalty as consumers continue to limit their number of shopping trips and visits to multiple stores.
- Health, safety and quality assurance have become important accelerators in brand/product decision making and will remain significant choice drivers into the future.
- Local origin has become an important accelerator in brand/product decision making.
- Online shopping has grown exponentially among new demographic groups, consumers' use of contactless payments and in-store navigation apps has risen dramatically, and brands are increasingly connecting with consumers via interactive and virtual shopping experiences.

Oregon Successfully Maintains a Legal Cannabis Market for Oregonians

Oregon was well poised to establish a comprehensive consumer market for cannabis after the passage of Measure 91. Oregon's legal regulatory system continues to provide a growing selection of innovative product choices for customers. As of March 2020, sales of marijuana have generated $358 million in tax dollars for public services since the program's inception. Marijuana sales are expected to generate $338 million in tax collections for the 2021-23 biennium.

Oregonians have access to a wide variety of superior products at low retail prices

Oregon now has a robust supply chain in place — producers, testing labs, processors, wholesalers and retail licensees are linked together through the Cannabis Tracking System to efficiently move supplies of tested products to the Oregon consumer. This development, and superior quality control in the legal system, is creating the conditions to fully displace old illegal market alternatives within Oregon.



The earned revenue streams are sufficient to introduce additional controls to improve regulatory efficiency. Cannabis clearly is a growing and important sector of the Oregon economy fueling the creation of jobs and tax revenue for government services at the state and local level.

Annual Sales of Retail Cannabis Exceed Spirit Sales in Oregon

The growth of Oregon's market has been rapid. A comparison of the annual retail sales of cannabis products shows that these sales exceed sales of spirits in Oregon. Annual retail sales of marijuana were $795 million in 2019 and this compares to total annual retail sales of distilled spirits of $686 million in the same year. The rise of the marijuana market has been nothing short of dramatic.

Revenue Generation Comparison: Through March 2020, Oregon's 17% sales tax on marijuana has generated $358 million in revenue. This compares to the distributable revenue generated from alcohol distilled spirits sales of $866.4 million over the same period. These revenues, combined with the proceeds from a 3% local cannabis tax, directs millions of dollars to local government budgets. Many cities and counties continue to exercise their ability to prohibit marijuana businesses within their boundaries, but most jurisdictions that allow sales have chosen to take advantage of their ability to impose the maximum local sales tax of 3%.

Expanding Services to Meet the Needs of Medical Marijuana Cardholders

Oregon's recreational market is becoming a full-service supplier as the legislature allowed retailers to sell higher dosage, medical grade products to OMMP patients and caregivers. Additionally, OMMP patients and caregivers do not pay tax on any marijuana items purchased at OLCC retailers. The OLCC system is medical patient friendly. Currently approximately 10% of retail sales are made to medical cardholders.

Creating a Patient Friendly OLCC System: With significant regulatory changes in the oversight of Oregon's medical grow system, many OMMP patients have lost their existing relationships with a medical grower. All but three OMMP medical dispensaries have either closed or converted to OLCC retail marijuana stores that sell both recreational and tax free medical grade marijuana products. For medical cardholders, the OLCC system has become a viable alternative for access to medical products. Improving access for medical cardholders presents an opportunity to serve patients that have found cannabis effective for relieving their medical conditions. Serving OMMP cardholders is an important objective for the OLCC system, as well as increasing sales of cannabis to medical cardholders.

Responding to Research and Trends for Medical Marijuana: The consideration of policy options would certainly be aided by research and medical evidence of effectiveness. There remains a lack of research in the U.S., but there is a growing consensus that for certain medical conditions, marijuana is beneficial. Oregon is an ideal position to be a leader in the area of research when federal constraints give way.

Exploring Medical Cannabis Use: Across states, and certainly within states that sell recreational marijuana, an older cohort of the population has been identified as one of the groups experimenting with marijuana for its benefits and value to their health issues. This is but one group that has a growing interest and curiosity about the potential medical benefits of cannabis.

For some time now there has been a growing list of medical use conditions associated with cannabis and evidence that medical cannabis use might be beneficial for patients with these conditions; however, more research is needed. Some of the conditions and treatment use that are finding acceptance include: cancer and treatment related nausea; seizures in children; Post Traumatic Stress Disorder (PTSD) in veterans; opioid use reduction under a physician's care, a substitute for pain and chronic discomfort associated with a wide variety of diseases and conditions; insomnia and eating disorders; and generally as a muscle relaxant. While some medical properties are associated with Delta 9 Tetrahydrocannabinol (THC), which is the chemical or cannabinoid associated with euphoria, non-psychoactive cannabidiol or CBD oils and extracts are widely touted for healing properties. It is CBDs derived from hemp that are used in the production of Charlotte's Web that has been popularized for its reported success in reducing chronic seizures in children.

All of this interest and use of marijuana for medical treatments confirms that the focus on the medical properties of cannabis will continue. For the OLCC system to be an effective provider of marijuana products to the public, it will have to closely monitor developments in the medical use of marijuana and look to medical experts and the Oregon Cannabis Commission to evolve its relationship to serve medical cardholders.

Leading the Nation and the World in Best Practices and Protecting Children

Oregon is a worldwide leader in product testing and has in place rigorous pesticide tests to protect marijuana consumers. Learning from Colorado and Washington's early experiences, Oregon set in place nation-leading best practices for product labeling and packaging — Oregon pre-approves all packaging designs and label information before they are sold to consumers. In 2019 the OLCC added an AS1 to assist in the compliance aspects of this program.

***Cannabis Tracking*:** The Cannabis Tracking System (CTS) creates strong consumer protections from tainted products and the systems' product identification features allows the rapid traceability of tainted products and initiation of recalls. Oregon's tracking system provider is the national leader of marijuana tracking services in states with recreational and medical markets. With all the changes in state law over three legislative sessions, Oregon is driving innovation and improvements for this tracking system out of necessity and other states are benefiting from that work. Even with the potential for imperfections, Oregon's Cannabis Tracking System is a powerful tool for achieving regulatory compliance. The OLCC has hired a team of data analysts to answer questions, educate and audit all marijuana licensees CTS data.

Protecting Children: Oregon has in place measures to protect children and minors under age 21 from accessing marijuana products that are dangerous for them. From the development of universal marijuana product warning symbols to requirements that packaging and advertising not be attractive to children, the Oregon system has in place state-of-the-art practices used to protect children from dangerous products. This includes many products that must leave stores in child resistant packaging and units of recreational product dosages are generally lower than other states. The OLCC has also prohibited certain marijuana strain names from appearing on package labels that, in general, are misleading, contain other illicit drug references, or are named after cartoon characters or otherwise appeal to minors. The OLCC has strong enforcement protocols and penalties in place to enforce sales to minors; in 2018 the agency was able to increase the penalties for sales to minors for both employees and licensees. Marijuana tax dollars have been used by OHA to support prevention education to children about consequences of marijuana use at an early age. These are issues which public health officials are monitoring closely and these professionals are in the best position to represent research to policy makers.

Mapping Retail Stores and Schools: Historically, Oregon Health Authority had the responsibility of school mapping to make sure medical marijuana dispensaries and recreational retail stores were not within 1,000 ft. of a school. When recreational marijuana was legalized, the OLCC was required to pay for half of an FTE at OHA to run the mapping program. Now that medical dispensaries are limited in the state, OHA has given the mapping responsibility to OLCC. This is a vital activity and has profound effects on communities and marijuana licensees. Inaccuracies in the mapping can cause community aggregation with error in placing a licensee too close to a school. Likewise, inaccuracies subject the OLCC to liability and an improperly licensed business can enjoy the protection of licensing when errors occur — effectively making retail stores criminal enterprises under the law. The OLCC has a strongly vested interest in the accuracy of mapping data because of its profound impact on licensing and serving the clear intent of the legislature.

Advancing Laboratory Testing and Oversight: Oregon put in place a robust regime of product testing standards for laboratories. As innovative as Oregon's work is in this area, the management of testing and the ability to provide meaningful oversight is very challenging. In this area there is a need for additional policy development and oversight of highly technical procedures and regulations. The OLCC issues licenses to marijuana testing laboratories and oversees their reporting of test results. The agency also works with partner agencies to investigate complaints about test falsification and other potential violations. Regulation of labs and the establishment of testing rules and lab certification is a shared responsibility between the Oregon Health Authority, ORELAP certification standards, the Oregon Department of Agriculture and the OLCC. Until expertise and resources are developed, a regular inspection and auditing protocol for labs will not be available. The OLCC has worked in partnership with the Department of Agriculture to craft a Policy Option Package in ODA's budget that will support a reference laboratory function at the Department of Agriculture so the state can test the results of private labs and hold the system accountable to consumers. This work was done under the direction of a Ways and Means budget note. Oregon had desperate need for in-state product testing as we worked to understand the ingredients in Oregon's legal system during the VAPE lung injury crisis that was critically damaging the lungs of vaping adults. During that time the OLCC could not access a single independent laboratory within or outside of Oregon to conduct full spectrum test

of compounds in vape delivery devices. The ODA policy package is innovative and will use a market basket testing approach to protect Oregon cannabis consumers utilizing some of the growth in consumer paid taxes to finance this administrative expenses of sound marijuana regulation for consumer in the Oregon marketplace

Growing Pains and a Predictable Market Shakeout: Oregon is far from done with dealing with all the complexities of regulating marijuana. While consumers enjoy a plethora of cannabis products, the amount of supply in the legal system and intense retail competition is leading to reduced prices. Competition and lower profits are economically squeezing both cannabis producers and retailers. Indicative of this is the dramatic price drop of a gram of usable marijuana; the October 2016 average price per gram of usable marijuana was $10.50 but dropped to $4.17 per gram in April 2019. The price per gram has since increased to $5.19 in May 2020, but the price remains significantly lower than when recreational marijuana sales first began. On the retail side, there are reportedly more licensed marijuana retailers than Starbucks locations in Oregon. Though Oregon's open market system has benefited consumers, the flood of businesses within is making profitability a challenge.

***Market Consolidation*:** Oregon's market response to the low pricing structure is leading to industry realignment. For companies that are being pressured by Oregon's highly competitive market, well capitalized new business interests represent an opportunity for some licensees to recover cost by selling their businesses. Consolidation and ownership churn is expected to continue given the state of the industry. This activity impacts the focus and priorities for OLCC enforcement and licensing. The agency is seeing an increasing number of failing businesses that are working with OLCC to legally dispose of cannabis and properly relinquish their licenses. In other cases, failing businesses often end up with serious charges of basic violations and through the administrative process agree to relinquish their license through settlement rather than proceed to a hearings process.

***Licensing Complexities Driven by Consolidation*:** The agency announced in June of 2018 that it would not be processing new license applications because it needed to focus on renewing licenses for existing licensees that are requesting complicated ownership changes and physical changes to facilities. Approving these renewals is necessary for continued operation as the issuance of renewals generate the fees needed to fund OLCC operations. Renewals were taking roughly 80% of the time of approving original applications due to changes in physical footprints and operations and changing ownerships which required additional owner and investor background checks and investigation. The agency's marijuana renewal processes were not working well; however, changes in processes and temporary shifts in personnel in response to COVID-19 has significantly reduced that backlog. The agency is now focused on processing changing ownership and new license applications.

In spite of Market Distress Demand for New Licenses Remains Strong: The following table shows the status of issued and new license applications as of June 1, 2020:

	License Active	Approved Not Paid	Surrendered	New Applications Pending Review	Grand Total
Laboratory	19	0	5	4	28
Processor	243	0	17	200	460
Producer	1,166	1	132	618	1,913
Retailer	669	3	73	213	955
Wholesaler	169	1	23	104	297
Research	1	0	0	2	3
Grand Total	2,267	5	250	1,141	3,656

***Helping Failing Businesses Exit Licensing*:** As welcoming as Oregon's system has been to new market entrants, OLCC is positioning to be as helpful and timely as possible in assisting licensees that are exiting the market. Oregon's regulatory response in a business shakeout environment is two-fold. The agency's first goal is to be in the position to help business unwind in a legal manner — for example, by prioritizing business ownership and investor changes to help stabilize existing businesses. The second is to work to make sure failing businesses' products are properly sold out, transferred or destroyed, and not diverted to the illegal market.

***Marijuana Supply*:**

In response to the growing concern regarding oversupply and out-of-state diversion continuing to increase, Governor Kate Brown introduced Senate Bill 218 in the 2019 regular legislative session in an effort to curb marijuana production. SB 218 proposed to place a moratorium on new producer licenses until January 2022. SB 218 passed (with amendments) and Governor Brown signed it into law on June 17, 2019. However, the view of limiting marijuana licenses is far from universal. There are other people and industry members who believe limits will be too high to be effective, that taking action now would be unfair, or that limits would go against the open nature of Oregon's system which is successfully providing the opportunity for industry participants to "go legal." The OLCC will be carefully compiling and analyzing its data to inform this growing debate about the need for additional controls.

***Marijuana Supply Report**:* The OLCC is required to produce a bi-annual supply and sales study for the legislature that quantifies supply produced within the OLCC system, describes quantities of finished products and their sales to consumers. The most recent report was submitted to the Legislature in January of 2019. It details inventories of marijuana items in the supply chain of OLCC licensees. Additionally, it identifies any consumer-ready products, like cannabis extracts, that are being stored longer-term, to account for unsold product that is being held by licensees. Ideally the bi-annual nature of the study will provide useful analysis to contrast supply with consumption research for Oregon. All of this will provide a window of data to inform policy makers and citizens with an interest in regulation of marijuana supply. This study does not account for supplies of OMMP grower produced marijuana or transfers to patients and does not make estimates of production in Oregon that is taking place at illegal, non-state licensed grows.

SB218 Legislative Report: SB 218 requires OLCC to submit a report each year to the legislature regarding the bill's impact on the industry and the status on the reduction of the backlog of producer applications. Because the bill took effect in June 2019, and since most of the agency's work to implement its provisions occurred in the months following and remain ongoing, there was limited data available for the December 2019 initial report to fully analyze its impacts. Therefore the initial report primarily focused on describing historical recreational marijuana licensing trends and data, and outline the steps OLCC has or is taking to implement SB 218's provisions and to reduce the overall backlog of pending licensing actions. OLCC anticipates having more information available to fully analyze SB 218's impacts on the industry prior to preparing the next legislative report, which is due by December 31, 2020.

Enforcement Landscape is changing for Legal and Illegal Marijuana Businesses

From the perspective of federal authorities, and specifically Oregon's US Attorney, when marijuana is sold illegally in interstate commerce there is no distinction as to its origins; recreational, medical and unregulated markets are all complicit. And in spite of a national cannabis debate between states and the federal government, there is no clear guidelines on how to bridge the gap between the federal objective of stopping interstate diversion and Oregon's statutes that guide OLCC's licensing and compliance operations. Oregon's U.S. Attorney has a great deal of authority to shape the federal relationship with the state. Through the U.S. Attorney for Oregon's statements, actions and setting of priorities, Oregon officials are confident that legal grows operating within the rules of the state are not a target priority for the U.S. Attorney's Office in Oregon. This aligns with the leadership and advocacy the Governor has provided to support the small businesses that are operating in compliance with Oregon law. The OLCC is appreciative of the coordination and investigative work of federal, county and city law enforcement that are helping the OLCC cleanup bad actor licensees who slide over the line and engage in criminal activity.

***Oregon's Action to Curtail Diversion and Account for Production*:** Preventing marijuana diversion and trafficking outside of the state is a top priority and any Oregon licensee or worker permit holder that removes products from a premises for sale outside of OLCC's system will lose their licenses and permits and potentially be subject to criminal prosecution. Investments in communications will continue to aid in the agency's public safety efforts. The entirety of the OLCC policies and procedures for education, licensing, tracking, compliance inspections and enforcement of violations are all designed to ensure legally produced marijuana remains within the legal system. All of this work is critical to preventing diversion. While the state's medical grow system has consistently been identified as a major source of diversion, it is important to not paint with too broad a brush. Some medical marijuana growers have focused on the legitimate activity of producing marijuana for patients, however, a history of system abusers and bad actors have historically operated within this system to fuel Oregon's out of state diversion reputation. As a result of these concerns, the Oregon Legislature took significant action to reform the system and continues to evaluate the regulation of medical marijuana in Oregon.

Tracking Medical Grows is a Major Milestone for Marijuana Regulation in Oregon: Oregon faced a considerable hurdle of transitioning growers that were largely unregulated in the state's OMMP marijuana system into the highly regulated OLCC recreational system. The robust historical and culturally embedded industry of outdoor growers within OMMP present unique challenges. With an extraordinarily inclusive process of rules development, and legislative changes, many decades-long growers moved out of the OHA system and into the recreational system in 2016 and 2017. Yet, many thousands of growers remained in Oregon's existing OMMP medical grow system. Though it is impossible to determine the quantity and number of operations involved, it is generally accepted by marijuana industry members and law enforcement that a good number of OMMP growers were illegally selling exported marijuana to lucrative out-of-state markets. While this conclusion is generally accepted, there is a contentious debate about how much diversion has been taking place and by whom. Attribution of diversion is very difficult because Oregon still has a number of growers that simply grow and export illegally, which by definition is excluded from the regulated market's cannabis tracking system. Legislative concern about diversion and potential federal intervention in its newly passed recreational program prompted the state to provide for more regulation and transparency for production of marijuana by the OHA Oregon Medical Marijuana Program registrants that grow marijuana for OMMP patients.

As of July 1, 2018, OMMP grow sites with three or more patients are required to be tracked by the Cannabis Tracking System (CTS) and are subject to inspection by OLCC Medical Marijuana Inspectors. This allows the state to account for much of the marijuana legally produced in Oregon (excepting registrants who grow for two or fewer patients and households growing four or fewer plants). Oregon now has a system in place that is constantly tracking all medical grows who grow for more than two cardholders, the sharing of product with patients assigned to those grows and the legal sales of up to 20 pounds of product from a CTS tracked medical marijuana grow site into the OLCC recreational system. The step the state is taking to bring these grows under meaningful tracking is a significant step to combating illegal diversion, ensuring that marijuana products are not leaking out of the state system. Provided Oregon continues to invest in inspections and oversight for program compliance and that

federal, state and local prosecutions of illegal activity are a priority, this step by Oregon creates the conditions to align the interests of legal growers, regulators and law enforcement on a shared aim of eliminating illegal operations. On this course Oregon has the opportunity to reduce a history of illegal diversion and create a new national and worldwide reputation for its marijuana production acumen within a legally regulated framework.

Enforcing Against Criminal Activity

The regulated and legal system of marijuana production will not thrive and grow without a concurrent effort of strong enforcement against illegal marijuana operations. These illicit cultivators are competitors with the legal market; their activities diminish tax revenue generated by the legal system. As important for Oregon's industry, the persistence of the illegal export of marijuana impedes advancing industry members' hope for opportunities for interstate commerce. These opportunities include controlled and legal export to states that have recently legalized medical marijuana programs. These policy direction debates will take place within the federal government, individual states and here in Oregon. Many of these policy considerations are beyond the scope of OLCC's responsibilities, however, all of these dynamics point to the importance of strong enforcement against illegal grows and activities. The legal system's growth and success is tied to the creation of a level playing field for the businesses that participate in it.

***Depending on Strong Coordination with Law Enforcement Partners*:** Today, the OLCC relies upon federal, state, and local law enforcement to pursue criminal activity related to its licensees as the OLCC only has administrative enforcement powers over its licensees and their transportation of product in Oregon. This is likely a proper relationship for the OLCC to be effective in its administrative responsibilities; however, this division of responsibilities requires strong avenues of coordination between administrative agencies and criminal law enforcement agencies. The following are some of the ways OLCC works with and provides and receives services and cooperation from law enforcement:

- Based on investigations or informant information, the OLCC communicates with law enforcement on criminal matters that are beyond OLCC jurisdiction.
- Law enforcement often informs OLCC about licenses that are being investigated criminally. At law enforcements' discretion they may share evidence with OLCC in order to allow the agency to consider taking appropriate action against the license.
- Depending on the case and circumstances, OLCC can use shared evidence to stop operations through the immediate suspension of the license.
- OLCC cooperates, coordinates with and seeks the assistance of law enforcement to the extent it is legally possible.
- OLCC operates a law enforcement call center to provide law enforcement information about licensees, transportation manifests, or data related to the production, transfer and sale of marijuana. The call center currently operates 24 hours a day, seven days a week.

- OLCC and OSP southern region drug team are co-located in the Medford regional office.
- The OLCC provides training and education for law enforcement about the marijuana regulatory structure.
- OLCC Inspector training and curriculum development takes place through the Oregon Department of Public Safety Standards and Training (DPSST).
- The OLCC seeks input and direct participation from Law Enforcement about OLCC policy.

Over the next two years, the OLCC will work to establish stronger ties and protocols for coordination with law enforcement. In 2019 the OLCC met with local and state law enforcement throughout the state to strengthen our relationships and gain a better understanding of local needs. To date, when the OLCC has needed assistance, law enforcement agencies across Oregon have responded. However local prosecution of criminal marijuana offenses and the priority placed on responding to theft and robbery reports from licensees could be characterized as variable. For some time now, rural Oregon law enforcement has faced financial issues requiring them to prioritize their overall responsibilities to protect public safety in their communities. This prioritization is likely as it should be given the need to prioritize resources, however, the state has and will look to fill gaps in implementing a coordinated overall marijuana policy in order to stabilize the legal marijuana system in Oregon.

Oregon State Police is one of the most important partners in achieving the aims of OLCC and the legal system. OSP receives some marijuana tax dollars to focus on criminal activity related to marijuana and there is opportunity to provide a net increase in resources to OSP to assist with an overall statewide policy to control marijuana. In 2017 the legislature took an important step by tapping the marijuana administrative fund to fund both OLCC medical grow inspectors and to distribute grants to local jurisdictions by the Criminal Justice Commission; the OLCC was instrumental in identifying this priority and is appreciative to the legislature for taking this needed action. All of these efforts, beyond the scope of OLCC's specific responsibilities, help to create a stable legal system and support the success of Oregon's regulated marijuana production. The OLCC intends to continue work for a comprehensive approach to the control of marijuana diversion statewide.

Achieving Regulatory Compliance through Comprehensive Rules and Sanctions, Education, Analysis and Inspections

The OLCC is continually assessing and modifying the regulatory framework to ensure that public safety is maintained. Although the US Attorney General rescinded the Cole Memorandum, the memo's guidelines continue to provide an important framework for regulatory guardrails that allow the cannabis industry to function and diminish the prospect of illegal activity.

***Refining an Efficient System of Compliance*:** The OLCC's top priority is to ensure the regulated market – whether OLCC licensees or OMMP registrants – are following Oregon's laws and rules. The industry itself wants a fair and level playing field and consistent application of agency rules. Most OLCC licensees are focused on success within the legal framework that they have gone through considerable effort to join. Most have responded positively to education as the agency and industry have launched into this new and

dynamic relationship. For these licensees the OLCC has worked hard to create a system of education, warnings, standard fines for violations and an ability to settle more serious failures when the violations are not wanton and when the activities do not indicate systemic diversion. The agency is working to refine its charging practices and refine sanctions to give licensees remedial opportunities to get operations on track while not tolerating diversion and failures to prevent access to marijuana by minors.

Improving Rules to Protect Public Safety and Provide for Efficient Implementation: The OLCC will be reviewing all of its rules with respect to implementation of marijuana and hemp laws. This is an opportunity to eliminate processes that are not working for the OLCC or industry; and it is an opportunity to improve overall compliance to achieve public safety. Between the fall of 2020 and early 2021, the OLCC will engage in rule making procedures to refine rules and sanctions that better reflect enforcement priorities and that improves progressive sanctions by clarifying priority violations from technical issues that can be corrected in the field. All of this will be informed based on OLCC's and industry's learnings and an improved knowledge base about marijuana cultivation, processing, transportation and sale in Oregon. Across several areas, procedures that were transferred into marijuana rules from the agencies alcohol rules will be revised to ensure that rules work given the unique nature of regulating marijuana.

General Rule Making: The OLCC will open its suite of marijuana rules for revision. In this process, errors will be corrected, rules will be refined to create efficiencies for licensing and inspections and new provisions will be created based on the agency's learnings over the past two years of implementation. The OLCC may have business needs to accelerate adoption of specific areas of rulemaking focuses.

***Renewal Process*:** The current OLCC license renewal process was based on alcohol licensing experience, but it is was not working well given the demand for marijuana renewals and concurrent changes being sought for ownership interests and physical premises changes. In response to COVID-19 restrictions the OLCC sought a more efficient way to provide for license renewals and OLCC fee payments. This work will tie into major improvements of the electronic licensing system and its 2.0 generation. OLCC has been able to accelerate renewals and maintain fidelity to the most important public safety protections the system is designed to control and sanction.

Changing Expectations and Culture: The rapid issuance of licenses to build the market, combined with a rather open-ended system of registration and historical expectations, carried forward from an OMMP program that was never designed for accountability, leaves OLCC with a lot of work to do to ensure licensees are professionalizing operations sufficient to maintain compliance. It is inevitable that a faction of OLCC licensees will attempt to manipulate the protection provided by their license as a cover to engage in diversion. Even operators that came into the system with the best of intentions may be vulnerable to the lure of established criminal influences that organize the illegal export of marijuana to lucrative markets across the county. Colorado and Washington have experienced this and Oregon has as well. The job of the OLCC over the next two years is to continue separating the new licensees that comply with regulations from those who are willing to risk their license and investments for returns from illegal diversion.

Building Towards Systemic Enforcement: It has taken time to create rules that match four legislative sessions of major law changes. Building up staff, the development of rules and creating the IT systems and procedures to implement the rules has consistently lagged behind the overwhelming workload of starting-up a new industry. Until 2017, most of the focus of OLCC was on licensing a vast number of marijuana business and finalizing rules. For most of this time, enforcement was complaint based and reactive. Early on, alcohol program licensing and compliance staff were drawn upon to match the urgency of establishing the regulated marijuana market. With approval of the 2017-19 budget, the OLCC had the necessary permissions to move forward and hired additional staff for enforcement. At the same time, the OLCC gained major new responsibilities for tracking of medical growers.

***Compliance and Good Enforcement Begins with Licensing and Renewals*:** Enforcement begins with having a good licensing process that preforms criminal background checks, vets investors and ownerships, and examines the premises of the marijuana licensee. Annual licensing renewal is another important checkpoint for public safety oversight of the industry. Since the inception of the program, OLCC has continuously adjusted and revised details and procedures surrounding licensing to ensure that reviews are accurate, efficient and complete. Although initial licensing automation will work for the new program, changes in laws, rules, procedures and volume of activities has exposed the limitations of the initial licensing system. Perhaps the highest priority for the agency is to fully revamp licensing and move on to a next generation system. This is a mission critical issue for the agency, for its effective review of licenses, and to effectively managing persistent demand for complex license changes surrounding ownerships and the physical site.

Establishing Inspection Protocols and Training Inspectors: OLCC has established a management structure that is integrated within the Public Safety Division and in regional field offices. OLCC has made progress on training staff and developing field procedures for enforcement inspections of each license type. In 2019 the agency ran minor decoy operations in each region of the state, it has inspected retail locations, and now has a full suite of procedures for inspections. The agency educates licensees through regular contact and regulatory bulletins prior to the initiation of a new inspection protocol so they understand what inspectors will be looking for and understand what is necessary to be compliant.

Capitalizing on the Use of Data Analytics to Set Inspection Priorities: Oregon's Cannabis Tracking System (CTS) is populated with dynamic daily data detailing the condition of grows and the movement of marijuana through the supply chain. Some of the information tracked includes: status of individual plants; quantities of marijuana flower being dried; bulk packages of marijuana that are tested; lab results associated with packages; manifest for transportation to processors, wholesalers and retailers; daily sales of marijuana sold to recreational and medical customers by quantity and units; and taxed and tax-free sales. All of these data points reflect a fraction of the streams of data in the tracking system. The OLCC created a team to monitor daily sales and to investigate sales patterns that were unusual, or sales of quantities of marijuana that were above the legal limits for personal possession of marijuana products.

Until 2018, only one person monitored the system and coordinated with the tracking system vendor on a regular basis. A great amount of time went into constant modifications of the system to tailor it to new state laws and the rules of the OLCC. Other than the initial

oversight on sales, the data was only analyzed to make changes to the system and when there were complaints about specific marijuana operations. In these specific cases, CTS was used to analyze operations and to provide inspectors with reported inventory data. These specific data investigations proved useful and many violations and data entry mistakes were discovered through episodic reviews. On many occasions enforcement and the policy team identified specific requests that were satisfied by a single analyst's work. Given the limited trained inspectors the agency had at that time, and the focus on licensing, the OLCC did not have resources to pursue all suspicious activities. While CTS was being put to good use, the agency lacked resources for enforcement inspections needed to investigate the issues flagged in the system and also lacked resources for policy making needs related to findings.

In 2017 the Oregon Legislative Assembly funded additional personnel to analyze CTS data. This was done in part to ensure that there was additional capacity in place to oversee data related to the OLCC's new responsibilities for tracking medical grow sites under the OMMP system. By mid-2018, after the hiring of management and technical staff, OLCC oversight of tracking for medical grows was in place. This capacity gain helps the OLCC to more fully employ the power of the CTS system, however, it is still inadequate given the agency's commitment to the vision of robust use of CTS.

Creating a Specialized Unit Focused on Analytics and Data: The Analytics, Reporting, and Technical Implementation Division is critical to the Commission's data-driven decision-making in the development and enforcement of policies and rules for the marijuana, alcohol, and distilled spirits programs. The Division consists of three parts: the Marijuana Technical Unit, which oversees the Commission's seed-to-sale Cannabis Tracking System; the Research Unit, which works with other divisions to develop, implement, and analyze performance measures; and the Laboratory and Labeling Compliance Unit, which assists the Commission's compliance division in overseeing and enforcing marijuana requirements related to lab testing and packaging & labeling. This specialized unit generates a suite of regular and specific reports that is used by OLCC management to set field inspection and oversight priorities. The reports are constructed to combine intelligence from the system about multiple data anomalies to focus OLCC inspections on high-risk licensees that are generating variations outside their own statistics for operation and in comparison to the universe of licensees. As an example, the system may detect unusual discrepancies between wet weight and dried product, combined with multiple changes in waste data, and strange reporting of travel manifest data. Any one of these issues may not be overly concerning on its own, but examining the pattern of relationships often reveal larger issues. Not all data needs to be verified on the ground. The OLCC rules contain timing requirements and steps that must be followed sequentially. The rules also dictate transaction limits such as for the sale of retail products. In these prescriptive data cases, the unit issues automated warnings to prevent mistakes or to highlight failures that have happened. In some cases, the agency may be able to issue tickets based solely on reported data for both single event issues or after multiple warnings about the same issue. The technology used in the automated warnings is an important enforcement tool that needs to be supported and updated. Staff also needs continual education to utilize the technology in the most effective manner.

Capacity to Inspect and Verify Compliance: Oregon's regulatory system depends on trained field personnel to work directly with licensees across all the complexities of each license type. OLCC inspectors assigned to marijuana are trained specially for work with marijuana licensees and they are certified by the Department of Public Safety Standards and Training (DPSST). Continual training for inspectors is necessary as new enforcement priorities come to light.

The entirety of OLCC's success with compliance relies on a regime of inspections that are at least annual, that may be random, or that may be ubiquitous enough that the licensed community believes OLCC is likely to inspect their operations. With over 2,200 licenses and in year five of the program, now is the time to roll forward into systematic enforcement of regulatory requirements. Prior to 2018 the OLCC only responded to the investigation of complaints. In early 2018 the OLCC engaged retailers through statewide minor decoy missions and received lackluster results. As a result, OLCC increased the penalties for a violation of sales to a minor. These operations resulted in much better compliance. This will be the case across a variety of different issues associated with different license types.

OLCC inspectors' priorities are to seek out diversion, prevent sales to minors, and provide education to licensees and registrants to ensure compliance and success in the regulated system. Inspectors are responsible for using their judgment in issuing violations. However, many businesses are not routinely meeting obligations and frequently licensee's lack of diligence is earning them serious violations which carry the potential of license revocation. When diversion evidence is not a factor, these cases are often settled. Perhaps the most common tickets written relate to lack of camera coverage, the ability of licensees to retrieve back-up video and CTS issues. Maximum sanctions are issued in diversion cases.

Other Important Issues Concerning Marijuana Regulation

Considering Social Consumption: Measure 91 prohibited public consumption when passed by voters and this prohibition remains in place. The prohibition of public consumption, combined with the requirements of Oregon's Indoor Clean Air Act, make licensed social consumption venues virtually impossible and leaves private property and residences the legal options for consumption. Understandably the industry will push for policy changes to allow for social consumption in order to shore up its economic viability. Product innovation, cannabis tourism (similar to wine tasting) and flexible business models will continue to challenge the OLCC's licensing and compliance capacity. While social consumption has been considered and debated in all states where recreational marijuana is legal, no state has completed licensing of social consumption venues. On-premises consumption of marijuana presents a set of regulatory challenges that are discrete from other license types. For example, states must consider patron intoxication, neighborhood livability issues and employee exposure to second-hand smoke. While the regulatory debate about providing legal premises for social consumption is high-centered by competing values in the law, the lack of controlled options has not stopped increasingly cavalier illegal public consumption. Oregon, like elsewhere, will continue to struggle with the societal and social conflicts surrounding regulation of social consumption.

Regulating Hemp: As the OLCC's cannabis regulating responsibilities are increasing, the legislature also tasked the agency to extend its oversight of industrial hemp within the OLCC licensed system. Hemp is often touted for the use of its seeds and stalks for making rope, fabric and other products; however, much of the hemp grow today is destined for processing consumable CBD products. CBD, or cannabidiol, is a non-psychoactive compound found in industrial hemp and some marijuana cultivars. CBD is widely believed to have medicinal value. The state faces another balancing act with CBD because the 2019 Farm Bill removed hemp and CBD from the federal controlled substance schedule. The Bill requires the USDA and the FDA to write rules regarding hemp in the United States and requires each State Department of Agriculture to submit a plan for regulating hemp within their State.

Hemp and marijuana plants are nearly identical. Marijuana and hemp are both cannabis plants and products made from them can be easily confused in the field. This can be confounding to law enforcement, neighbors and public officials as raw hemp, and the products made from it look very much like marijuana and marijuana products. The plants are both cannabis plants with hemp being low in psychoactive Tetrahydrocannabinol or THC; the chemical or cannabinoid associated with euphoria. Regulating hemp grows and products while trying to distinguish these plants and its products from marijuana is a confounding regulatory task. Legal hemp is required to be field tested to ensure it is below its 0.3% THC level. Non-CBD hemp products are still perfectly legal for export nationally and internationally. Hemp hearts, or the shelled seed of the hemp plant, are a food product touted for its nutrition. Hemp oil made from the seeds of hemp is also sold as food product or ingredient in topical lotions and creams. Topical creams containing CBDs are also common.

Today, hemp growers and handlers registered by the Oregon Department of Agriculture can transfer hemp items to OLCC licensees under certain conditions. Any hemp items transferred to OLCC licensees must be entered into the Cannabis Tracking System and must be accompanied by a system-generated transportation manifest. Hemp growers and handlers pay fees to participate in CTS and bring hemp items into the OLCC system. Marijuana licensees who are endorsed to receive hemp also pay a fee. Hemp itself is not taxed when sold; however, if hemp is mixed with marijuana the product becomes a marijuana item and is taxable from that point forward. The hemp industry itself worked very hard to gain access to the OLCC market.

There are no easy regulatory answers as the state balances the creation of a safe high-quality consumer market for marijuana with a largely unregulated and untaxed market for hemp. OLCC licensees who transport marijuana items must carry a travel manifest and law enforcement can call OLCC and verify the manifest. This requirement also applies to hemp that is transported to or from an OLCC licensee. However, the manifest and tracking requirements do not apply to hemp items sold outside the OLCC license system. Hemp items are commonly sold at unlicensed locations such as farmers market and in interstate commerce. This inconsistency creates a clear opportunity for nefarious actors to use hemp operations as cover for illegal commerce in marijuana. With the growing reputation of CBD's medicinal value, both hemp growers and marijuana growers compete for this desirable product market. However, marijuana growers are at a disadvantage in that grows of hemp are much larger and do not bear the added security cost of cameras or the burden of

comprehensive CTS tagging, recording of harvest weights, packaging and other detailed data recording steps and operational requirements for producing marijuana. However, hemp entering the OLCC system will have to be tested just as if it was a marijuana product. OLCC marijuana licensees may also hold a hemp license and grow hemp, but the operations must be separate. No hemp is allowed on a marijuana producers licensed premises. Given the current competitive environment within the state's legal marijuana market, many OLCC growers are turning to hemp as another source of income and this will undoubtedly create many opportunities for regulatory confusion. Across the country regulators are now seeing the need to harmonize marijuana and hemp testing because the end product of hemp or marijuana is really determined by THC content that determines in proper place in the market place.

Banking: Cannabis businesses continue to have limited banking options due to federal banking restrictions and the flow of funds and cash generated by the cannabis industry creates a public safety issue. Oregon has followed the lead of other legal cannabis states in working with state-chartered banks and credit unions to address this issue. As provided under House Bill 4094, enacted during the 2016 legislative session, the OLCC has entered into agreements with three credit unions and one money transaction institution that are banking the cannabis industry. The OLCC provides licensing, CTS and violation data to these financial institutions for compliance auditing in order to provide these institutions with the information they need to service marijuana accounts.

***Multi-state Coordination*:** OLCC will continue to work with other state regulators to share best practices and codify regulations as this industry steps towards emerging into a national market. Oregon and the OLCC remain aware of our pioneer status in the regulation of marijuana. Oregon's reputation for having thoughtfully built out the regulatory framework for marijuana and the knowledge and experience gained is important to other states, and the OLCC actively shares its regulations and experiences with new regulators. The OLCC plans and attends semiannual meetings with regulators from other medical and recreational states; at the last meeting in 2019, 29 states were present. This is a valuable mechanism for sharing ideas, best practices and begin to streamline regulations between states.

The law enforcement call center at the OLCC also receives calls from law enforcement from other states for illegal activity related to Oregon, helping Oregon better regulate our licensees and others who may be outside the confines of the law.

Mixing Marijuana and Alcohol: Since the passage of Ballot Measure 91, the Commission has been clear with its licensees that THC and alcohol do not mix. The OLCC has communicated its expectations in numerous forums, including through its "What's Legal" campaign about legal consumption. OLCC has also adopted rules that prohibit the co-location of alcohol and marijuana licenses and prohibits the consumption of marijuana on any licensed premises. Also in place are vigorous controls for alcohol license special events that are held in conjunction with marijuana events in Oregon. Careful controls are in place to clearly separate the license alcohol activity from the event surrounding it. Again, no marijuana use is permitted.

Alcohol and marijuana are certainly a deadly combination for driving. At the outset, it is important to understand that there is no drug test for THC that measures impairment, and the detection of marijuana is not a sign of impairment: law enforcement uses field sobriety test to make arrests for drugged driving. However, there is convincing research that mixing alcohol and marijuana results in increased impairment when compared to consuming the substances alone. This combination — in excess — results in greater impairment, less control and greater danger while driving. Alcohol related traffic fatalities are consistently a significant cause of all traffic fatalities.

Oregon Has Establish a Mature Marijuana Marketplace and is a Success Story: For all the imperfections of the Oregon system, highlighted by the unacceptable backlog and rate of processing license applications, Oregon has succeed in normalizing the market and has instituted controls and sanctions. Price per pound is normalizing at levels that is sustaining cultivators, retail sales are robust in a highly competitive sector, and state revenues from sales are at record levels. Perhaps most emblematic of the success was the response of Oregon consumers when the Governor's stay at home order was about to go into effect — they went to the legal market to secure their personal cannabis products. Oregon is well down the path of supplanting the old style criminal marijuana market place and has within its borders what is perhaps the most functional marketplace in the nation. Nothing here discounts the tremendous work before the OLCC and industry to perfect notable shortcomings in the system, to speed licensing time and to implement automation to accomplish that business function.

Marijuana Infused Beverages: As more states have legalized marijuana, there has been in increasing interest in marijuana-infused beverages. In Oregon and other states, these beverages cannot legally contain alcohol. However, anecdotal observations show unregulated production of cannabis infused alcohol has existed for some time and is likely to continue despite its illegality. In addition to THC infused beverages, CBD-infused beverages have grown in popularity. The Alcohol and Tobacco Tax and Trade Bureau (TTB) grants federal approval for spirits and other categories of alcoholic beverage that contain hemp seed oil or other inert hemp ingredients. However, TTB will not approve any alcohol beverage that contains CBD or THC.

Despite TTB prohibition, industry innovation in this area is going to occur. Several large manufacturers of alcoholic beverages have either become shareholders or formed other business alliances with marijuana companies with an interest in producing marijuana beverages - Heineken, Constellations Brands, Blue Moon, and Molson-Coors are reportedly looking into the concept. Innovators in this area are positioning to sell non-alcoholic beer and wine products as regulated marijuana products by removing alcohol and replacing it with THC. Oregon manufacturers also have an interest in these type of products or those that include CBDs.

D. Agency Initiatives in the 2021-23 Budget

The 2021-23 Legislative Request Budget includes the following policy option packages for OLCC. These option packages enable the OLCC to preserve revenue growth and address issues arising from aging technology systems, warehouse space requirements, public safety, licensing, and administrative policy and process growth and recruitment and training needs. The packages are focused on preserving state revenue and fulfilling the agency's mission of supporting businesses, public safety and livable communities through the education and enforcement of liquor and marijuana laws.

Warehouse Capital Bonding **Package No. 101, 0 FTE, $98,282,093**

The liquor distribution warehouses operated by the Oregon Liquor & Cannabis Commission have reached capacity for storage of distilled spirits. An estimated $1.5 billion in gross revenue ($586.9 million distributable revenue) is at risk without additional storage to meet demand from population growth and expansion. In addition the agency is currently engaged in a large Enterprise Modernization program to replace insufficient and unsupported warehouse technology. Aligning these two projects and funding them with capitol bonding reduces costs and creates efficiency. This package includes funding for warehouse construction, conveyors, and a warehouse management system ($90 million total). Biennium payment after 2023 will be $15.1 million. Bond term are ten years for the warehouse management system, 15 years for conveyors, and 25 years for building. This package folds in the agency's expected funding request for the current IT modernization project and eliminates the need for roof repair and seismic upgrades on the existing warehouse. Deferment of roof repairs and seismic upgrades coupled with bond financing of a new distribution center lowers the overall limitation necessary for the program in the 2021-2023 biennium and increases the funds available for distribution; however, this benefit in transfers to the general fund, counties, and cities is only achieved by making a decision to capture efficiencies and of committing to capital construction plan to meet project consumer demand over the next ten year period. A vital mission of the OLCC is to be a predictable and reliable generator of revenue to the state, and this package is necessary to meet that goal. Importantly, on the social consequences side, this projection maintains a consistent rate of access to spirits at one store per 15,000 residence. On a per-capita basis, Oregon has far fewer stores than the national average. As well, projections maintain that Oregon remains a high spirits cost state, only Washington to the north exceeds Oregon's consumer pricing. All things equal, social impacts of alcohol are held at a status quo level in this projection.

Human Resources Staffing **Package No. 302, 2 FTE, $504,600**

This package addresses the agency's ongoing need for continual recruitment, training, and management support. The agency's vacancy average is 60 positions including backfill. The volume of vacancies and unique skill sets required to fill those vacancies requires a full time recruiter with expertise in marketing, diversity, equal employment opportunity and Title VII regulations. With rapid growth and hiring, there is a growing need for training and development program that aligns with the state's requirements and policies and

supportive of succession planning, employee retention, and career advancement. This package converts a double fill of an HRA2 position to a permanent recruiter position and adds a HRA2 trainer position focused on onboarding new employees, HR compliance, policy review, and manager training.

Information Services Management and Support **Package No. 303, 4 FTE, $1,172,759**

OLCC is engaged in a large Enterprise Modernization Program to replace insufficient, outdated, and unsupported technology. This multi-year, multi-project effort requires significant support from OLCC's Office of Information Services (OIS) which operates with no administrative support and requires significant strategic planning and oversight to ensure success of the current projects while upholding daily operations. This package addresses the need to provide dedicated administrative support to the agency's Information Services Division and management necessary to support ongoing operations, multiple IT projects, systems analysis, security, and vendor management. This package adds four positions: 1) Administrative Specialist; 2) Project Management Office and Vendor Relationship Manager; 3) IT Operations Manager, and 4) Solutions Development and Delivery Manager.

Alcohol Compliance and Licensing Staff **Package No. 204, 8.5 FTE, $2,106,497**

OLCC has seen unprecedented employee growth with the addition of recreational and medical marijuana programs to the agency's field operations. One region in particular, Medford will have a 21/1 ratio in the 2021-23 biennium without any new employees added. Approximately 680 new liquor licenses are added to the agency's portfolio each biennium. In 2011 the ratio of licensing specialists to licenses was 1 to 521, today the ratio is 1 to 896 making it difficult to maintain an adequate level of support for licensees. Growth in licenses has increased the daily requests for assistance through walk-ins, phone, and e-mail and growth in applications for alcohol server permits. Alcohol server permit applications are now up to 200 new applications each day. At this level the agency is no longer able to run random background checks or validation that the applicant has taken the required class before taking the online test. Also growing are special event license applications. The agency has one full time position and one limited duration position to process the 10,000 applications that are received during the biennium; however, due to the difficulty in recruiting for the limited duration position, this section is continually under resourced. This package also includes a half-time limited duration position to maintain ongoing evaluation of OLCC's enforcement structures and processes. Historically OLCC has relied on minors to assist in the agency's efforts to prevent sales to minors; however, it has been extremely difficult to recruit and retain volunteers. This package addresses staffing needs for the agency's growth, evaluation of enforcement structures, and funding to pay minors who participate in decoy checks. It funds three liquor licensing investigators to process and support a growing number of applications, one CS1 to respond to requests for assistance, one OS2 to process alcohol service permits, one AS1 to process special events, one PEM D in Medford to reduce the management to staff ratio, .5 PEM G to continue evaluation of OLCC's enforcement practices, and 12 part-time temporary positions utilized for minor decoy operations.

Administrative Hearings Case Presenters **Package No. 205, 4 FTE, $1,052,348**

Existing staff levels in the Administrative Hearings unit is insufficient to manage the current caseload, as evidence by a backlog of cases which escalated with growing field compliance and citation of marijuana licenses. OLCC requires additional case presenters to adjudicate these cases and handle the processing of violations that naturally results from the growing number of licensing and enforcement staff. Despite increasing caseloads for individual case presenters, 404 cases have yet to be assigned. This backlog compromises the agency's ability to process cases in a timely manner. This package adds four CS3s case presenters to address growth in violations and the backlog.

Liquor Auditor and Payroll Contracting **Package No. 306, 1 FTE, $394,185**

In the 2019-21 biennium the finance department double filled a liquor auditor position to address a 20% growth in the number of liquor stores that have opened since expansion began in 2017. The agency has also experienced increased growth in the management of liquor store compensation, payroll, and processing travel requests. In lieu of requesting an additional position, the agency proposes to address this workload increase by outsourcing payroll services. This package makes permanent a double filled Program Analyst 1 Liquor Store Auditor position and proposes to contract payroll services with DAS.

Distribution Center Equipment Replacement **Package No. 107, 0 FTE, $270,000**

The distribution center is operating with aging forklifts (some 20+ years old) and order pickers with batteries that are having difficulty holding their charge. This package allows for the purchase of four forklifts, pickers, and batteries to keep up with the increasing volume of product distributed out of the warehouse. Speed of pallet movement is part of management's strategy to operate beyond capacity between two warehouses as replenishment supply from the delivery warehouse needs rapidly deployed within the shipping warehouse. This is essential to ensure the efficiency of each shift and shipping day available.

Agent Compensation Formula **Package No. 108, 0 FTE, $13,500,000**

In 2019-21 the agency worked with liquor store agents to examine the current liquor store agent compensation formula which has remained relatively unchanged since 1986. This package revamps the compensation formula and provides an incentive for agents to invest in their businesses and provide better services to customers. This package changes the formula to increase the number of compensation classes from six to ten and includes retail lease and wage escalators to reflect costs in various regions of the state. To operate a business relationship that is healthy, productive, and functional, it is essential that long term policies are in place to ensure the benefits and obligations of contracts that support our private sector liquor store agents — compensation is a fundamental part of this business relationship that can be contractually obligated for 10 years (the longest term of an OLCC contract). The OLCC and agents have a compensation plan that is enduring, clear, and provides incentives for productivity and, it factors in varying cost of labor and lease facilities by regions. Only the legislature can make this business system a part of our business arrangement as compensation is

currently tied into a predictive model of limitation necessary for compensation rather than viewing it as a cost of business. Therefore it is a decision that requires technical budget execution changes to enact an enduring business decision. It is simply unrealistic to renegotiate the terms of compensation through the political process of the legislature every two years; a sentiment and point of emphasis not of OLCC thinking but an expression made to the commission and representative of our agent business partners. OLCC is asking for direction to implement a necessary business system to structure, fair, and reasoned compensation that baselines long-term cost and the potential profitability of liquor store businesses. As agent stores are the sole outlet for state warehouse products, this predictable and sound platform is at the heart of long term revenue generation. No franchise operation or comparable beverage business could execute successful business with an ephemeral compensation agreement, predictable terms of payment and the opportunity to grow profitability are the basis of successful business.

Marijuana Licensing Specialists **Package No. 409, 13 FTE, $3,027,861**

There are currently 13 marijuana licensing specialist positions assigned to this program with 2,267 active licenses and 1,141 applications either assigned or waiting for assignment; 1,775 applications have been withdrawn or inactivated. Licensing specialists approve renewals, change of ownership, change of locations, and changes in tier sizes for existing licenses and a myriad of processes including background checks for applications for new licenses. Delays in processing changes and approving applications continues to cause significant problems for applicants. These services performed timely and efficiently support events and establishment that create jobs, commerce and revenue through business income taxes and are vital to Oregon's economic recovery efforts. Delays translate into private sector loss of income generation. This situation is unacceptable and is costing applicants millions of dollars in capital. The OLCC will work with industry to cover the additional cost of providing timely licensing services and attacking the backlog of license application. If existing license fees and $8m in accumulated reserves is utilized, OLCC can likely accomplish this without a fee increase, however, increase licensing fees is an acceptable option to achieve this goal of OLCC and its licensees. The efficiency of this program must increase and OLCC is fully committed to eliminate the backlog. As this program is self-supported, it has no implications for the general fund. This package requests for marijuana licensing specialists and a GIS analyst to address demand for marijuana licensing services.

Distillery Agent Compensation **Package No. 110, 0 FTE, $3,500,000**

Historically the funding for distiller agent and liquor agent compensation were combined and base rates and commissions were allocated through the same formula. In 2019 the funding for distiller agents who sell only products they manufacture out of tasting rooms was separated from liquor agents to acknowledge the differences between the business models. At that time no changes were made to the formula; however, in 2020 the agency assisted legislators and distillery tasting rooms in crafting statutory language to change the formula. This package reflects the proposal crafted in 2020. It changes the distiller compensation formula to 45% commission on the first $250,000 in sales from all tasting rooms connected to a distiller and 17% for all sales over $250,000.

Privilege Tax Subscription Services **Package No. 311, 0 FTE, $1,110,000**

OLCC was provided project funding in the 2019 legislative session for an online privilege tax system that allows wine and beer licensees subject to privilege taxes to file reports online and make payments. This system, scheduled to be completed in the current biennium, requires ongoing funding to provide maintenance, security, hosting and support for the system. This package provides for those subscription and maintenance costs.

Vehicle Replacement **Package No. 312 $494,000**

The distribution center van often requires costly repairs to replace parts and when out of service affects staff's ability to acquire parts for the warehouse conveyor and deliver missed shipments to liquor stores. Costly repairs are also an issue for the agency's vehicle fleet. This package replaces the distribution center van and 13 aging vehicles.

CBD Inhalant System Regulation **Package No. 413, 1.5 FTE, $362,405**

The Oregon Liquor & Cannabis Commission, Oregon Health Authority and Oregon Department of Agriculture currently cooperate on the regulation of various cannabis product value-chains in Oregon. Currently, marijuana and hemp products intended for human consumption are tested for THC and CBD levels and the presence of certain solvents or pesticides. However, once hemp has been tested and converted into industrial hemp products, there is no longer any tracking or regulation of product on its path to final consumers. OLCC Legislative Concept 8500-005 tasks OLCC with the regulation of CBD vaping products. It adds a compliance specialist 3 to establish the vaping program, develop rules and assist with adjudication of violations and an administrative specialist to coordinate, manage and facilitate product testing.

Medical Marijuana Grow Site Regulation **Package No. 214, 2.25 FTE, $568,309**

Currently OLCC inspectors inspect OMMP grows that are tracked in the Cannabis Tracking System (CTS), inspecting for both CTS violations as well as violations of OMMP rules. Non-intentional violations are handled through education and follow-up; however there have been multiple instances where the findings have been more egregious. In these cases OLCC investigators write up a report and send it to OMMP. OMMP does not have adequate staff or an administrative violation unit to process these reports and instead needs to send them through DOJ, a slower and more expensive process. This creates a duplication of effort between the two agencies. Processing violations through OLCCs administrative process would streamline the process, be less expensive and lead to quicker action. The OLCC has submitted a legislative concept 84500-006 to give OLCC authority to process violations of medical marijuana grow sites tracked in OLCC's Cannabis Tracking

System. This package adds two case presenters to the Administrative Hearings Division to conduct cases through the administrative law process and one administrative specialist 2 to manage and process cases for case presenters.

LEGISLATIVE CONCEPTS

Agency Concept 84500-001 – OLCC Name Change
The agency name "Oregon Liquor Control Commission" no longer describes the mission of OLCC and breadth of the Commission's responsibilities which includes oversight for both alcohol and marijuana licensing and compliance. Given the agency's responsibilities for marijuana regulation, the current name is confusing for the public and creates and impression for marijuana stakeholders that marijuana regulation is less important than alcohol. After 5 years of increasing responsibilities for cannabis regulation it is time to change the agency name to the "Oregon Liquor and Cannabis Commission." This will reflect the agency's current responsibilities and mitigate concerns and center for the industry its regulator home within state government. This can be done without changing the initials OLCC, allowing the agency to maintain its current branding and mitigate cost.

Agency Concept 84500-002-Liquor Price Agreements with Airlines and Tribes
OLCC would like to clarify its authority to make agreements on prices of distilled spirits with tribes and add the authority to negotiate prices of distilled spirits with airlines. OLCC is seeking an amendment that will clarify and allow OLCC to unambiguously honor those longstanding agreements with tribes. This is an existing business practice and OLCC's internal statutory review indicated that it would be a legal and contractual best practice to memorialize this authority in statute. Under current law, OLCC is restricted from negotiating prices with and selling products with packaging not available to general customers at reduced prices. This proposed change will allow OLCC to produce revenue through the sales of these unique products to airlines.

Agency Concept 84500-003 – Sales of Commercial Data
The OLCC needs a statutory change to generate revenue to support operations from the data created and collected by OLCC. The Commission" alcohol sales data is shared this with the National Alcohol Beverage Control Association (NABCA) that collects control state data and provides it to industry. The concept only applies to commercial and not personally identifiable data. This concept enables the Commission to consider how alcohol and marijuana data might be further enhanced, packaged, and monetized.

Agency Concept 84500-005 – Regulations of CBD Inhalant Systems
The Governor's Executive Order 19-09 reflects the concerns relating to minors and vape items. This legislative concepts authorizes an agency to regulate hemp-derived CBD inhalant delivery systems and provides for testing of ingredients of hemp vaping devices like tests conducted on the ingredients of marijuana inhalant delivery systems.

Agency Concept 84500-006 - Medical Marijuana Grow Sites
Currently OLCC inspectors inspect OMMP grows that are tracked in the Cannabis Tracking System (CTS), inspecting for both CTS violations as well as violations of OMMP rules. Non-intentional violations are handled through education and follow-up; however there have been multiple instances where the findings have been more egregious. In these cases OLCC investigators write up a report and send it to OMMP. OMMP does not have adequate staff or an administrative violation unit to process these reports and instead needs to send them through DOJ, a slower and more expensive process. This creates a duplication of effort between the two agencies. Processing violations through OLCC's administrative process would streamline the process, be less expensive, and lead to quicker action.

Agency Concept 84500-07 – Marijuana Social Equity
Solutions are needed to eliminate barriers and assist minorities and people with low income who wish to participate in the establishment of marijuana businesses. This legislative concept authorizes OLCC to coordinate with Business Oregon to establish a grant program with funds dedicated from the marijuana tax fund to assist minority ownership in marijuana businesses.

Agency Concept 84500-08 – Amendments Affecting Marijuana Laboratory Licenses
The definition of premises in ORS 475B.015(30) describes only producers, processors, wholesalers, and retailers, which limits OLCC's ability to apply certain requirements to laboratory licenses. In addition, lab employees were left out of the group of employees which required marijuana worker permits. Extending these requirements to marijuana laboratory licenses will ensure that OLCC has the appropriate regulatory authority to regulate laboratories and their employees.

E. CRITERIA FOR 2021-23 BUDGET DEVELOPMENT

OLCC administers the Liquor Control Act and Cannabis Regulation to ensure social responsibility in liquor and marijuana regulation. In doing so, its functions of providing for the retail sales of alcohol; licensing and efficient collection of taxes; and licensing and sales of marijuana (taxes are collected and distributed by the Oregon Department of Revenue), supports the Oregon economy, business investment, employment and vital public services. It is within this legal framework that the OLCC is responsive to citizens' needs, for public health and safety and engagement on matters of civic and consumer concern. Through and within this framework the OLCC finds its processes and means to meet the challenges of the changing marketplace of the 21st century.

The OLCC's long-term plan is to manage growth within its values and mission. The OLCC actively is planning how to be responsive to the changing demographics and marketplace, while promoting responsible alcohol and marijuana sales and encouraging the development of all Oregon industry and consumer sensitive retail markets.

The OLCC is engaging responsible growth by prioritizing public safety, embracing economic opportunity, and safeguarding its ability to produce revenue to support public programs vital to Oregonians:

- By continuing to create and strengthen partnerships with local law enforcement, moderation groups and others, the OLCC can make well-informed policy decisions and resource allocations to protect the public,
- By reinforcing its commitment to establishing a positive business environment within its overall regulatory structure, the OLCC sets the tone for a sustainable and productive business climate, and
- By prioritizing investments which enhance overall productivity, the OLCC can deliver on expectations that its business operation generate revenue for state, county, and city public services.

The OLCC recognizes that as the environment changes, OLCC and its stakeholders will benefit from the OLCC's responsiveness to changes. OLCC seeks to use the most modern technology it can afford, to improve services and help business people get into business and employ others. It seeks to transition to modern web-based services which provide greater flexibility, use state technology resources, and create more ease for the user.

The future of Oregon depends on its ability to strategically invest in human capital and infrastructure to facilitate the growth of business and jobs, and to contribute to a positive business climate. The OLCC licenses, permits and approves people to manufacture, sell and serve alcohol when they meet certain criteria. In addition, the OLCC licenses growers, processors, wholesalers, retailers, laboratories and researchers and issues marijuana worker permits. Licensees in both programs must consistently comply with the law to keep the privilege, so Oregon's communities can be safe. The OLCC needs a certain level of resources to manage growth and regulate the industry responsibly. In order to keep barriers at a minimum and provide good service levels, the agency also focuses on streamlining and automating processes as much as possible. This also is consistent with the priority to reduce barriers for business, including regulatory barriers.

The OLCC budget proposal focuses on its charge to safeguard state assets and provide responsible stewardship for the continued sale and service of alcohol along with its responsibility for regulating the sales of recreational marijuana. The proposals are primarily focused on adding capability and capacity, particularly bonding for warehouse expansion and IT modernization, and adequate staff to support minor control goals and growth in both licensing and compliance.

BUDGET NARRATIVE

Major criteria for 2021-23 budget development

All budget proposals align with the long-term strategies the OLCC is working toward:

1. Creating a culture of change.
2. Supporting distressed businesses.
3. Creating new means to advance public health and safety, and
4. Opening communications new lines of communications with stakeholders.

The focus for the establishment of priorities across the agency includes criteria that supports measured progress toward achieving the strategic plans of the OLCC:

- Replace OLCC's aging core technology and invest in the capacity to meet customer demand for distilled spirits and secure forecasted revenue necessary to support public services.
- Streamline and automate processes for applicants, license and permit holders and administrative staff.
- Invest in the productivity of the workforce and their professional growth and development to improve agency productivity
- Collaborate with law enforcement to enhance public safety and community livability.
- Enhance economic development through licensee education to achieve greater compliance and secure safety through prevention
- Increase partnership and communication with business, community, public safety and other partners.

The OLCC used the following criteria to develop its policy option packages for 2021-23 and their priority ranking:

1. Does it increase revenue for state services?
2. Does it create efficiency savings within the agency and improve customer service?
3. Does it provide resources to adequately educate and visit licensees in order to increase compliance, reduce sales to minors and enhance community livability?
4. Does it adequately reflect the growing workload and responsibilities within the agency?

BUDGET NARRATIVE

F. PERFORMANCE MEASUREMENT

Annual Performance Progress Report (APPR) documents appear in the "Special Reports" section.

G. MAJOR INFORMATION TECHNOLOGY PROJECTS

Implementation of an online Privilege Tax system mandated by HB 2150 in the 2017 legislative session.

Replacement of failing Distilled Spirits Supply Chain system to secure revenue and accommodate growth in Distilled Spirits.

Creation of alcohol and marijuana licensing and compliance system.

Providing modern technology tools for supporting retail liquor agents, vendors and the general public.

Ensuring continuity of business operations for both marijuana and liquor licensing and compliance.

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Summary of 2021-23 Biennium Budget

Oregon Liquor & Cannabis Comm — **Leg. Adopted Budget**
Oregon Liquor & Cannabis Comm — **Cross Reference Number: 84500-000-00-00-00000**
2021-23 Biennium

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2019-21 Leg Adopted Budget	364	362.00	247,046,671	-	-	247,046,671	-	-	-
2019-21 Emergency Boards	-	-	-	-	-	-	-	-	-
2019-21 Leg Approved Budget	**364**	**362.00**	**247,046,671**	**-**	**-**	**247,046,671**	-	**-**	**-**
2021-23 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(1)	(1.00)	8,547,295	-	-	8,547,295	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2021-23 Base Budget	**363**	**361.00**	**255,593,966**	**-**	**-**	**255,593,966**	-	**-**	**-**
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(108,240)	-	-	(108,240)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	717,975	-	-	717,975	-	-	-
Subtotal	**-**	**-**	**609,735**	**-**	**-**	**609,735**	-	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(6,708,699)	-	-	(6,708,699)	-	-	-
Subtotal	**-**	**-**	**(6,708,699)**	**-**	**-**	**(6,708,699)**	-	**-**	**-**
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	17,434,157	-	-	17,434,157	-	-	-
State Gov"t & Services Charges Increase/(Decrease)			1,241,598	-	-	1,241,598	-	-	-

Description	*Positions*	*Full-Time Equivalent (FTE)*	*ALL FUNDS*	*General Fund*	*Lottery Funds*	*Other Funds*	*Federal Funds*	*Nonlimited Other Funds*	*Nonlimited Federal Funds*
Subtotal	**-**	**-**	**18,675,755**	**-**	**-**	**18,675,755**	-	**-**	**-**
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2021-23 Current Service Level	**363**	**361.00**	**268,170,757**	**-**	**-**	**268,170,757**	-	**-**	**-**

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2021-23 Current Service Level	**363**	**361.00**	**268,170,757**	**-**	**-**	**268,170,757**	-	**-**	**-**
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2021-23 Current Service Level	**363**	**361.00**	**268,170,757**	**-**	**-**	**268,170,757**	-	**-**	**-**
080 - E-Boards									
080 - March 2020 Eboard	-	-	-	-	-	-	-	-	-
081 - April 2020 Eboard	-	-	-	-	-	-	-	-	-
082 - May 2020 Eboard	-	-	-	-	-	-	-	-	-
083 - June 2020 Eboard	-	-	-	-	-	-	-	-	-
084 - June 2020 Special Session	-	-	-	-	-	-	-	-	-
087 - August 2020 Special Session	-	-	-	-	-	-	-	-	-
088 - September 2020 Emergency Board	1	1.00	208,241	-	-	208,241	-	-	-
089 - Post-September 2020 Leg. Actions	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	**1**	**1.00**	**208,241**	**-**	**-**	**208,241**	-	**-**	**-**
Policy Packages									
090 - Analyst Adjustments	(4)	(4.00)	(737,985)	-	-	(737,985)	-	-	-
091 - Elimination of S&S Inflation	-	-	-	-	-	-	-	-	-
092 - Personal Services Adjustments	-	-	-	-	-	-	-	-	-
093 - Transfers to General Fund	-	-	-	-	-	-	-	-	-
094 - Revenue Solutions	-	-	-	-	-	-	-	-	-
096 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
097 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
099 - Microsoft 365 Consolidation	-	-	(256,766)	-	-	(256,766)	-	-	-

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
801 - LFO Analyst Adjustments	-	-	1,593,428	-	-	1,593,428	-	-	-
810 - Statewide Adjustments	-	-	(558,417)	-	-	(558,417)	-	-	-
811 - Budget Reconciliation Adjustments	-	-	35,744,828	-	-	35,744,828	-	-	-
813 - Policy Bills	1	0.75	399,007	-	-	399,007	-	-	-
816 - Capital Construction	-	-	62,537,265	-	-	62,537,265	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
101 - Warehouse Capital Bonding	-	-	-	-	-	-	-	-	-
107 - Distribution Center Equipment Replacement	-	-	270,000	-	-	270,000	-	-	-
108 - Agent Compensation Formula	-	-	13,500,000	-	-	13,500,000	-	-	-
110 - Distillery Agent Compensation	-	-	3,500,000	-	-	3,500,000	-	-	-
204 - Alcohol Compliance & Licensing Staff	2	2.00	683,758	-	-	683,758	-	-	-
205 - Administartive Hearings Case Presenters	4	4.00	1,052,348	-	-	1,052,348	-	-	-
214 - Medical Marijuana Grow Site Regulation	-	-	-	-	-	-	-	-	-
302 - Human Resources Staffing	4	4.00	1,009,200	-	-	1,009,200	-	-	-
303 - Information Services Management & Support	2	2.00	522,397	-	-	522,397	-	-	-
306 - Liquor Auditor & Payroll Contracting	1	1.00	394,185	-	-	394,185	-	-	-
311 - Privilege Tax Subscription Services	-	-	1,110,000	-	-	1,110,000	-	-	-
312 - Vehicle Replenishment	-	-	-	-	-	-	-	-	-
409 - Marijuana Licensing Specialists	8	8.00	1,840,000	-	-	1,840,000	-	-	-
413 - CBD Inhalent Regulation	2	1.50	346,147	-	-	346,147	-	-	-
Subtotal Policy Packages	**20**	**19.25**	**122,949,395**	**-**	**-**	**122,949,395**	-	**-**	**-**
Total 2021-23 Leg. Adopted Budget	**384**	**381.25**	**391,328,393**	**-**	**-**	**391,328,393**	-	**-**	**-**

Description	*Positions*	*Full-Time Equivalent (FTE)*	*ALL FUNDS*	*General Fund*	*Lottery Funds*	*Other Funds*	*Federal Funds*	*Nonlimited Other Funds*	*Nonlimited Federal Funds*
Percentage Change From 2019-21 Leg Approved Budget	5.49%	5.32%	58.40%	-	-	58.40%	-	-	-
Percentage Change From 2021-23 Current Service Level	5.79%	5.61%	45.93%	-	-	45.93%	-	-	-

Oregon Liquor & Cannabis Comm | **Leg. Adopted Budget**
Distilled Spirits Program | **Cross Reference Number: 84500-001-00-00-00000**
2021-23 Biennium

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2019-21 Leg Adopted Budget	79	79.00	29,997,381	-	-	29,997,381	-	-	-
2019-21 Emergency Boards	-	-	-	-	-	-	-	-	-
2019-21 Leg Approved Budget	**79**	**79.00**	**29,997,381**	**-**	**-**	**29,997,381**	-	**-**	**-**
2021-23 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	1,409,652	-	-	1,409,652	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2021-23 Base Budget	**79**	**79.00**	**31,407,033**	**-**	**-**	**31,407,033**	-	**-**	**-**
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(29,255)	-	-	(29,255)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	145,705	-	-	145,705	-	-	-
Subtotal	**-**	**-**	**116,450**	**-**	**-**	**116,450**	-	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(390,462)	-	-	(390,462)	-	-	-
Subtotal	**-**	**-**	**(390,462)**	**-**	**-**	**(390,462)**	-	**-**	**-**
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	3,215,076	-	-	3,215,076	-	-	-
State Gov"t & Services Charges Increase/(Decrease)			(55,424)	-	-	(55,424)	-	-	-

Description	*Positions*	*Full-Time Equivalent (FTE)*	*ALL FUNDS*	*General Fund*	*Lottery Funds*	*Other Funds*	*Federal Funds*	*Nonlimited Other Funds*	*Nonlimited Federal Funds*
Subtotal	**-**	**-**	**3,159,652**	**-**	**-**	**3,159,652**	-	**-**	**-**
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	(2)	(2.00)	(705,511)	-	-	(705,511)	-	-	-
Subtotal: 2021-23 Current Service Level	**77**	**77.00**	**33,587,162**	**-**	**-**	**33,587,162**	-	**-**	**-**

Oregon Liquor & Cannabis Comm | **Leg. Adopted Budget**
Distilled Spirits Program | **Cross Reference Number: 84500-001-00-00-00000**
2021-23 Biennium

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2021-23 Current Service Level	**77**	**77.00**	**33,587,162**	**-**	**-**	**33,587,162**	-	**-**	**-**
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2021-23 Current Service Level	**77**	**77.00**	**33,587,162**	**-**	**-**	**33,587,162**	-	**-**	**-**
080 - E-Boards									
080 - March 2020 Eboard	-	-	-	-	-	-	-	-	-
081 - April 2020 Eboard	-	-	-	-	-	-	-	-	-
082 - May 2020 Eboard	-	-	-	-	-	-	-	-	-
083 - June 2020 Eboard	-	-	-	-	-	-	-	-	-
084 - June 2020 Special Session	-	-	-	-	-	-	-	-	-
087 - August 2020 Special Session	-	-	-	-	-	-	-	-	-
088 - September 2020 Emergency Board	-	-	-	-	-	-	-	-	-
089 - Post-September 2020 Leg. Actions	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	**-**	**-**	**-**	**-**	**-**	**-**	-	**-**	**-**
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Elimination of S&S Inflation	-	-	-	-	-	-	-	-	-
092 - Personal Services Adjustments	-	-	-	-	-	-	-	-	-
093 - Transfers to General Fund	-	-	-	-	-	-	-	-	-
094 - Revenue Solutions	-	-	-	-	-	-	-	-	-
096 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
097 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
099 - Microsoft 365 Consolidation	-	-	-	-	-	-	-	-	-

Description	*Positions*	*Full-Time Equivalent (FTE)*	*ALL FUNDS*	*General Fund*	*Lottery Funds*	*Other Funds*	*Federal Funds*	*Nonlimited Other Funds*	*Nonlimited Federal Funds*
801 - LFO Analyst Adjustments	-	-	-	-	-	-	-	-	-
810 - Statewide Adjustments	-	-	(104,604)	-	-	(104,604)	-	-	-
811 - Budget Reconciliation Adjustments	-	-	35,744,828	-	-	35,744,828	-	-	-
813 - Policy Bills	-	-	-	-	-	-	-	-	-
816 - Capital Construction	-	-	-	-	-	-	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
101 - Warehouse Capital Bonding	-	-	-	-	-	-	-	-	-
107 - Distribution Center Equipment Replacement	-	-	270,000	-	-	270,000	-	-	-
108 - Agent Compensation Formula	-	-	-	-	-	-	-	-	-
110 - Distillery Agent Compensation	-	-	-	-	-	-	-	-	-
204 - Alcohol Compliance & Licensing Staff	-	-	-	-	-	-	-	-	-
205 - Administartive Hearings Case Presenters	-	-	-	-	-	-	-	-	-
214 - Medical Marijuana Grow Site Regulation	-	-	-	-	-	-	-	-	-
302 - Human Resources Staffing	-	-	-	-	-	-	-	-	-
303 - Information Services Management & Support	-	-	-	-	-	-	-	-	-
306 - Liquor Auditor & Payroll Contracting	-	-	-	-	-	-	-	-	-
311 - Privilege Tax Subscription Services	-	-	-	-	-	-	-	-	-
312 - Vehicle Replenishment	-	-	-	-	-	-	-	-	-
409 - Marijuana Licensing Specialists	-	-	-	-	-	-	-	-	-
413 - CBD Inhalent Regulation	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	**-**	**-**	**35,910,224**	**-**	**-**	**35,910,224**	-	**-**	**-**
Total 2021-23 Leg. Adopted Budget	**77**	**77.00**	**69,497,386**	**-**	**-**	**69,497,386**	-	**-**	**-**

Description	*Positions*	*Full-Time Equivalent (FTE)*	*ALL FUNDS*	*General Fund*	*Lottery Funds*	*Other Funds*	*Federal Funds*	*Nonlimited Other Funds*	*Nonlimited Federal Funds*
Percentage Change From 2019-21 Leg Approved Budget	-2.53%	-2.53%	131.68%	-	-	131.68%	-	-	-
Percentage Change From 2021-23 Current Service Level	-	-	106.92%	-	-	106.92%	-	-	-

Oregon Liquor & Cannabis Comm | **Leg. Adopted Budget**
Public Safety Services Program | **Cross Reference Number: 84500-002-00-00-00000**
2021-23 Biennium

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2019-21 Leg Adopted Budget	118	116.00	27,878,683	-	-	27,878,683	-	-	-
2019-21 Emergency Boards	-	-	-	-	-	-	-	-	-
2019-21 Leg Approved Budget	**118**	**116.00**	**27,878,683**	**-**	**-**	**27,878,683**	-	**-**	**-**
2021-23 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(1)	(1.00)	2,449,308	-	-	2,449,308	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2021-23 Base Budget	**117**	**115.00**	**30,327,991**	**-**	**-**	**30,327,991**	-	**-**	**-**
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(28,348)	-	-	(28,348)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	108,154	-	-	108,154	-	-	-
Subtotal	**-**	**-**	**79,806**	**-**	**-**	**79,806**	-	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(490,746)	-	-	(490,746)	-	-	-
Subtotal	**-**	**-**	**(490,746)**	**-**	**-**	**(490,746)**	-	**-**	**-**
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	142,621	-	-	142,621	-	-	-
State Gov"t & Services Charges Increase/(Decrease)			(80,357)	-	-	(80,357)	-	-	-

Description	*Positions*	*Full-Time Equivalent (FTE)*	*ALL FUNDS*	*General Fund*	*Lottery Funds*	*Other Funds*	*Federal Funds*	*Nonlimited Other Funds*	*Nonlimited Federal Funds*
Subtotal	**-**	**-**	**62,264**	**-**	**-**	**62,264**	-	**-**	**-**
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	(7)	(7.00)	(1,964,260)	-	-	(1,964,260)	-	-	-
Subtotal: 2021-23 Current Service Level	**110**	**108.00**	**28,015,055**	**-**	**-**	**28,015,055**	-	**-**	**-**

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2021-23 Current Service Level	**110**	**108.00**	**28,015,055**	**-**	**-**	**28,015,055**	-	**-**	**-**
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2021-23 Current Service Level	**110**	**108.00**	**28,015,055**	**-**	**-**	**28,015,055**	-	**-**	**-**
080 - E-Boards									
080 - March 2020 Eboard	-	-	-	-	-	-	-	-	-
081 - April 2020 Eboard	-	-	-	-	-	-	-	-	-
082 - May 2020 Eboard	-	-	-	-	-	-	-	-	-
083 - June 2020 Eboard	-	-	-	-	-	-	-	-	-
084 - June 2020 Special Session	-	-	-	-	-	-	-	-	-
087 - August 2020 Special Session	-	-	-	-	-	-	-	-	-
088 - September 2020 Emergency Board	-	-	-	-	-	-	-	-	-
089 - Post-September 2020 Leg. Actions	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	**-**	**-**	**-**	**-**	**-**	**-**	-	**-**	**-**
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Elimination of S&S Inflation	-	-	-	-	-	-	-	-	-
092 - Personal Services Adjustments	-	-	-	-	-	-	-	-	-
093 - Transfers to General Fund	-	-	-	-	-	-	-	-	-
094 - Revenue Solutions	-	-	-	-	-	-	-	-	-
096 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
097 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
099 - Microsoft 365 Consolidation	-	-	-	-	-	-	-	-	-

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
801 - LFO Analyst Adjustments	-	-	-	-	-	-	-	-	-
810 - Statewide Adjustments	-	-	(79,185)	-	-	(79,185)	-	-	-
811 - Budget Reconciliation Adjustments	-	-	-	-	-	-	-	-	-
813 - Policy Bills	-	-	-	-	-	-	-	-	-
816 - Capital Construction	-	-	-	-	-	-	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
101 - Warehouse Capital Bonding	-	-	-	-	-	-	-	-	-
107 - Distribution Center Equipment Replacement	-	-	-	-	-	-	-	-	-
108 - Agent Compensation Formula	-	-	-	-	-	-	-	-	-
110 - Distillery Agent Compensation	-	-	-	-	-	-	-	-	-
204 - Alcohol Compliance & Licensing Staff	2	2.00	683,758	-	-	683,758	-	-	-
205 - Administartive Hearings Case Presenters	4	4.00	1,052,348	-	-	1,052,348	-	-	-
214 - Medical Marijuana Grow Site Regulation	-	-	-	-	-	-	-	-	-
302 - Human Resources Staffing	-	-	-	-	-	-	-	-	-
303 - Information Services Management & Support	-	-	-	-	-	-	-	-	-
306 - Liquor Auditor & Payroll Contracting	-	-	-	-	-	-	-	-	-
311 - Privilege Tax Subscription Services	-	-	-	-	-	-	-	-	-
312 - Vehicle Replenishment	-	-	-	-	-	-	-	-	-
409 - Marijuana Licensing Specialists	-	-	-	-	-	-	-	-	-
413 - CBD Inhalent Regulation	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	**6**	**6.00**	**1,656,921**	**-**	**-**	**1,656,921**	-	**-**	**-**
Total 2021-23 Leg. Adopted Budget	**116**	**114.00**	**29,671,976**	**-**	**-**	**29,671,976**	-	**-**	**-**

Description	*Positions*	*Full-Time Equivalent (FTE)*	*ALL FUNDS*	*General Fund*	*Lottery Funds*	*Other Funds*	*Federal Funds*	*Nonlimited Other Funds*	*Nonlimited Federal Funds*
Percentage Change From 2019-21 Leg Approved Budget	-1.69%	-1.72%	6.43%	-	-	6.43%	-	-	-
Percentage Change From 2021-23 Current Service Level	5.45%	5.56%	5.91%	-	-	5.91%	-	-	-

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2019-21 Leg Adopted Budget	76	76.00	28,110,463	-	-	28,110,463	-	-	-
2019-21 Emergency Boards	-	-	-	-	-	-	-	-	-
2019-21 Leg Approved Budget	**76**	**76.00**	**28,110,463**	**-**	**-**	**28,110,463**	-	**-**	**-**
2021-23 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	2,194,604	-	-	2,194,604	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2021-23 Base Budget	**76**	**76.00**	**30,305,067**	**-**	**-**	**30,305,067**	-	**-**	**-**
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(23,517)	-	-	(23,517)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	277,785	-	-	277,785	-	-	-
Subtotal	**-**	**-**	**254,268**	**-**	**-**	**254,268**	-	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(4,491,099)	-	-	(4,491,099)	-	-	-
Subtotal	**-**	**-**	**(4,491,099)**	**-**	**-**	**(4,491,099)**	-	**-**	**-**
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	266,163	-	-	266,163	-	-	-
State Gov"t & Services Charges Increase/(Decrease)			1,437,295	-	-	1,437,295	-	-	-

Description	*Positions*	*Full-Time Equivalent (FTE)*	*ALL FUNDS*	*General Fund*	*Lottery Funds*	*Other Funds*	*Federal Funds*	*Nonlimited Other Funds*	*Nonlimited Federal Funds*
Subtotal	**-**	**-**	**1,703,458**	**-**	**-**	**1,703,458**	-	**-**	**-**
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	9	9.00	2,669,771	-	-	2,669,771	-	-	-
Subtotal: 2021-23 Current Service Level	**85**	**85.00**	**30,441,465**	**-**	**-**	**30,441,465**	-	**-**	**-**

Oregon Liquor & Cannabis Comm
Administration and Support
2021-23 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-003-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2021-23 Current Service Level	**85**	**85.00**	**30,441,465**	**-**	**-**	**30,441,465**	-	**-**	**-**
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2021-23 Current Service Level	**85**	**85.00**	**30,441,465**	**-**	**-**	**30,441,465**	-	**-**	**-**
080 - E-Boards									
080 - March 2020 Eboard	-	-	-	-	-	-	-	-	-
081 - April 2020 Eboard	-	-	-	-	-	-	-	-	-
082 - May 2020 Eboard	-	-	-	-	-	-	-	-	-
083 - June 2020 Eboard	-	-	-	-	-	-	-	-	-
084 - June 2020 Special Session	-	-	-	-	-	-	-	-	-
087 - August 2020 Special Session	-	-	-	-	-	-	-	-	-
088 - September 2020 Emergency Board	-	-	-	-	-	-	-	-	-
089 - Post-September 2020 Leg. Actions	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	**-**	**-**	**-**	**-**	**-**	**-**	-	**-**	**-**
Policy Packages									
090 - Analyst Adjustments	(2)	(2.00)	(360,905)	-	-	(360,905)	-	-	-
091 - Elimination of S&S Inflation	-	-	-	-	-	-	-	-	-
092 - Personal Services Adjustments	-	-	-	-	-	-	-	-	-
093 - Transfers to General Fund	-	-	-	-	-	-	-	-	-
094 - Revenue Solutions	-	-	-	-	-	-	-	-	-
096 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
097 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
099 - Microsoft 365 Consolidation	-	-	(256,766)	-	-	(256,766)	-	-	-

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
801 - LFO Analyst Adjustments	-	-	50,976	-	-	50,976	-	-	-
810 - Statewide Adjustments	-	-	(331,186)	-	-	(331,186)	-	-	-
811 - Budget Reconciliation Adjustments	-	-	-	-	-	-	-	-	-
813 - Policy Bills	-	-	-	-	-	-	-	-	-
816 - Capital Construction	-	-	-	-	-	-	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
101 - Warehouse Capital Bonding	-	-	-	-	-	-	-	-	-
107 - Distribution Center Equipment Replacement	-	-	-	-	-	-	-	-	-
108 - Agent Compensation Formula	-	-	-	-	-	-	-	-	-
110 - Distillery Agent Compensation	-	-	-	-	-	-	-	-	-
204 - Alcohol Compliance & Licensing Staff	-	-	-	-	-	-	-	-	-
205 - Administartive Hearings Case Presenters	-	-	-	-	-	-	-	-	-
214 - Medical Marijuana Grow Site Regulation	-	-	-	-	-	-	-	-	-
302 - Human Resources Staffing	4	4.00	1,009,200	-	-	1,009,200	-	-	-
303 - Information Services Management & Support	2	2.00	522,397	-	-	522,397	-	-	-
306 - Liquor Auditor & Payroll Contracting	1	1.00	394,185	-	-	394,185	-	-	-
311 - Privilege Tax Subscription Services	-	-	1,110,000	-	-	1,110,000	-	-	-
312 - Vehicle Replenishment	-	-	-	-	-	-	-	-	-
409 - Marijuana Licensing Specialists	-	-	-	-	-	-	-	-	-
413 - CBD Inhalent Regulation	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	**5**	**5.00**	**2,137,901**	**-**	**-**	**2,137,901**	-	**-**	**-**
Total 2021-23 Leg. Adopted Budget	**90**	**90.00**	**32,579,366**	**-**	**-**	**32,579,366**	-	**-**	**-**

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Percentage Change From 2019-21 Leg Approved Budget	18.42%	18.42%	15.90%	-	-	15.90%	-	-	-
Percentage Change From 2021-23 Current Service Level	5.88%	5.88%	7.02%	-	-	7.02%	-	-	-

Oregon Liquor & Cannabis Comm | **Leg. Adopted Budget**
Recreational Marijuana Program | **Cross Reference Number: 84500-004-00-00-00000**
2021-23 Biennium

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2019-21 Leg Adopted Budget	68	68.00	19,686,383	-	-	19,686,383	-	-	-
2019-21 Emergency Boards	-	-	-	-	-	-	-	-	-
2019-21 Leg Approved Budget	**68**	**68.00**	**19,686,383**	**-**	**-**	**19,686,383**	-	**-**	**-**
2021-23 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	1,718,591	-	-	1,718,591	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2021-23 Base Budget	**68**	**68.00**	**21,404,974**	**-**	**-**	**21,404,974**	-	**-**	**-**
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(24,342)	-	-	(24,342)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	147,192	-	-	147,192	-	-	-
Subtotal	**-**	**-**	**122,850**	**-**	**-**	**122,850**	-	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(1,186,392)	-	-	(1,186,392)	-	-	-
Subtotal	**-**	**-**	**(1,186,392)**	**-**	**-**	**(1,186,392)**	-	**-**	**-**
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	741,431	-	-	741,431	-	-	-
State Gov"t & Services Charges Increase/(Decrease)			(40,316)	-	-	(40,316)	-	-	-

Description	*Positions*	*Full-Time Equivalent (FTE)*	*ALL FUNDS*	*General Fund*	*Lottery Funds*	*Other Funds*	*Federal Funds*	*Nonlimited Other Funds*	*Nonlimited Federal Funds*
Subtotal	**-**	**-**	**701,115**	**-**	**-**	**701,115**	-	**-**	**-**
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2021-23 Current Service Level	**68**	**68.00**	**21,042,547**	**-**	**-**	**21,042,547**	-	**-**	**-**

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2021-23 Current Service Level	**68**	**68.00**	**21,042,547**	**-**	**-**	**21,042,547**	-	**-**	**-**
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2021-23 Current Service Level	**68**	**68.00**	**21,042,547**	**-**	**-**	**21,042,547**	-	**-**	**-**
080 - E-Boards									
080 - March 2020 Eboard	-	-	-	-	-	-	-	-	-
081 - April 2020 Eboard	-	-	-	-	-	-	-	-	-
082 - May 2020 Eboard	-	-	-	-	-	-	-	-	-
083 - June 2020 Eboard	-	-	-	-	-	-	-	-	-
084 - June 2020 Special Session	-	-	-	-	-	-	-	-	-
087 - August 2020 Special Session	-	-	-	-	-	-	-	-	-
088 - September 2020 Emergency Board	1	1.00	208,241	-	-	208,241	-	-	-
089 - Post-September 2020 Leg. Actions	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	**1**	**1.00**	**208,241**	**-**	**-**	**208,241**	-	**-**	**-**
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Elimination of S&S Inflation	-	-	-	-	-	-	-	-	-
092 - Personal Services Adjustments	-	-	-	-	-	-	-	-	-
093 - Transfers to General Fund	-	-	-	-	-	-	-	-	-
094 - Revenue Solutions	-	-	-	-	-	-	-	-	-
096 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
097 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
099 - Microsoft 365 Consolidation	-	-	-	-	-	-	-	-	-

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
801 - LFO Analyst Adjustments	-	-	40,272	-	-	40,272	-	-	-
810 - Statewide Adjustments	-	-	(39,720)	-	-	(39,720)	-	-	-
811 - Budget Reconciliation Adjustments	-	-	-	-	-	-	-	-	-
813 - Policy Bills	1	0.75	399,007	-	-	399,007	-	-	-
816 - Capital Construction	-	-	-	-	-	-	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
101 - Warehouse Capital Bonding	-	-	-	-	-	-	-	-	-
107 - Distribution Center Equipment Replacement	-	-	-	-	-	-	-	-	-
108 - Agent Compensation Formula	-	-	-	-	-	-	-	-	-
110 - Distillery Agent Compensation	-	-	-	-	-	-	-	-	-
204 - Alcohol Compliance & Licensing Staff	-	-	-	-	-	-	-	-	-
205 - Administartive Hearings Case Presenters	-	-	-	-	-	-	-	-	-
214 - Medical Marijuana Grow Site Regulation	-	-	-	-	-	-	-	-	-
302 - Human Resources Staffing	-	-	-	-	-	-	-	-	-
303 - Information Services Management & Support	-	-	-	-	-	-	-	-	-
306 - Liquor Auditor & Payroll Contracting	-	-	-	-	-	-	-	-	-
311 - Privilege Tax Subscription Services	-	-	-	-	-	-	-	-	-
312 - Vehicle Replenishment	-	-	-	-	-	-	-	-	-
409 - Marijuana Licensing Specialists	8	8.00	1,840,000	-	-	1,840,000	-	-	-
413 - CBD Inhalent Regulation	2	1.50	346,147	-	-	346,147	-	-	-
Subtotal Policy Packages	**11**	**10.25**	**2,585,706**	**-**	**-**	**2,585,706**	-	**-**	**-**
Total 2021-23 Leg. Adopted Budget	**80**	**79.25**	**23,836,494**	**-**	**-**	**23,836,494**	-	**-**	**-**

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Percentage Change From 2019-21 Leg Approved Budget	17.65%	16.54%	21.08%	-	-	21.08%	-	-	-
Percentage Change From 2021-23 Current Service Level	17.65%	16.54%	13.28%	-	-	13.28%	-	-	-

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2019-21 Leg Adopted Budget	-	-	135,385,704	-	-	135,385,704	-	-	-
2019-21 Emergency Boards	-	-	-	-	-	-	-	-	-
2019-21 Leg Approved Budget	**-**	**-**	**135,385,704**	**-**	**-**	**135,385,704**	**-**	**-**	**-**
2021-23 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2021-23 Base Budget	**-**	**-**	**135,385,704**	**-**	**-**	**135,385,704**	**-**	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	12,998,068	-	-	12,998,068	-	-	-
Subtotal	**-**	**-**	**12,998,068**	**-**	**-**	**12,998,068**	**-**	**-**	**-**
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									

Description	*Positions*	*Full-Time Equivalent (FTE)*	*ALL FUNDS*	*General Fund*	*Lottery Funds*	*Other Funds*	*Federal Funds*	*Nonlimited Other Funds*	*Nonlimited Federal Funds*
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2021-23 Current Service Level	**-**	**-**	**148,383,772**	**-**	**-**	**148,383,772**	-	**-**	**-**

Description	*Positions*	*Full-Time Equivalent (FTE)*	*ALL FUNDS*	*General Fund*	*Lottery Funds*	*Other Funds*	*Federal Funds*	*Nonlimited Other Funds*	*Nonlimited Federal Funds*
Subtotal: 2021-23 Current Service Level	**-**	**-**	**148,383,772**	**-**	**-**	**148,383,772**	-	**-**	**-**
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2021-23 Current Service Level	**-**	**-**	**148,383,772**	**-**	**-**	**148,383,772**	-	**-**	**-**
080 - E-Boards									
080 - March 2020 Eboard	-	-	-	-	-	-	-	-	-
081 - April 2020 Eboard	-	-	-	-	-	-	-	-	-
082 - May 2020 Eboard	-	-	-	-	-	-	-	-	-
083 - June 2020 Eboard	-	-	-	-	-	-	-	-	-
084 - June 2020 Special Session	-	-	-	-	-	-	-	-	-
087 - August 2020 Special Session	-	-	-	-	-	-	-	-	-
088 - September 2020 Emergency Board	-	-	-	-	-	-	-	-	-
089 - Post-September 2020 Leg. Actions	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	**-**	**-**	**-**	**-**	**-**	**-**	-	**-**	**-**
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Elimination of S&S Inflation	-	-	-	-	-	-	-	-	-
092 - Personal Services Adjustments	-	-	-	-	-	-	-	-	-
093 - Transfers to General Fund	-	-	-	-	-	-	-	-	-
094 - Revenue Solutions	-	-	-	-	-	-	-	-	-
096 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
097 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
099 - Microsoft 365 Consolidation	-	-	-	-	-	-	-	-	-

Description	*Positions*	*Full-Time Equivalent (FTE)*	*ALL FUNDS*	*General Fund*	*Lottery Funds*	*Other Funds*	*Federal Funds*	*Nonlimited Other Funds*	*Nonlimited Federal Funds*
801 - LFO Analyst Adjustments	-	-	1,502,180	-	-	1,502,180	-	-	-
810 - Statewide Adjustments	-	-	-	-	-	-	-	-	-
811 - Budget Reconciliation Adjustments	-	-	-	-	-	-	-	-	-
813 - Policy Bills	-	-	-	-	-	-	-	-	-
816 - Capital Construction	-	-	-	-	-	-	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
101 - Warehouse Capital Bonding	-	-	-	-	-	-	-	-	-
107 - Distribution Center Equipment Replacement	-	-	-	-	-	-	-	-	-
108 - Agent Compensation Formula	-	-	13,500,000	-	-	13,500,000	-	-	-
110 - Distillery Agent Compensation	-	-	3,500,000	-	-	3,500,000	-	-	-
204 - Alcohol Compliance & Licensing Staff	-	-	-	-	-	-	-	-	-
205 - Administartive Hearings Case Presenters	-	-	-	-	-	-	-	-	-
214 - Medical Marijuana Grow Site Regulation	-	-	-	-	-	-	-	-	-
302 - Human Resources Staffing	-	-	-	-	-	-	-	-	-
303 - Information Services Management & Support	-	-	-	-	-	-	-	-	-
306 - Liquor Auditor & Payroll Contracting	-	-	-	-	-	-	-	-	-
311 - Privilege Tax Subscription Services	-	-	-	-	-	-	-	-	-
312 - Vehicle Replenishment	-	-	-	-	-	-	-	-	-
409 - Marijuana Licensing Specialists	-	-	-	-	-	-	-	-	-
413 - CBD Inhalent Regulation	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	**-**	**-**	**18,502,180**	**-**	**-**	**18,502,180**	-	**-**	**-**
Total 2021-23 Leg. Adopted Budget	**-**	**-**	**166,885,952**	**-**	**-**	**166,885,952**	-	**-**	**-**

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Percentage Change From 2019-21 Leg Approved Budget	-	-	23.27%	-	-	23.27%	-	-	-
Percentage Change From 2021-23 Current Service Level	-	-	12.47%	-	-	12.47%	-	-	-

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2019-21 Leg Adopted Budget	23	23.00	5,610,114	-	-	5,610,114	-	-	-
2019-21 Emergency Boards	-	-	-	-	-	-	-	-	-
2019-21 Leg Approved Budget	**23**	**23.00**	**5,610,114**	**-**	**-**	**5,610,114**	-	**-**	**-**
2021-23 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	775,140	-	-	775,140	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2021-23 Base Budget	**23**	**23.00**	**6,385,254**	**-**	**-**	**6,385,254**	-	**-**	**-**
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(2,778)	-	-	(2,778)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	39,139	-	-	39,139	-	-	-
Subtotal	**-**	**-**	**36,361**	**-**	**-**	**36,361**	-	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	-	**-**	**-**
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	60,996	-	-	60,996	-	-	-
State Gov"t & Services Charges Increase/(Decrease)			(19,600)	-	-	(19,600)	-	-	-

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal	**-**	**-**	**41,396**	**-**	**-**	**41,396**	-	**-**	**-**
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2021-23 Current Service Level	**23**	**23.00**	**6,463,011**	**-**	**-**	**6,463,011**	-	**-**	**-**

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2021-23 Current Service Level	**23**	**23.00**	**6,463,011**	**-**	**-**	**6,463,011**	-	**-**	**-**
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2021-23 Current Service Level	**23**	**23.00**	**6,463,011**	**-**	**-**	**6,463,011**	-	**-**	**-**
080 - E-Boards									
080 - March 2020 Eboard	-	-	-	-	-	-	-	-	-
081 - April 2020 Eboard	-	-	-	-	-	-	-	-	-
082 - May 2020 Eboard	-	-	-	-	-	-	-	-	-
083 - June 2020 Eboard	-	-	-	-	-	-	-	-	-
084 - June 2020 Special Session	-	-	-	-	-	-	-	-	-
087 - August 2020 Special Session	-	-	-	-	-	-	-	-	-
088 - September 2020 Emergency Board	-	-	-	-	-	-	-	-	-
089 - Post-September 2020 Leg. Actions	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	**-**	**-**	**-**	**-**	**-**	**-**	-	**-**	**-**
Policy Packages									
090 - Analyst Adjustments	(2)	(2.00)	(377,080)	-	-	(377,080)	-	-	-
091 - Elimination of S&S Inflation	-	-	-	-	-	-	-	-	-
092 - Personal Services Adjustments	-	-	-	-	-	-	-	-	-
093 - Transfers to General Fund	-	-	-	-	-	-	-	-	-
094 - Revenue Solutions	-	-	-	-	-	-	-	-	-
096 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
097 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
099 - Microsoft 365 Consolidation	-	-	-	-	-	-	-	-	-

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
801 - LFO Analyst Adjustments	-	-	-	-	-	-	-	-	-
810 - Statewide Adjustments	-	-	(3,722)	-	-	(3,722)	-	-	-
811 - Budget Reconciliation Adjustments	-	-	-	-	-	-	-	-	-
813 - Policy Bills	-	-	-	-	-	-	-	-	-
816 - Capital Construction	-	-	-	-	-	-	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
101 - Warehouse Capital Bonding	-	-	-	-	-	-	-	-	-
107 - Distribution Center Equipment Replacement	-	-	-	-	-	-	-	-	-
108 - Agent Compensation Formula	-	-	-	-	-	-	-	-	-
110 - Distillery Agent Compensation	-	-	-	-	-	-	-	-	-
204 - Alcohol Compliance & Licensing Staff	-	-	-	-	-	-	-	-	-
205 - Administartive Hearings Case Presenters	-	-	-	-	-	-	-	-	-
214 - Medical Marijuana Grow Site Regulation	-	-	-	-	-	-	-	-	-
302 - Human Resources Staffing	-	-	-	-	-	-	-	-	-
303 - Information Services Management & Support	-	-	-	-	-	-	-	-	-
306 - Liquor Auditor & Payroll Contracting	-	-	-	-	-	-	-	-	-
311 - Privilege Tax Subscription Services	-	-	-	-	-	-	-	-	-
312 - Vehicle Replenishment	-	-	-	-	-	-	-	-	-
409 - Marijuana Licensing Specialists	-	-	-	-	-	-	-	-	-
413 - CBD Inhalent Regulation	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	**(2)**	**(2.00)**	**(380,802)**	**-**	**-**	**(380,802)**	-	**-**	**-**
Total 2021-23 Leg. Adopted Budget	**21**	**21.00**	**6,082,209**	**-**	**-**	**6,082,209**	-	**-**	**-**

Description	*Positions*	*Full-Time Equivalent (FTE)*	*ALL FUNDS*	*General Fund*	*Lottery Funds*	*Other Funds*	*Federal Funds*	*Nonlimited Other Funds*	*Nonlimited Federal Funds*
Percentage Change From 2019-21 Leg Approved Budget	-8.70%	-8.70%	8.42%	-	-	8.42%	-	-	-
Percentage Change From 2021-23 Current Service Level	-8.70%	-8.70%	-5.89%	-	-	-5.89%	-	-	-

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2019-21 Leg Adopted Budget	-	-	377,943	-	-	377,943	-	-	-
2019-21 Emergency Boards	-	-	-	-	-	-	-	-	-
2019-21 Leg Approved Budget	**-**	**-**	**377,943**	**-**	**-**	**377,943**	-	**-**	**-**
2021-23 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2021-23 Base Budget	**-**	**-**	**377,943**	**-**	**-**	**377,943**	-	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(150,000)	-	-	(150,000)	-	-	-
Subtotal	**-**	**-**	**(150,000)**	**-**	**-**	**(150,000)**	-	**-**	**-**
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	9,802	-	-	9,802	-	-	-
Subtotal	**-**	**-**	**9,802**	**-**	**-**	**9,802**	-	**-**	**-**
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									

Description	*Positions*	*Full-Time Equivalent (FTE)*	*ALL FUNDS*	*General Fund*	*Lottery Funds*	*Other Funds*	*Federal Funds*	*Nonlimited Other Funds*	*Nonlimited Federal Funds*
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2021-23 Current Service Level	**-**	**-**	**237,745**	**-**	**-**	**237,745**	-	**-**	**-**

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2021-23 Current Service Level	**-**	**-**	**237,745**	**-**	**-**	**237,745**	-	**-**	**-**
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2021-23 Current Service Level	**-**	**-**	**237,745**	**-**	**-**	**237,745**	-	**-**	**-**
080 - E-Boards									
080 - March 2020 Eboard	-	-	-	-	-	-	-	-	-
081 - April 2020 Eboard	-	-	-	-	-	-	-	-	-
082 - May 2020 Eboard	-	-	-	-	-	-	-	-	-
083 - June 2020 Eboard	-	-	-	-	-	-	-	-	-
084 - June 2020 Special Session	-	-	-	-	-	-	-	-	-
087 - August 2020 Special Session	-	-	-	-	-	-	-	-	-
088 - September 2020 Emergency Board	-	-	-	-	-	-	-	-	-
089 - Post-September 2020 Leg. Actions	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	**-**	**-**	**-**	**-**	**-**	**-**	-	**-**	**-**
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Elimination of S&S Inflation	-	-	-	-	-	-	-	-	-
092 - Personal Services Adjustments	-	-	-	-	-	-	-	-	-
093 - Transfers to General Fund	-	-	-	-	-	-	-	-	-
094 - Revenue Solutions	-	-	-	-	-	-	-	-	-
096 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
097 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
099 - Microsoft 365 Consolidation	-	-	-	-	-	-	-	-	-

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
801 - LFO Analyst Adjustments	-	-	-	-	-	-	-	-	-
810 - Statewide Adjustments	-	-	-	-	-	-	-	-	-
811 - Budget Reconciliation Adjustments	-	-	-	-	-	-	-	-	-
813 - Policy Bills	-	-	-	-	-	-	-	-	-
816 - Capital Construction	-	-	-	-	-	-	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
101 - Warehouse Capital Bonding	-	-	-	-	-	-	-	-	-
107 - Distribution Center Equipment Replacement	-	-	-	-	-	-	-	-	-
108 - Agent Compensation Formula	-	-	-	-	-	-	-	-	-
110 - Distillery Agent Compensation	-	-	-	-	-	-	-	-	-
204 - Alcohol Compliance & Licensing Staff	-	-	-	-	-	-	-	-	-
205 - Administartive Hearings Case Presenters	-	-	-	-	-	-	-	-	-
214 - Medical Marijuana Grow Site Regulation	-	-	-	-	-	-	-	-	-
302 - Human Resources Staffing	-	-	-	-	-	-	-	-	-
303 - Information Services Management & Support	-	-	-	-	-	-	-	-	-
306 - Liquor Auditor & Payroll Contracting	-	-	-	-	-	-	-	-	-
311 - Privilege Tax Subscription Services	-	-	-	-	-	-	-	-	-
312 - Vehicle Replenishment	-	-	-	-	-	-	-	-	-
409 - Marijuana Licensing Specialists	-	-	-	-	-	-	-	-	-
413 - CBD Inhalent Regulation	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total 2021-23 Leg. Adopted Budget	**-**	**-**	**237,745**	**-**	**-**	**237,745**	**-**	**-**	**-**

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Percentage Change From 2019-21 Leg Approved Budget	-	-	-37.10%	-	-	-37.10%	-	-	-
Percentage Change From 2021-23 Current Service Level	-	-	-	-	-	-	-	-	-

Oregon Liquor & Cannabis Comm
Capital Construction
2021-23 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-089-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2019-21 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2019-21 Emergency Boards	-	-	-	-	-	-	-	-	-
2019-21 Leg Approved Budget	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2021-23 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2021-23 Base Budget	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2021-23 Current Service Level	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2021-23 Current Service Level	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2021-23 Current Service Level	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
080 - E-Boards									
080 - March 2020 Eboard	-	-	-	-	-	-	-	-	-
081 - April 2020 Eboard	-	-	-	-	-	-	-	-	-
082 - May 2020 Eboard	-	-	-	-	-	-	-	-	-
083 - June 2020 Eboard	-	-	-	-	-	-	-	-	-
084 - June 2020 Special Session	-	-	-	-	-	-	-	-	-
087 - August 2020 Special Session	-	-	-	-	-	-	-	-	-
088 - September 2020 Emergency Board	-	-	-	-	-	-	-	-	-
089 - Post-September 2020 Leg. Actions	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Elimination of S&S Inflation	-	-	-	-	-	-	-	-	-
092 - Personal Services Adjustments	-	-	-	-	-	-	-	-	-
093 - Transfers to General Fund	-	-	-	-	-	-	-	-	-
094 - Revenue Solutions	-	-	-	-	-	-	-	-	-
096 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
097 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
099 - Microsoft 365 Consolidation	-	-	-	-	-	-	-	-	-

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
801 - LFO Analyst Adjustments	-	-	-	-	-	-	-	-	-
810 - Statewide Adjustments	-	-	-	-	-	-	-	-	-
811 - Budget Reconciliation Adjustments	-	-	-	-	-	-	-	-	-
813 - Policy Bills	-	-	-	-	-	-	-	-	-
816 - Capital Construction	-	-	62,537,265	-	-	62,537,265	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
101 - Warehouse Capital Bonding	-	-	-	-	-	-	-	-	-
107 - Distribution Center Equipment Replacement	-	-	-	-	-	-	-	-	-
108 - Agent Compensation Formula	-	-	-	-	-	-	-	-	-
110 - Distillery Agent Compensation	-	-	-	-	-	-	-	-	-
204 - Alcohol Compliance & Licensing Staff	-	-	-	-	-	-	-	-	-
205 - Administartive Hearings Case Presenters	-	-	-	-	-	-	-	-	-
214 - Medical Marijuana Grow Site Regulation	-	-	-	-	-	-	-	-	-
302 - Human Resources Staffing	-	-	-	-	-	-	-	-	-
303 - Information Services Management & Support	-	-	-	-	-	-	-	-	-
306 - Liquor Auditor & Payroll Contracting	-	-	-	-	-	-	-	-	-
311 - Privilege Tax Subscription Services	-	-	-	-	-	-	-	-	-
312 - Vehicle Replenishment	-	-	-	-	-	-	-	-	-
409 - Marijuana Licensing Specialists	-	-	-	-	-	-	-	-	-
413 - CBD Inhalent Regulation	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	**-**	**-**	**62,537,265**	**-**	**-**	**62,537,265**	-	**-**	**-**
Total 2021-23 Leg. Adopted Budget	**-**	**-**	**62,537,265**	**-**	**-**	**62,537,265**	-	**-**	**-**

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Percentage Change From 2019-21 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2021-23 Current Service Level	-	-	-	-	-	-	-	-	-

PROGRAM PRIORITIZATION FOR 2021-23

Agency Name: Oregon Liquor & Cannabis Commission
2021-23 Biennium — Agency Number: 84500

Agency-Wide Priorities for 2021-2023 Biennium

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	21	22
Priority (ranked with highest priority first)		**Agency Initials**	**Program or Activity Initials**	**Program Unit/Activity Description**	**Identify Key Performance Measure(s)**	**Primary Purpose Program-Activity Code**	**GF**	**LF**	**OF**	**NL-OF**	**FF**	**NL-FF**	**TOTAL FUNDS**	**Pos.**	**FTE**	**New or Enhanced Program (Y/N)**	**Included as Reduction Option (Y/N)**	**Legal Req. Code (C, D, FM, FO, S)**	**Explain What is Mandatory (for C, FM, and FO Only)**	**Comments on Proposed Changes to CSL included in Agency Request**
Agcy	**Prgm/ Div**																		The Oregon Liquor & Cannabis Commission (OLCC) is the agency responsible for regulating the sale and service of alcoholic beverages in Oregon by administering the state's Liquor Control Act and regulating the sale of recreational marijuana in Oregon through the Control, Regulation, and Taxation of Marijuana and Industrial Hemp Act. The OLCC also enforces the Bottle Bill. Under this law, any malt or carbonated beverage container sold in Oregon must have a refund value of at least five cents.	
1	1		089-01	Capital Construction	845-5	4			62,537,265				$ 62,537,265	0	0.00	Y				POP 101
2	1		003-26	Information Technology	845-4, 845-6	4			9,616,357				$ 9,616,357	21	21.00	N	Y	C		POP 303
3	1		001-30	Distribution Center	845-4, 845-5	6			48,171,775				$ 48,171,775	65	65.00	N	Y	C		POP 101, 107
4	2		001-20	Purchasing	845-4, 845-5	6			753,683				$ 753,683	3	3.00	N	N	C		0
5	1		088-01	Capital Improvements	845-5	4			237,745				$ 237,745	0	0.00	N	N	C		0
6	1		002-45	Licenses Services	845-1, 845-2 , 845-3, 845-4	5			8,977,618				$ 8,977,618	40	40.00	N	N	C		POP 204
7	1		004-85	Recreational Marijuana Licensing	845-7, 845-8	3			8,387,995				$ 8,387,995	23	23.00	N	N	S		0
8	2		004-87	Recreational Marijuana Regulation	845-7, 845-8	3			9,892,058				$ 9,892,058	40	40.00	N	Y	S		POP #409
9	3		004-80	Recreational Marijuana Administration	845-7, 845-8	3			5,556,441				$ 5,556,441	17	16.25	N	N	S		POP #413
10	1		006-91	OMMP Tracking Administration	845-8	3			6,082,209				$ 6,082,209	21	21.00	N	Y	S		0
11	2		002-47	Public Safety	845-1, 845-2 , 845-3, 845-4	5			16,803,911				$ 16,803,911	62	60.00	N	Y	C		0
12	2		003-25	Financial Services	845-4, 845-6	4			9,800,841				$ 9,800,841	32	32.00	N	N	C		POP 306, POP 311
13	4		003-10	Administration	845-4, 845-6	4			2,346,360				$ 2,346,360	3	3.00	N	N	C		0
14	3		003-15	Administrative Services	845-4, 845-6	4			2,755,582				$ 2,755,582	7	7.00	N	N	C		0
15	3		001-24	Bank Card Fees	845-4, 845-5	6			17,937,266				$ 17,937,266	0	0.00	Y	Y	C		0
16	1		005-72	Store Agents Compensation	845-5	6			159,118,952				$ 159,118,952	0	0.00	Y	Y	C		POP 108
17	2		005-73	Distillery Agents Compensation	845-5	6			7,767,000				$ 7,767,000	0	0.00	Y	Y	C		POP 110
18	3		002-55	Administrative Hearings	845-1, 845-2 , 845-3, 845-4	5			3,850,361				$ 3,850,361	14	14.00	N	N	C		POP 214
19	5		003-12	Human Resources	845-4, 845-6	4			2,879,913				$ 2,879,913	10	10.00	N	N	C		POP 302
20	7		003-13	Commissioners	845-4, 845-6	4			36,371				$ 36,371	0	0.00	N	N	C		0
21	4		001-40	Retail Services	845-4, 845-5	6			2,596,007				$ 2,596,007	9	9.00	N	N	C		0
22	6		003-16	Policy Analytics Comm & Education	845-4, 845-6	4			4,736,899				$ 4,736,899	17	17.00	Y	Y	C		0
23	8		003-11	Goverment Affairs	845-4, 845-6	4			40,972				$ 40,972	0	0.00	N	Y	C		0
24	4		002-46	Alcohol Education	845-1, 845-2 , 845-3, 845-4	5			40,086				$ 40,086	0	0.00	N	Y	C		0
25	9		003-75	Motor Pool	845-4, 845-6	4			302,378				$ 302,378	0	0.00	N	N	C		POP 312
26	5		001-42	Liquor Sales Support	845-4, 845-5	6			38,655				$ 38,655	0	0.00	N	N	C		0
27	10		003-60	Supply Center	845-4, 845-6	4			63,693				$ 63,693	0	0.00	N	N	C		0
							-	-	391,328,393	-	-	-	$ 391,328,393	384	381.25					

7. Primary Purpose Program/Activity Exists

1	Civil Justice
2	Community Development
3	Consumer Protection
4	Administrative Function
5	Criminal Justice
6	Economic Development
7	Education & Skill Development
8	Emergency Services
9	Environmental Protection
10	Public Health
11	Recreation, Heritage, or Cultural
12	Social Support

19. Legal Requirement Code

C	Constitutional
D	Debt Service
FM	Federal - Mandatory
FO	Federal - Optional (once you choose to participate, certain requirements exist)
S	Statutory

Prioritize each program activity for the Agency as a whole

Document criteria used to prioritize activities:

OLCC's policies and operational decisions has two major elements, consistent with the Governor's priorities and budgeting principles. First, OLCC's policies will have public safety considerations guide growth. Second, OLCC's policies will support economic viability for Oregonians and the state's revenue base. The OLCC recognizes that responding to changing demographics and environments can take several years to develop and implement. In 2017-19, OLCC will focus on anticipating future needs and developing innovations to the current retailing model. This will help it to make long-term improvements and be responsive to the citizens of Oregon, its alcohol beverage-related industries, and the people who visit the state. To accomplish these goals for the long term health of the agency, the Commission is focused on maintaining the infrastructure of the agency that supports the activities of the Distilled Spirits and Public Safety operations.

PROGRAM PRIORITIZATION FOR 2021-23

Agency Name: Oregon Liquor & Cannabis Commission

2021-23 Biennium — Agency Number: 84500

SPIRITS SCR 001 — *Fund 001*

Program/Division Priorities for 2021-23 Biennium

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)		**Agency Initials**	**Program or Activity Initials**	**Program Unit/Activity Description**	**Identify Key Performance Measure(s)**	**Primary Purpose Program-Activity Code**	**GF**	**LF**	**OF**	**NL-OF**	**FF**	**NL-FF**	**TOTAL FUNDS**	**Pos.**	**FTE**	**New or Enhanced Program (Y/N)**	**Included as Reduction Option (Y/N)**	**Legal Req. Code (C, D, FM, FO, S)**	**Legal Citation**	**Explain What is Mandatory (for C, FM, and FO Only)**	**Comments on Proposed Changes to CSL included in Agency Request**
Agcy	**Prgm/ Div**																				
		OLCC		**Distilled Spirits Program** - The Distilled Spirits Program oversees the distribution and sale of distilled spirits in the state. The Distilled Spirits division centrally purchases, warehouses and distributes distilled spirits to Oregon's independently operated liquor stores.	845-4, 845-5	6														The Oregon Liquor & Cannabis Commission (OLCC) is the agency responsible for regulating the sale and service of alcoholic beverages in Oregon by administering the state's Liquor Control Act and regulating the sale of recreational marijuana in Oregon through the Control, Regulation, and Taxation of Marijuana and Industrial Hemp Act. The OLCC also enforces the Bottle Bill. Under this law, any malt or carbonated beverage container sold in Oregon must have a refund value of at least five cents.	
3	1		001-30	Distribution Center					48,171,775				$48,171,775	65	65.00	N	Y	C			POP 101, 107
4	2		001-20	Purchasing					753,683				$ 753,683	3	3.00	N	N	C			
15	3		001-24	Bank Card Fees					17,937,266				$17,937,266	0	0.00	Y	Y	C			
21	4		001-40	Retail Services					2,596,007				$ 2,596,007	9	9.00	N	N	C			
26	5		001-42	Liquor Sales Support					38,655				$ 38,655	0	0.00	N	N	C			
							-	-	69,497,386	-	-	-	$69,497,386	77	77.00						

7. Primary Purpose Program/Activity Exists

1	Civil Justice
2	Community Development
3	Consumer Protection
4	Administrative Function
5	Criminal Justice
6	Economic Development
7	Education & Skill Development
8	Emergency Services
9	Environmental Protection
10	Public Health
11	Recreation, Heritage, or Cultural
12	Social Support

19. Legal Requirement Code

C	Constitutional
D	Debt Service
FM	Federal - Mandatory
FO	Federal - Optional (once you choose to participate, certain requirements exist)
S	Statutory

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

All Oregonians and tourists to Oregon who purchase distilled spirits buy them from OLCC-licensed outlets (restaurants, bars, etc.) or from the OLCC-contracted liquor stores that supply those licensed outlets. More than Two hundred eighty small-business people and their employees earn their livelihood through operating liquor stores. Distilleries and their suppliers, across the country, benefit from the Oregon distilled spirits market. All Oregonians benefit from the sales profits distributed to Oregon cities, counties and the state General Fund. The Distilled Spirits Program operates as an integrated unit to move product through the supply chain to the end consumer. The divisions within the program constitute an integrated program that serves to efficently and effectively meet the customer demand for distilled products by consumers and industry participants. In addition to the Distilled Spirits Program, the Agents Compensation Program provides the operating capital and the profits for each of the independent, contracted liquor agents, and is an integral part of the wholesale/retail supply chain. The Distilled Spirits Program is guided by the priniciple of supporting and increasing the economic development of the state as a way to invest in the future of Oregon. Oregon's method of retailing distilled spirits through liquor agents appointed by and overseen by the OLCC also supports the principle of public safety. The OLCC manages the location and density of outlets, and their effects on the community. As a result, included in the Agency Request Budget for the OLCC Distilled Spirits Program are policy option packages to increase funding so that the OLCC will be able to continue to meet consumer demand, thus increasing the amount of revenue returned to the state after paying all operating expenses.

PROGRAM PRIORITIZATION FOR 2021-23

Agency Name: Oregon Liquor & Cannabis Commission
2021-23 Biennium — **Agency Number:** 84500
Safety SCR 002 — *Fund 001*

Program/Division Priorities for 2021-23 Biennium

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)		**Agency Initials**	**Program or Activity Initials**	**Program Unit/Activity Description**	**Identify Key Performance Measure(s)**	**Primary Purpose Program-Activity Code**	**GF**	**LF**	**OF**	**NL-OF**	**FF**	**NL-FF**	**TOTAL FUNDS**	**Pos.**	**FTE**	**New or Enhanced Program (Y/N)**	**Included as Reduction Option (Y/N)**	**Legal Req. Code (C, D, FM, FO, S)**	**Legal Citation**	**Explain What is Mandatory (for C, FM, and FO Only)**	**Comments on Proposed Changes to CSL included in Agency Request**
Agcy	**Prgm/ Div**	OLCC		**Public Safety Program** - OLCC's Public Safety Program licenses and regulates businesses in the alcohol industry such as manufacturers, wholesalers, bars, restaurants, grocery and convenience stores	845-1, 845-2 , 845-3, 845-4	3														The Oregon Liquor & Cannabis Commission (OLCC) is the agency responsible for regulating the sale and service of alcoholic beverages in Oregon by administering the state's Liquor Control Act and regulating the sale of recreational marijuana in Oregon through the Control, Regulation, and Taxation of Marijuana and Industrial Hemp Act. The OLCC also enforces the Bottle Bill. Under this law, any malt or carbonated beverage container sold in Oregon must have a refund value of at least five cents.	
6	1		002-45	Licenses Services					8,977,618				$ 8,977,618	40	40.00	N	N	C			POP 204
11	2		002-47	Public Safety					16,803,911				$16,803,911	62	60.00	N	Y	C			
18	3		002-55	Administrative Hearings					3,850,361				$ 3,850,361	14	14.00	N	N	C			POP 214
24	4		002-46	Alcohol Education					40,086				$ 40,086	0	0.00	N	Y	C			
													$ -								
													$ -								
													$ -								
							-	-	29,671,976	-	-	-	$29,671,976	116	114.00						

7. Primary Purpose Program/Activity Exists

1	Civil Justice
2	Community Development
3	Consumer Protection
4	Administrative Function
5	Criminal Justice
6	Economic Development
7	Education & Skill Development
8	Emergency Services
9	Environmental Protection
10	Public Health
11	Recreation, Heritage, or Cultural
12	Social Support

19. Legal Requirement Code

C	Constitutional
D	Debt Service
FM	Federal - Mandatory
FO	Federal - Optional (once you choose to participate, certain requirements exist)
S	Statutory

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

All Oregonians and tourists to Oregon who purchase distilled spirits by the drink, beer or wine are impacted by the number, location and liquor law compliance of licensed establishments. Communities and neighbors are affected by whether or not only qualified business people receive and keep liquor licenses, and their responsible sale and service. Cities and counties' law enforcement workloads are affected by OLCC's staffing and effectiveness. The alcoholic beverage industry is protected by assuring licenses are issued only to qualified individuals. All Oregonians' safety is protected by OLCC's Public Safety Division assuring licensees comply with liquor laws. Keeping alcohol from underage drinkers and keeping visibly intoxicated persons from being served preserves public safety by reducing drunk-driving, alcohol-related accidents and other associated problems, such as our youths health and safety. The OLCC Public Safety Program works to fulfill the Governor's principle of public safety.

PROGRAM PRIORITIZATION FOR 2021-23

Agency Name: Oregon Liquor & Cannabis Commission

2021-23 Biennium — Agency Number: 84500

Support SCR 003 *Fund 001*

Program/Division Priorities for 2021-23 Biennium

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)		**Agency Initials**	**Program or Activity Initials**	**Program Unit/Activity Description**	**Identify Key Performance Measure(s)**	**Primary Purpose Program-Activity Code**	**GF**	**LF**	**OF**	**NL-OF**	**FF**	**NL-FF**	**TOTAL FUNDS**	**Pos.**	**FTE**	**New or Enhanced Program (Y/N)**	**Included as Reduction Option (Y/N)**	**Legal Req. Code (C, D, FM, FO, S)**	**Legal Citation**	**Explain What is Mandatory (for C, FM, and FO Only)**	**Comments on Proposed Changes to CSL included in Agency Request**
Agcy	Prgm/ Div	OLCC		**Support Services Program** - The Support Services Program is responsible for the coordination, management, reporting and physical infrastructure used to support both the merchandising and regulatory functions of the Commission.	845-4, 845-6	4														The Oregon Liquor & Cannabis Commission (OLCC) is the agency responsible for regulating the sale and service of alcoholic beverages in Oregon by administering the state's Liquor Control Act and regulating the sale of recreational marijuana in Oregon through the Control, Regulation, and Taxation of Marijuana and Industrial Hemp Act. The OLCC also enforces the Bottle Bill. Under this law, any malt or carbonated beverage container sold in Oregon must have a refund value of at least five cents.	
2	1		003-26	Information Technology					9,616,357				$ 9,616,357	21	21.00	N	Y	C			POP 303
12	2		003-25	Financial Services					9,800,841				$ 9,800,841	32	32.00	N	N	C			POP 306, POP 311
14	3		003-15	Administrative Services					2,755,582				$ 2,755,582	7	7.00	N	N	C			
13	4		003-10	Administration					2,346,360				$ 2,346,360	3	3.00	N	N	C			
19	5		003-12	Human Resources					2,879,913				$ 2,879,913	10	10.00	N	N	C			POP 302
22	6		003-16	Policy Analytics Comm & Education					4,736,899				$ 4,736,899	17	17.00	Y	Y	C			
20	7		003-13	Commissioners					36,371				$ 36,371	0	0.00	N	N	C			
23	8		003-11	Goverment Affairs					40,972				$ 40,972	0	0.00	N	Y	C			
25	9		003-75	Motor Pool					302,378				$ 302,378	0	0.00	N	N	C			POP 312
27	10		003-60	Supply Center					63,693				$ 63,693	0	0.00	N	N	C			
													$ -								
							-	-	32,579,366	-	-	-	$32,579,366	90	90.00						

7. Primary Purpose Program/Activity Exists

1	Civil Justice
2	Community Development
3	Consumer Protection
4	Administrative Function
5	Criminal Justice
6	Economic Development
7	Education & Skill Development
8	Emergency Services
9	Environmental Protection
10	Public Health
11	Recreation, Heritage, or Cultural
12	Social Support

19. Legal Requirement Code

C	Constitutional
D	Debt Service
FM	Federal - Mandatory
FO	Federal - Optional (once you choose to participate, certain requirements exist)
S	Statutory

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

The Support Services Program operates in conjunction with the Disitilled Spirits, Public Safety, and Marijuana Programs to assure the functionality and the accountability of those programs to the people of Oregon. The Support Services program provides human resources, labor relations, non-liquor purchasing, maintenance, motor pool, mail, supply, accounting and information services to the OLCC. These activities are key to providing responsible stewardship by managing risk for the agency and assuring fiscal accountability. The program provides all of the administrative support to the OLCC's mission of "promoting the public interest through the responsible sale and service of alcoholic beverages. The Support Services Program ensures that the operating programs of the OLCC meet both principles of public safety and economic development.

PROGRAM PRIORITIZATION FOR 2021-23

Agency Name: Oregon Liquor & Cannabis Commission

2021-23 Biennium — Agency Number: 84500

Agents SCR 005 — *Fund 002*

Program/Division Priorities for 2021-23 Biennium

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)		Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request
Agcy	Prgm/ Div	OLCC		**AGENTS COMPENSATION PROGRAM** - This program funds the operating expenses and the income of contracted liquor agents who sell the products at retail on behalf of the OLCC.	845-5	6														The Oregon Liquor & Cannabis Commission (OLCC) is the agency responsible for regulating the sale and service of alcoholic beverages in Oregon by administering the state's Liquor Control Act and regulating the sale of recreational marijuana in Oregon through the Control, Regulation, and Taxation of Marijuana and Industrial Hemp Act. The OLCC also enforces the Bottle Bill. Under this law, any malt or carbonated beverage container sold in Oregon must have a refund value of at least five cents.	
16	1		005-72	Store Agents Compensation					159,118,952				$ 159,118,952	0	0.00	Y	Y	C			POP 108
17	2		005-73	Distillery Agents Compensation					7,767,000				$ 7,767,000	0	0.00	Y	Y	C			POP 110
							-	-	166,885,952	-	-	-	$ 166,885,952	0	0.00						

7. Primary Purpose Program/Activity Exists

1	Civil Justice
2	Community Development
3	Consumer Protection
4	Administrative Function
5	Criminal Justice
6	Economic Development
7	Education & Skill Development
8	Emergency Services
9	Environmental Protection
10	Public Health
11	Recreation, Heritage, or Cultural
12	Social Support

19. Legal Requirement Code

C	Constitutional
D	Debt Service
FM	Federal - Mandatory
FO	Federal - Optional (once you choose to participate, certain requirements exist)
S	Statutory

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

The Agents Compensation Program manifests the Governor's principles by supporting economic development within the state of Oregon. This program provides the operating income for more than 245 independent businesses (liquor stores) that makes distilled spirits available by the bottle to citizens, businesses and tourists. This program provides the resources for those businesses to pay for the rent, utilities, wages for employees, as well as the net income to the liquor store owner. These funds enable the livelihood of liquor agents, their employees. Under the direction of the OLCC Retail Services Division, agents sell over two thousand different products to individuals and licensed businesses. Agents generate in excess of $1.47 billion dollars of sales in the 19-21 biennium, which encourages economic activity in the private businesses in the hospitality and the alcoholic beverage industry industries. Additionally, the revenue remaining after paying the operating costs of the agents, the cost of goods sold and the operating expenses of the commission are distributed to state and local governments to support programs in the public sector.

Oregon's method of retailing distilled spirits through liquor agents appointed by and overseen by the OLCC also supports the principle of public safety. The OLCC manages the location and density of outlets, and their effects on neighborhood livability.

PROGRAM PRIORITIZATION FOR 2021-23

Agency Name:			Oregon Liquor & Cannabis Commission																		
2021-23 Biennium															Agency Number:		84500				
Capital SCR 088			*Fund 003*																		
Program/Division Priorities for 2021-23 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)		Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request
Agcy	Prgm/ Div	OLCC		**CAPITAL IMPROVEMENTS PROGRAM** - Provides the preventive maintenance and repairs to the OLCC's buildings and grounds.	845-5	4														The Oregon Liquor & Cannabis Commission (OLCC) is the agency responsible for regulating the sale and service of alcoholic beverages in Oregon by administering the state's Liquor Control Act and regulating the sale of recreational marijuana in Oregon through the Control, Regulation, and Taxation of Marijuana and Industrial Hemp Act. The OLCC also enforces the Bottle Bill. Under this law, any malt or carbonated beverage container sold in Oregon must have a refund value of at least five cents.	
5	1		088-01	Capital Improvements					237,745				$ 237,745	0	0.00	N	N	C			
							-	-	237,745	-	-	-	$ 237,745	0	0.00						

7. Primary Purpose Program/Activity Exists	
1	Civil Justice
2	Community Development
3	Consumer Protection
4	Administrative Function
5	Criminal Justice
6	Economic Development
7	Education & Skill Development
8	Emergency Services
9	Environmental Protection
10	Public Health
11	Recreation, Heritage, or Cultural
12	Social Support

19. Legal Requirement Code	
C	Constitutional
D	Debt Service
FM	Federal - Mandatory
FO	Federal - Optional (once you choose to participate, certain requirements exist)
S	Statutory

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

Through the OLCC's Capital Improvements Program, the commission contributes to responsible stewardship of the state's resources. It provides maintenance and repairs for the OLCC-owned building and grounds. The OLCC prepares a ten-year capital maintenance plan and uses the resources in this program to ensure the continued viability of the physical infrastructure. The OLCC has made significant investment in the buildings and grounds which is protected by a responsible and consistent maintenance program. Appropriate maintenance ensures that the two operational programs of the OLCC are able to meet the principles of protecting the public's safety and enhancing economic development.

PROGRAM PRIORITIZATION FOR 2021-23

Agency Name:		Oregon Liquor & Cannabis Commission																			
2021-23 Biennium																	Agency Number:	84500			
Rec MJ SCR 004		Fund 004																			
Program/Division Priorities for 2021-23 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)		Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request
Agcy	Prgm/ Div	OLCC		The **Recreational Marijuana Program** is exclusively authorized to make recreational marijuana available to consumers and licensed businesses through retail marijuana stores. The program also tracks the growing, transporting, processing and selling of recreational marijuana products. The Public Safety Program is responsible for licensing and regulating the operation of the recreational marijuana industry in Oregon	845-7, 845-8	3														The Oregon Liquor & Cannabis Commission (OLCC) is the agency responsible for regulating the sale and service of alcoholic beverages in Oregon by administering the state's Liquor Control Act and regulating the sale of recreational marijuana in Oregon through the Control, Regulation, and Taxation of Marijuana and Industrial Hemp Act. The OLCC also enforces the Bottle Bill. Under this law, any malt or carbonated beverage container sold in Oregon must have a refund value of at least five cents.	
7	1		004-85	Recreational Marijuana Licensing					8,387,995				$ 8,387,995	23	23.00	N	N	S			
8	2		004-87	Recreational Marijuana Regulation					9,892,058				$ 9,892,058	40	40.00	N	Y	S			POP #409
9	3		004-80	Recreational Marijuana Administration					5,556,441				$ 5,556,441	17	16.25	N	N	S			POP #413
							-	-	23,836,494	-	-	-	$ 23,836,494	80	79.25						

7. Primary Purpose Program/Activity Exists

1 Civil Justice
2 Community Development
3 Consumer Protection
4 Administrative Function
5 Criminal Justice
6 Economic Development
7 Education & Skill Development
8 Emergency Services
9 Environmental Protection
10 Public Health
11 Recreation, Heritage, or Cultural
12 Social Support

19. Legal Requirement Code

C Constitutional
D Debt Service
FM Federal - Mandatory
FO Federal - Optional (once you choose to participate, certain requirements exist)
S Statutory

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

All Oregonians who purchase marijuana will be impacted by the number, location and marijuana law compliance of licensed entities. Communities and neighbors are affected by whether or not only qualified people receive and keep marijuana licenses, and the responsible sale and service. Cities and counties' law enforcement workloads will be affected by OLCC's staffing and effectiveness. The marijuana industry will be protected by assuring licenses are issued only to qualified individuals. All Oregonians' safety will be protected by OLCC's Marijuana Program assuring licensees comply with all laws and rules. The OLCC Marijuana Enforcement Program will work to fulfill the Governor's principle of public safety.

PROGRAM PRIORITIZATION FOR 2021-23

Agency Name:		Oregon Liquor & Cannabis Commission																			
2019-21 Biennium																Agency Number:	84500				
OMMP Track SCR 006		*Fund 006*																			
Program/Division Priorities for 2021-23 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)		**Agency Initials**	**Program or Activity Initials**	**Program Unit/Activity Description**	**Identify Key Performance Measure(s)**	**Primary Purpose Program-Activity Code**	**GF**	**LF**	**OF**	**NL-OF**	**FF**	**NL-FF**	**TOTAL FUNDS**	**Pos.**	**FTE**	**New or Enhanced Program (Y/N)**	**Included as Reduction Option (Y/N)**	**Legal Req. Code (C, D, FM, FO, S)**	**Legal Citation**	**Explain What is Mandatory (for C, FM, and FO Only)**	**Comments on Proposed Changes to CSL included in Agency Request**
Agcy	Prgm/ Div	OLCC		OLCC's Medical Marijuana Tracking Program results from the passage of SB 1057 and modifies the medical marijuana programs administered by the OLCC and the Oregon Health authority, including requiring the OLCC to establish a medical designation under the OLCC licensure system, and to track medical marijuana growers, processors, wholesalers and retailers that opt into the OLCC system. The OLCC has also taken over responsibility from the OHA for regulating the labeling and packaging of medical marijuana products.	845-8	3															The Oregon Liquor & Cannabis Commission (OLCC) is the agency responsible for regulating the sale and service of alcoholic beverages in Oregon by administering the state's Liquor Control Act and regulating the sale of recreational marijuana in Oregon through the Control, Regulation, and Taxation of Marijuana and Industrial Hemp Act. The OLCC also enforces the Bottle Bill. Under this law, any malt or carbonated beverage container sold in Oregon must have a refund value of at least five cents.	
10	1		006-91	OMMP Tracking Administration					6,082,209				$ 6,082,209	21	21.00	N	Y	S			
							-	-	6,082,209	-	-	-	$ 6,082,209	21	21.00						

7. Primary Purpose Program/Activity Exists

1 Civil Justice
2 Community Development
3 Consumer Protection
4 Administrative Function
5 Criminal Justice
6 Economic Development
7 Education & Skill Development
8 Emergency Services
9 Environmental Protection
10 Public Health
11 Recreation, Heritage, or Cultural
12 Social Support

19. Legal Requirement Code

C Constitutional
D Debt Service
FM Federal - Mandatory
FO Federal - Optional (once you choose to participate, certain requirements exist)
S Statutory

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

All Oregonians who purchase marijuana will be impacted by the number, location and marijuana law compliance of licensed entities. Communities and neighbors are affected by whether or not only qualified people receive and keep marijuana licenses, and the responsible sale and service. Cities and counties' law enforcement workloads will be affected by OLCC's staffing and effectiveness. The marijuana industry will be protected by assuring licenses are issued only to qualified individuals. All Oregonians' safety will be protected by OLCC's Marijuana Program assuring licensees comply with all laws and rules. The OLCC Marijuana Enforcement Program will work to fulfill the Governor's principle of public safety.

PROGRAM PRIORITIZATION FOR 2021-23

Agency Name:	Oregon Liquor & Cannabis Commission
2021-23 Biennium	Agency Number: 84500
Capital SCR 089	*Fund 00#*

Program/Division Priorities for 2021-23 Biennium

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)		**Agency Initials**	**Program or Activity Initials**	**Program Unit/Activity Description**	**Identify Key Performance Measure(s)**	**Primary Purpose Program-Activity Code**	**GF**	**LF**	**OF**	**NL-OF**	**FF**	**NL-FF**	**TOTAL FUNDS**	**Pos.**	**FTE**	**New or Enhanced Program (Y/N)**	**Included as Reduction Option (Y/N)**	**Legal Req. Code (C, D, FM, FO, S)**	**Legal Citation**	**Explain What is Mandatory (for C, FM, and FO Only)**	**Comments on Proposed Changes to CSL included in Agency Request**
Agcy	Prgm/ Div	OLCC		**CAPITAL CONSTRUCTION PROGRAM** - Provides a funding mechanism for purchasing: a new warehouse, conveyor system, and warehouse management (IT) system.	845-5	4														The Oregon Liquor & Cannabis Commission (OLCC) is the agency responsible for regulating the sale and service of alcoholic beverages in Oregon by administering the state's Liquor Control Act and regulating the sale of recreational marijuana in Oregon through the Control, Regulation, and Taxation of Marijuana and Industrial Hemp Act. The OLCC also enforces the Bottle Bill. Under this law, any malt or carbonated beverage container sold in Oregon must have a refund value of at least five cents.	
1	1		089-01	Capital Construction					62,537,265				$62,537,265	0	0.00	Y	N	C			POP 101
							-	-	62,537,265	-	-	-	$62,537,265	0	0.00						

7. Primary Purpose Program/Activity Exists

1	Civil Justice
2	Community Development
3	Consumer Protection
4	Administrative Function
5	Criminal Justice
6	Economic Development
7	Education & Skill Development
8	Emergency Services
9	Environmental Protection
10	Public Health
11	Recreation, Heritage, or Cultural
12	Social Support

19. Legal Requirement Code

C	Constitutional
D	Debt Service
FM	Federal - Mandatory
FO	Federal - Optional (once you choose to participate, certain requirements exist)
S	Statutory

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

Through the OLCC's Capital Improvements Program, the commission contributes to responsible stewardship of the state's resources. It provides maintenance and repairs for the OLCC-owned building and grounds. The OLCC prepares a ten-year capital maintenance plan and uses the resources in this program to ensure the continued viability of the physical infrastructure. The OLCC has made significant investment in the buildings and grounds which is protected by a responsible and consistent maintenance program. Appropriate maintenance ensures that the two operational programs of the OLCC are able to meet the principles of protecting the public's safety and enhancing economic development.

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BUDGET NARRATIVE

LIQUOR & CANNABIS COMMISSION
2021-2023 BUDGET

Budget Area	2021-23 CSL	10% Reduction
Bank Cards	$ 17,937,266	$ 1,793,727
Remainder of Distilled Spirits	$ 15,649,896	$ 1,564,990
Total Distilled Spirits	**$ 33,587,162**	$ 3,358,716
Public Safety	**$ 28,015,055**	$ 2,801,506
Support Services	**$ 30,441,465**	$ 3,044,147
Store Operating Expense	**$ 148,383,772**	$ 14,838,377
Capital Improvement	**$ 237,745**	$ 23,775
Recreational Marijuana	**$ 21,042,547**	$ 2,104,255
Medical Marijuana	**$ 6,463,011**	$ 646,301
Total	**$ 268,170,757**	$ 26,817,076

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10% REDUCTION OPTIONS (ORS 291.216)

OREGON LIQUOR & CANNABIS COMMISSION
2021-2023 BUDGET

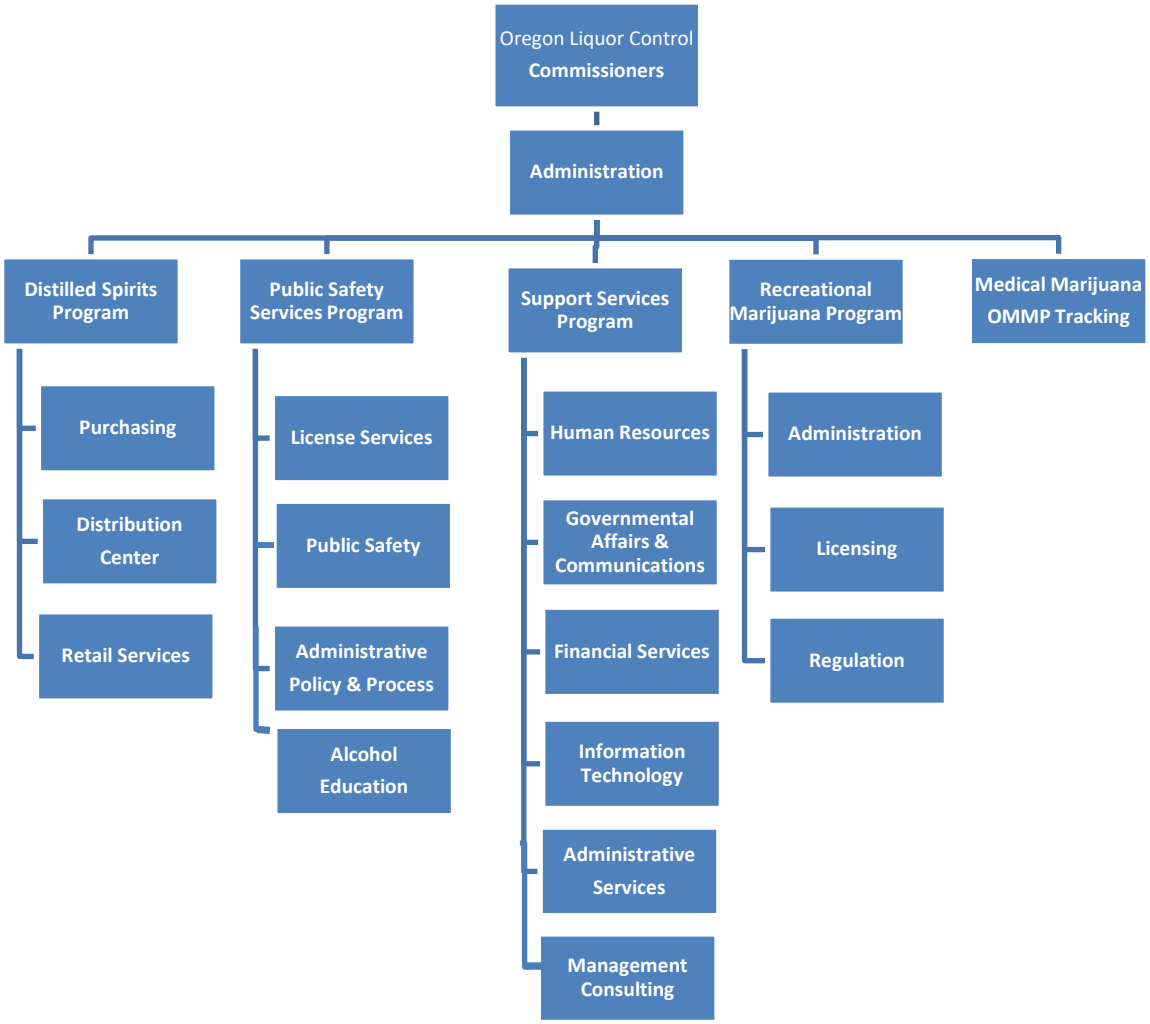
ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
(WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN)	(DESCRIBE THE EFFECTS OF THIS REDUCTION. INCLUDE POSITIONS AND FTE IN 2021-23 AND 2023-25)	(GF, LF, OF, FF. IDENTIFY REVENUE SOURCE FOR OF, FF)	(RANK THE ACTIVITIES OR PROGRAMS NOT UNDERTAKEN IN ORDER OF LOWEST COST FOR BENEFIT OBTAINED)
1. Distilled Spirits Program- Bank Card Fee Reduction	Reduce Bank Card Fees by 10% for the purchase of liquor. Do not accept credit cards in liquor stores for 3 months during the biennium	$1,794,000 (OF)	OLCC does not have the ability to control the use of bank cards by consumers wishing to purchase distilled spirits. A reduction in this limitation would require OLCC to restrict or eliminate use of credit cards in 55 stores around the state.
2. Distilled Spirit Program – Distribution Center	Eliminate 12 FTE from the warehouse swing shift; 3 Equipment Operators, 1 PEM B, 1 Gen Mechanic, 7 Liquor Distribution Worker 1s. Combine remaining FTE into day shift.	$1,564,990 (OF)	Elimination of the swing shift will significantly reduce the capability to ship and store liquor. Liquor sales will be significantly reduced and the variety of spirits shipped will be reduced including Oregon Craft Spirits.
3. Public Safety-Regulatory and Licensing	Eliminate 15 positions including the Salem Regional Office and Combine with Portland. Eliminate field offices including Corvallis, Roseburg, Newport, Coos Bay, K Falls, and Pendleton; 1 PEM D, 1 Office Specialist 2, 1 Admin Specialist 1, and 12 Liquor Regulatory Specialists	$2,801,506 (OF)	The reduction will significantly impact the ability to license liquor businesses and enforce liquor laws. The reduction would provide minimal coverage to the Salem are and other rural areas of the state. Liquor license applications will have to be sent to other offices to be able to. Process slowing down the time to license.

10% REDUCTION OPTIONS (ORS 291.216)

OREGON LIQUOR & CANNABIS COMMISSION
2021-2023 BUDGET

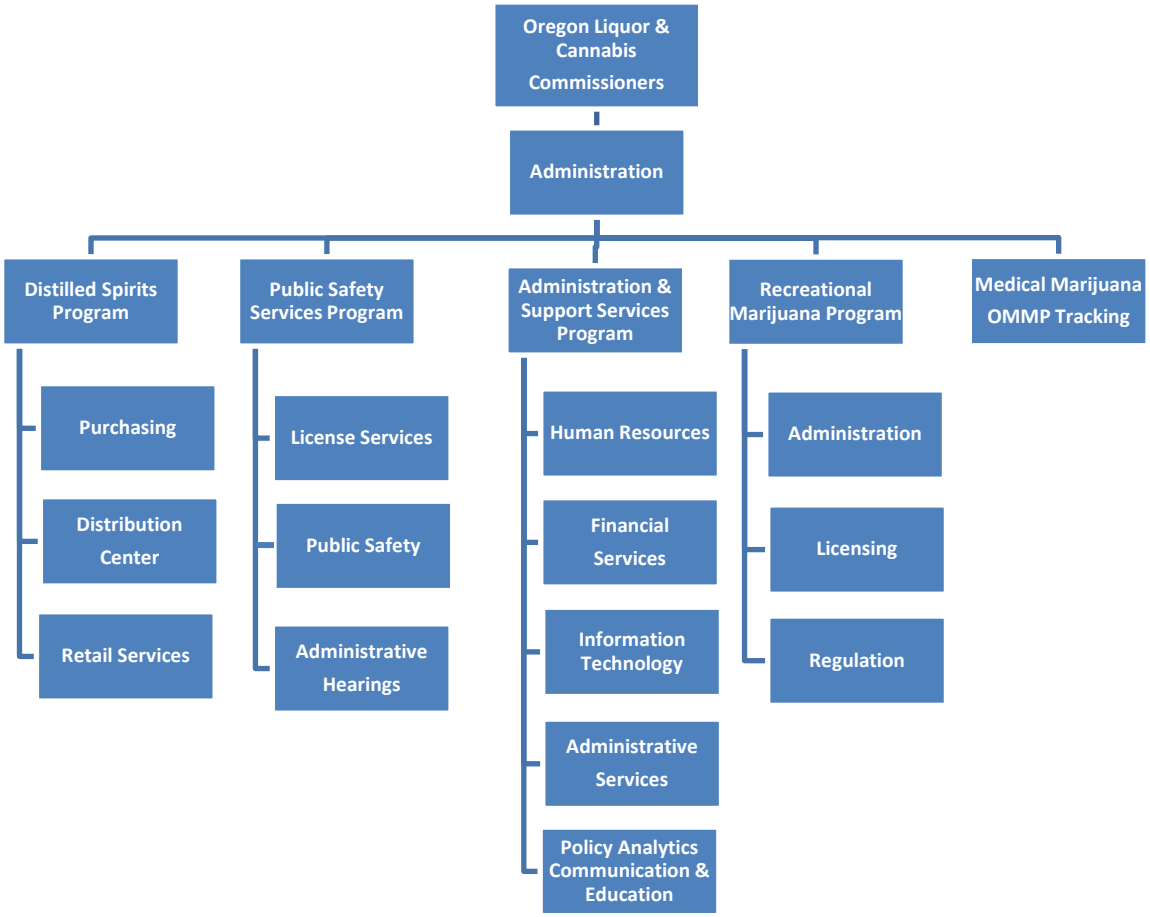
ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
(WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN)	(DESCRIBE THE EFFECTS OF THIS REDUCTION. INCLUDE POSITIONS AND FTE IN 2021-23 AND 2023-25)	(GF, LF, OF, FF. IDENTIFY REVENUE SOURCE FOR OF, FF)	(RANK THE ACTIVITIES OR PROGRAMS NOT UNDERTAKEN IN ORDER OF LOWEST COST FOR BENEFIT OBTAINED)
4. Support Services	Eliminate 12 positions: Policy and Analytics, and Information Technology; 2 ISS6's, 1 Admin Specialist 2, 1 Internal Auditor, 2 Compliance Specialist 3s, 2 Research Analyst 4s, 2 OPA3s, 1 Public Affairs Specialist 3, 1 Public Affairs Specialist 1.	$3,044,147 (OF)	This reduction eliminates 80 percent of the policy, business analysis resource and information technology resource of the agency. Alcohol server education, rulemaking, bottle bill regulation, analytics, and public affairs will be significantly reduced posing significant risk to agency processes and reputation.
5. Store Operating Expense	Reduce the average compensation rate for Oregon Liquor Stores and Distillery Agents from 9.14% to 8.23%	$14,838,377 (OF)	Reduction in liquor store funding will reduce service levels to Oregonians and will cause some stores to cease operations. Reduced service levels could create reputational risk for the Oregon liquor system. State revenues from liquor sales would be at risk for significant reduction.
6. Capital Improvement	Reduce facility repair and enhancements	$23,775 (OF)	Risk to current infrastructure
7. Recreational Marijuana	Eliminate 11 positions; 9 regulatory specialist, 1 Admins Specialist 1 & 1 Compliance Specialists 1	$2,104,255 (OF)	Eliminate currently vacant positions in program. Impact will be to delay and prolong processing of new licenses and extend the backlog of license applications.
8. Medical Marijuana	Eliminate 4 Positions; 1 Admin Spec 1, 1 OPA3, and 2 Regulatory Specialists	$646,301 (OF)	Eliminate currently vacant positions.

AGENCY SUMMARY NARRATIVE:
OLCC AGENCY ORGANIZATION CHART
2019 - 2021



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AGENCY SUMMARY NARRATIVE:
OLCC AGENCY ORGANIZATION CHART
2021 - 2023



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Summary Cross Reference Number	*Cross Reference Description*	*2017-19 Actuals*	*2019-21 Leg Adopted Budget*	*2019-21 Leg Approved Budget*	*2021-23 Agency Request Budget*	*2021-23 Governor's Budget*	*2021-23 Leg. Adopted Budget*
001-00-00-00000	**Distilled Spirits Program**						
	Other Funds	26,639,123	29,997,381	29,997,381	42,601,990	68,689,167	69,497,386
002-00-00-00000	**Public Safety Services Program**						
	Other Funds	20,208,254	27,878,683	27,878,683	31,742,209	30,570,688	29,671,976
003-00-00-00000	**Administration and Support**						
	Other Funds	23,713,163	28,110,463	28,110,463	34,117,009	30,811,800	32,579,366
004-00-00-00000	**Recreational Marijuana Program**						
	Other Funds	14,416,445	19,686,383	19,686,383	24,432,813	24,194,446	23,836,494
005-00-00-00000	**Agents Compensation Program**						
	Other Funds	116,859,932	135,385,704	135,385,704	165,383,772	165,383,772	166,885,952
006-00-00-00000	**Medical Marijuana Program**						
	Other Funds	2,663,846	5,610,114	5,610,114	6,463,011	6,121,617	6,082,209
088-00-00-00000	**Capital Improvements**						
	Other Funds	361,666	377,943	377,943	237,745	237,745	237,745
089-00-00-00000	**Capital Construction**						
	Other Funds	-	-	-	89,537,265	62,537,265	62,537,265
TOTAL AGENCY							
	Other Funds	204,862,429	247,046,671	247,046,671	394,515,814	388,546,500	391,328,393

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BUDGET NARRATIVE

OREGON LIQUOR & CANNABIS COMMISSION
REVENUES
2021-23 BUDGET

OTHER FUNDS

All revenue received by the Oregon Liquor & Cannabis Commission (OLCC) is classified as "Other Funds."

SOURCES

The Oregon Liquor & Cannabis Commission receives revenues from distilled spirits sales, license fees from alcohol and fines, server education fees, taxes on malt beverages and wines (Privilege Tax), marijuana license fees, marijuana tax money, worker permit fees and miscellaneous income.

MATCHING RATES

The Oregon Liquor & Cannabis Commission receives no revenue subject to matching rates.

GENERAL LIMITATIONS ON USE

The Oregon Liquor & Cannabis Commission focuses on producing growing and stable revenue for the support of public programs. Its stewardship of sales of distilled spirits and collection of malt and wine privilege taxes are optimized to protect the long-term stability of this significant revenue stream for the state General Fund, cities, and counties. The Oregon Liquor & Cannabis Commission's management of distilled spirits sales and beer and wine privilege taxes produces the third largest source of revenue for the State of Oregon with a 2019-21 biennia value of over $1.5 billion as a business enterprise. Funding for the Marijuana Program comes exclusively from marijuana related license fees. Funding for OMMP Medical Marijuana tracking comes exclusively from recreational marijuana taxes.

BUDGET NARRATIVE

ORS 471.805 directs the Oregon Liquor & Cannabis Commission to do the following:

"Except as otherwise provided in ORS 471.810(2), all money collected by the Oregon Liquor & Cannabis Commission under this chapter, and ORS chapter 473 and Privilege Taxes shall be remitted to the State Treasurer who shall credit it to a suspense account of the commission. After withholding refundable license fees and such sum, not to exceed $250,000, as it considers necessary as a revolving fund for a working cash balance for the purpose of paying travel expenses, advances, and other miscellaneous bills and extraordinary items which are payable in cash immediately upon presentation, the commission shall direct the State Treasurer to transfer the money remaining in the suspense account to the Oregon Liquor & Cannabis Commission Account in the General Fund.

"All necessary expenditures of the commission incurred in carrying out the purpose and provisions required of the commission by law, including the salaries of its employees, purchases made by the commission and such sums necessary to reimburse the $250,000 revolving fund, shall be audited and paid from the Oregon Liquor & Cannabis Commission account in the General Fund.

"Money produced by the operation of this chapter and ORS chapter 473 necessary to pay such expenditures is appropriated from the Oregon Liquor & Cannabis Commission Account in the General Fund for such purposes."

ORS 471.810(1) directs the OLCC to do the following:

"At the end of each month, the Oregon Liquor & Cannabis Commission shall certify the amount of moneys available for distribution in the Oregon Liquor & Cannabis Commission Account, and after withholding such moneys as it may deem necessary to pay its outstanding obligations shall within 35 days of the month for which a distribution is made direct to the State Treasurer to pay the amounts due, upon warrants drawn by the Oregon Department of Administrative Services, as follows..."

In the 2019-21 biennium, the OLCC is projected to distribute $599.0 million to the state general fund, cities, counties and mental health for vital services. The distribution formula as defined by statute dedicates 56% of the revenue to the General Fund, 20% to Cities, 10% to Counties, 14% to City Revenue Sharing, and 50% of privilege tax revenue to Mental Health.

ORS 471.810(5) directs the OLCC to do the following:

Notwithstanding subsection (1) of this section, amounts to be distributed from the Oregon Liquor & Cannabis Commission Account that are attributable to a per bottle surcharge imposed by the Oregon Liquor & Cannabis Commission, shall be credited to the General Fund.

For the 2019-21 biennium, the OLCC continues a 50 cent per bottle surcharge scheduled to expire on June 30, 2021. The 2019-21 surcharge is expected to raise an additional $39.3 million of revenue for distribution to the state General Fund. The OLCC commissioners will approve a continuance of the 50 cents per bottle surcharge, providing an estimated $41.3 million to be distributed to the General Fund in 2021-23 biennium.

And, regarding Marijuana, section 3, chapter 20, Oregon Laws 2015 provides:

(1) Notwithstanding ORS 221.770, 471.805 and 471.810, for the biennium beginning July 1, 2013, and the biennium beginning July 1, 2015, the Oregon Liquor & Cannabis Commission may expend moneys in the Oregon Liquor & Cannabis Commission Account to pay any expenses incurred by the commission in implementing and carrying out sections 3 to 70, chapter 1, Oregon Laws 2015 [ORS 475B.010 to 475B.395]. Any expenditure made under this subsection is considered a loan and must be repaid from the Oregon Marijuana Account established by section 44, chapter 1, Oregon Laws 2015. Expenditures made under this subsection shall be made from moneys in the Oregon Liquor & Cannabis Commission Account before the distributions required by ORS 471.810 are made.
(2) Notwithstanding section 44, chapter 1, Oregon Laws 2015, not later than June 30, 2017, the Department of Revenue shall transfer from the Oregon Marijuana Account to the commission for deposit in the Oregon Liquor & Cannabis Commission Account an amount equal to the total amount expended by the commission under subsection (1) of this section plus two percent of the total amount expended. The department shall make the transfer required by this subsection before making any other withholding, distribution or expenditure from the Oregon Marijuana Account for purposes described in section 44, Chapter 1, Oregon Laws 2015.

ORS 475B.240 provides the following:

The Marijuana Control and Regulation Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Marijuana Control and Regulation Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Oregon Liquor & Cannabis Commission to administer and enforce ORS 475B.010 to 475B.395.

BASIS FOR THE 2021 - 23 FORECASTS

Liquor (distilled spirits) sales ORBITS 0710

The OLCC forecasts distilled spirits sales based on an econometric model. This model uses projections of population growth from the Oregon Office of Economic Analysis to predict consumption per capita. This is combined with estimates of inflation in the wholesale cost of distilled spirits based on historical data. The OLCC then evaluates the range of possible revenue outcomes given the current operating environment.

The national and Oregon distilled spirits sales trends that have emerged in recent years continue to grow. Population growth and distilled spirits market share are the main drivers, rather than per capita alcohol consumption increases. Manufacturers' distilled spirits prices continue to increase modestly. Distilled spirits customers' preferences for premium brands are expected to continue to show improvement since a recession-driven shift to less expensive items. For 2021-23 the Legislatively Adopted Budget is projecting an average annual growth rate of 5.2%.

Based on the expected trends in the retail marketplace, the OLCC Legislatively Adopted Budget forecasts 2021-23 distilled spirits sales gross revenue at $1.6 billion. This forecast includes an estimated $41.3 million that would be generated by the current bottle surcharge.

The Legislatively Adopted Budget will provide the necessary resources for the OLCC to meet expected demand for distilled spirits in the next biennium.

Privilege Taxes ORBITS 0185

Revenue from taxes on malt beverages, table wines and dessert wines is forecasted to be $41.3 million for the 2021-23 biennium compared to an estimate of $40.0 million for the 2019-21 biennium.

Privilege tax rates on malt beverages and wine:

- Malt beverage: $2.60 per 31-gallon barrel;
- Table wine: 67 cents per gallon;
- Dessert wine: 77 cents per gallon.

The forecasted change in revenues results from the continued maturing of the wine industry in Oregon coupled with an expected increase in population. The continued growth in privilege taxes has been mitigated by the shift in consumer preferences from malt beverages to distilled spirits. Per capita consumption of malt beverage products has demonstrated a shift to distilled spirits and wine.

Other Business License and Fees ORBITS 0205

The OLCC continues to see an increased demand for distilled spirits licenses as the hospitality industry continues to grow and the economy recovers. The OLCC Legislatively Adopted Budget forecasts distilled spirits revenues to be $20.7 million from license fees and permits in the 2021-23 biennium.

OLCC's Marijuana Program is expected to oversee over 2,400 marijuana licenses during the 2021-23 biennium. Based on past information from Oregon and other states, there is also likely to be a higher percentage of turnover in marijuana licenses during the next two years and the economics as the new industry continues to establish. The OLCC Legislatively Adopted Budget forecasts marijuana license revenues to be $27.0 million in the 2021-23 biennium.

Fines ORBITS 0505

The OLCC forecasts revenues from fines to remain unchanged at $813,000 in 2021-23. The continued demand and issuance of licenses results in a corresponding increase in violations revenue.

Miscellaneous Income ORBITS 0705,

The OLCC forecast is $784,000 in 2021-23 from handling fees of government sales and miscellaneous fees.

Other Revenues ORBITS 0975,

Other Revenues equal $7,572,093 reflecting $7,547,093 in Other Funds - Debt Service from the sale of XI-Q bonds, as well as an additional $25,000 from the sales of fixed assets.

Other Revenues **ORBITS 1150**,

Other Revenues will also include transfers of $7 million from the Marijuana Administrative Fund (tax revenues) to the Marijuana Regulatory Account to fund the OMMP Medical Marijuana Tracking Program now administered by OLCC.

Other Revenues **ORBITS 1443**,

Other Revenues will also include transfers of $528,000 from the Oregon Health Authority to the Marijuana Regulatory Account to fund the OMMP Medical Marijuana Tracking Program now administered by OLCC.

Charges for Services, **ORBITS 0410**,

The OLCC forecasts $6,000 in 2021-23 fees for replacing lost liquor licenses, copier fees, and other similar charges.

Bond Sales **ORBITS 0560**

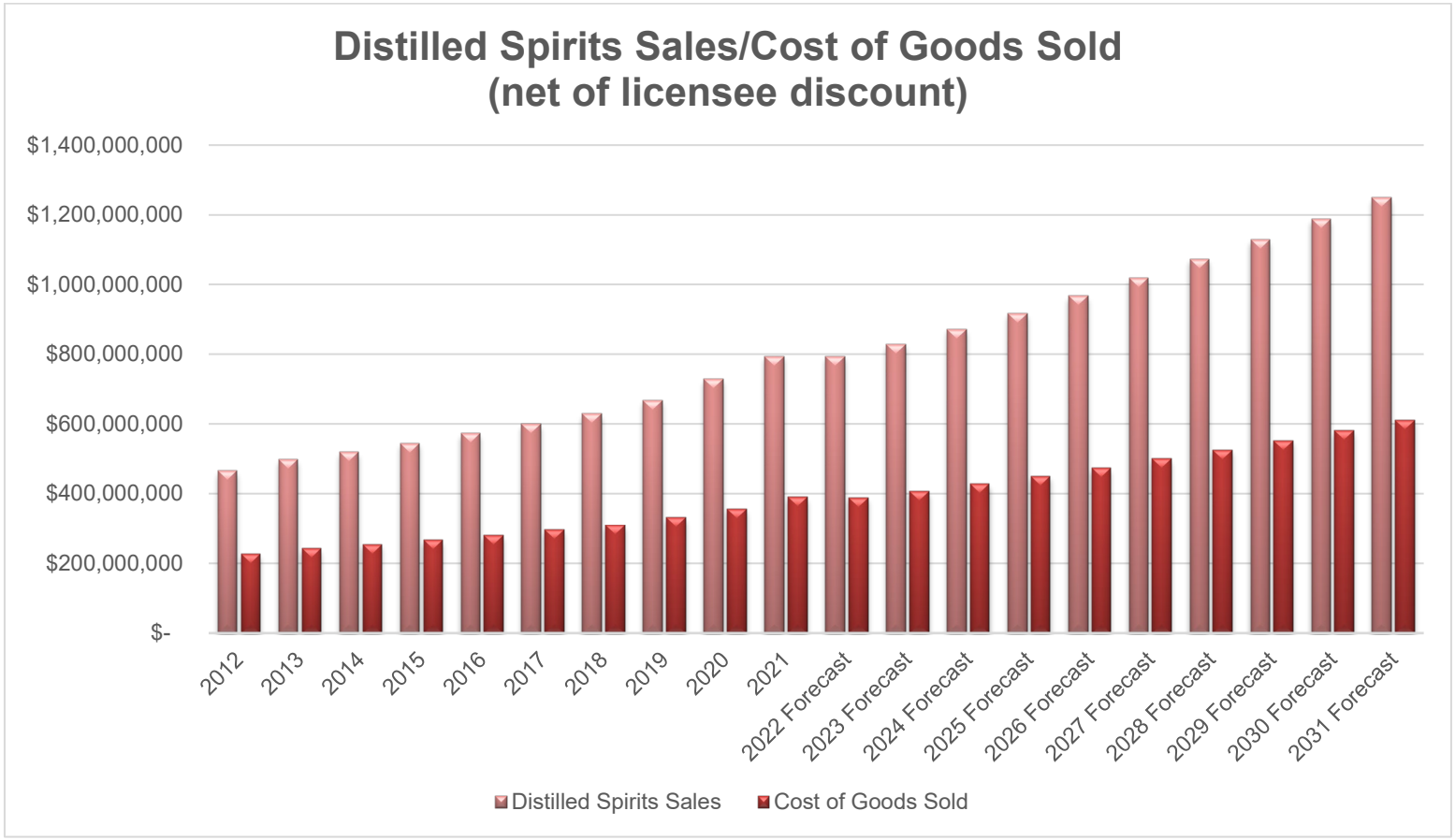
The OLCC forecast is $90,735,000 from the sale proceeds of XI-Q Bonds (Dedicated Fund Obligation Bonds).

Fee Schedules

The effective mark-up on distilled spirits is 107 percent, and distilled spirits prices are set by the OLCC (ORS 471.745). The tax rates on malt beverages and wines are set by statute (ORS 473.030). The tax rate is $2.60 per 31-gallon barrel of malt beverages; 67 cents per gallon of wine 14 percent alcohol by volume and under (table wine), and 77 cents per gallon of wine over 14 percent alcohol by volume (dessert wine). License fees are set by statute (ORS 471.290, ORS 472.117, and ORS 472.150). The fees vary by the type of license, and range from $10 to $1,000 for alcohol for periods of one to five years depending on the type of license.

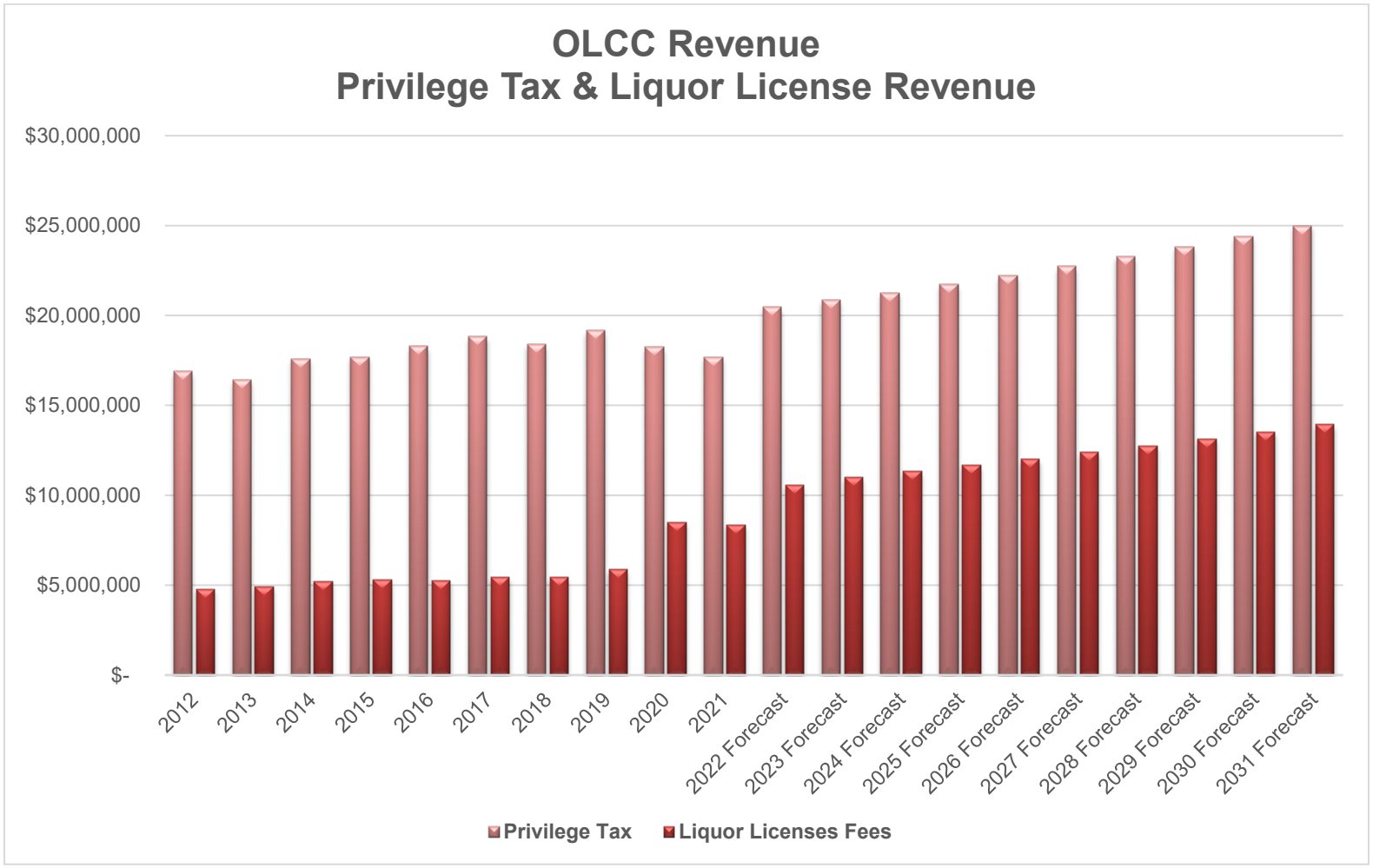
OLCC's Marijuana Program expects to be fully funded by license and application fees during the 2019-21 biennium. Fees for Recreational Marijuana licensees are established by rule under OAR 845-025-1060 as authorized under ORS 475B. New fees will be established through rulemaking that cover the Legislatively Adopted Budget cost for administering the program.

GRAPH A



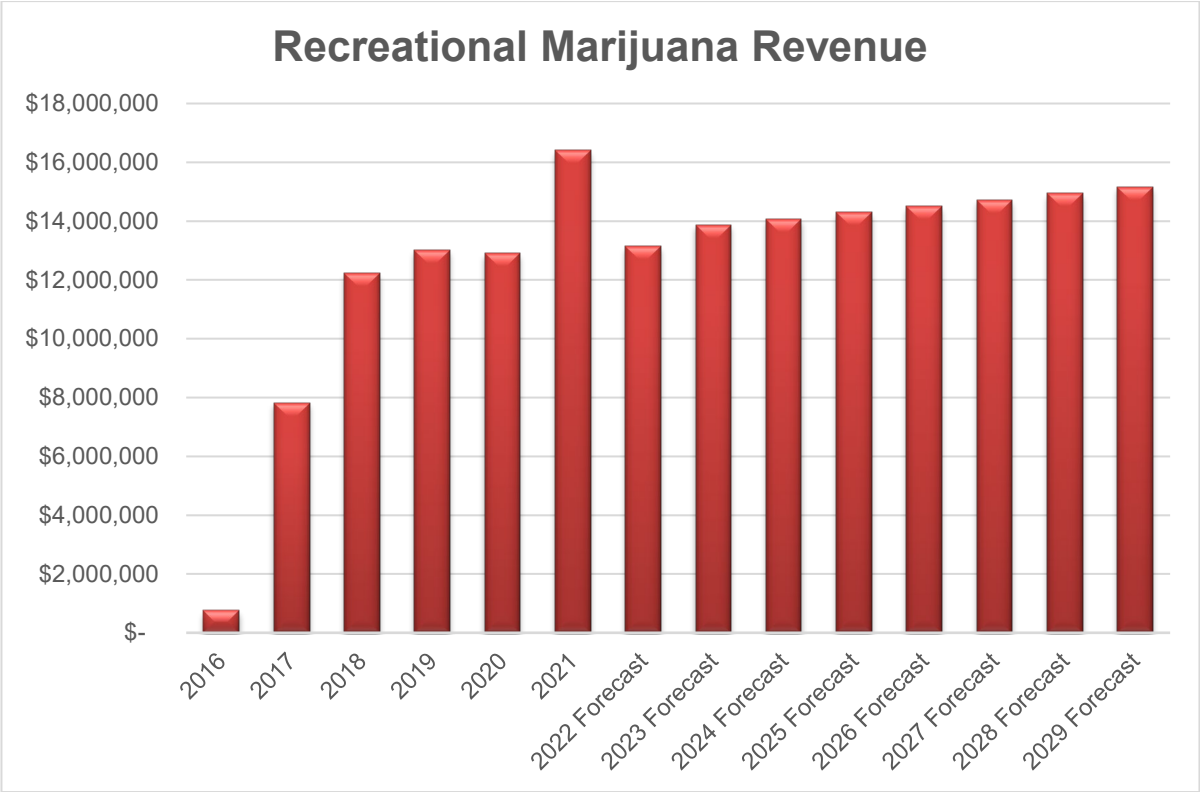
Historically the cost of goods sold remains at approximately 49% of total revenue from distilled spirits sales.

GRAPH B



In 2019, 96% of the revenue came from distilled spirits sales, 3% from privilege tax, and 1% from licensing fees.

GRAPH C


Recreational Marijuana Revenue
$18,000,000
$16,000,000
$14,000,000
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$-
2016
2017
2018
2019
2020
2021
2022 Forecast
2023 Forecast
2024 Forecast
2025 Forecast
2026 Forecast
2027 Forecast
2028 Forecast
2029 Forecast

SCHEDULE 1

Distilled Spirits Case Sales
For the 10 Years Ended June 30, 2021
And Forecasted Through June 30, 2031

Fiscal Year Ended 30-Jun	Cases Sold	Quantity Increase	Percent Increase
2012	2,790,976	217,005	8.43%
2013	2,911,142	120,166	4.31%
2014	2,955,318	44,176	1.52%
2015	3,022,412	67,094	2.27%
2016	3,130,188	107,776	3.57%
2017	3,246,958	116,770	3.73%
2018	3,369,359	122,401	3.77%
2019	3,528,530	159,171	4.72%
2020	3,765,503	236,973	6.72%
2021	3,922,074	156,571	4.16%
2021-23 Agency Budget and Forward			
2022 Forecast	3,947,607	25,533	0.65%
2023 Forecast	4,062,260	114,653	2.90%
2024 Forecast	4,208,278	146,018	3.59%
2025 Forecast	4,363,732	155,454	3.69%
2026 Forecast	4,529,541	165,809	3.80%
2027 Forecast	4,703,654	174,113	3.84%
2028 Forecast	4,884,330	180,676	3.84%
2029 Forecast	5,070,760	186,430	3.82%
2030 Forecast	5,262,263	191,503	3.78%
2031 Forecast	5,460,999	198,736	3.78%

SCHEDULE 2

Classification of Gross Distilled Spirits Sales by Type of Purchaser
For the 10 Fiscal Years Ended June 30, 2021
And Forecasted Through 2030

Fiscal Year Ended 30-Jun	Liquor Sales to Licensees Amount	% of Total	Liquor Sales to Individuals Amount	% of Total	Total
2012	$ 115,676,934	24.61%	$ 354,382,933	75.39%	$ 470,059,868
2013	$ 120,162,627	23.91%	$ 382,434,130	76.09%	$ 502,596,757
2014	$ 124,328,306	23.70%	$ 400,195,336	76.30%	$ 524,523,641
2015	$ 130,377,178	23.69%	$ 419,991,443	76.31%	$ 550,368,621
2016	$ 139,616,189	24.16%	$ 438,350,207	75.84%	$ 577,966,396
2017	$ 144,368,233	23.87%	$ 460,530,886	76.13%	$ 604,899,119
2018	$ 149,185,025	23.51%	$ 485,425,823	76.49%	$ 634,610,848
2019	$ 156,905,246	23.25%	$ 517,884,300	76.75%	$ 674,789,546
2020	$ 121,869,972	16.60%	$ 612,505,211	83.40%	$ 734,375,182
2021	$ 92,412,319	11.59%	$ 705,184,094	88.41%	$ 797,596,413
2021-23 Agency Budget Forward					
2022 Forecast	$ 188,166,493	23.47%	$ 613,565,476	76.53%	$ 801,731,969
2023 Forecast	$ 196,624,344	23.47%	$ 641,144,485	76.53%	$ 837,768,829
2024 Forecast	$ 206,830,984	23.47%	$ 674,425,870	76.53%	$ 881,256,854
2025 Forecast	$ 217,659,497	23.47%	$ 709,735,037	76.53%	$ 927,394,534
2026 Forecast	$ 229,222,582	23.47%	$ 747,439,465	76.53%	$ 976,662,047
2027 Forecast	$ 241,438,579	23.47%	$ 787,272,879	76.53%	$1,028,711,458
2028 Forecast	$ 254,235,941	23.47%	$ 829,001,984	76.53%	$1,083,237,925
2029 Forecast	$ 267,586,626	23.47%	$ 872,535,342	76.53%	$1,140,121,968
2030 Forecast	$ 281,466,964	23.47%	$ 917,795,770	76.53%	$1,199,262,734
2031 Forecast	$ 296,055,083	23.47%	$ 965,364,103	76.53%	$1,261,419,186

SCHEDULE 3

Distilled Spirits Sales Forecast 2021-23
by Month and Year

Fiscal Year 2022	Liquor Sales	Cost of Sales	Cases
July	$66,809,281	$33,872,306	333,336
August	$68,976,342	$34,971,005	338,582
September	$62,595,053	$31,735,692	311,258
October	$64,337,058	$32,618,888	319,168
November	$68,138,537	$34,546,238	335,409
December	$89,240,660	$45,245,015	423,113
January	$56,798,942	$28,797,063	290,342
February	$58,530,777	$29,675,104	285,155
March	$67,176,482	$34,058,476	326,157
April	$62,275,299	$31,573,576	307,985
May	$68,831,843	$34,897,744	340,451
June	$68,198,550	$34,576,665	336,652
Totals	**$801,908,822**	**$406,567,773**	**3,947,607**
Fiscal Year 2023			
July	$69,782,145	$35,379,548	343,017
August	$72,045,635	$36,527,137	348,416
September	$65,380,394	$33,147,860	320,298
October	$67,199,913	$34,070,356	328,438
November	$71,170,550	$36,083,469	345,150
December	$93,211,670	$47,258,317	435,402
January	$59,326,368	$30,078,468	298,775
February	$61,135,266	$30,995,580	293,436
March	$70,165,686	$35,574,003	335,630
April	$65,046,410	$32,978,530	316,930
May	$71,894,706	$36,450,616	350,339
June	$71,233,233	$36,115,249	346,429
Totals	**$837,591,976**	**$424,659,132**	**4,062,260**
Biennial Totals	**$1,639,500,798**	**$831,226,905**	**8,009,867**

SCHEDULE 4

GROSS REVENUES

Fiscal Year	Distilled Spirits Revenues*	Privilege Tax	License Fees	Total Revenue
2012	$ 465,418,338	$16,892,654	$ 4,791,065	$ 487,102,057
2013	$ 497,621,914	$16,387,708	$ 4,933,215	$ 518,942,837
2014	$ 518,604,897	$17,583,833	$ 5,222,685	$ 541,411,415
2015	$ 544,751,806	$17,685,881	$ 5,291,583	$ 567,729,270
2016	$ 571,962,044	$18,285,984	$ 5,259,570	$ 595,507,598
2017	$ 598,598,480	$18,819,333	$ 5,436,050	$ 622,853,863
2018	$ 627,865,277	$18,379,137	$ 5,437,244	$ 651,681,658
2019	$ 667,970,563	$19,155,764	$ 5,879,699	$ 693,006,026
2020	$ 728,440,120	$18,260,304	$ 8,490,718	$ 755,191,142
2021	$ 793,927,782	$17,694,044	$ 8,354,663	$ 819,976,489
2022 Forecast	$ 793,576,581	$20,481,509	$10,569,722	$ 824,627,812
2023 Forecast	$ 829,246,867	$20,857,453	$11,001,139	$ 861,105,458
2024 Forecast	$ 872,292,522	$21,266,239	$11,331,173	$ 904,889,934
2025 Forecast	$ 917,960,880	$21,711,686	$11,671,108	$ 951,343,674
2026 Forecast	$ 966,727,233	$22,199,159	$12,021,241	$1,000,947,633
2027 Forecast	$1,018,247,187	$22,725,082	$12,381,879	$1,053,354,148
2028 Forecast	$1,072,218,999	$23,271,468	$12,753,335	$1,108,243,802
2029 Forecast	$1,128,524,405	$23,828,819	$13,135,935	$1,165,489,160
2030 Forecast	$1,187,063,579	$24,396,476	$13,530,013	$1,224,990,068
2031 Forecast	$1,248,587,762	$24,982,761	$13,935,913	$1,287,506,437

*Distilled Spirits Revenue net of licencee discount

SCHEDULE 5

Per Capita Sales of Distilled Spirits
Oregon Liquor & Cannabis Commission

Fiscal Year		Distilled Spirits Revenue*	Estimated Population	Per Capita Sales
2012	$	465,418,338	3,857,625	120.65
2013	$	497,621,914	3,883,735	128.13
2014	$	518,604,897	3,919,020	132.33
2015	$	544,751,806	3,962,710	137.47
2016	$	571,962,044	4,013,845	142.50
2017	$	598,598,480	4,076,350	146.85
2018	$	627,865,277	4,141,100	151.62
2019	$	667,970,563	4,191,000	159.38
2020	$	728,440,120	4,240,535	171.78
2021	$	793,927,782	4,256,700	186.51
2022 Forecast	$	793,576,581	4,285,500	185.18
2023 Forecast	$	829,246,867	4,319,100	192.00
2024 Forecast	$	872,292,522	4,354,300	200.33
2025 Forecast	$	917,960,880	4,390,200	209.09
2026 Forecast	$	966,727,233	4,426,000	218.42
2027 Forecast	$	1,018,247,187	4,461,600	228.22
2028 Forecast	$	1,072,218,999	4,496,700	238.45
2029 Forecast	$	1,128,524,405	4,531,300	249.05
2030 Forecast	$	1,187,063,579	4,565,300	260.02
2031 Forecast	$	1,248,587,762	4,599,300	271.47

*Distilled Spirits Revenue net of licensee discount

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Oregon Liquor & Cannabis Comm **Agency Number: 84500**

2021-23 Biennium **Cross Reference Number: 84500-000-00-00-00000**

Source	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
Other Funds						
Privilege Taxes	37,534,901	40,017,000	40,017,000	41,845,868	41,845,868	41,338,962
Business Lic and Fees	25,409,467	55,718,468	55,718,468	47,771,975	47,771,975	47,771,975
Charges for Services	6,000	6,000	6,000	6,000	6,000	6,000
Fines and Forfeitures	1,496,383	831,786	831,786	812,731	812,731	812,731
Dedicated Fund Oblig Bonds	-	-	-	90,735,000	90,735,000	90,735,000
Sales Income	-	40,115,575	40,115,575	784,000	784,000	784,000
Liquor Sales	1,311,136,867	1,501,071,718	1,501,071,718	1,622,846,919	1,622,846,919	1,639,500,798
Liquor Cost of Goods Sold	(642,760,810)	(731,021,927)	(731,021,927)	(819,208,028)	(758,234,506)	(811,843,609)
Cost of Goods Sold	(15,301,026)	(18,075,205)	(18,075,205)	(19,474,163)	(19,474,163)	(19,674,010)
Other Revenues	-	-	-	7,572,093	7,572,093	7,572,093
Transfer In - Intrafund	183,855,714	215,277,971	215,277,971	258,412,591	253,889,492	255,610,203
Transfer In - Indirect Cost	3,926,424	6,472,202	6,472,202	6,925,306	6,315,618	7,517,394
Tsfr From Revenue, Dept of	6,723,539	7,000,000	7,000,000	7,000,000	7,153,600	7,000,000
Tsfr From Oregon Health Authority	-	-	-	528,000	528,000	528,000
Transfer Out - Intrafund	(183,855,714)	(215,277,971)	(215,277,971)	(258,412,591)	(253,889,492)	(255,610,203)
Transfer Out - Indirect Cost	(3,926,424)	(6,472,202)	(6,472,202)	(6,925,306)	(6,315,618)	(7,517,394)
Transfer to Other	(635,668)	(700,773)	(700,773)	(745,142)	(745,142)	(745,142)
Transfer to General Fund	(295,771,445)	(341,055,847)	(341,055,847)	(318,488,277)	(382,371,061)	(346,466,692)
Transfer to Cities	(92,937,834)	(107,789,736)	(107,789,736)	(113,727,310)	(114,577,585)	(109,041,031)
Transfer to Counties	(46,468,917)	(53,879,334)	(53,879,334)	(56,863,628)	(57,214,775)	(54,520,515)
Tsfr To Administrative Svcs	(65,056,484)	(75,400,000)	(75,400,000)	(79,609,146)	(80,278,327)	(76,328,722)
Tsfr To Oregon Health Authority	(18,436,690)	(19,827,438)	(19,827,438)	(20,550,363)	(20,550,363)	(20,296,910)
Tsfr To Agriculture, Dept of	(258,664)	(292,593)	(292,593)	(305,175)	(305,175)	(793,072)
Total Other Funds	**$204,679,619**	**$296,717,694**	**$296,717,694**	**$390,931,354**	**$386,305,089**	**$396,339,856**

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DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2017-2019 Actual	2019-21 Legislatively Adopted	Legislatively Approved	2021-23 Agency Request	2021-23 Governor's	2021-23 Legislatively Adopted
ALL Sources	OTHER	Various	$204,679,619	$296,717,694	$296,717,694	$390,931,354	$386,305,089	$396,339,856

___ Agency Request ___ Governor's Budget __X__ Legislatively Adopted Budget Page __17__

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BUDGET NARRATIVE

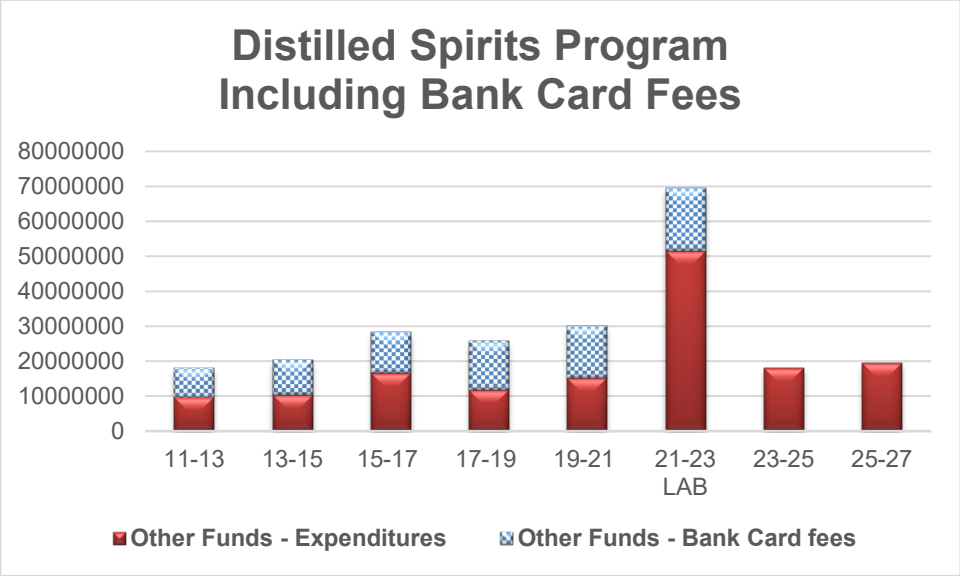
OLCC - DISTILLED SPIRITS PROGRAM - 001
2021-23 BUDGET

PROGRAM UNIT EXECUTIVE SUMMARY

A. PRIMARY OUTCOME AREA Economy and Jobs

B. PROGRAM CONTACT Chris Mayton, OLCC Distilled Spirits Director, (503) 872-5038

C. FUNDS BUDGET AND PERFORMANCE



The bars show OLCC Distilled Spirits (DS) Program's expenditures, separated into bank cards and non-bank card portions. All are funded by Other Funds (OLCC-generated liquor revenues).

D. PROGRAM OVERVIEW

The Distilled Spirits Program centrally purchases, warehouses and distributes bottled distilled spirits to 282 liquor outlets, making spirits available through OLCC-appointed retail liquor stores. In April 2016, as a first step to increase store density to meet population growth and customer convenience needs, the Commission approved, as part of an open recruitment effort, 14 new retail liquor locations to sell distilled spirits in the Portland tri-county area. In 2017-19, the Commission continued to appoint new liquor agents throughout the state. To date, the Commission has approved a total of 42 new stores throughout five separate phases; 36 have opened, and six have withdrawn. Commissioners recently passed a new segment of retail expansion at the September 2019 Commission meeting. Its focus will be a more targeted approach using quantitative and qualitative research to evaluate the potential opportunity for specific sites. The selective expansion will continue during the 2021-23 biennium to support customers, enhance revenue stability, and provide growth. By the end of the 2021-23 biennium, the Commission expects to have close to 300 locations statewide. The state's system supports jobs throughout the distilled spirits production and supply chain, encouraging the development of Oregon's economy, per ORS 471.030, Purpose of Liquor Control Act.

The Distilled Spirits Program also oversees Oregon Distillery Licensees who import, manufacture, distill, rectify, blend or denature distilled spirits that they distribute through OLCC's distribution system or sell directly to customers who visit their distillery tasting rooms. Sales through distillery tasting rooms were first allowed in 2009. As of June 1, 2020, there are a total of 135 Oregon Distillery license issued, of which 64 Distillers collectively operate 93 distillery tasting rooms that report sales.

E. PROGRAM FUNDING

The Legislatively Approved Budget is $69,497,386 Other Funds limitation for the 2021-23 biennium for this program, with 76.00 FTE and 76 positions.

F. PROGRAM DESCRIPTION

Oregon has created an exceptional system for liquor distribution and sales: in terms of choice and selection for the Oregon customer and in its efficient generation of revenue to support public services. The program efficiently makes available more than 2,600 different distilled spirits items every day, plus special orders, using an economy of scale and minimal distribution layers. It operates a Milwaukie Distribution Center that safeguards $105.1 million worth of vendor-owned distilled spirits inventory, plus up to $3.4 million in state-owned stock in the warehouse. It coordinates the appointment of, and then oversees, contracted liquor agents'

operation of the stores located throughout the state, ensuring the quality of services to the public and the businesses licensed to sell distilled spirit throughout the state. The program is projected to generate $607 million in distributions to state and local governments in the 2021-23 biennium, making alcohol revenue the state's third-largest source of revenue. All of this work and associated benefits are accomplished on a program budget that is 5% of sales, representing an impressive return on investment for this state-owned business.

G. PROGRAM JUSTIFICATION AND LINK TO 10-YEAR OUTCOME

The Distilled Spirits Program's linchpin role in the alcoholic beverage industry supports Oregon's economy and job growth. The industry supplies jobs through an entire supply chain – from international distillers to local micro-distillers, local brokers, delivery truck drivers, retail liquor stores, and the owners and servers in the small restaurant in your neighborhood. They depend on OLCC's reliable management and movement of spirits for their livelihoods. The sale of distilled spirits generates significant revenue that OLCC distributes to the state general fund and local governments. The expected total revenue distribution to the general fund, counties, and cities in 2021-23 is $607 million. This program contributes to the following strategies:

- Meeting the immediate growing demand for spirits in Oregon and preparing for anticipated 10-year growth.
- Efficiently supplying and supporting local Oregon based businesses, including liquor agents, licensees, manufacturers, and distributors.
- Developing and maintaining regulatory rules that protect public safety and promote Oregon's economic development.

H. PROGRAM PERFORMANCE

Biennium	Cases of Spirits Handled, millions	Program Cost per Case (excludes bank card fees)	OLCC KPM, Rate of Return (Distribution per Expenditure)	Distilled Spirits Gross Sales (Millions)
2003-05	4.12	$1.67	$2.70	$598
2005-07	4.73	$1.96	$2.47	$720
2007-09	5.12	$1.67	$2.72	$816
2009-11	5.25	$1.75	$2.73	$858
2011-13	5.70	$1.70	$2.90	$974
2013-15	6.14	$1.73	$2.88	$1,072
2015-17	6.33	$2.62	$2.88	$1,148
2017-19	6.59	$1.74	$2.88	$1,277
2019-21 LAB	6.87	$2.17	$2.88	$1,376
2021-23 est	7.22	$2.30	$2.88	$1,463
2023-25 est	7.41	$2.43	$2.88	$1,565
2025-27 est	7.59	$2.57	$2.88	$1,604

The chart above shows the number of cases handled by the program's Distribution Center, in millions; the cost per case handled; the critical performance measure of distribution to the state General Fund and local governments per expenditure dollar, and the distilled spirits gross sales dollars (the ultimate output). Actuals are through the fiscal year 2019. Projections include the surcharge estimated to be approved by the Commission. The OLCC's rate of return will depend on agency-wide funding levels.

BUDGET NARRATIVE

I. ENABLING LEGISLATION/PROGRAM AUTHORIZATION

The OLCC administers Oregon's Liquor Control Act. The OLCC's authority derives from Oregon Revised Statutes Chapters 471, Alcoholic Liquor Generally; 473, Wine Cider and Malt Beverage Privilege Tax; 474, Trade Practices Related to Malt Beverages; 459A.700 to 74, Beverages Containers; the Bottle Bill, and Administrative Rules Chapter 845.

J. FUNDING STREAMS

OLCC-generated revenue funds the Distilled Spirits Program. All revenue received by the OLCC is classified as "Other Funds." Revenues come from liquor sales, license fees and fines, server education fees, taxes on malt beverages and wines (Privilege Tax), and miscellaneous income. ORS 471.805 directs the OLCC to distribute available money to the state General Fund, cities, counties, and Mental Health.

K. SIGNIFICANT PROPOSED PROGRAM CHANGES FOR 2021-23

In 2021-23 biennium, the program will focus on the following strategic initiatives:

- Develop and implement plans for the construction of a new warehouse and replacement of legacy IT systems.
    - Tackling pressing capacity limitations on spirits distribution to capture $1.5 billion in revenue over ten years.
    - Modernize agency and program IT to improve the efficiency of warehouse ordering and distribution.
    - Replace current legacy ordering systems to protect revenue.
- Provide flexibility to hire warehouse staff and creating incentives to ensure operations during general state office closures as OLCC warehouse operations match private sector shipping operations.
- Acquire essential equipment to support daily distribution operations.
- Increase data analysis and dissemination to improve warehouse efficiency enhance space utilization.
- Target retail market expansion to support customers, revenue growth, and stability.
- Modify agent and distillery compensation.
    - Adjust agent compensation to reflect increased costs related to leases and employment.
    - Adjust distillery tasting room compensation to reflect the unique needs of small businesses.
- Increased engagement with Oregon Liquor Store Agents to enhance the customer shopping experience.

The Legislatively Adobted Budget forecasts $1.6 billion in total gross liquor sales for 2021-23 (excluding surcharge revenue) and a total of 7.9 million cases shipped.

Policy Option Packages that support the operations of this program include:

Warehouse Capital Bonding **Package No. 101, 0 FTE, $98,282,093**

The liquor distribution warehouses operated by the Oregon Liquor & Cannabis Commission have reached capacity for storage of distilled spirits. An estimated $1.5 billion in gross revenue ($586.9 million distributable revenue) is at risk without additional storage to meet demand from population growth and expansion. In addition, the agency is currently engaged in a large Enterprise Modernization program to replace insufficient and unsupported warehouse technology. Aligning these two projects and funding them with capitol bonding reduces costs and creates efficiency. This package includes funding for warehouse construction, conveyors, and a warehouse management system ($90 million total). Biennium payment after 2023 will be $15.1 million. Bond terms are ten years for the warehouse management system, 15 years for conveyors, and 25 years for building. This package folds in the agency's expected funding request for the current IT modernization project and eliminates the need for roof repair and seismic upgrades on the existing warehouse. Deferment of roof repairs and seismic upgrades, coupled with bond financing of a new distribution center, lowers the overall limitation necessary for the program in the 2021-2023 biennium and increases the funds available for distribution. However, this benefit transfers to the general fund, counties, and cities are only achieved by making a decision to capture efficiencies and of committing to capital construction plans to meet project consumer demand over the next ten year period. A vital mission of the OLCC is to be a predictable and reliable generator of revenue to the state, and this package is necessary to meet that goal. Importantly, on the social consequences side, this projection maintains a consistent rate of access to spirits at one store per 15,000 residence. On a per-capita basis, Oregon has far fewer stores than the national average. As well, projections maintain that Oregon remains a high spirits cost state, only Washington to the north exceeds Oregon's consumer pricing. All things equal, social impacts of alcohol are held at a status quo level in this projection.

Distribution Center Equipment Replacement **Package No. 107, 0 FTE, $270,000**

The distribution center is operating with aging forklifts (some 20+ years old) with batteries that are having difficulty holding their charge. This package allows for the purchase of four forklifts and batteries to keep up with the increasing volume of products distributed out of the warehouse.

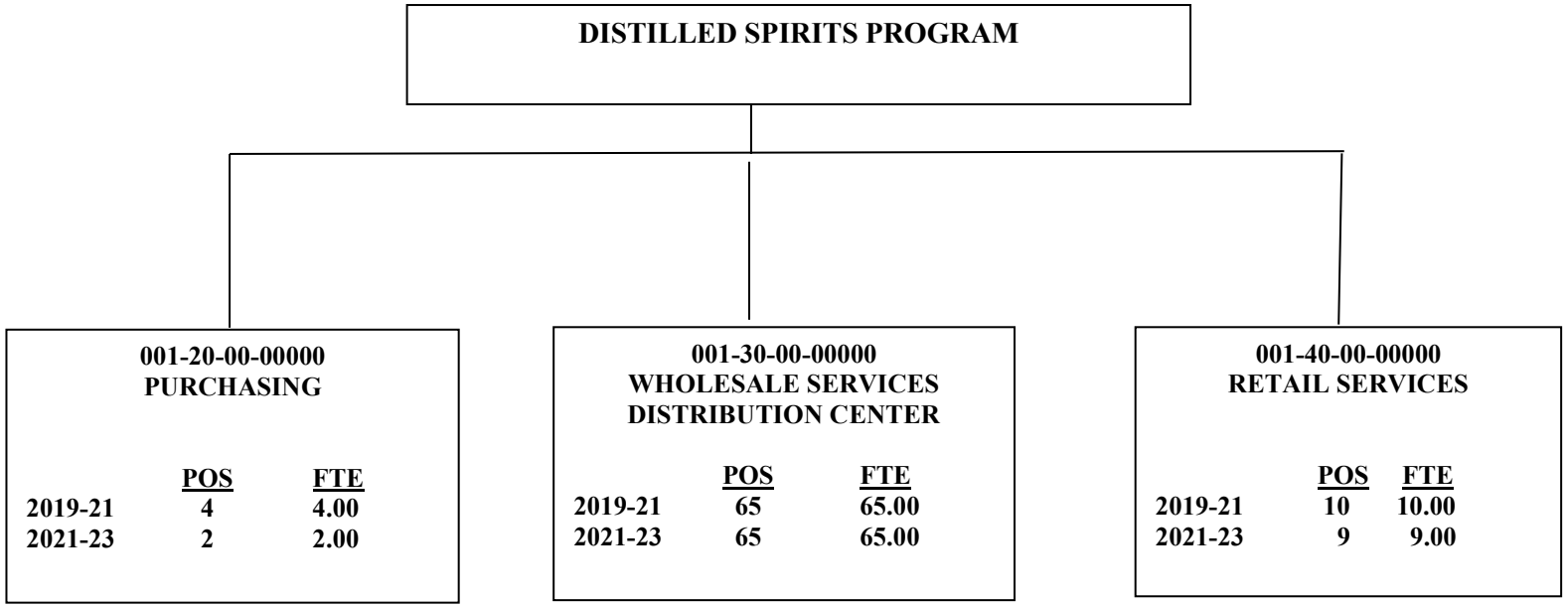
Agent Compensation Formula **Package No. 108, 0 FTE, $13,500,000**

In 2019-21 the agency worked with liquor store agents to examine the current liquor store agent compensation formula, which has remained relatively unchanged since 1986. This package revamps the compensation formula and provides an incentive for agents to invest in their businesses and provide better services to customers. This package changes the formula to increase the number of compensation classes from six to ten and includes retail lease and wage escalators to reflect costs in various regions of the state.

Distillery Agent Compensation **Package No. 110, 0 FTE, $3,500,000**

Historically the funding for distiller agent and liquor agent compensation were combined, and base rates and commissions were allocated through the same formula. In 2019 the funding for distiller agents who sell only products they manufacture out of tasting rooms was separated from liquor agents to acknowledge the differences between the business models. At that time, no changes were made to the formula; however, in 2020, the agency assisted legislators and distillery tasting rooms in crafting statutory language to change the formula. This package reflects the proposal crafted in 2020. It changes the distiller compensation formula to 45% commission on the first $250,000 in sales from all tasting rooms connected to a distiller and 17% for all sales over $250,000.

OLCC - DISTILLED SPIRITS PROGRAM (001)
2021-23 BUDGET
Organization Chart



OLCC - DISTILLED SPIRITS PROGRAM SUMMARY - PROGRAM 001
2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

Purpose

The Distilled Spirits Program functions are an essential part of the state's strategy to protect public safety while encouraging economic development, per ORS 471.030. The program makes bottled distilled spirits available for purchase by Oregon's citizens, visitors, and the hospitality industry in a managed, efficient and business-like fashion. The state's distilled spirits retailing system supports the viability of small entrepreneurs, along with the broader hospitality and alcoholic beverage industries, as they create a stable economic and employment base for the state. The sale of distilled spirits generates significant revenue that OLCC distributes to the state General Fund and local governments.

The Distilled Spirits Program's linchpin role in the alcoholic beverage industry supports the State of Oregon's role in fostering economic growth and jobs. This industry provides jobs throughout Oregon and the entire supply chain – from international distillers, local micro-distillers, local brokers, the delivery truck drivers, liquor store staff, and the owners and servers in the restaurants throughout rural and urban Oregon. These Oregon businesses depend upon OLCC's reliable management and movement of spirits for their livelihoods. The Distilled Spirits Program collaborates with producers, wholesalers, and independent retailers to provide economic growth and a self-supporting system.

Restaurants and bars – often locally-owned businesses – purchase approximately 23% of the spirits sold by the liquor stores. Liquor store agents are Oregon entrepreneurs who serve as independent contractors that operate the liquor stores and employ hundreds of store employees statewide. Additionally, the craft distillery industry has been growing in Oregon and hopes to gain more national momentum and recognition. The OLCC, through its distribution system and its liquor stores, can make sure that these local micro-businesses get an equal footing, alongside national and international brands, on the shelves of Oregon liquor stores.

Activities

To accomplish its mission, the program purchases, warehouses, and distributes bottled distilled spirits centrally to the 282 operating locations. Also, distilled spirits manufactured by Oregon Distillery Licensees are available in 93 tasting room outlets. In April 2016, as a first step to increase store density to meet population growth and customer convenience needs, the Commission approved — as part of an open recruitment effort — 14 new retail liquor locations to sell distilled spirits in the Portland tri-county area. In 2017-19, the Commission continued to appoint new liquor agents throughout the state. To date, the Commission has approved a total of 42 new stores throughout five separate phases; 36 have opened, and six have withdrawn. Commissioners approved a new phase of retail expansion at the September 2019 Commission meeting. Its focus will be a more targeted approach using quantitative and qualitative research to evaluate the potential opportunity for specific sites. The selective expansion will continue during the 2021-23 biennium to support customers, enhance revenue stability, and growth. By the end of the 2021-23 biennium, the Commission expects to have close to 300 locations statewide.

The Distilled Spirits Program assists with the Commissioners' appointment of new liquor agents and oversees the opening and operation of retail liquor stores and distillery tasting rooms. The Commission owns the distilled spirits inventory in all agent-owned retail liquor stores. The Commission's Wholesale Services division operates its warehouse under a vendor-managed inventory model called bailment. Liquor agents order inventory from the warehouse; wholesale services distribute the liquor to the agent and then pays the manufacturer for the stock once it leaves the warehouse. Distillery Licensees distribute their products through the warehouse or make direct sales out of their Distillery Retail Outlets. The Commission does not own the inventory located in Distillery Retail Outlets. Through this bailment inventory system, the OLCC provides the public with a varied and balanced inventory of distilled spirits brands and encourages the development and availability of Oregon products with a greatly reduced amount of agent working capital invested in inventory costs. Through oversight of retail operations, the program ensures responsible sales in retail liquor stores and distillery retail outlets while producing excellent customer service within. Program management collaborates with its varied stakeholders to understand their needs and problem solve constructively together. OLCC partners with liquor stores, distilleries, trade conferences, and industry members frequently as part of OLCC's continued outreach focus. OLCC holds an annual Agent Education conference bringing over 250 agents, spouses, and managers together to continue spirits education, operational best practices, and a great deal of networking to their peer operators all across Oregon.

The Distilled Spirits Program provides economies of scale and avoids additional "middle-man" markups by providing both wholesaling and retailing functions statewide. More detailed descriptive narratives on the divisions and services follow this summary. Also, please see the Store Operating Expenses Fund, Program 005 section, in this budget book.

This division is responsible for the outcomes of selecting, purchasing, storing and distributing distilled liquor, maintaining shipping lines within the warehouse, managing the selection, contracts, and operations of liquor agents, distillery retail outlet agents, and the monitoring, tracking, and safekeeping of manufacturer-owned and state-owned inventory.

Issues

OLCC expects a growth rate of 3.5% per year in unit case sales during the 2021-23 biennium. Customers' special orders for products outside the regular product line continue to be a small but significant portion of sales. For 2019, OLCC processed more than 28,200 special orders of nearly 2,100 items. The trend of gaining dollars per case is a good one for both the generation of revenue and for social concerns. The availability of over 4,600 product SKUs with over 28,000 special orders a year marks this system as a world-class one for consumers, and Oregon represents one of a few vast, one-stop, national markets for worldwide manufacturers and brokers of distilled spirits.

The program continues to respond to today's marketplace. About 30 years ago, Oregon had one liquor store for every 12,000 Oregonians. Until its more recent open recruitment process, the Commission operated 248 liquor outlets, with a 1 to 16,000 ratio of stores to the state population; however, in some areas of the state, that ratio was as high as 1 to 29,000. In addition, Oregonians have grown more sophisticated and have a greater demand for modern, consumer-friendly shopping, and higher levels of convenience than ever before. This combination continues to present a unique opportunity for the Commission to increase store density while exploring new and innovative business models to meet the state's highly convenience-driven market. As of June 1, 2020, the Commission has 282 operating liquor stores, bringing the ratio to one liquor store for every 15,023 Oregonians. The Commission will continue to strategically expand stores to support customers and enhance revenue stability and growth during the 2021-23 biennium, as in five years, the ratio will be one liquor store for every 16,400 Oregonians if no further stores are approved and opened. The 36 stores that have opened have generated $136.0 million in sales; however, existing agents saw a reduction in sales of $26.3 million. The net gain in sales is $109.7 million. Operationally, OLCC is committed to serve population growth and maintain one store to 15,000 per capita ratio into the future. This policy direction normalizes store growth and sets a standard for local liquor markets. At this per capita basis, Oregon will remain one of the lowest stores to population ratios in the nation; most states have a much higher liquor store density. For the Oregon system, this moderate expansion rate balances the concerns of liquor availability, the profitability of existing agents, and the OLCC's responsibility to provide convenience and serve a growing population.

The staff evaluates each applicant based upon their knowledge related to liquor and alcohol sales, retail business experience, retail operations, merchandising, business management, customer service skills, supervisory ability, financial condition, proposed location's impact on current liquor agent(s), business plan and expected consumer sales. The final number of new stores approved

depend upon the staff review and prospective new agent presentations to OLCC Commissioners. The OLCC Commissioners consider and balance presentations and the competition for stores and locations with the quality of the applications, community needs, and potential impact on existing liquor stores. The results of expansion are impressive in terms of growth in markets and reflect the care the Commission has for minimizing the effect on existing liquor agent stores while capturing growing market opportunities. The existing liquor agents are the foundation of the Oregon system of sales, and the Commission is highly aware of their responsibility to provide current agents every chance for business success in the marketplace.

To respond to a growing population and its interest in spirits—and with OLCC removal of old compensation formula disincentives related to store classifications changes—system-wide OLCC agents are now investing in upgrading their stores and the quality of the consumer shopping experience. Agents are moving to larger spaces in improved locations and making a choice to drive more customers to their stores by applying for a license that would allow them to sell beer and wine. They are designing spaces to accommodate growler and distilled spirit in-store tastings. These are all exciting system improvements that are reaching out to and being noticed by the Oregon consumer.

The OLCC continues to make policy changes to support new business models to give liquor agents more flexibility in the types of alcoholic beverages they carry in their stores and the services they provide. These investments and changes are focused on customers' desires for more convenience, and the agents desire to increase sales by improving the overall shopping experience. Widespread legislative and administrative rule changes have created a foundation for the astonishing amount of new investment in agent stores, like the decisions to allow agents that sold spirits to become non-exclusive and also be licensed to sell beer and wine (and thus fill growlers). And the legislature and agency have catered to our homegrown manufactures of distilled spirits by advancing the new distillery special events license, allowing distillery agents to sell distilled spirits in multiple locations, and expanding tastings of distilled spirits. All of these actions have helped to foster agent and distillery agent growth in sales and compensation — and for the state, increased revenue.

Historically the level of agent compensation has been a topic of discussion for each legislative session. The agency was directed by leadership to work with agents to identify potential changes. After multiple statewide meetings with liquor store agents, the agency collaborated to create an updated compensation system that more accurately reflects sales growth and compensates for increasing lease and employment costs. Implementing a business system of compensation based on private-sector principles that are clear and endure is a superior business practice. When the terms of compensation are clear, the system can provide consistency for business income sales and growth, and incentives within the system combine to create a strong business platform for the OLCC to meet its long term mission of producing stable and predictable revenue to support public services. Such a system is necessary because the

cost of business and a contractual obligation of payments for the work of selling state-owned spirits are not a limitation decision created from a forecast and decided every two years. Few enduring business relationships are based on two-year time horizons, and the legislative process does not provide the time or attention for fair negotiation of payments. The legislature recognized this when they asked the parties to develop a business system – now a business decision is needed to move forward. As negotiated, there is a one-time cost to transfer to the new system that lifts compensation and then transforms it into a relationship that reflects the cost of business. This compensation adjustment is reflected in POP #108. In addition, the agency is requesting in POP #110 a compensation change for distillery tasting room sales to reflect the unique needs of small businesses with a limited range of products to sell. This is not a new idea; the OLCC provided technical assistance on this idea that was offered in member created legislation in the 2020 session of the Oregon Legislative Assembly.

Success in growing case sales volume puts increased pressure on the Distribution Center infrastructure. A significant issue facing the OLCC's Distilled Spirits Program is how to manage resources and gain efficiencies to keep pace with the changing, growing, and flexible marketplace while working within the comparatively static state budget framework. The more responsive and timely the OLCC can meet marketplace demands and changes, the more efficiently the system can meet the liquor agents, customers, and industry needs. If OLCC does not have adequate infrastructure and resources to achieve consistent case growth, then the state risks losing potential distilled spirits sales revenue.

The OLCC has continued to improve processes and add equipment to gain efficiencies to keep up with demand. In 2015-17, legislators allocated $5.01 million in capital expenditure to modernize the conveyor system to allow for simultaneous order fulfillment and shipping through multiple doors. In less than a week of operations, the system generated the income to pay for this vital capital investment. This investment increased shipping capacity through the addition of conveyors and software used to merge, identify, and separate products at the point of shipping. The conveyor project, which became operational in July 2016, reconfigured the distribution center warehouse to remove constraints that only allowed shipping through one door at a time. With the new system, the bottleneck that caused limited shipping capacity was eliminated; orders are now processed through up to four doors at a time. This work represents an incredible return on investment.

In addition to liquor stores, Oregon has seen tremendous growth in the number of distilleries. Legislation in 2013 and 2015 increased the privileges and the number of permitted distillery agency locations, which allows Oregon distillers to sell from multiple locations. Since the inception of Distillery Retail Outlets sales in 2009, the annual rate of total sales has grown at 25% per year, grossing $21.3 million by the end of the 2017-19 biennium. The number of distillery retail outlet agents tasting room locations has grown to 93, which now sells distilled spirits. Distillery retail outlet agents are currently self-reporting sales and are not audited.

Annual sales from distillery agents are projected to be approximately $12.5 million, or $25.1 million in the 2021-23 biennium, which represents significant revenue for the state. The OLCC is gearing up to focus on accounting and financial transactions and requirements OLCC places on distillery agents reporting to ensure it is simple, aligns with industry practices, and meets the state's obligation to collect funds from the transactions of sales. This budget takes steps in that direction, and the OLCC is taking steps to work with industry leaders to educate and harmonize necessary changes that match the growth of these critical Oregon businesses.

The expansion of liquor stores and increased sales volume due to population growth, has created stresses on OLCC resources to effectively optimize revenue as it manages, supplies, and accounts for state liquor inventory. The agency has identified essential program focuses that will all address state requirements or that seek to improve the productivity of the agency to match its responsibility for management, innovation, and stable revenue growth into the future. At the center of this is the need to expand warehouse capacity as outlined in POP# 101. With $1.5 billion dollars of revenue at risk over the next ten years for the state, county, and city public services, this warehouse build is essential to support the generation of profits for distribution to public partners that depend on this revenue stream.

In 2021-23 biennium, the program will focus on the following strategic initiatives.

- Develop and implement plans for the construction of a new warehouse and replacement of legacy IT systems.
    - Tackling pressing capacity limitations on spirits distribution to capture $1.5 billion in revenue over ten years.
    - Modernize agency and program IT to improve the efficiency of warehouse ordering and distribution.
    - Replace current legacy ordering systems to protect revenue.
- Providing flexibility to hire warehouse staff and creating incentives to ensure operations during general state office closures as OLCC warehouse operations match private sector shipping operations.
- Acquire essential equipment to support daily distribution operations.
- Increase data analysis and dissemination to improve warehouse efficiency enhance space utilization.
- Target retail market expansion to support customers, revenue growth, and stability.
- Modify agent and distiller compensation.
    - Adjust agent compensation to reflect increased costs related to leases and employment.
    - Adjust distiller tasting room compensation to reflect the unique needs of small businesses.
- Increased engagement with Oregon Liquor Store Agents to enhance the customer shopping experience.

The Legislatively Adopted Budget forecasts $1.6 billion in total gross liquor sales for 2021-23 and a total of 7.9 million cases shipped.

The structural components of the program are:

Purchasing *(subprogram 20)* staff works closely with the Distribution & Retail Services Divisions staff to provide distilled liquor to customers. Purchasing staff coordinate the acquisition of bottled spirits produced throughout the world and make sure the emerging Oregon craft distillery industry is represented in the state inventory lineup. Staff continuously assists and facilitates the inventory management program for all liquor stored, distributed and sold in the statewide retail liquor stores including support with the gathering statistical analysis of sales data, ordering parameters, special handling of discount merchandise, re-pricing of slow-moving items to achieve a reasonable balance between product turnover and return on investment ratios, and communicating product information to suppliers, carriers, liquor sales agents, agency staff and the buying public. They work closely with industry representatives to stay informed about new products and trends.

This division is the liaison between liquor manufacturers, suppliers, liquor agents, and the Commission. Staff communicates to the liquor industry price, sales, purchasing policies, and procedures. They participate in projects that enhance the Commission's ability to communicate more efficiently and effectively with suppliers, retail liquor agents, and the public.

The Wholesale Services Division *(subprogram 30)* is responsible for receiving distilled spirits from the distilleries and importers for timely delivery to the OLCC distribution center and making the shipments of distilled spirits to retail liquor stores across the state. The distribution center is comprised of two warehouses in Milwaukie, creating efficiencies OLCC's centralized distribution and warehousing services for the state liquor operation. The center manages the liquor shipments procured by Purchasing; its crews receive and store the products, fill merchandise orders, and ship products coordinating with common carriers to receive and ship millions of cases of liquor a year. The staff keeps the inventory secure in the bailment warehouses. The bailment warehouse has a storage arrangement in which the supplier retains title to the managed stock shipped to the OLCC distribution center and holds all products in bailment until it is withdrawn and sent to the liquor stores for sale statewide. The distribution center staff monitors, and settles claims for any damaged and defective goods returned by stores. Coordinating of freight shipment bills impacts our outbound transportation process. This division is responsible for the outcomes of receiving, storing, and shipping distilled spirits, maintaining shipping lines, verifying and keeping inventory records and control, and providing for the security of manufacturer-owned and state-owned inventory.

The Retail Services Division *(subprogram 40)* oversees the operation of the liquor stores and distillery outlets statewide. Retail Services staff work closely with liquor store agents and distillery retail outlets, so they know how to apply liquor regulations and retail operating procedures to their store operations. The staff assists them in managing the state-owned liquor inventory in the stores to make a variety of products—including Oregon products—readily available to customers. The liquor agents receive monthly compensation payments that they use to fund the stores' operating expenses. Distillery retail outlet agents track sales and remits to the state markup on each bottle sold. The OLCC does provide some specific supplies to the liquor stores; these OLCC expenses, associated with supporting liquor stores, appear in Liquor Sales Support, subprogram 42.

This division is responsible for the outcomes of overseeing the selection, contracts, and operations of the 282 operating liquor stores located throughout Oregon and the onboarding of new liquor and distillery agents. The number of liquor agent locations will increase up to nearly 300 by the end of the 2021-23 biennium. When the OLCC begins the new phase of expansion in the 2021-23 budget period, this will occur at a slower pace and will use qualitative and quantitative metrics. This data will determine the quality of the applicants, community needs, and potential impact on existing liquor stores. The system will only expand on a specifically targeted basis as we continue with adding additional new liquor store locations across Oregon.

B. BACKGROUND

In 1933, the Knox Act created the alcohol "control system" in Oregon. This state chose a control system to make alcohol available in a regulated, managed environment, and to avoid the abuses that led to the national Prohibition movement. Since the Knox Act, Oregon's system has evolved in response to changing environments. The original retail system, with its larger stores operated by state employees, was converted to a completely exclusive and nonexclusive agent-run system by the early 1980s. With Measure 5 reductions to this program in the 1990s, the program began in earnest to reduce administrative costs by reassigning OLCC staff duties, streamlining, and incorporating more efficient, modern technology. The program continues to contain administrative costs increases through implementing greater efficiencies.

The Distilled Spirits Program continues to focus on modernizing operations, meeting higher customer expectations, and responding to the industry's long-term growth trends. OLCC has been revitalizing its product selection processes, managing the product line to be more responsive to the market, and carrying more variety and enhancing its distribution center's systems and equipment, relying more on electronics, computerization, and automation to gain efficiencies while minimizing needs to increase staffing levels. Examples include: acquiring a second warehouse to store most of its bulk case storage and make room for efficiencies from adding

conveyors in the first warehouse; raising OLCC's expectations of agents in their choice of store locations and appearance to meet customers' expectations; creating incentives for excellent liquor store operations (e.g., allowing the appointment of outstanding

agents to more than one store location); adding liquor stores in underserved areas, giving liquor agents more professional education and data on how to meet customers' growing expectations; allowing non-licensee customers to use bank cards in liquor stores; applying the Oregon liquor store model to new situations (satellite locations and corporate agents), and changing organizational structures to enable divisions to work more effectively with each other. In 2015-17, legislators allocated $5.01 million in capital expenditure to modernize the conveyor system to allow for simultaneous order fulfillment and shipping through multiple doors. This investment increased shipping capacity through the addition of conveyors and software used to merge, identify, and separate products at the point of shipping. The conveyor project—which became operational in July 2016—reconfigured the distribution center warehouse to remove constraints that allowed shipping through only one door at a time. The legislators also allocated $4.2 million total capital expenditure for Phase I of the roofing project, HVAC, and related items for the McLoughlin and Milport facilities.

Continued investment in facilities, technology, and staffing is critical to preserving and growing the state's distilled spirits revenue stream.

C. EXPECTED RESULTS

This program is focused on the effective and efficient sale and distribution of distilled liquor throughout Oregon. Management oversight of retail liquor agents, distribution processes, and meeting consumers' demands are key activities. The Distilled Spirits Program plans to achieve the primary goals as outlined in the subsequent subprogram narratives, in doing so, the division is focused on specific results, including:

- **Preserving a growing revenue stream.** The program will enhance revenue to the state general fund, counties, and cities by utilizing technology and modern warehouse processes to meet current and expected consumer demand over the next ten years cost-effectively.
- **Managing distilled liquor inventory.** The program will continue to effectively supply exclusive and nonexclusive liquor stores in a timely fashion without paying for excess inventory.
- **Providing for statewide selection of distilled spirits**. The program will assure that a wide variety of distilled products, including Oregon products and special orders, are available timely statewide at a consistent price.
- **Supporting Oregon's economic growth.** The program supports the development and success of multiple small businesses, including manufacturers of Oregon craft beverage products.

- **Applying industry best business practices.** The program will utilize enhanced distribution technology to deliver products in a way that effectively manages costs.

- **Providing superior, high-quality customer service**. The program will continuously respond to the evolving needs of stakeholders – consumers, agents, licensees, suppliers, and government.
- **Protecting the public and consumers from harm.** The program will continue to train and provide oversight on Liquor Law compliance in the existing 282 agent-operated retail liquor stores and focus on education and training for the new agent-operated stores that are forecasted to become operational by the end of the 2021-23 biennium.

The program will provide the buying public and licensees from the hospitality industry up to 300 agent-operated retail liquor stores across the state from which to purchase products for home or on-premises consumption. In 2019, the OLCC distribution center carried more than 2,600 listed items throughout Oregon and filled more than 28,200 special orders for distilled spirits that represent another 2,100 unique products made available to customers of OLCC. OLCC anticipates the product line will continue to grow, adding up to another 400-500 items in 2021-23 to meet consumer demand. The dual pressures of adding inventory for new stores and the growth in product offerings will require a constant review of sales data in order to maximize limited warehouse space and maintain profits while supporting Oregon distilleries and meeting consumer demand for variety. Lack of warehouse capacity directly threatens both profitability and OLCC's ability to service the small volume craft distillers.

The OLCC has used the following measures to evaluate how well the Distilled Spirits Program provides retail and wholesale functions:

- *Cases handled* – the number of liquor cases handled daily per distribution center staff
- *Stock availability* – the rate of product in-stock availability in the distribution center when an order is placed by a liquor agent
- *Inventory turnover* – number of turns of product inventory
- *Agents' evaluation* – percent of liquor agent annual performance evaluations that receive an "outstanding" score.
- *Net profit margin* – the net profit margin of OLCC Distilled Spirits Program

The Commission extended the surcharge of 0.50 cents per bottle for 2021-23 at the October 15, 2020 Commission meeting. The Legislatively Adopted Budget forecasts $1.6 billion in total gross liquor sales for 2021-23 and a total of 7.9 million cases shipped.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees and penalties, privilege tax paid on the sales of beer, wine, and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471 and 473.

E. PROPOSED LEGISLATIVE CHANGES

Agency Concept 84500-002-Liquor Price Agreements with airlines and Tribes
OLCC would like to clarify its authority to make agreements on prices of distilled spirits with tribes and add the authority to negotiate prices of distilled spirits with airlines. OLCC is seeking an amendment that will clarify and allow OLCC to honor those longstanding agreements with tribes unambiguously. This is an existing business practice, and OLCC's internal statutory review indicated that it would be a legal and contractual best practice to memorialize this authority in statute. Under current law, OLCC is restricted from negotiating prices with and selling products with packaging not available to general customers at reduced prices. This proposed change will allow OLCC to produce revenue through the sales of these unique products to airlines.

BUDGET NARRATIVE

OLCC - PURCHASING - SUBPROGRAM 20
2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

The Purchasing Division is responsible for ensuring that adequate, appropriate inventories and a varied selection of liquor products, including Oregon-produced distilled spirits, are available to meet customer demand. This function is a vital component of the system that makes distilled spirits available to Oregon consumers. OLCC division staff monitor changes in the suppliers' product lines and manages the OLCC product line. Staff determines OLCC order quantities by regularly reviewing sales history, sales forecasts, inventory on hand and order quantities, and service level expectations. They maintain liquor price quotes from suppliers and supplier discount offers and post the state's retail liquor prices.

The division continues to look for ways to enhance customer service and meet consumer needs in this growing and increasingly sophisticated and varied distilled spirits marketplace. It looks to make up-to-date product information more readily available and accessible to liquor agents and the general public. As part of this effort, the program designed a technology system to capture liquor store distilled spirits retail sales information more frequently by item, daily. With this up-to-date information, the OLCC has significantly improved service to customers by letting the public search through the OLCC website, www.oregonliquorsearch.com, to see which products are in stock and at which stores, statewide. The site now shows photos of products, as well. The division will continue to develop ways to make information more readily available and useful.

This division is responsible for the outcomes of monitoring changes in the suppliers' product lines, managing the OLCC product line, reviewing sales histories, forecasts, managing inventory, obtaining liquor price quotes, and posting liquor prices.

B. BACKGROUND

The powers and duties of the OLCC are defined in ORS 471.705 through 471.810. Under these statutes, the OLCC is authorized to control the manufacture, possession, sale, purchase, transportation, importation, and delivery of distilled spirits (ORS 471.730). The OLCC is also authorized to set retail prices for distilled spirits (ORS 471.745) and to have, in stores and warehouses, the quantities and kinds of products reasonably required to supply the public demand (ORS 471.750). ORS 471.030 (2) clarifies that the policy of this state is to encourage the development of all Oregon industry; the division looks to see that Oregon-produced spirits are represented in its line, no matter how small an Oregon craft distiller might be.

The distilled spirits industry continues its trend to introduce many new products, such as higher-priced specialty items. Customers have responded enthusiastically to the greater diversity of products. Because the suppliers continue to own most of the product in the OLCC bailment distribution center and the state owns the inventory in the retail stores, the contracted liquor agents can afford to carry an excellent and varied selection of products, often more than most stores carry in open, or privatized states. They are not limited to the most significant sellers with the highest turnover. They can also afford to carry products of small Oregon craft distillers. The OLCC continues to expand its product line in response to the industry's creation of new products and the growing Oregon craft distillery industry. In 2019, the OLCC distribution center distributed more than 2,600 listed items and more than 28,200 special orders of nearly 2,100 additional products. OLCC anticipates the product line will continue to grow, adding up to another 400-500 items in 2021-23 to meet consumer demand.

By continually evaluating the product line, the division provides the public with new liquor products as they are introduced and eliminates non-performing items. This helps ensure the state's investment in liquor inventory will optimize profits for the state, customers have the products they desire, and the OLCC encourages Oregon's economic development. The dual pressures of adding stock for new stores and the growth in product offerings and Oregon distilleries will require a constant review of sales data in order to maximize limited warehouse space and maintain profits while supporting Oregon distilleries and meeting consumer demand for variety.

In the 1993-95 biennium, the OLCC converted to a bailment warehouse system. The OLCC does not pay for liquor until it's shipped from the warehouse to liquor store agents, or when a case is opened for hand picking. The manufacturers own the distilled spirits under bailment; they are stored in the bailment warehouse before their sale to the state. Under this system, suppliers stock merchandise in the physical OLCC distribution center warehouses. Holding large stocks of state-owned inventory in the warehouses is minimized this way. In most instances, the OLCC purchasing staff sends suppliers suggested bailment replenishment notices rather than purchase orders. Then staff withdraws stock from bailment as needed for the OLCC to fill retail store liquor orders. Twice a month, after orders are shipped, the OLCC sends a combination purchase order/invoice to the suppliers notifying them of items withdrawn from bailment that are due to be paid.

The Purchasing Division continually seeks more efficient ways of doing business and using technology to avoid needing more purchasing staff despite increased the number of items, growing complexity in the marketplace, and increased product demand.

C. EXPECTED RESULTS

The efforts of the Purchasing Program result in liquor stores promptly orders filled as requested, and customers who consistently find a wide variety of distilled spirits, including Oregon products, when shopping at the stores throughout Oregon. The goals of the division include:

- **Provide for statewide selection of distilled spirits**. The program will assure that a wide variety of distilled products, including Oregon products and special orders, are available statewide on time at a consistent price.
- **Support Oregon's economic growth.** The program supports the development and success of multiple small businesses, including manufacturers of Oregon craft beverage products.
- **Provide superior, high-quality customer service**. The program will continuously respond to the evolving needs of stakeholders – consumers, agents, licensees, suppliers, and government.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees from alcohol and penalties, privilege tax paid on the purchases of beer, wine, and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471 and 473.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

BUDGET NARRATIVE

OLCC - BANK CARDS - SUBPROGRAM 24
2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

Since the 1995-97 biennium, the legislature approves funds in the OLCC budget for liquor stores to accept bank cards; liquor store customers may choose to use their bank cards (credit and debit cards) when they shop in liquor stores. OLCC pays the bank transaction fees and the rental charges for bank card processing equipment in the liquor stores. This funding supports an easy convenience for over-the-counter liquor store customers. These funds are limited; however, conversion to non-limited would recognize that bank card fees and expenses are variable costs correlated with sales and independent purchase decisions by customers; those costs are an expense of doing business and outside of OLCC's control. If bank fees were non-limited, then the OLCC would have had funding immediately available for bank card expenses at all times, even as they vary during the biennium.

The OLCC's bank card-related expenditures will grow as they continue to add new retail liquor outlets statewide, and the sales of distilled products continue to grow. Bank-fee expenses vary depending on how many customers use bank cards and the nature and volume of their purchases. Customers' bank card use continues to increase as a percentage of overall liquor sales. In the fiscal year 2000, bank card sales were 28 percent of total consumer sales. By 2007, they had grown to 57 percent, and in the 2021-23 biennium, bank cards are expected to be used in 81% of consumer sales. Consumers continue to shift towards bank cards and away from cash/checks due to the convenience of cards and an increasingly electronic society. Customers using cards also tend to buy higher-priced liquor products than customers using cash or checks, bolstering liquor revenues. OLCC expects these trends to continue. The OLCC's bank card expenses are a function of customers' choices when buying distilled spirits and vary accordingly.

B. BACKGROUND

Before the mid-1990s, liquor stores did not accept any bank cards. A 1993 legislative budget note directed the OLCC to study bank cards during 1993-95. The OLCC did a pilot study, developed a plan, and projected revenue and expenditure effects. Based on that information, the legislature approved $425,000 to phase in implementation during 1995-97. The OLCC projected that additional revenue would offset both one-time implementation and ongoing operating costs because customers tend to buy higher-priced products when using bank cards. The legislature approved the funding if the liquor commissioners would support an administrative rule change to allow stores to accept the cards. The liquor commissioners approved the rule change on April 25, 1995. By the end of the fiscal year 1996, all stores choosing to be in the program received equipment and training and started accepting bank cards.

From the beginning, bank cards were popular with customers, and today, most customers pay with debit or credit cards. In 1999, bank card expenses were non-limited, and in 2005, they were limited. Consumer trends in the use of debit and credit cards have continued to grow. Consequently, since 1998, the OLCC has needed to request additional limitation authority from the Emergency Board to pay the transaction fees. The Emergency Board has used increases in liquor sales revenue to pay for the bank card transactions that helped to fuel that revenue increase.

In 2019 the legislature added a budget note to SB5519 requiring OLCC to audit liquor stores and annually adjust credit card fees owed by agents for sales of items other than distilled spirits to reflect actual sales rather than a historical practice that relied on decades-old information. The implementation of this change is estimated to add $2 million in distribution to the state, cities, and counties in the 2021-23 biennium.

C. EXPECTED RESULTS

For 2021-23, the OLCC will continue to allow customers to use alternative methods of payment, by enabling liquor stores to accept Visa, MasterCard, Discover, and debit cards as demanded by the retail customer.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, penalties, privilege tax paid on the sales of beer and wine, and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471 and 473.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

OLCC - WHOLESALE SERVICES - SUBPROGRAM 30
(DISTRIBUTION CENTER)
2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

The OLCC operates a distribution center for centralized distilled spirits distribution and warehousing services for the state liquor operation. This centralized distribution function enables economies of scale for the OLCC's wholesale services, which support the retail store functions. Responsibilities of the division are to manage and execute effectively and efficiently these functions: receiving and storing all incoming shipments of distilled spirits to the State of Oregon. Verifying and maintaining accurate records of product receipts, shipment, participating in inventory control, ensuring security for inventory, scheduling order-picking sequence and pick orders, and shipping distilled spirits via common carrier to all retail liquor stores statewide. Monitoring and coordinating of freight shipment bills impact to the State, process, and settles claims for any damaged and defective goods returned by stores.

The distribution center has been handling more cases, more diverse product lines of distilled spirits from around the world that suppliers are offering, and an increasingly larger number of stocked liquor items. Customers desire more new innovative products, specialty holiday items, and Oregon produced products. The program encourages the development of the Oregon economy by carrying products from Oregon distillers. Even though the total number of bottles may be small, the center carries a wide variety of products from the growing number of Oregon craft distilleries. The Wholesale Division supports this growing industry by splitting and repacking cases to send even single bottles to liquor stores throughout Oregon. This service is more expensive than shipping cases, but it is an important service for the distribution of specialty and craft products, assisting smaller agents in managing their inventory, and reducing state-owned inventory. Maintaining adequate product selection and quantities are important to fill liquor store orders, meet consumer's needs, and encourage the development of small, growing Oregon distilleries.

In 2014, the OLCC calculated the limitations in the conveyor system would ultimately hold OLCC back from meeting future demand. In the 2015-17 biennium, the legislature allocated $5.01 million to add additional sorting conveyors and equipment to expand the shipping capacity of the Milwaukie site to increase the efficiency of the product fulfillment cycle and meet the shipping needs of the distribution center for the next ten years. The conveyor expansion project was completed in July 2016. Warehouse space has become a premium to keep up with the growth in Oregon distillers, population growth, new product offerings, and the addition of stores are added, all requiring additional inventory.

The legislature also allocated $4.17 million to cover Phase I costs for roofing and related items of the Milport and McLoughlin Warehouses. Phase I of the roofing project uncovered unexpected dry rot throughout the beams and ledgers of both the Milport and McLoughlin facilities, requiring replacement and unexpected costs to meet building official safety requirements. Phase II of the warehouse roofing project was delayed in order to study long term space needs for the warehouse.

The results of the studies and rationale for expansion are outlined in POP #101. Equipment needs are outlined in POP# 107.

B. BACKGROUND

The OLCC maintains and operates a centralized distribution center in Milwaukie. The distribution center has two warehouses– the first, a 124,000 square-foot main warehouse/shipping center, and the second, a 106,000 square-foot "Milport" storage warehouse. The first warehouse was filling beyond capacity because of the growing business. OLCC bought the second Milport warehouse in 2007. OLCC then moved most of its manufacturer-owned bulk case storage to the second warehouse. Moving manufacturer-owned product to the second warehouse created room in the main warehouse for another full-case conveyor line and a longer split-case (repack) conveyor, which improved shipping efficiencies. OLCC staff move product as needed between the buildings, but this is a less efficient practice than managing all receiving and shipping thought a single warehouse.

Both warehouses have floors arranged in a grid system similar to blocks and streets in a town. This grid system is used to assign each space a unique storage address, a location identification number. With the addition of the new sorting conveyors, in July of 2016, three of the main warehouse's four conveyors, as well as the storage system, are laid out according to product demand and efficiency. Warehouse management system (WMS) software keeps track of all products and their locations, using secure radio frequency (RF) technology across both warehouses. The Warehouse Control Software (WCS) is designed to optimize the productivity of the conveyor system and streamline product flow. The liquor industry nationally, and the OLCC distribution center, relies more and more on electronic systems for product movement. SCC/UPC (shipping container code/universal product code) barcoding is the language of the industry for ordering, shipping, and receiving, eventually replacing the proprietary packaging labels the OLCC still relies on to identify cases of liquor.

In 2002-03 staff modified the existing computerized merchandising business system (MBS) that improved operating parameters. The MBS system allows the OLCC to receive goods into either warehouse electronically and identifies storage locations while the staff is moving product off the floor. They can identify storage locations and process orders without using a paper-based process. In 2015-17 the Office of Information Services eliminated an antiquated COBOL-based system that was part of OLCC's Merchandising

Business System (MBS) -- the primary operations system for the OLCC distilled spirits. The old MBS was severely out of date, but the current system is still in desperate need of modernization to support a growing distilled spirits industry. MBS is one of many

outdated programs that are intertwined with financial, manufacturing, and liquor store systems to keep OLCC's distribution center functioning. The entire breadth of legacy programs supporting the Distilled Spirits Program needs to be modernized and integrated into a supportable and reliable system to safeguard the state's third-largest revenue source. The 2019 legislature allocated planning dollars to start this process. Costs to continue this project are outlined in POP #101.

C. EXPECTED RESULTS

The efforts of the Wholesale Services Program (Distribution Program), including the policy option packages, will enable the division to meet the liquor (spirits revenue) forecast of $1.6 billion in total gross sales and ship 7.9 million cases of spirits in 2021-23. The goals of the division include:

- **Preserving a growing revenue stream.** The program will preserve revenue to the state general fund, counties, and cities, by utilizing technology and efficient warehouse processes to meet current and expected consumer demand over the next ten years cost-effectively.
- **Preserving the wide selection of products.** The product will preserve a wide selection of distilled spirits Oregon known for and expected by the consumer, increase sales, and deliver additional revenue to the general fund.
- **Effectively manage distilled liquor inventory.** The program will continue to supply exclusive and nonexclusive liquor stores in a timely fashion without paying for excess inventory.
- **Apply distribution industry best business practices.** The program will utilize enhanced distribution technology to deliver products in a way that effectively manages costs and records the movement of the product with precision.
- **Safely store and manage manufacturer-owned and state-owned inventory.** The program will participate in inventory control and make sure that inventory is protected from damage.
- **Enterprise resource planning.** Enterprise systems allow for full distribution center control. Since all data is stored within the enterprise system, it can generate detailed reports utilized to monitor and improve distribution activities, including financial information and specific inventory reporting.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees and penalties, privilege tax paid on the sales of beer and wine, and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471 and 473.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

OLCC - RETAIL SERVICES DIVISION - SUBPROGRAM 40
2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

The Retail Services Division oversees the operation of the statewide retail distilled spirits business. Currently, Retail Services oversees 282 operating stores (up from 248 in 2016); Retail services has been approved to move forward to a new phase of retail expansion, which will be slower than the previous 5 phases over the last four years. This new phase will use both qualitative and quantitative metrics to determine the best site locations to add additional stores. The total number of new store locations is difficult to target, but OLCC believes there is a demand for over 300 throughout the state, considering the population growth over the last decade. In response to the pandemic, this sixth stage of expansion has been put on hold, however, once the recruitment of new store locations, the final number approved will depend upon the quality of applications, community needs, and potential impact on existing liquor stores. Independent businesspeople or businesses contract with OLCC to operate the stores as liquor agents (retail contractors). The Retail Services Division manages the retail function for the state and oversees these contracted liquor agents.

State statutes, administrative rules, liquor agents' contracts, and the OLCC retail operations manual provide the guidelines and requirements for store operations. Retail Services staff works closely with liquor store agents to help them understand and follow liquor regulations and store operating procedures. Staff assists agents in managing the state's investment in inventory. They make sure enough merchandise is available to meet customer demands while optimizing investment dollars and encouraging the development of the Oregon economy. Agency staff oversees liquor store agents in sales, cash control, customer service, upgrading store appearance, layout, signing, displays, and compliance with liquor laws in Oregon. The staff works to understand liquor agents' changing needs and respond to their concerns. The staff explores updating procedures, technology, and policies. They advise agency administration and commissioners on their policy decisions affecting liquor store agent contracts and compensation administration.

The division continues to focus on developing and implementing a retail business plan to modernize the system while enhancing the customer experience by offering annual education to the retail liquor store and distillery retail outlet agents and staff. Recent changes have included enabling some liquor stores that exclusively sold spirits to apply for a license with additional privileges such as selling beer and wine - including filling growlers for customers. Also, the OLCC is appointing more Oregon distilleries as retail outlet agents who can sell their products directly to the customer in their Distillery Retail Outlets.

This division is responsible for the outcomes of oversight of selection, contracts, and operations of statewide liquor agents, the development and education of agent store operating requirements and procedures, assisting in managing the state's investment in

inventory, and oversight of agent cash control, customer service and relationship with the agency. Growth in retail services fuels the need for additional personnel to manage the logistics of adding new liquor stores and distilleries.

B. BACKGROUND

In 1933, the Knox Act created the control system in Oregon. Oregon law gives the Oregon Liquor & Cannabis Commission the sole authority to sell distilled spirits by the bottle. The system promotes responsible sales and consumption of alcoholic beverages, benefiting the citizens of Oregon while providing revenues for the State's General Fund, cities and counties.

The division and program continue to look for ways to modernize its operations. In 2001-03, OLCC completed a new retail interface, called *OLAS (Oregon Liquor Agent Services)*, to allow two-way electronic data communication between OLCC and liquor stores. In 2005-07, OLCC staff designed and developed a software system to receive and report out daily sales and inventory data from liquor agencies as well as send liquor product orders and inventory reports back to OLCC. In 2007-09, the Retail Services Division and OLCC information technology staff implemented this new system, and OLCC staff continues to expand the report capabilities of this new technology. To date, 100 percent of the liquor agents use the web-based OLAS system to communicate with OLCC for varying data needs directly. The program has significantly improved service to customers by letting the public search – through the OLCC website www.oregonliquorsearch.com to see which products are in stock and at which stores statewide.

The agency is currently in the planning process for an integrated and flexible end-to-end web software solution to replace inefficient and disjointed legacy distribution and retail IT systems. When completed, these technology solutions will aid the Retail Services Division in its efforts for retail expansion, data analysis, and inventory management for up to 300 retail liquor stores and 93 distillery retail outlets in 2021-23.

To meet these needs, OLCC is requesting Policy Option Package #101.

In 2009, OLCC and stakeholders saw the need for system and process improvements. Several forums have been implemented to address those needs. Forums such as The Retail Partners Council (agents and OLCC staff) and the Retail Enterprise Review Committee (liquor agents, grocery industry representatives, distilled spirits industry members, public safety officials, legislators, and OLCC staff) were formed to continually evaluate new policy ideas and ways of enhancing the current business model. These stakeholder groups have addressed creative solutions to the changing business dynamics with ideas such as allowing liquor stores the flexibility to sell more types of products, including beer and wine; allowing corporations (including grocery stores) to compete with individuals for appointment as liquor agents, and overall general program flexibility in relation to seasonal/satellite stores. In

subsequent biennia, liquor commissioners instituted many of the ideas through administrative rule changes. The 2013-14 Retail Innovations Group continued the review of the system and exploration of adopting different policies and models. In the 2015-17 biennium, the Commission embarked upon an open recruitment process designed to increase store density while exploring new and innovative business models to meet the state's highly convenience-driven market. The successful open recruitment plan allows all types of retail store models, widening the range of choices Oregon shoppers have for obtaining distilled spirits.

In 2019 the agency met with liquor and distillery tasting room agents to identify changes in compensation that more accurately reflect the actual business costs of running a liquor store or the economic reality of running a tasting room outlet which has few products to sell. Agent compensation formula changes are outlined in POP #108, and Distiller agent compensation formula changes are outlined in POP #110.

C. EXPECTED RESULTS

The efforts of the Retail Services Division, including the policy option packages, will enable the division to meet the liquor (spirits revenue) forecast of $1.6 billion in total gross sales and ship 7.9 million cases of spirits in 2021-23. The goals of the division include:

- **Preserving a growing revenue stream.** The program will enhance revenue to the state general fund, counties, and cities, through its selection, management, and oversight of liquor store agents.
- **Providing for statewide selection of distilled spirits**. Through their work with agents, the program will assure that a wide variety of distilled products, including Oregon products and special orders, are timely available statewide at a consistent price.
- **Supporting Oregon's economic growth.** The program focuses on enhancing revenue growth by supporting the development and entrepreneurial success of retail liquor stores located in both urban and rural areas of Oregon.
- **Providing superior, high-quality customer service**. The program will continuously respond to the evolving needs of stakeholders—consumers, agents, licensees, suppliers, and government—focusing on modernizing the retail business model to enhance the customer's shopping experience and provide one-stop, attractive, and friendly shopping environments.
- **Protecting the public and consumers from harm.** The program will continue to train and provide oversight on Liquor Law compliance in the 282 agent-operated liquor stores, as well as new stores as they are appointed and become operational.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees for alcohol and penalties, privilege tax paid on the sales of beer and wine, and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471 and 473.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

OLCC - LIQUOR SALES SUPPORT - SUBPROGRAM 42
2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

The Distilled Spirits Program has an ORBITS organization structure that captures OLCC expenses specifically associated with operating the retail liquor business. This structure, called "Liquor Sales Support," reflects many expenses incurred to support the retail stores operated by contracted agents.

In 2021-23, the OLCC is providing agents with the following, which the OLCC pays from the liquor sales support subprogram/cost center. The costs will increase in this area as new stores are appointed and become operational.

- Bank deposit slips
- Signage and forms
- Movement of store fixtures and safes during store relocations

B. BACKGROUND

Beginning with the 1987-89 Legislatively Adopted budget, the OLCC, with the support of legislative staff, began to break out certain program operating expenditures, such as postage and supplies that directly support liquor agencies, into a separate cost center. The types of expenditures included in subprogram 42, Liquor Sales Support, fit into the category of expenses normally incurred by private retail businesses.

In 2011-13 the OLCC migrated to electronic versions of the following publications, instead of using this cost center to pay for their printing:

- Product Price Lists
- OLCC Retail Services Newsletter
- Top 100 Items List
- New Items List
- Retail Operation Manual

OLCC staff will continue to refine this list as a resource to contracted agents.

C. EXPECTED RESULTS

The Distilled Spirits Program expects to continue to provide agents with the supplies they need. Please see the Distilled Spirits Program summary and the Store Operating Expenses Program narratives for the expected results of agent-operated liquor stores.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees for alcohol and penalties, privilege tax paid on the sales of beer and wine, and other miscellaneous sources. The OLCC collects this revenue in accord with ORS Chapters 471 and 473.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

BUDGET NARRATIVE

Warehouse Capital Bonding
OLCC 2021-23 Budget, Policy Option Package No. 101, Agency Priority No. 1
AS MODIFIED in Analyst Packages No. 811 & 816

A. Package Purpose

The liquor distribution warehouses operated by the Oregon Liquor Control Commission have reached capacity for storage of distilled spirits. The main warehouse and office was built in 1954 at which time OLCC was receiving, storing and shipping about 850,000 cases of liquor annually. In 2019 the warehouse received, stored and shipped 3.5 million cases. Although OLCC has added on to the current facility and added additional warehouse space with the acquisition of the Milport facility in 2007 almost 98% of the current warehouse space is being utilized throughout the year. During the peak holiday sales season the warehouse is at 100% capacity and has to limit the amount of items in inventory. The industry standard for distribution facilities is between 80% and 85% storage utilization. With the 5% expected annual increase in liquor shipments the current warehouses are expected to run out of storage capacity in 2022 and put future liquor sales and state revenues at risk. The distilled spirits supply chain and marijuana & liquor licensing and compliance programs are at risk as they operate on insufficient, inefficient, and disjointed legacy information technology systems which have been identified as needing to be replaced through enterprise modernization. In order to support commerce and revenues generated for the state over the next ten years, a major retooling of the agency is required to achieve long-term goals for high performance service delivery.

B. How Achieved

OLCC commissioned separate studies looking at the current and future needs for liquor warehouse capacity, real estate valuations for the current facility and future needed facilities. Based on these analyses, the OLCC has outgrown the existing location. Moving is the best solution from both an operational perspective as well as a financial perspective Such a solution will provide for the continued growth and profitability of OLCC for at least 30 years, while other options explored do not offer as long of an operational time horizon while requiring sizeable investments to achieve results, not in line with the level of expenditure. In addition, the agency is currently engaged in a large Enterprise Modernization program to replace insufficient and unsupported warehouse technology. Aligning these two projects and funding them with capitol bonding reduces costs and creates efficiency.

OLCC is proposing a comprehensive plan for an OLCC warehouse and administrative offices. At a minimum, the project will include real estate development approaches to achieve operational readiness, "turn-key," cost-effective and efficient solutions to meet OLCC's functional and business requirements. Solutions will consist of site, building design and construction, material handling and equipment, and enterprise modernization of information technology solutions including both the distilled spirits supply chain and marijuana and liquor licensing and compliance systems.

The estimated cost for this solution is $90 million.

OLCC will use debt service to finance the primary components of the solution: facility land and building, conveyor system construction (material handling), and the enterprise modernization information technology solutions. Real estate studies indicate that the value of the existing facility is about $25 million.

OLCC's facility is expected to cost $89,537,365 for a "turnkey" operation that will include land, building, liquor conveyor system, and enterprise modernization of information technology solutions.

OLCC issued separate Request For Information (RFI) solicitations in July 2019 for the enterprise modernization information technology solutions (distilled spirits supply chain and the marijuana and liquor licensing and compliance). Eleven responses were received for the distilled spirit supply chain and sixteen responses were collected for the marijuana and liquor licensing and compliance systems. After a thorough gap analysis, a five-year estimate for implementation would cost $17 million for the distilled spirits supply chain and $10 million for marijuana and liquor licensing and compliance.

Warehouse Capital Bonding
OLCC 2021-23 Budget Policy Option Package No 101

Project Name	Bond Type	Tax Status	Sale Date	PAR Amount	Project Amount	Costs of Issuance
Liquor Warehouse Conveyor System	XI-Q	Tax Exempt	May-22	10,175,000	10,000,000	175,000
Liquor Warehouse Land & Building	XI-Q	Tax Exempt	May-22	53,170,000	52,537,265	632,735
Liquor Warehouse Management IT System	XI-Q	Tax Exempt	May-22	27,390,000	27,000,000	390,000
		Total Bonds		**90,735,000**	**89,537,265**	**1,197,735**

Warehouse Capital Bonding - Package #101

Warehouse Capital Bonding
OLCC 2021-23 Budget Policy Option Package No 101

	Package Description	FTE	Proceeds	Cost of Issuance	Debt Service 2021-23	Total
Land & Buildings	Construct New Warehouse and Agency Office	0.00	$52,537,265	$632,735	$3,405,136	$56,575,136
Warehouse Conveyor System	Turn Key Conveyor System for Liquor Warehouse	0.00	$10,000,000	$175,000	$896,730	$11,071,730
Warehouse Mgmt. IT System	Enterprise Modernization for New Facility	0.00	$27,000,000	$390,000	$3,245,227	$30,635,227
TOTALS - Warehouse Capital Bonding - Package #101		***0.00***	**$89,537,265**	**$1,197,735**	**$7,547,093**	**$98,282,093**

Total request for Distilled Spirits (SCR 001) for 2021-23 biennium is $35,744,828
$27,000,000 for Capital Construction
$7,547,092 for Debt Service
$1,197,735 for Cost of Issuance
Total request for Capital Construction (SCR 089) for 2021-23 biennium is $62,537,265

DEBT SERVICE			DEBT SERVICE 21-23			DEBT SERVICE 23-25			DEBT SERVICE 25-27	DEBT SERVICE 27-29	DEBT SERVICE 29-31
Project Name	Bond Type	Sale Date	Principle	Interest	Total	Principle	Interest	Total	Total	Total	Total
Liquor Warehouse Conveyor System	XI-Q	May-22	565,000	331,730	896,730	1,150,000	640,728	1,790,728	1,788,774	1,786,100	1,787,845
Liquor Warehouse Land & Building	XI-Q	May-22	1,425,000	1,980,136	3,405,136	2,910,000	3,902,831	6,812,831	6,811,788	6,812,654	6,816,243
Liquor Warehouse Management IT System	XI-Q	May-22	2,485,000	760,227	3,245,227	5,075,000	1,420,283	6,495,283	6,495,312	6,493,984	6,493,984
Total Debt Service Per Biennium			**4,475,000**	**3,072,093**	**7,547,093**	**9,135,000**	**5,963,842**	**15,098,842**	**15,095,874**	**15,092,738**	**15,098,072**
Warehouse Capital Bonding - Package #101											

a. Benefits to stakeholders

OLCC will be able to meet the customer expectations by continuing to open new stores and actively seek opportunities to profitably expand our product selection. Manufactures of spirits will be able to innovate and introduce new products into the market place. Oregon distillers will find shelf space for their products in Oregon liquor stores. State revenues from liquor sales will be predictable and a stable revenue source that continues to grow at rates above inflation, to be used to finance state, county and city services. The 2021-23 projected bond costs for this project is less than the cost of needed roof replacement, earthquake mitigation and planned enterprise modernization information technology solutions. Unexpended funds can be used for other state priorities.

Through enterprise modernization of information technology systems in these cornerstone areas, OLCC will increase revenue returned by improving productivity, increasing processing time and service levels, decreasing paper usage, and improving stakeholder relations. Currently, the agency faces frequent and imminent system failures that result in loss of productivity, compromised data integrity, and a negative impact on stakeholders. Without new information services resources, it is questionable for how long will the agency be able to maintain its business operations, serve its constituencies, and fulfil its legislative mandates. Industry stakeholders will be able to conduct more business electronically and reduce the time and paperwork. This investment secures the agency's ability to ship or receive distilled spirits, and safeguards the revenue collected by OLCC that is distributed to the state, cities, counties, and mental health and addiction treatment services.

A vital mission of the OLCC is to be a predictable and reliable generator of revenue to the state, and this package is necessary to meet that goal. Importantly, on the social consequences side, this projection maintains a consistent rate of access to spirits at one store per 15,000 residence. On a per-capita basis, Oregon has far fewer stores than the national average. As well, projections maintain that Oregon remains a high spirits cost state, only Washington to the north exceeds Oregon's consumer pricing. All things equal, social impacts of alcohol are held at a status quo level in this projection.

b. Benefits to OLCC

OLCC will have room to expand for the next 30+ years. Operational inefficiencies from operating two warehouses will be mitigated and costs reduced. This package folds in the agency's expected funding request for the current IT modernization project and eliminates the need for roof repair and seismic upgrades on the existing warehouse. OLCC will not have to invest in roof replacement and earthquake mitigation in an existing building that is too small for current operations. OLCC will be able to continue expansion of liquor stores into the future to reach an average of one store per 15,000 residents.

OLCC currently operates on many outdated and unsupported IT systems along with a variety of paper only processes in conjunction with hundreds of excel spreadsheets. Maintaining and operating these environments is very time consuming and expensive. These legacy systems and processes are not only outdated but are also segregated, lacking a consistent data flow and thus, being susceptible to errors and manipulation.

Integrated and modernized information services will reduce manual processes and bring user efficiencies that will allow OLCC to keep up with increasing workloads related to liquor, public safety and marijuana without adding significant staff in the future. System failures requiring "work arounds" and resulting in service delays will be reduced.

C. Staffing Impact

There are no staffing impacts. Project management and coordination will be done with contractors.

D. Quantifying Results

$1.5 billion in gross sales liquor revenue could be at risk if OLCC does not have the capacity to store product over the next ten years. In the current system, 1.8 cases must be in storage during an average month to be able to ship and supply one case to a liquor store. Reducing this capacity will put up to 800 Oregon distilled products at risk if there is not capacity in the warehouse to store them. This investment would mitigate the risks to the Milwaukie distribution center that affect the ability to ship or receive distilled spirits, jeopardizing the revenue collected by OLCC that is distributed to the state, cities, counties, and mental health and addiction treatment services. Additionally, this investment safeguards the agency against frequent and imminent system failures that result in loss of productivity, compromised data integrity, and a negative impact on agency stakeholders.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

BUDGET NARRATIVE

THE AGENCY REQUEST VERSION OF THE PACKAGE WAS ADJUSTED IN THE GOVERNOR'S BUDGET AND IN THE LEGISLATIVELY ADOPTED BUDGET

Warehouse Capital Bonding

OLCC 2021-23 Budget, Policy Option Package No. 101, Agency Priority No. 1

A. Package Purpose

The liquor distribution warehouses operated by the Oregon Liquor Control Commission have reached capacity for storage of distilled spirits. The main warehouse and office was built in 1954 at which time OLCC was receiving, storing and shipping about 850,000 cases of liquor annually. In 2019 the warehouse received, stored and shipped 3.5 million cases. Although OLCC has added on to the current facility and added additional warehouse space with the acquisition of the Milport facility in 2007 almost 98% of the current warehouse space is being utilized throughout the year. During the peak holiday sales season the warehouse is at 100% capacity and has to limit the amount of items in inventory. The industry standard for distribution facilities is between 80% and 85% storage utilization. With the 5% expected annual increase in liquor shipments the current warehouses are expected to run out of storage capacity in 2022 and put future liquor sales and state revenues at risk. The distilled spirits supply chain and marijuana & liquor licensing and compliance programs are at risk as they operate on insufficient, inefficient, and disjointed legacy information technology systems which have been identified as needing to be replaced through enterprise modernization. In order to support commerce and revenues generated for the state over the next ten years, a major retooling of the agency is required to achieve long-term goals for high performance service delivery.

B. How Achieved

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OLCC is proposing a comprehensive plan for an OLCC warehouse and administrative offices. At a minimum, the project will include real estate development approaches to achieve operational readiness, "turn-key," cost-effective and efficient solutions to meet OLCC's functional and business requirements. Solutions will consist of site, building design and construction, material handling and equipment,

and enterprise modernization of information technology solutions including both the distilled spirits supply chain and marijuana and liquor licensing and compliance systems.

The estimated cost for this solution is $90 million.

OLCC will use debt service to finance the primary components of the solution: facility land and building, conveyor system construction (material handling), and the enterprise modernization information technology solutions. Real estate studies indicate that the value of the existing facility is about $25 million.

OLCC's facility is expected to cost $89,537,365 for a "turnkey" operation that will include land, building, liquor conveyor system, and enterprise modernization of information technology solutions.

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Warehouse Capital Bonding
OLCC 2021-23 Budget Policy Option Package No 101

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Warehouse Capital Bonding - Package #101

Warehouse Capital Bonding
OLCC 2021-23 Budget Policy Option Package No 101

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TOTALS - Warehouse Capital Bonding - Package #101		***0.00***	**$89,537,265**	**$1,197,735**	**$7,547,093**	**$98,282,093**

Total request for Distilled Spirits (SCR 001) 2021-23 biennium is $8,744,828
$7,547,092 for Debt Service
$1,197,735 for Cost of Issuance
Total request for Capital Construction (SCR 089) for 2021-23 biennium is $89,537,265

DEBT SERVICE			DEBT SERVICE 21-23			DEBT SERVICE 23-25			DEBT SERVICE 25-27	DEBT SERVICE 27-29	DEBT SERVICE 29-31
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Warehouse Capital Bonding - Package #101											

a. Benefits to stakeholders

OLCC will be able to meet the customer expectations by continuing to open new stores and actively seek opportunities to profitably expand our product selection. Manufactures of spirits will be able to innovate and introduce new products into the market place. Oregon distillers will find shelf space for their products in Oregon liquor stores. State revenues from liquor sales will be predictable and a stable revenue source that continues to grow at rates above inflation, to be used to finance state, county and city services. The 2021-23 projected bond costs for this project is less than the cost of needed roof replacement, earthquake mitigation and planned enterprise modernization information technology solutions. Unexpended funds can be used for other state priorities.

Through enterprise modernization of information technology systems in these cornerstone areas, OLCC will increase revenue returned by improving productivity, increasing processing time and service levels, decreasing paper usage, and improving stakeholder relations. Currently, the agency faces frequent and imminent system failures that result in loss of productivity, compromised data integrity, and a negative impact on stakeholders. Without new information services resources, it is questionable for how long will the agency be able to maintain its business operations, serve its constituencies, and fulfil its legislative mandates. Industry stakeholders will be able to conduct more business electronically and reduce the time and paperwork. This investment secures the agency's ability to ship or receive distilled spirits, and safeguards the revenue collected by OLCC that is distributed to the state, cities, counties, and mental health and addiction treatment services.

A vital mission of the OLCC is to be a predictable and reliable generator of revenue to the state, and this package is necessary to meet that goal. Importantly, on the social consequences side, this projection maintains a consistent rate of access to spirits at one store per 15,000 residence. On a per-capita basis, Oregon has far fewer stores than the national average. As well, projections maintain that Oregon remains a high spirits cost state, only Washington to the north exceeds Oregon's consumer pricing. All things equal, social impacts of alcohol are held at a status quo level in this projection.

b. Benefits to OLCC

OLCC will have room to expand for the next 30+ years. Operational inefficiencies from operating two warehouses will be mitigated and costs reduced. This package folds in the agency's expected funding request for the current IT modernization project and eliminates the need for roof repair and seismic upgrades on the existing warehouse. OLCC will not have to invest in roof replacement and earthquake mitigation in an existing building that is too small for current operations. OLCC will be able to continue expansion of liquor stores into the future to reach an average of one store per 15,000 residents.

OLCC currently operates on many outdated and unsupported IT systems along with a variety of paper only processes in conjunction with hundreds of excel spreadsheets. Maintaining and operating these environments is very time consuming and expensive. These legacy systems and processes are not only outdated but are also segregated, lacking a consistent data flow and thus, being susceptible to errors and manipulation.

Integrated and modernized information services will reduce manual processes and bring user efficiencies that will allow OLCC to keep up with increasing workloads related to liquor, public safety and marijuana without adding significant staff in the future. System failures requiring "work arounds" and resulting in service delays will be reduced.

C. Staffing Impact

There are no staffing impacts. Project management and coordination will be done with contractors.

D. Quantifying Results

$1.5 billion in gross sales liquor revenue could be at risk if OLCC does not have the capacity to store product over the next ten years. In the current system, 1.8 cases must be in storage during an average month to be able to ship and supply one case to a liquor store. Reducing this capacity will put up to 800 Oregon distilled products at risk if there is not capacity in the warehouse to store them. This investment would mitigate the risks to the Milwaukie distribution center that affect the ability to ship or receive distilled spirits, jeopardizing the revenue collected by OLCC that is distributed to the state, cities, counties, and mental health and addiction treatment services. Additionally, this investment safeguards the agency against frequent and imminent system failures that result in loss of productivity, compromised data integrity, and a negative impact on agency stakeholders.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

Distribution Center Equipment Replacement
OLCC 2021-23 Budget, Policy Option Package No. 107, Agency Priority No. 7

A. Package Purpose

To respond to a growing population and its interest in spirits, OLCC launched a retail expansion, increasing the number of liquor stores from 246 in 2017-19 to 282 in 2019-21. Retail development has had a substantial impact on the increased quantity of cases shipped to the liquor stores across the state. OLCC anticipates this trend will continue as the number of stores continues to increase along with the volume sold in each store. The Commission is expecting to have close to 300 locations statewide, by the end of the 2021-23 biennium. In 2019-21 the distribution center is forecasted to ship 7.9 million cases. The 4th quarter of 2019 was record-setting, with over 2.1 million cases received and shipped during this period.

Success in increasing case sales volume puts additional pressure on the Distribution Center equipment. A significant issue facing the Distribution Center in 2021-23 is old worn-out equipment. Distribution staff rely on the forklifts and order pickers for the movement of products throughout the warehouse. Forklifts are needed to receive, ship, store, and replenish. Order pickers move product from storage to the conveyor belts for shipping. Given the increase in the volume of the number of cases received and shipped, the current equipment in use is starting to show its age. There are forklifts currently in use that are over twenty years old that are often in need of repair, or have batteries that won't hold a charge. When the forklift is out of service, it affects the efficiency of the warehouse operation and increases case-handling costs.
Forklifts and order pickers are critical parts of the Distribution Center that need replacement. OLCC is requesting funds for forklifts and order pickers replacement to continue the sustainable operation of the Distribution Center.

A. How Achieved

OLCC is requesting four forklifts and four batteries to keep up with the increasing demand for receiving, shipping and replenishment.
OLCC is requesting two order pickers and two batteries to keep with the increasing demand for receiving, shipping and replenishment.

Distribution Center Equipment Replacement
OLCC 2021-23 Budget, Policy Option Package No 107

Division	Package Description	FTE	One-time	Ongoing	Total
Distribution Center	4 Forklifts with Batteries		$190,000		$190,000
Distribution Center	2 Order Pickers With Batteries		$80,000		$80,000
TOTALS DISTRIBUTION CENTER EQUIPMENT REPLACEMENT - Package #107		***0.00***	$270,000	$0	$270,000

a. Benefits to stakeholders

The replacement of the equipment with new batteries will result in fewer interruptions of service for distilled spirits manufacturers, carriers and liquor stores.

b. Benefits to OLCC

OLCC will have the resources to continue the expansion of liquor stores and meet consumer demand for spirits in Oregon. Resource constraints within the agency lead to stress for agency personnel, including more requests for leave.

c. Staffing Impact

None

d. Quantifying Results

The OLCC Warehouse Operation is currently forecast to ship 7.9 million cases of distilled spirits in the 2021-23 biennium, including millions more cases received into the warehouse. The four forklifts with batteries and two order pickers with batteries will support the warehouse to manage the increased volume related to receiving, replenishment, and shipping of over 14.2 million-plus cases of distilled spirits.

e. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine, and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Personal Services							
Temporary Appointments	-	-	14,023	-	-	-	14,023
Overtime Payments	-	-	8,828	-	-	-	8,828
Shift Differential	-	-	102	-	-	-	102
All Other Differential	-	-	368	-	-	-	368
Public Employees' Retire Cont	-	-	1,697	-	-	-	1,697
Pension Obligation Bond	-	-	111,428	-	-	-	111,428
Social Security Taxes	-	-	1,784	-	-	-	1,784
Unemployment Assessments	-	-	272	-	-	-	272
Mass Transit Tax	-	-	7,203	-	-	-	7,203
Vacancy Savings	-	-	(29,255)	-	-	-	(29,255)
Total Personal Services	**-**	**-**	**$116,450**	**-**	**-**	**-**	**$116,450**
Total Expenditures							
Total Expenditures	-	-	116,450	-	-	-	116,450
Total Expenditures	**-**	**-**	**$116,450**	**-**	**-**	**-**	**$116,450**
Ending Balance							
Ending Balance	-	-	(116,450)	-	-	-	(116,450)
Total Ending Balance	**-**	**-**	**($116,450)**	**-**	**-**	**-**	**($116,450)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Services & Supplies							
Telecommunications	-	-	(500)	-	-	-	(500)
Other Services and Supplies	-	-	(4,000)	-	-	-	(4,000)
IT Expendable Property	-	-	(2,267)	-	-	-	(2,267)
Total Services & Supplies	**-**	**-**	**($6,767)**	**-**	**-**	**-**	**($6,767)**
Capital Outlay							
Office Furniture and Fixtures	-	-	(7,695)	-	-	-	(7,695)
Technical Equipment	-	-	(90,000)	-	-	-	(90,000)
Industrial and Heavy Equipment	-	-	(120,000)	-	-	-	(120,000)
Automotive and Aircraft	-	-	(35,000)	-	-	-	(35,000)
Building Structures	-	-	(131,000)	-	-	-	(131,000)
Total Capital Outlay	**-**	**-**	**($383,695)**	**-**	**-**	**-**	**($383,695)**
Total Expenditures							
Total Expenditures	-	-	(390,462)	-	-	-	(390,462)
Total Expenditures	**-**	**-**	**($390,462)**	**-**	**-**	**-**	**($390,462)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	390,462	-	-	-	390,462
Total Ending Balance	**-**	**-**	**$390,462**	**-**	**-**	**-**	**$390,462**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Services & Supplies							
Instate Travel	-	-	2,431	-	-	-	2,431
Out of State Travel	-	-	224	-	-	-	224
Employee Training	-	-	215	-	-	-	215
Office Expenses	-	-	642,469	-	-	-	642,469
Telecommunications	-	-	2,685	-	-	-	2,685
State Gov. Service Charges	-	-	(55,424)	-	-	-	(55,424)
Data Processing	-	-	6,633	-	-	-	6,633
Publicity and Publications	-	-	754	-	-	-	754
Professional Services	-	-	831	-	-	-	831
IT Professional Services	-	-	823	-	-	-	823
Employee Recruitment and Develop	-	-	395	-	-	-	395
Dues and Subscriptions	-	-	97	-	-	-	97
Facilities Rental and Taxes	-	-	3,473	-	-	-	3,473
Fuels and Utilities	-	-	9,741	-	-	-	9,741
Facilities Maintenance	-	-	1,272	-	-	-	1,272
Agency Program Related S and S	-	-	5,611	-	-	-	5,611
Other Services and Supplies	-	-	578	-	-	-	578
IT Expendable Property	-	-	1,551	-	-	-	1,551
Total Services & Supplies	**-**	**-**	**$624,359**	**-**	**-**	**-**	**$624,359**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Industrial and Heavy Equipment	-	-	1,002	-	-	-	1,002
Data Processing Hardware	-	-	675	-	-	-	675
Total Capital Outlay	**-**	**-**	**$1,677**	**-**	**-**	**-**	**$1,677**
Total Expenditures							
Total Expenditures	-	-	626,036	-	-	-	626,036
Total Expenditures	**-**	**-**	**$626,036**	**-**	**-**	**-**	**$626,036**
Ending Balance							
Ending Balance	-	-	(626,036)	-	-	-	(626,036)
Total Ending Balance	**-**	**-**	**($626,036)**	**-**	**-**	**-**	**($626,036)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 033 - Exceptional Inflation

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Services & Supplies							
Office Expenses	-	-	2,533,616	-	-	-	2,533,616
Total Services & Supplies	**-**	**-**	**$2,533,616**	**-**	**-**	**-**	**$2,533,616**
Total Expenditures							
Total Expenditures	-	-	2,533,616	-	-	-	2,533,616
Total Expenditures	**-**	**-**	**$2,533,616**	**-**	**-**	**-**	**$2,533,616**
Ending Balance							
Ending Balance	-	-	(2,533,616)	-	-	-	(2,533,616)
Total Ending Balance	**-**	**-**	**($2,533,616)**	**-**	**-**	**-**	**($2,533,616)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 060 - Technical Adjustments

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	(501,192)	-	-	-	(501,192)
Empl. Rel. Bd. Assessments	-	-	(116)	-	-	-	(116)
Public Employees' Retire Cont	-	-	(91,467)	-	-	-	(91,467)
Social Security Taxes	-	-	(36,180)	-	-	-	(36,180)
Worker's Comp. Assess. (WCD)	-	-	(92)	-	-	-	(92)
Flexible Benefits	-	-	(76,464)	-	-	-	(76,464)
Total Personal Services	**-**	**-**	**($705,511)**	**-**	**-**	**-**	**($705,511)**
Total Expenditures							
Total Expenditures	-	-	(705,511)	-	-	-	(705,511)
Total Expenditures	**-**	**-**	**($705,511)**	**-**	**-**	**-**	**($705,511)**
Ending Balance							
Ending Balance	-	-	705,511	-	-	-	705,511
Total Ending Balance	**-**	**-**	**$705,511**	**-**	**-**	**-**	**$705,511**
Total Positions							
Total Positions							(2)
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**(2)**

_____ Agency Request **_____ Governor's Budget** **_____ Legislatively Adopted**
2021-23 Biennium **Page _____** **Essential and Policy Package Fiscal Impact Summary - BPR013**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 060 - Technical Adjustments

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total FTE							
Total FTE							(2.00)
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**(2.00)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 091 - Elimination of S&S Inflation

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	-	-	-	-	-
Out of State Travel	-	-	-	-	-	-	-
Employee Training	-	-	-	-	-	-	-
Office Expenses	-	-	-	-	-	-	-
Publicity and Publications	-	-	-	-	-	-	-
Employee Recruitment and Develop	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-
Fuels and Utilities	-	-	-	-	-	-	-
Facilities Maintenance	-	-	-	-	-	-	-
Agency Program Related S and S	-	-	-	-	-	-	-
Other Services and Supplies	-	-	-	-	-	-	-
IT Expendable Property	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 092 - Personal Services Adjustments

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Vacancy Savings	-	-	-	-	-	-	-
Total Personal Services	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 096 - Statewide Adjustment DAS Chgs

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 101 - Warehouse Capital Bonding

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Dedicated Fund Oblig Bonds	-	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Services & Supplies							
Other Services and Supplies	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Outlay							
Professional Services	-	-	-	-	-	-	-
Total Capital Outlay	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Debt Service							
Principal - Bonds	-	-	-	-	-	-	-
Interest - Bonds	-	-	-	-	-	-	-
Total Debt Service	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 101 - Warehouse Capital Bonding

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Distilled Spirits Program**

Pkg: 107 - Distribution Center Equipment Replacement | **Cross Reference Number: 84500-001-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Industrial and Heavy Equipment	-	-	270,000	-	-	-	270,000
Total Capital Outlay	**-**	**-**	**$270,000**	**-**	**-**	**-**	**$270,000**
Total Expenditures							
Total Expenditures	-	-	270,000	-	-	-	270,000
Total Expenditures	**-**	**-**	**$270,000**	**-**	**-**	**-**	**$270,000**
Ending Balance							
Ending Balance	-	-	(270,000)	-	-	-	(270,000)
Total Ending Balance	**-**	**-**	**($270,000)**	**-**	**-**	**-**	**($270,000)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 810 - Statewide Adjustments

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	(19,729)	-	-	-	(19,729)
Data Processing	-	-	(75,000)	-	-	-	(75,000)
IT Professional Services	-	-	(10,000)	-	-	-	(10,000)
Other Services and Supplies	-	-	125	-	-	-	125
Total Services & Supplies	**-**	**-**	**($104,604)**	**-**	**-**	**-**	**($104,604)**
Total Expenditures							
Total Expenditures	-	-	(104,604)	-	-	-	(104,604)
Total Expenditures	**-**	**-**	**($104,604)**	**-**	**-**	**-**	**($104,604)**
Ending Balance							
Ending Balance	-	-	104,604	-	-	-	104,604
Total Ending Balance	**-**	**-**	**$104,604**	**-**	**-**	**-**	**$104,604**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 811 - Budget Reconciliation Adjustments

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Dedicated Fund Oblig Bonds	-	-	28,197,735	-	-	-	28,197,735
Other Revenues	-	-	7,547,093	-	-	-	7,547,093
Total Revenues	**-**	**-**	**$35,744,828**	**-**	**-**	**-**	**$35,744,828**
Services & Supplies							
Other Services and Supplies	-	-	1,197,735	-	-	-	1,197,735
Total Services & Supplies	**-**	**-**	**$1,197,735**	**-**	**-**	**-**	**$1,197,735**
Capital Outlay							
Data Processing Software	-	-	27,000,000	-	-	-	27,000,000
Total Capital Outlay	**-**	**-**	**$27,000,000**	**-**	**-**	**-**	**$27,000,000**
Debt Service							
Principal - Bonds	-	-	4,475,000	-	-	-	4,475,000
Interest - Bonds	-	-	3,072,093	-	-	-	3,072,093
Total Debt Service	**-**	**-**	**$7,547,093**	**-**	**-**	**-**	**$7,547,093**
Total Expenditures							
Total Expenditures	-	-	35,744,828	-	-	-	35,744,828
Total Expenditures	**-**	**-**	**$35,744,828**	**-**	**-**	**-**	**$35,744,828**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Distilled Spirits Program**

Pkg: 811 - Budget Reconciliation Adjustments | **Cross Reference Number: 84500-001-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

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DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Oregon Liquor & Cannabis Comm **Agency Number: 84500**

2021-23 Biennium **Cross Reference Number: 84500-001-00-00-00000**

Source	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
Other Funds						
Dedicated Fund Oblig Bonds	-	-	-	1,197,735	28,197,735	28,197,735
Other Revenues	-	-	-	7,547,093	7,547,093	7,547,093
Transfer In - Intrafund	26,639,123	29,997,381	29,997,381	33,857,162	32,944,339	33,752,558
Total Other Funds	**$26,639,123**	**$29,997,381**	**$29,997,381**	**$42,601,990**	**$68,689,167**	**$69,497,386**

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DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2017-2019 Actual	2019-21 Legislatively Adopted	Legislatively Approved	2021-23 Agency Request	2021-23 Governor's	2021-23 Legislatively Adopted
ALL Sources	OTHER	Various	$26,639,123	$29,997,381	$29,997,381	$42,601,990	$68,689,167	$69,497,386

___ Agency Request ___ Governor's Budget __X__ Legislatively Adopted Budget Page __71__

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BUDGET NARRATIVE

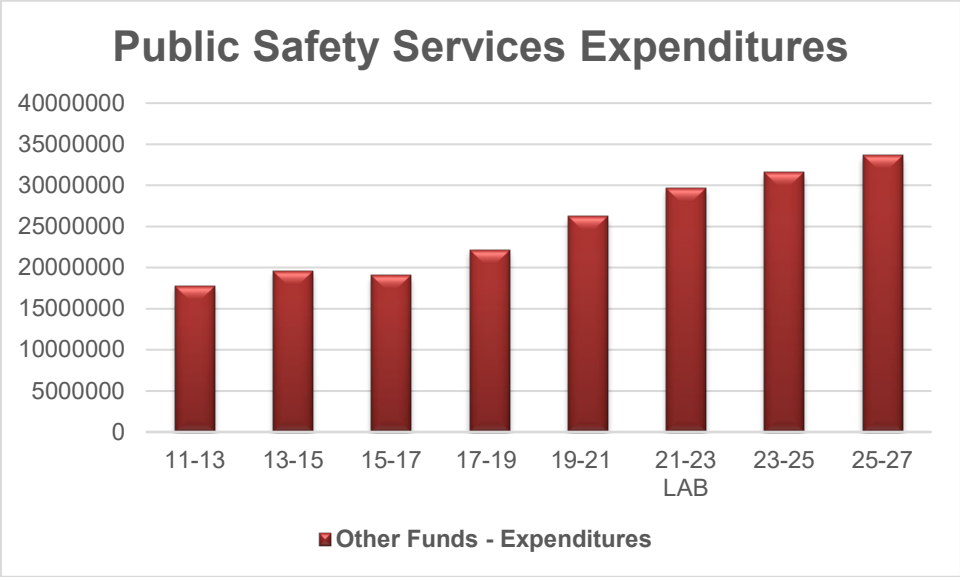
OLCC - PUBLIC SAFETY SERVICES PROGRAM - 002
2021-23 BUDGET

PROGRAM UNIT EXECUTIVE SUMMARY

A. PRIMARY OUTCOME AREA Economy and Jobs

B. PROGRAM CONTACT Will Higlin, OLCC Deputy Director, 503-872-5224

C. FUNDS BUDGET AND PERFORMANCE



BUDGET NARRATIVE

D. PROGRAM OVERVIEW

The OLCC Public Safety Services (PSS) Program regulates the manufacture, distribution and sale of alcohol beverages and provides management of personnel who oversee the production, processing, and sale of recreational marijuana while encouraging the development of Oregon's economy. This program is focused on ensuring the legal sale of alcohol and marijuana, service of alcohol to responsible adults and minimizing alcohol and marijuana-related public safety risks. This program implements all fundamental agency responsibilities and strategies related to licensing, education and enforcement; this effort has statewide reaches and contributes to the quality of community life throughout Oregon. A primary mission for this work is to prevent the sale of alcohol and marijuana to minors.

E. PROGRAM FUNDING REQUEST

The Legislatively Adopted Budget is $29,671,976 Other Funds limitation for the 2021-23 biennium, including 116 positions and 114.00 FTE.

F. PROGRAM DESCRIPTION

The Public Safety Services Program is vital to meeting the agency's mission to support businesses, public safety and community livability through education and the enforcement of liquor and marijuana laws. The three divisions within this Program are focused on OLCC's primary objective of preventing alcohol and marijuana from getting into the hands of minors and preventing the over-service of alcohol:

- License Services Division – responsible for investigating and processing license applications and renewals for alcohol and marijuana licensees, issuing alcohol service permits and marijuana worker permits and maintaining records for all permits and licenses.

- Public Safety Division – responsible for educating licensees, investigating complaints and enforcing liquor and marijuana laws through a voluntary compliance model including sanctions if education is not effective.

- Administrative Hearings Division – reviews the final OLCC internal investigative reports for technical sufficiency. The Division provides due process to the OLCC's licensees, permit fees, applicants and liquor agents by developing the agency record at contested case hearings and ensuring consistent application of administrative rule and statute.

The Public Safety Program is responsible for providing statewide services to every Oregon community. As of June 1, 2020, OLCC is responsible for the oversight of more than 18,000 alcohol licensees, including nearly 13,500, restaurants, bars, grocery and convenience stores, plus 282 liquor stores, 135 distiller licenses and 93 tasting rooms, and more than 165,000 alcohol service permittees throughout the state. In addition the Program provides oversight for 2,267 marijuana licenses including producers, processors, wholesalers, retailers, laboratories and 56,650 marijuana worker permittees. To ensure statewide reach, the Program continues to build upon the need for community services through five regional offices (including its headquarters in Milwaukie) and eight satellite offices. All three divisions of the Program work with businesses, citizens, local government and law enforcement to license, educate, and enforce if required through charges and sanctions, Oregon's liquor and marijuana laws with the goal of preventing public safety issues statewide.

G. PROGRAM JUSTIFICATION AND LINK TO LONG TERM OUTCOMES

The State of Oregon will generate over $1.6 billion dollars of retail alcohol sales for the 2021-23 budget period. Revenue generated from these sales pays for OLCC cost of spirits distribution, and the greater share of overall agency administration and the Public Safety Division Services Program. Since the inception of the marijuana program, marijuana now pays— by formula and positions—its share of overall costs, including substantial support for the Public Safety Program. The recreational marijuana program is solely funded by application and licensing fees; the work of the OLCC supports tax revenue collected and distributed by the Department of Revenue. The OMMP Medical Marijuana Tracking Program is funded by transfers from the Oregon Department of Revenue's Marijuana Administrative Fund;

these transfers of recreational marijuana tax dollars are made prior to distribution of revenue through the established marijuana distribution formula. The state has chosen to create a regulated market that requires adherence to standards of complex laws and rules that are focused on creating both a market for the sale and service of alcohol and marijuana and comprehensive controls to minimize public safety risks and to support local businesses and community livability. Revenues from the programs are dedicated to programs that support health and public services including education and

public safety. Inherent in the mosaic of state laws concerning alcohol and marijuana is the directive to control public safety risks and prevent health risks associated with abuse.

Alcohol is widely available throughout the state and is a major part of Oregon's economy and culture. Marijuana is widely available through licensed retail outlets throughout Oregon in communities that have opted into the recreational marijuana program. New businesses such as producers, processors, wholesalers and retail are generating considerable jobs and commerce in local communities and record point of sale tax proceeds to fund city, county and state services. If abused, alcohol and marijuana can contribute to increased crime and health problems that exact high societal costs. In providing for access to alcohol and marijuana, Oregon has four high priority issues for control: 1) keeping alcohol and marijuana out of the hands of minors; 2) preventing the over service of individuals, 3) preventing illegal diversion of marijuana in or out of the legal market, 4) educating and communicating information vital to compliance and consumer protection and safety

The OLCC Program, through its ability to control the sale and service of alcohol and marijuana, connects to Oregon's long-term desire for growing the state's economy by supporting the safe operation of small business and the creation of urban and rural jobs. It also connects with the long-term goal of minimizing alcohol and marijuana-related risks to the public and providing for public safety.

Oregon's alcoholic beverage system, including the hospitality, tourism, grocery and beer and wine industries provides thousands of jobs for Oregonians in restaurants, hotels, grocery and convenience stores, bars and taverns. Oregon local producers, such as winemakers, brewers and craft distillers, also rely on Oregon's agricultural industry to supply them with raw materials for their alcohol products. Similarly, Oregon's recreational marijuana system provides jobs and tourism opportunities. OLCC's ability to efficiently and quickly issue appropriate statute-required licenses and permits to qualified individuals and entities in both the alcohol beverage and recreational marijuana programs generate economic benefits throughout rural and urban Oregon. In the next biennium much work will result as licensees adjust to a Covid-19 environment. Business closures, transfers of products, changes in ownership, changes in retail footprints and the hiring of new employees will tax licensing, compliance and alcohol service and worker permit staff. The OLCC expects significant loss of licenses in the next six months, but considerable new licensing activity to serve Oregon's hospitality demands is expect over the course of the 2021-2023 budget. Educating licensees and enforcing their compliance with temporary and permanent liquor and marijuana laws and rules will be more important than ever to keep businesses in compliance and out of trouble during times of rapid changes. Education can also create an industry-

wide business climate of regrowth and profitability within local communities. There is a tremendous statewide opportunity and responsibility for recovery and jobs through the provision of educational services to services statewide.

The Program links to supporting and building Oregon's economy and the creation of jobs in the following ways:

I. **Protecting the public and consumers from harm.** The Program works with licensees and communities to respond to community level problems associated with the consumption and service of alcohol and marijuana with an emphasis on education and prevention strategies as a key part of a regulatory system that ranges from corrective compliance to loss of licensing and service privileges.

II. **Proactively encouraging economic recovery within Oregon communities**. The Program contributes to the growing and stable revenue for the support of public programs by focusing on supporting the success of licensees and their employees.

The Program also links to statewide long-term health and safety strategies by minimizing the over consumption of alcohol and recreational marijuana and driving while under the influence of intoxicants. The OLCC is active in its support of public messages for responsible consumption and fostering public understanding of what is legal. Distributed revenues also support these strategies at both the state and local level.

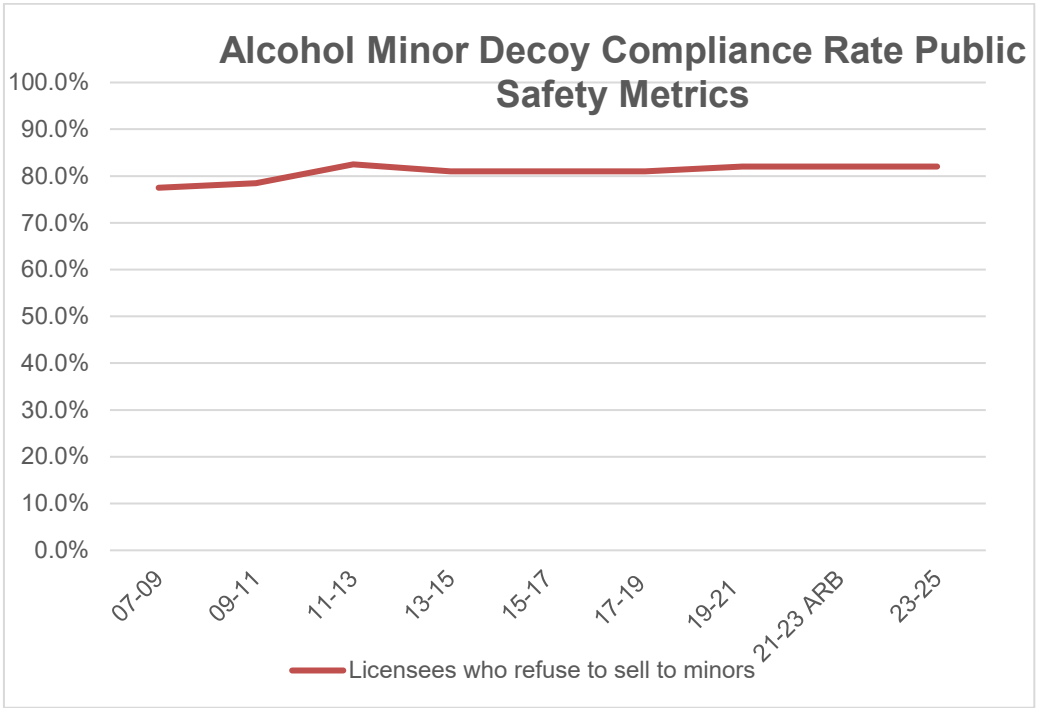
The OLCC is also working to enhance the availability of timely community-level data. Improvements in the reporting and timeliness of data through public safety sources and the health community guides OLCC's community level responses in its efforts to prevent alcohol and marijuana-related health and safety issues. The OLCC will use the community level data to monitor trends in alcohol and marijuana abuse; based on data, the OLCC can adjust its practices in order to continually contribute to improving the overall safety and health of Oregonians in their communities.

The state system of control can be a contributor to increased public safety and better health outcomes. The Public Safety Services Program links to general long-term goals for health and safety by supporting actions that are preventative in nature:

- Reduction of mortality and morbidity:
- Provide server education and hold licensees who violate regulations accountable – including the denial and suspension of license privileges.

- Support public services messages focused on the responsible use of alcohol and marijuana and the prevention of driving under the influence.
- Enhancing community safety:
- Enforce prohibition on the sale of alcohol and marijuana to minors.
- Provide local funding to assist local policing, health services, and education.
- Use an awareness of health and public safety data to monitor success in controlling access to alcohol and marijuana, particularly to minors.
- Use an awareness of health and public safety data to direct community and licensee prevention actions.
- Communicate what is legal to promote public and personal safety.

H. PROGRAM PERFORMANCE



The graph above shows trends in the rates of successful minor decoy operations at alcohol licensees. The statewide average for alcohol minor decoy compliance (percent of operations did not result in a sale) reached a high of 84% in 2013 but went down to 81% in 2015. The rate for minor decoy compliance in 2019 was 79%. The rate of successful minor decoy operations at alcohol licensees is lower than at marijuana licensees. In June of 2020 the Commission increased the fines for sales to minors and policy changes will continue until results improve. The agency will take additional steps in 2021-23 to address this discrepancy and improve overall compliance rates.

OLCC started minor decoy operations in marijuana retail stores in December 2017. Minor decoy operations were one of the first proactive compliance actions the agency conducted at recreationally licensed marijuana retailers. Due to the concerning amount of sales to state sanctioned minor decoys, in January 2018 the Commission escalated the penalty schedule for marijuana sales to a minor (OAR 845-025-8590). After an emphasis on enforcement in the industry and the increase in penalties, the sales rate decreased to 10% with a successful no sale rate of 90%. The rate in 2019 of compliance for marijuana licensees was 82%.

I. ENABLING LEGISLATION/PROGRAM AUTHORIZATION

The OLCC administers Oregon's Liquor Control Act. The OLCC's authority is derived from Oregon Revised Statutes Chapters 471, Alcoholic Liquor Generally; Chapter 473, Wine Cider and Malt Beverage Privilege Tax; Chapter 474, Trade Practices Related to Malt Beverages; Chapters 459A.700 to 74, Beverages Containers; the Bottle Bill; Chapter 475B, Cannabis Regulation, and Administrative Rules Chapter 845.

J. FUNDING STREAMS

All OLCC programs are funded by OLCC-generated revenue. All revenue received by the OLCC is classified as "Other Funds." Revenues come from liquor sales, alcohol and marijuana license fees and fines, server permit and marijuana worker permit fees, taxes on malt beverages and wines (Privilege Tax) and miscellaneous income. ORS 471.805 directs the OLCC to distribute available moneys to the state General Fund, cities, counties, and mental health. The Marijuana program is funded solely through recreational marijuana program application, licensing and permit fees. Marijuana tax revenue is collected and distributed by the Oregon Department of Revenue to state and local governments for statewide education, state and local policing and health programs. The OMMP Tracking Program is paid for by Marijuana Tax deposited to the Marijuana Administrative Fund of the Oregon, Department of Revenue and proceeds of OHA fees to support costs related to the Cannabis Tracking System.

K. SIGNIFICANT PROPOSED PROGRAM CHANGES FROM 2019-21

In 2021-23 the Public Safety Services Program requests the following package to meet the challenges of a growing and complex licensing and regulatory structure for alcohol and marijuana:

Alcohol Compliance and Licensing Staff **Package No. 204, 8.5 FTE, AS MODIFIED**

OLCC has seen unprecedented employee growth with the addition of recreational and medical marijuana programs to the agency's field operations. One region in particular, Medford will have a 21/1 ratio in the 2021-23 biennium without any new employees added. Approximately 680 new liquor licenses are added to the agency's portfolio each biennium. In 2011 the ratio of licensing specialists to licenses was 1 to 521, today the ratio is 1 to 896 making it difficult to maintain an adequate level of support for licensees. Growth in licenses has increased the daily requests for assistance through walk-ins, phone, and e-mail and growth in applications for alcohol server permits. Alcohol server permit applications are now up to 200 new applications each day. At this level the agency is no longer able to run random background checks or validation that the applicant has taken the required class before taking the online test. Also growing are special event license applications. The agency has one full time position and one limited duration position to process the 10,000 applications that are received during the biennium; however, due to the difficulty in recruiting for the limited duration position, this section is continually under resourced. This package also includes a half-time limited duration position to maintain ongoing evaluation of OLCC's enforcement structures and processes. Historically OLCC has relied on minors to assist in the agency's efforts to prevent sales to minors; however, it has been extremely difficult to recruit and retain volunteers. This package addresses staffing needs for the agency's growth, evaluation of enforcement structures, and funding to pay minors who participate in decoy checks. It funds three liquor licensing investigators to process and support a growing number of applications, one CS1 to respond to requests for assistance, one OS2 to process alcohol service permits, one AS1 to process special events, one PEM D in Medford to reduce the management to staff ratio, .5 PEM G to continue evaluation of OLCC's enforcement practices, and 12 part-time temporary positions utilized for minor decoy operations.

Administrative Hearings Case Presenters **Package No. 205, 4 FTE, $1,052,348**

Existing staff levels in the Administrative Hearings unit is insufficient to manage the current caseload, as evidence by a backlog of cases which escalated with growing field compliance and citation of marijuana licenses. OLCC requires additional case presenters to adjudicate these cases and handle the processing of violations that naturally results from the growing number of licensing and enforcement staff. Despite increasing caseloads for individual case presenters,

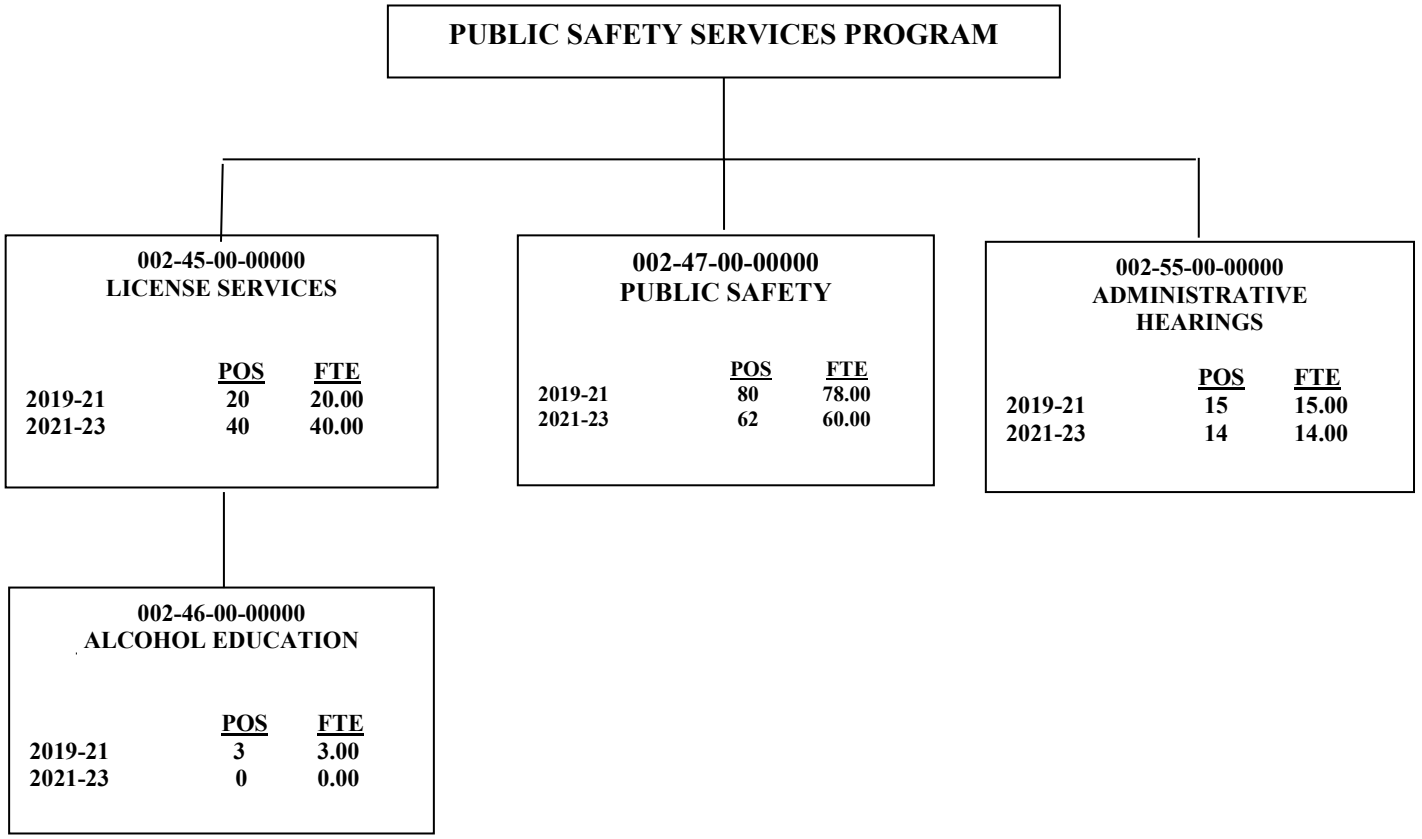
404 cases have yet to be assigned. This backlog compromises the agency's ability to process cases in a timely manner. This package adds four CS3s case presenters to address growth in violations and the backlog.

Medical Marijuana Grow Site Regulation **Package No. 214, 2.25 FTE, (Not Included in LAB)**

Currently OLCC inspectors inspect OMMP grows that are tracked in the Cannabis Tracking System (CTS), inspecting for both CTS violations as well as violations of OMMP rules. Non-intentional violations are handled through education and follow-up; however there have been multiple instances where the findings have been more egregious. In these cases OLCC investigators write up a report and send it to OMMP. OMMP does not have adequate staff or an administrative violation unit to process these reports and instead needs to send them through DOJ, a slower and more expensive process. This creates a duplication of effort between the two agencies. Processing violations through OLCCs administrative process would streamline the process, be less expensive and lead to quicker action. The OLCC has submitted a legislative concept 84500-006 to give OLCC authority to process violations of medical marijuana grow sites tracked in OLCC's Cannabis Tracking System. This package adds two case presenters to the Administrative Hearings Division to conduct cases through the administrative law process and one administrative specialist 2 to manage and process cases for case presenters.

OLCC - PUBLIC SAFETY SERVICES PROGRAM (002)
2021-23 BUDGET

Organization Chart -



OLCC - PUBLIC SAFETY SERVICES PROGRAM (002)
2021-23 BUDGET

A. PURPOSE, ACTIVITIES & ISSUES

The Program regulates the manufacture, distribution and sale of alcoholic beverages and marijuana. It protects public safety within the context of ORS 471.030 and ORS 475B.025, while encouraging the development of all Oregon industry. The mission of the agency is to integrate and balance its role in supporting business, public safety and community livability through education and the enforcement of liquor and marijuana laws.

Management of the public safety program continues to develop and evolve as the OLCC continues to grow. The OLCC separated the management of the licensing and compliance divisions due to extremely high employee to supervisory ratios. This change has allowed the agency to keep work flow within one defined chain of command leading to more consistent decisions and outcomes. Compliance and Licensing will always be intertwined at a functional level at the regional offices.

Regulation of alcohol and marijuana use is essential to minimizing these products' risk to society, while making it available for responsible consumption. Irresponsible use is widely recognized as a cause of social and health problems including increased criminal activity such as crimes of violence and domestic abuse, driving under the influence and addiction: all significant factors for society's desire to regulate the availability and consumption of alcohol and marijuana. Regulation is a focus of government—not only because of concern for the health, safety and welfare of all individuals—but also because substance abuse burdens society with high-costs related to preserving health and the livability of communities. Controlling the misuse of alcohol and marijuana, and setting standards for the responsible sale and service of alcohol and marijuana, is a means to preventing both problems and limiting costs to the state.

At the same time, the responsible use of alcohol is intertwined with Oregonians love of food, sport, entertainment and social and cultural relationships and celebrations. The sale and service of alcohol is an important part of the Oregon economy including not just those business and jobs related to the manufacturing, shipping, marketing, warehousing, distribution and sales to the public, but it is a major component of our hospitality, tourism and special events business base. These activities represent a significant portion of the Oregon economy and both the alcohol and marijuana related sectors are notably creating jobs and rural employment in Oregon.

The purpose of the Program is to help ensure licensees and permittees comply with liquor and recreational marijuana laws: to protect public safety and safeguard Oregon's economic development and viability. State law and OLCC rules and regulations surrounding alcohol and marijuana are designed to balance and integrate policies and practices to regulate various aspects of the alcoholic beverage and recreational marijuana systems in a socially responsible manner.

A main strategy for protecting the public and community welfare is to prevent underage consumption of alcohol and marijuana. Alcohol is a major contributor in the four leading causes of teen deaths: highway crashes, homicides, suicides and drowning. Minor alcohol consumption is also linked to other crimes such as sexual assault, vandalism, excessive noise, littering and public urination – which deeply affect communities' livability. Other priorities include preventing over consumption by patrons in licensed businesses and preventing driving under the influence of intoxicants (DUII) through education and enforcement.

The Program consists of three divisions: License Services, Administrative Hearings Division and the Compliance Division. The organizational structures of these divisions are designed to achieve an integrated approach to the work the agency does to control alcohol and marijuana sales and use.

This Program is responsible for the outcomes of approving licenses for the sale and service of alcohol; approving licenses for the production, processing, testing and sales of marijuana; educating and permitting servers and marijuana worker permittees; inspecting licensed premises and enforcing standards for operations; access to sales; preventing access to alcohol and marijuana by minors; and preventing over service of alcohol or sales to intoxicated patrons in marijuana retail stores. Licensing is the initial layer of protection for public safety in Oregon. Proper licensing helps to ensure compliant operations and the process of licensing vets ownerships through criminal background checks.

During the 2017-19 biennium, the agency continued to receive marijuana applications at a staggering pace and renewals were complicated by significant shifts in licensee operations and ownership. The transition of moving compliance resources away from licensing and back to compliance activities has been problematic for license processing due to the complexity of recreational marijuana licensing and renewals. However the "all hands" on deck strategy succeeded in establishing a full supply chain of licensees that as of March 2020 has generated over $350 million in revenue for the state. Only after the supply chain was intact did OLCC move staff back to necessary compliance oversight of alcohol and marijuana licensees. In January 2020, the agency remained seriously backlogged in processing marijuana renewals, changes of ownership and new applications. During the pandemic, the agency's tap

field personnel whose alcohol job duties were visiting licensees to assist the licensing division with both marijuana and liquor licensing during the Governor's stay at home orders. Assistance was also received from financial auditors as well as the analytics and administrative support staff. These efforts helped drive down the marijuana renewal backlog as well as assisted the liquor licensing program with being more immediately responsive to industry needs directly related to COVID-19. Progress was also made with processing change of ownership applications and endorsement applications which were several months behind. As alcohol licensees begin to reopen and the staff heads back into the field, the rate of gains made in marijuana licensing will slow. During this next biennium there is expected to be a considerable churn in license changes, changes in ownerships, closures, and new application, particularly for alcohol licensees as the economy begins to reestablish. There is an increased need in personnel to accommodate activity in this unprecedented time.

Compliance activities and coordination with other public agencies will be especially important as new rules and procedures are put in place to adapt to the Governor's Executive Orders and protect public health. To achieve these outcomes, the program focuses on education. It works to provide continuing training to licensees and permittees through community level interactions. Field and virtual inspections are a primary tool to achieve compliance and prevent serious violations. The program utilizes a suite of sanctions and penalties that are progressive – ranging from minor fines up to the revocation of licenses and permits.

B. BACKGROUND

The structural components of the program are:

The License Services Division investigates applications and issues licenses and permits for alcohol businesses, marijuana businesses and special events. The division also issues permits for alcohol servers and marijuana workers. Additionally, the licensing division maintains all records for licenses and permits. The marijuana program pays for its proportional share of the costs for operating this integrated service.

A liquor license is a key component for most businesses in the hospitality and grocery industries. A liquor license is a statutory requirement for all producers, distributors and sellers of distilled spirits, beer, wine and cider. A recreational marijuana license is a statutory requirement for all producers, wholesalers, processors, laboratories, retailers and research businesses. These industries thrive in Oregon where the cost of licensure is very low for alcohol businesses, affordable for marijuana businesses, and the licensing framework and process is straightforward and easily navigated

compared to other states. Licensing staff works with applicants, providing the initial education and assistance with liquor and recreational marijuana laws and working to develop safe, responsible businesses for communities. Staff closely reviews local governments input when processing new and renewing annual licenses and event licenses, to ensure the community voice is heard and listened to when the input cites statutory and actionable denial criteria. The License Services Division is also responsible for permitting and certifying out-of-state alcohol producers and distributors that sell and ship spirits to the OLCC or beer, wine and cider products to Oregon businesses.

The Compliance Division operates thirteen offices statewide whose staff conduct local license investigations, respond to complaints, and investigate liquor and recreational marijuana law violations. The Marijuana Program will pay for its proportional share of this cost. The top priorities are: educating licensees and the staff of licensed establishments on liquor and recreational marijuana laws and strategies to run a safe business; preventing sales to minors and visibly intoxicated persons; preventing disorderly establishments; and minimizing community and other substance-related problems caused by alcohol and marijuana businesses and their patrons, such as impaired driving. If preventative efforts through education are insufficient, the Division can use its administrative authority to gain compliance. This can involve warnings, fines, license restrictions, suspensions and ultimately license or permit cancellations. These latter strategies are a last resort because they have negative impacts on the livelihoods of the people working in the businesses and on the economic viability of the communities at large.

The Division works proactively with local communities to tailor regulatory compliances plans to their needs and develop community-based solutions. Field office staff also work in partnership with local governments and community groups to resolve or prevent problems created by liquor and marijuana businesses or their patrons. In addition to regulating the alcohol industry, the division also enforces laws related to unlicensed sales, adults furnishing alcohol to minors and minor keg parties. The scope of OLCC's authority to regulate the recreational marijuana market is limited to the licensed premises framework by law. The agency relies on local, state and federal law enforcement to enforce laws outside of the recreational framework. The agency relies on the agency's Cannabis Tracking System as a vital tool to help identify potential violations, particularly diversion. Daily activity on movement of product and sales are logged by recreational licensees and OHA registrants subject to tracking. OLCC assists the Oregon Health Authority by carrying out compliance inspections of OHA medical grows who grow for more than two medical cardholders.

In 2021 the Department formalized practices to provide license the opportunity to correct non-compliance issues without a formal violation investigation with resolution through the hearings unit of the agency. This process was put

in place for less serious administrative rules for correctable violations. Diversion of marijuana, sales to minors and access of minors to marijuana business, and criminal activity all remain of a high focus for the Department.

The Public Safety Services Division collaborates with a variety of entities to provide services, create solutions, and increase communication. The program staff has been active on the Governor's Advisory Committee on DUII and in working with the Governor's Alcohol and Drug Policy Commission, the Oregon Association of Chiefs of Police, Oregon State Sheriffs' Association, Office of Mental Health and Addiction Services Department, Oregon Lottery, local law enforcement agencies, State Police and city and county government agencies. OLCC continues to work with stakeholders on livability and public health issues. The OLCC is currently evaluating how it communicates internally and with its partners to facilitate opening channels of communication and engagement; its work in that regard will ensure effective long-term partnerships for the agency and provide it with a greater ability to structure important compliance and community prevention messages.

The activity of the Public Safety Services Division is reflected by the following output measures:

Alcohol

As of June 1, 2020 the Public Safety Services Program has more than 18,000 active liquor licenses:

- Nearly 13,500 are retail businesses that serve or sell alcohol directly to the public.
- There are more than 165,000 active alcohol service permits.
- Over 16,000 temporary sales licenses are approved annually.

Marijuana

The program provides management in the central headquarters office in Milwaukie, and to the field offices for the licensing and compliance activities in the recreational marijuana program. Marijuana license fees are allocated to pay the program's proportional share of the management cost. As of June 1, 2020, OLCC currently has 2,267

active marijuana licenses and an additional 1,099 licensing applications of which 132 are waiting for a Land Use Compatibility Statement. The sheer number of license requests including renewals has impacted OLCC's ability to transfer resources from licensing to compliance. The number of marijuana licenses and permits as of June 1, 2020, are as follows:

- 1,166 producers, 169 wholesalers, 243 processors, 669 retailers, 19 labs and 1 researcher.
- 56,657 active marijuana worker permits, 19,470 applications inactivated due to non-payment or duplicate application 4,545 under review (350 are pending denial), 241 denied, 23 cancelled/revoked with 24 more pending administrative due process, 75 suspended.
- 484 OMMP premises in the Cannabis Tracking System.

This Division is responsible for the outcomes of regulatory compliance of licensees and permittees throughout all regions of the state, utilizing both education and enforcement strategies. The actions of the Division are not just focused on finding violations. It is also about providing education to licensees in order to create an understanding of the

alcoholic beverage and recreational marijuana industry's needs in order to attain compliance. This education strengthens the overall industry's sustainability and increases individual opportunities for business success.

The Administrative Hearings Division reviews the final OLCC internal investigative reports for technical sufficiency in issuing charges of violations. It provides due process to the OLCC's licensees and case presenters represent the agency in administrative hearing before an administrative law judge (ALJ). The unit makes recommendations to the commission on cases returning to the OLCC commission and provides for the commission adoption of final orders cases for licensees, holders of servers permits and those involving worker permits. The staff assist the Commission and Executive Director in the consistent application of policies, with maintaining understanding of the relation of current cases to prior Commission decisions and informing them of applicable laws. The unit consults frequently with the Oregon Department of Justice for legal advice. In addition, the unit is responsible for a growing amount of official and required notifications of violations, hearings, and final orders.

This division is responsible for the outcomes of: providing guidance on policy and rulemaking, ensuring effective agency representation in contested case matters; and, providing for the fair and equitable application and resolution of violations, penalties and settlements. Importantly, while the division director is managed and supervised within Public Safety, on case and policy matters the OLCC Executive Director is a direct report.

As of June 1, 2020, the program had sanctioning authority over 18,000 alcohol licenses (including out-of-state businesses that require licenses to ship product to Oregon) and 2,267 marijuana licensees. Regulatory specialists in the

field issue citations for the most egregious violations and program staff screens out license applicants according to statutory criteria; applicants whose histories show they would be a poor risk for complying with liquor and recreational marijuana laws. These include convicted felons, those who cannot demonstrate financial responsibility, persons with ties to organized crime, people with serious drug or alcohol abuse problems, and people who cannot demonstrate the ability to control existing problems with their patrons. OLCC is constantly reviewing and evaluating criteria for the issuance of licenses in both programs. The 18,000 alcohol licenses include about 13,500 premises located in Oregon that hold licenses to sell or service alcohol and need to be continually monitored by program staff. Consumption of marijuana by persons other than medical card holders are not allowed by statute in licensed premises.

The program continues to experience a steady increase for processing liquor and recreational marijuana licenses, alcohol server permits and marijuana worker permit violations. OLCC continues to look for non-staff level methods and technology to improve and streamline the process-both internally and externally for our customers to maintain efficiency levels and issue licenses as quickly as possible to get and keep people in business. However, the recreational marijuana program has had longer than expected delays in processing original licenses and renewals due to a myriad of factors including complexity and higher than expected demand. The OLCC is requesting in POP #409 for 13 marijuana licensing staff to eliminate backlogs in marijuana licensing. Without such a commitment the OLCC will continue to lose ground or need to minimize standards to achieve timely licensing. The unacceptable licensing times for new applications to be assigned and approved is unsustainable and this barrier to entry cost those private sector businesses waiting for licenses millions of dollars of income. New licensing systems are being planned and OLCC should be issuing a licensing Request for Proposals (RFP) by the end of 2020.

Issues

The Public Safety Program has long worked to balance the concerns of its wide range of stakeholders. Licensees and license applicants expect fair, speedy and responsive service from the OLCC. The public expects to be able to buy alcoholic beverages from a variety of convenient outlets such as grocery stores, restaurants, and taverns and marijuana products from OLCC licensed retail stores. The public expects business operators to comply with liquor and recreational marijuana laws, especially laws related to avoiding alcohol and marijuana sales to minors and intoxicated persons. Neighbors of liquor outlets and recreational marijuana retailers do not want businesses to have adverse impacts on their communities. Public Safety Services Program staff work to balance all of these concerns in partnership with diverse groups, such as local government, law enforcement and neighborhood associations, to provide quality service to all Oregonians while promoting the responsible sale of alcohol and marijuana.

Public Safety Program strategies to efficiently and effectively support business and the state economy include:

Customize policies and operations for today's marketplace and community needs

Update licensing policies
As the marketplace innovates, OLCC can support the economy by proactively helping keep the Legislature aware of entrepreneurs' modern business models, and revise statutes as appropriate. OLCC can also reinterpret existing laws and rules, or amend its rules, to reflect modern industry standards and needs. Examples from recent years include OLCC's rules to allow liquor licensing of the popular and proliferating food cart businesses in Portland (FY 2014); its support of a new special events distillery license (FY 2013) and expanded privileges for licensed distilleries, including distilled spirits tastings (FY 2014); along with accommodating the expanded public desire to use "growlers;" in 2013 the Legislature began to allow liquor license holders to sell wine and cider, in addition to beer, in containers provided by the customer. Most recently the agency adopted a variety of measures to aid struggling business during the pandemic including for alcohol, providing automatic approvals of license requests such as an Off-premises temporary authority and expansion of premises which previously first required approval as well as allowing expanded hours for sale of alcohol and aligning hours of sale for same-day and next-day delivery. For marijuana, this included adopting temporary rule allowing a marijuana license to be issued without first requiring the passing of a pre-license on-site inspection... Two key issues going forward will be the examination of regulation of e-commerce for alcohol and the implementation of rules and regulations to support evolving business practices and customer preferences.

Tailor community-based regulatory plans
The Public Safety Division will continue to work more proactively with local communities to tailor regulatory compliance plans to their needs and develop community-based solutions. Alcohol sales business do generate considerable local attention, but the OLCC has narrow means on which to reject a license. The OLCC will continue to educate local government about these standards and will engage in discussion in how cities can impact licensees through proactive zoning and local regulation.

Educate sellers and servers

Education first
The agency's compliance philosophy in both the alcohol and recreational marijuana programs is education first. Education is the backbone and the first step in the process of gaining voluntary compliance. The Public Safety Program will continue to analyze its enforcement actions to make sure the needs of stakeholders and the public are met.

The OLCC is reviewing its processes to ensure it uses its enforcement and punitive strategies – including penalties such as license suspensions, fines and ultimately business closures – in extreme circumstances or as last resorts – to protect the public from safety threats posed by licensees or permittees not able to comply with laws even after education efforts. Education for licensees and server and marijuana worker permit holders is only a first step; investigators and inspectors can provide ongoing education and corrective feedback to help ensure liquor and recreational marijuana law compliance, especially for new licensees and start-up businesses.

First Call Program
The Public Safety Division's First Call Program helps give new retail licensees the resources to successfully comply with liquor laws. Division staff visit newly licensed businesses, businesses whose ownership is changing, and businesses with restrictions placed on their newly issued licenses. Program staff visit within 90 days of the license issuance to provide education and information on all liquor laws, review any restrictions to ensure the licensee

understands them and help solve any compliance issues without penalty for non-priority violations during this 90-day start-up period. In the recreational marijuana program, applicants are visited by inspectors prior to licensure.

Gain efficiencies and improve customer services:

Redesign workloads
In order to continue to be an effective agency, the program continues to seek ways for the OLCC to issue liquor and recreational marijuana licenses in a timely manner in the face of growing numbers of people wanting OLCC services. The program remains committed to streamlining the license process to reduce regulatory barriers to getting people into business.

Rely more on technology
The OLCC is heavily reliant on technology in all aspects of its work from accepting orders and shipping alcohol from the warehouse to accepting and issuing worker permits electronically. As with all service providers, OLCC's customers have come to expect electronic formats for serving their needs. OLCC is in the process of modernizing its digital commerce and regulatory businesses lines to serve its licensees and permit holders and meet the expectations of the Governor and legislature. The OLCC has relied on legacy systems that are at end-of-life or simply too inflexible to adapt to the pace of the dynamic business changes the OLCC is managing. Both the executive and legislative branches of government have supported the initiation of several projects to move the agency forward and the agency received initial funding for an online license and compliance system in the 2019 legislative session.

C. EXPECTED RESULTS

Based on the agency mission, strategic plan and performance measures the Public Safety Services Program expects the following results in the 2021-23 biennia:

- **Decrease the availability of alcohol to minors through licensed premises**
  Attain a 90 % compliance rate for minor decoy operations per year, a key performance measure (KPM) target established by the 2019 legislative session.
- **Improve liquor law compliance as shown by a limited number of repeat violators**
  Limit to 12 % the number of licensed businesses who deserve receiving a second violation within two years of the first, a key performance measurement (KPM) target established by the 2013 legislative session.
- **Increase contact with licensees and service permittees**
  Visit at least 25 % of all licensed premises during the biennium; check for service permits and inform licensees about other compliance requirements
- **Balance enforcement**
  Maintain existing minor intervention programs: minor decoy, college/contacts, high-priority ID checking and false ID investigations.

- **Issue licences efficiently**
  Enable Oregon businesses to begin and operate safely and responsibly as soon as possible. Issue alcohol licenses more quickly than an average of 75 days statewide, a key performance

measurement (KPM) target set by the 2013 legislative session. With data and experience a KPM will be developed for marijuana licensing. Normalize timeframes for marijuana licenses and propose KPM's for issuance of marijuana licenses.

- **Improve licensing customer service**
  Continue migrating existing license processing systems to contemporary, web-based software platforms. Improve license processing efficiency and customer service through process reengineering and automation.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 % other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accord with ORS Chapters 471, 473, and 475B.

E. PROPOSED LEGISLATIVE CHANGES

Agency Concept 84500-005 – Regulations of CBD Inhalant Systems
The Governor's Executive Order 19-09 reflects the concerns relating to minors and vape items. This legislative concepts authorizes an agency to regulate hemp-derived CBD inhalant delivery systems and provides for testing of ingredients of hemp vaping devices like tests conducted on the ingredients of marijuana inhalant delivery systems.

Agency Concept 84500-006 - Medical Marijuana Grow Sites
Currently OLCC inspectors inspect OMMP grows that are tracked in the Cannabis Tracking System (CTS), inspecting for both CTS violations as well as violations of OMMP rules. Non-intentional violations are handled through education and follow-up; however there have been multiple instances where the findings have been more egregious. In these cases OLCC investigators write up a report and send it to OMMP. OMMP does not have adequate staff or an administrative violation unit to process these reports and instead needs to send them through DOJ, a slower and more expensive process. This creates a duplication of effort between the two agencies. Processing violations through OLCC's administrative process would streamline the process, be less expensive, and lead to quicker action.

Agency Concept 84500-07 – Marijuana Social Equity
Solutions are needed to eliminate barriers and assist minorities and people with low income who wish to participate in the establishment of marijuana businesses. This legislative concept authorizes OLCC to coordinate with Business Oregon to establish a grant program with funds dedicated from the marijuana tax fund to assist minority ownership in marijuana businesses.

Agency Concept 84500-08 – Amendments Affecting Marijuana Laboratory Licenses
The definition of premises in ORS 475B.015(30) describes only producers, processors, wholesalers, and retailers, which limits OLCC's ability to apply certain requirements to laboratory licenses. In addition, lab employees were left out of the group of employees which required marijuana worker permits. Extending these requirements to marijuana laboratory licenses will ensure that OLCC has the appropriate regulatory authority to regulate laboratories and their employees.

OLCC - LICENSE SERVICES DIVISION - SUBPROGRAM 45
2021-23 BUDGET

A. PURPOSE, ACTIVITIES & ISSUES

The License Services Division promotes the safe and responsible operation of businesses within Oregon's hospitality and craft wine, beer, and spirits industries as well as the evolving recreational marijuana industry. The alcohol businesses that make up these industries are both small and large, new and established, and all are a vital part of the state's economy and identity. All of the recreational marijuana businesses are new in comparison to alcohol licensees; however they vary in size, expertise and capital investment. Oversight of capital investment is complex as this industry does not have the ability to bank funds or acquire traditional business loans, and reviews of investments and ownerships are not standard. A significant number of marijuana licensees are changing their organizational structures, operational plans, and physical structures to adapt to changing market conditions, others are surrendering their license, while still others are submitting applications. Change requests are growing due to the current stressed economic climate, the current moratorium on accepting producer applications and due to the backlog of new applications for other license types. The License Services Division regulates these industries by investigating and issuing license applications and renewals, alcohol service permits and marijuana worker permits. Through its actions, License Services ensures that public safety, economic development, stewardship and livability concerns are addressed.

Management of the program, including the field offices of Milwaukie, Bend, Salem, Eugene and Medford include both alcohol and marijuana staff and are all supervised directly out of the Portland Headquarters to ensure consistency in the quality and standards of review. This is a recent management change allowing for flexibility to manage many new employees' growth and expertise, to utilize statewide electronic workload assignment between regions, and streamline licensing through one supervisory chain. This process includes the opportunity to advance first time regulatory issues in marijuana and alcohol licensing to a Licensing Policy Committee (LPC) made up of staff and management with different areas of expertise. This committee considers interpretations of the application of its rules to specific licensing issues and considers requests for waivers. OLCC's regulatory inspectors assist the licensing process by completing on premise license inspections for licensure and renewals. Integration of the management for the shared aspects of marijuana and alcohol licensing and compliance creates agency-wide consistency and efficiency. The Marijuana Program pays a proportional share of the cost for this service and OLCC will be considering adjustments as the Marijuana Program continues to grow.

Licensing is a frontline service for ensuring public safety. Conducting criminal background checks and review of complex financial interests, and business management and ownership are primary public safety concerns in the issuance of licenses. Recent enforcement intelligence suggest that the OLCC will need stronger rules, penalties and flexibility to consider immediate suspensions in operations that inappropriately switch out the designated licensee in charge of the business – public safety is monitoring these issues and considering actions it might take in license and renewals to place greater accountability on prospective licensees to assure they remain in charge of their issued licenses (legislation passed in 2019 is proving to be ineffective to achieve immediate closure). Through annual licensing requirements for the agency's primary licenses, the OLCC ensures operational accountability and consistent compliance. The OLCC is actively planning to move toward two year licenses for alcohol after a first year of operations and two year licensing of marijuana businesses may help reduce backlogs, however, the OLCC is not ready to make this move for marijuana. Importantly, nothing will change until implementation of new IT licensing systems.

The License Services Division issues and renews liquor and marijuana licenses; alcohol service permits; marijuana worker permits; manages the license personnel for the liquor and recreational marijuana program; interprets and communicates policy regarding licensing and service permits; provides technical assistance, consultation and guidance for licensees, permittees, applicants, and field staff; processes and reviews completed license and service permit applications; processes and reviews compliance actions; and maintains files and records on all licenses, alcohol service and marijuana worker permits. Division staff communicates and collaborates regularly with individual businesses, alcohol beverage industry representatives, marijuana industry representatives, local governments, neighborhood associations and moderation groups to ensure understanding and compliance with liquor and recreational marijuana laws, and to promote awareness of general public policy issues, as well as those issues arising from specific licensing matters.

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The division is organized into two sections:

The Metro Licensing Unit is stationed in Portland and handles approximately 60% of the statewide alcohol license and 90% of the statewide recreational marijuana license investigation workload. Whereas liquor licenses are processed within a local regional office, the vast majority of all recreational marijuana licenses are processed by the Metro Licensing Unit. Technical and administrative staffs are responsible for distributing license applications and providing guidance and information on liquor and marijuana licensing regulations to applicants, local governments and the public. The staff investigates applications for annual and temporary liquor licenses. The unit generally serves licensees in Multnomah, Clackamas, Washington, Clatsop, Hood River, Wasco and Columbia counties, but frequently

assists other field office investigations around the state. They are responsible for presenting policy matters to decision makers. They also develop and maintain the license manual.

The License Process Unit oversees liquor and recreational marijuana licenses and service permit and marijuana worker permit application workflow and maintains records. The unit is the conduit between the license investigators, compliance inspectors and licensing data systems. It processes initial applications and issues licenses and service permit renewals statewide; maintains the OLCC's official license and service permit files; responds to public records requests and provides clerical support to the License Services Division staff. Unlike in field offices outside of the Portland-Metro area, this unit's staff processes licenses for alcohol businesses owned out-of-state that now require Oregon licenses: licenses such as direct shippers, certificates of approval (CERAs) and wine self- distributors.

The number of licensed alcohol businesses regulated by the OLCC has steadily increased since 2000. The complexity of licensing work has also increased during the last decade, as businesses pursue new operational models not contemplated when the agency's regulatory and licensing framework was first conceived. The sale of beer and wine growlers or take home containers of alcohol are a great example of new industry innovation. Many of these complexities focus on creating new capability and innovation desired by Oregon's own craft producers that are interested in maximizing their ability to grow business income in Oregon and internationally; the OLCC plays a leading role in facilitating policies and regulations that advance the growth of Oregon's alcohol producing pioneers. Out-of-state licenses comprise 17% of the new licenses processed annually, compared to a decade ago when it was only five percent. As the economy gains a new foothold, the agency sees a trend of business closures followed by even more new license applications and change of ownership applications.

The recreational marijuana industry has flourished in Oregon. The OLCC licenses businesses to function as laboratories, processors, producers, retailers, wholesalers and researchers within the Oregon market. The demand for recreational marijuana licenses has far exceeded predictions. As of June 1, 2020, OLCC has received more than 5,500 applications, of which 2,267 are currently licensed. On June 1, 2018 OLCC announced they would continue to process new applications submitted through June 15, 2018, however, the processing of applications received after that date would be completed only after renewals and license applications already received had been completed. During that 15 day window, OLCC received an additional 1,001 new license applications.
Many factors such as consumer demand within Oregon, product over or under production, and statutory changes are expected to impact pricing and business profitability. For example, in 2019, SB 218 placed a moratorium on

processing new grower applications. These factors influence decisions to open businesses, close, or reorganize, all of which require processing by licensing staff.

The complexity of the recreational marijuana licensing process and subsequent workload continues to increase. The recreational marijuana industry has moved from mostly small family type operations into a myriad of structures including full complete corporate structures. In one application, a corporate entity had 122 people involved in the business structure with an initial investment of over $55 million dollars. These types of license applications require a lengthy investigation that drain OLCC's resources. As the industry continues to evolve, business structures are constantly changing with new investments and principal partnership changes. This in addition to premises changes has made the task of a license renewal as difficult and as lengthy as the initial licensure. In response the agency is reorganizing its processes to separate many types of changes currently allowed at renewal, such as ownership and premises changes. The desired outcome is to create a more streamlined and efficient renewal process.

The License Services Division continues to pursue streamlining efforts and the use of technology to provide more and higher quality service to its stakeholders. The agency expects to make progress on improving the process for changes of ownership and premises changes, however, the agency is at a crossroads as it pertains to technology. A substantial investment is needed into information technology to tie all of the licensing and compliance systems into a fully integrated system. The explosion of recreational marijuana has expedited the need for this vision to be achieved in a timely manner. Even with advances in technology, the sheer volume of work in the license services division will require significant investments in additional staffing to address persistent and unacceptable backlogs in licensing activities for the Marijuana Program.

With the exception shutdown during the pandemic, the Licenses Services Division has seen a substantial increase in the requests for special liquor licensing. In addition to special licenses, OLCC has also had an increase in requests for alcohol service permits. With the addition of recreational marijuana worker permits OLCC has issued more than 55,000 worker permits. Even with implementing technology to assist in the application process, calls for questions and assistance are at an all-time high.

This Division is responsible for: processing and renewing license applications, investigating applications temporary licenses, processing and renewing server and worker permit applications, and providing guidance and information on liquor and recreational marijuana licensing regulations to applicants, local governments and the public,

B. BACKGROUND

The License Services Division administers relevant parts of the Liquor Control Act ORS Ch. 471, the Wine, Cider and Malt Beverage Privilege Tax ORS Ch. 473, Administrative Procedures Act ORS Ch. 183, Reuse and Recycling ORS Ch. 459A, Trade Practices Relating to Malt Beverages ORS Ch. 474, Department of Justice OAR 137, Ch. 1 and 3, ORS Chapter 475B, and the Liquor Control Administrative Rules OAR Chapter 845.

C. EXPECTED RESULTS

In the 2021-23 biennium, the division expects the following results:

- Improve production through streamlining procedures and processes; evaluate the licensing and renewal process in its entirety and have in place an automated licensing system that matches changes in statute, policy and practices.
- Close out the backlog on all marijuana licensing and permitting process with resource provided in for 2021-2023.
- Maximize the allocation of licensing resources as it learns more about the evolution of the recreational marijuana business in Oregon.
- Continue to manage increased workloads while continuing to focus on high quality customer service.
- Issue licenses efficiently to enable Oregon businesses to open and operate safely and responsibly as soon as possible.
- Issue alcohol licenses more quickly than the average of (75 days) statewide, a key performance measurement (KPM) target in in the 2013 legislative session.
- Improve customer service and support economic and job development by enabling applicants to apply for all licensing types through automated systems that improve the efficiency of our internal staff.
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D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine

and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471, 473, and 475B.

E. PROPOSED LEGISLATIVE CHANGES

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The definition of premises in ORS 475B.015(30) describes only producers, processors, wholesalers, and retailers, which limits OLCC's ability to apply certain requirements to laboratory licenses. In addition, lab employees were left out of the group of employees which required marijuana worker permits. Extending these requirements to marijuana laboratory licenses will ensure that OLCC has the appropriate regulatory authority to regulate laboratories and their employees.

OLCC - PUBLIC SAFETY DIVISION - SUBPROGRAM 47
2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

To promote public safety, the Public Safety Division ensures liquor and recreational marijuana licensed businesses statewide comply with all applicable laws. The Division does this by providing education and training on liquor and recreational marijuana laws to licensees, conducting in-depth investigations, enforcing special events (temporary sales permits), and enforcing liquor and marijuana law through administrative sanctions. Division staff in the field offices also assist in the licensing process by doing on-site licensing inspections prior to licensure and when necessary at renewal. The Division builds partnerships with local governing bodies, citizen groups, neighborhood associations, local law enforcement, federal law enforcement, schools and universities and moderation groups. The Division's proactive relationship with the alcohol beverage and marijuana industries helps to ensure Industry's understanding and compliance with liquor and marijuana laws. The Division collaborates with communities statewide to maintain neighborhood livability and safeguard the marketplace and economy.

Public Safety Division field operational staff implements regulatory operations, processes and procedures and OLCC policies. The Division's compliance inspectors investigate complaints of law violations; referrals by police agencies, reports or complaints from the public; industry members and other agencies; and violations encountered during OLCC staff's observations. Inspectors' help licensees identify compliance problems and offer education. If these efforts fail and violations continue, staff may initiate administrative sanctions and/or issue criminal citations. If public safety is at risk, the agency can order an immediate license suspension.

The Division has five regional work units reporting to the Public Safety Division director. These units include the metro enforcement unit headquartered in the Milwaukie office and four others units located throughout the state. As OLCC grows the agency has segregated the regional managers in its larger offices into program areas. OLCC currently has one regional manager in the metro enforcement unit that is dedicated to alcohol and one that is dedicated to recreational marijuana. The OMMP medical marijuana tracking and inspection is a state-wide program and is managed by a manager out of the Milwaukie Office. Regulatory Specialists are assigned to the five regional units as well as the metro enforcement unit in three program areas, alcohol, recreational marijuana and the newly forming medical marijuana program.

The five regional units are:

- Metro Enforcement Unit, headquartered in Milwaukie moved to a new building in November 2019, and includes a field office in Hood River.
- Salem Region, headquartered in Salem with a field office in Warrenton.
- Eugene Region headquartered in Eugene with field offices in Newport, Roseburg & Corvallis.
- Medford Region, headquartered in Medford with field offices in Klamath Falls and Coos Bay.
- Bend Region, headquartered in Bend with a field office in Pendleton.

Regulatory staff activities include making on-site observations; educating licensees; issuing citations; doing compliance work with licensees in their districts; responding to alcohol parties involving minors; working with local governments, neighborhoods, and law enforcement; and conducting license investigations. In addition to these activities, field operations staffs are using the following proactive programs for educating new licensees and dealing with minors and impaired drivers ongoing:

First Call Program To provide new retail licensees with the resources to be successful by complying with liquor laws, division staff visits newly licensed premises. They also visit licensees who have restrictions placed on their newly issued licenses, and when a business's ownership changes. Staff visit within 90 days to provide education and information on all liquor laws, review any restrictions to ensure the licensee understands them, and helps solve any compliance issues without penalty the licensee for non-priority violations during this 90-day start-up period. In the Marijuana Program, recreational marijuana applicants are visited prior to the issuance of their license.

Minor Intervention Program The division focuses enforcement resources on the prevention of underage drinking. Staff uses a variety of techniques, which are constantly under review and further development. The Division balances enforcement efforts between those that target alcohol and marijuana retailers, such as the minor decoy program; those that are undertaken in cooperation with the industry, such as high-priority identification checking; and those that focus on the minors, such as working with communities and citing minors who purchase and/or consume alcohol and marijuana. Minor intervention programs include minor decoy, high-priority identification checking, false ID and providing education to licensees and their staff on checking ID.

Data Driven Enforcement data driven law enforcement is a common practice used by police departments to identify trends and incidents based upon relevant data that can be used to lower crime rates. OLCC uses the same philosophy, using data to identify points of diversion or non-compliance through data analysis of the Cannabis Tracking System.

OLCC has gained experience identifying these data points through investigations, speaking with law enforcement and members of the recreational marijuana industry. OLCC will continue to advance data driven compliance actions to maintain the integrity of the recreational marijuana market though increased analytics

The Public Safety Division also conducts classes and training at the DPSST, the Police Academy, Oregon universities, colleges and schools, tribal governments and for organizations such as MADD. It has been working more proactively with local communities to tailor regulatory compliance plans to their needs and develop community-based solutions.

Enforcement Challenges

Alcohol continues to be the most widely used legal drug by teens. According to the 2019 Oregon Healthy Teen Survey administered by the Oregon Health Authority it is the most widely used substance among American youth. The survey cites a significant negative impact of alcohol use for youth including potential lifetime dependency, involvement in alcohol-related motor vehicle crashes, personal injury, physical fights and potential lasting brain impairment. In Oregon during 2015, 11.9 % of 8th graders and 29.1 % of 11th graders surveyed had drunk alcohol on one or more occasions in the past 30 days. In 2019 those percentages fell slightly to 11.3% of 8th graders and 24.9% of 11th graders. Of those who had consumed alcohol in the past 30 days, 1.6% of 8th graders and 5.3% of 11th graders reporting obtaining the alcohol from a store, gas station, bar or restaurant. Similarly, students in the 2019 Healthy Teen Survey were asked about their marijuana use. 6.7% of 8th graders and 20.9 % of 11th graders reported use on one or more occasions in the past 30 days.

The OLCC plays an important role in reducing the number of intoxicated drivers on the road by educating servers, worker permit holders, and licensees and enforcing Oregon's laws relating to the sale of marijuana or service of alcoholic beverages to visibly intoxicated persons.

The increase in competition for market share between the beer, wine and spirits industries has brought about aggressive industry marketing campaigns and promotion practices – many of which target minors and may not be compliant with

state laws and rules. The OLCC has faced similar challenges with the developing marijuana industry. Because of this, OLCC has an increased need to continue to monitor alcohol and marijuana advertising.

Resource constraints including the difficulty in recruiting volunteer minors has limited the number of alcohol minor decoy operations. Past policy and practice for the enforcement division was to "test" 20% of the licensed premises in any given year with a minor decoy operation or each premises in the state would be visited every five years. Resource constraints in Public Safety have begun to impact Key Performance Measures. The statewide average for alcohol minor decoy compliance (percent of operations that did not result in a sale) was 84% in 2013 but went down to 81% in 2015 and is now 79% in 2019. The rate of successful minor decoy operations at alcohol licensees is lower than at marijuana licensees. The agency took steps in 2019-21 to address this discrepancy and improve overall compliance rates. In June of 2020 the Commission increased fines and sanctions for alcohol licensees. OLCC started minor decoy operations in marijuana retail stores in December 2017. Minor decoy operations were one of the first proactive compliance actions the agency conducted at recreationally licensed marijuana retailers. Due to the concerning amount of sales to state sanctioned minor decoys, in January 2018 the Commission escalated the penalty schedule for marijuana sale to a minor (OAR 845-025-8590). After the first couple of visits, the word getting out in the industry, and the increase in penalties, the sales rate decreased to 10% with a successful no sale rate of 90%. The rate in 2019 is 82%.

In almost all of the license renewals for recreational marijuana received at OLCC there is a change in business structure, additional license or endorsement requests, or change in operating procedures that need to be investigated before a renewal can be issued. The industry continues to evolve with multiple complex changes in business structure and operations; this continues to be the norm instead of the exception. The OLCC is looking to both rule and administrative practice changes that streamline the renewal process and isolate the basis for renewal approval to separate it from other processes of compliance.

OLCC's marijuana compliance work at the beginning of the biennium mostly centered on industry complaint driven investigations, retail inspections and minor decoy operations. Now the agency has considerable and growing expertise in analyzing data in the Cannabis Tracking System, adding a significant component to its compliance work. The agency will continue to learn from its law enforcement partners, other regulated states and its own investigations which violations in the system have led to diversion. The agency will focus its compliance efforts on these violations to prevent diversion of marijuana to the illegal market.

B. BACKGROUND

The Division ensures compliance with liquor and marijuana laws (ORS Chapters 471, 473, 475B, OAR Chapter 845) by OLCC licensees, contract liquor agents, servers, and marijuana worker permittees. The Division also enforces certain provisions of the Beverage Container Act (Bottle Bill) (ORS 459A.700-.740).

C. EXPECTED RESULTS

Decrease the availability of alcohol to minors through licensed premises
Attain a 90% compliance rate for minor decoy operations run annually, a key performance measure (KPM) target established by the 2019 legislative session.
Improve liquor law compliance as shown by a limited number of repeat violators
Limit to 12% the number of licensed businesses who deserve receiving a second violation within two years of the first, a key performance measurement (KPM) target established by the 2013 legislative session.
Increase contact with licensees and service permittees
Visit at least 25% of all licensed premises during the biennium; check for service permits and inform licensees about other compliance requirements.
Balance enforcement
Maintain existing minor intervention programs: minor decoy, college/contacts, high-priority ID checking, and false ID investigations.

The Public Safety Division also expects to continue to:

Issue liquor licenses only to qualified people. Ensure that applicants for licenses meet the standards set out in state law and administrative rules, by thoroughly reviewing an applicant's criminal record, financial resources, prior OLCC record, identify any unauthorized interests in the business, and ensure that operational plans and proposed locations don't implicate potential problems.

Protect public safety by ensuring compliance with liquor and recreational marijuana laws and rules. Ensure that liquor and recreational marijuana licensees, alcohol servers, and marijuana worker permittees comply with liquor and marijuana laws.

Educate licensees as the first strategy to gain voluntary compliance with liquor and recreational marijuana laws.
Investigate complaints from the public, local, state and federal law enforcement and industry members.
Direct compliances staff resources to priority violations to ensure that licensed establishments do not threaten neighborhood livability and can be good employers and contributors to the community's economic foundation.
Complete administrative procedures to deal with violations to ensure voluntary compliance, using citations and criminal penalties as a last resort.
Enforce liquor laws in a timely and effective manner. Complete most enforcement investigations within 30 days. Focus on priority violations. Monitor DUII reports and intervene in a timely manner.
Enforce recreational marijuana laws focusing on violations that lead to diversion to the illegal market and that protect the integrity of the legal recreational market. This can be enhanced through the use of data driven enforcement and a routine standardized inspection process.
Serve as a liaisons. Be responsive to industry groups, neighborhood organizations, local governments, and citizens to promote open communication, mutual understanding, and participation in OLCC processes.
Collaborate with law enforcement

- Increase participation with law enforcement in identifying organized crime and human trafficking/sexual exploitation in liquor-licensed establishments.
- Increase in developing tailored regulatory plans for communities' needs, customizing community based solutions.
- Continue to attend the Sheriff's/Chief's conferences including presenting information on OLCC alcohol, recreational marijuana, and OMMP medical marijuana tracking programs.
- Continue to have an open line of communication between OLCC and the United States Attorney's Office in Oregon.
- Continue to operate a law enforcement only telephone hotline to assist state, local, and federal law enforcement identify illegal operations.

Provide training for staff:

- Ensure OLCC staff are trained and proficient in liquor and recreational marijuana laws, medical marijuana laws, policies, procedures, ethics, and cultural sensitivity. Ensure staff maintains consistent work practices to maintain fair and impartial compliance efforts throughout the State of Oregon.

- Ensure OLCC Regulatory Specialists meet statutory requirements for their "peace officer" status. OLCC Regulatory Specialists will continue to be required to attend a four week academy at the Department of Public Safety Standards and Training (DPSST) within a year from their hire date and attend mandatory training.
- Conduct bi-monthly Regulatory Specialists training in recreational and medical marijuana to increase our employee knowledge base.
- Continue training licensing staff on changes in process, technology, administrative rules to increase our employee knowledge base.

Provide training for law enforcement.
Provide training to local law enforcement agencies on liquor and recreational marijuana laws. Develop strong partnerships with local law enforcement to enforce liquor laws.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 % Other Funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

Agency Concept 84500-005 – Regulations of CBD Inhalant Systems
The Governor's Executive Order 19-09 reflects the concerns relating to minors and vape items. This legislative concepts authorizes an agency to regulate hemp-derived CBD inhalant delivery systems and provides for testing of ingredients of hemp vaping devices like tests conducted on the ingredients of marijuana inhalant delivery systems.

Agency Concept 84500-006 - Medical Marijuana Grow Sites
Currently OLCC inspectors inspect OMMP grows that are tracked in the Cannabis Tracking System (CTS), inspecting for both CTS violations as well as violations of OMMP rules. Non-intentional violations are handled through education and follow-up; however there have been multiple instances where the findings have been more egregious. In these cases OLCC investigators write up a report and send it to OMMP. OMMP does not have adequate staff or an administrative violation unit to process these reports and instead needs to send them through DOJ, a slower and more

expensive process. This creates a duplication of effort between the two agencies. Processing violations through OLCC's administrative process would streamline the process, be less expensive, and lead to quicker action.

Agency Concept 84500-07 – Marijuana Social Equity
Solutions are needed to eliminate barriers and assist minorities and people with low income who wish to participate in the establishment of marijuana businesses. This legislative concept authorizes OLCC to coordinate with Business Oregon to establish a grant program with funds dedicated from the marijuana tax fund to assist minority ownership in marijuana businesses.

Agency Concept 84500-08 – Amendments Affecting Marijuana Laboratory Licenses
The definition of premises in ORS 475B.015(30) describes only producers, processors, wholesalers, and retailers, which limits OLCC's ability to apply certain requirements to laboratory licenses. In addition, lab employees were left out of the group of employees which required marijuana worker permits. Extending these requirements to marijuana laboratory licenses will ensure that OLCC has the appropriate regulatory authority to regulate laboratories and their employees.

OLCC - ADMINISTRATIVE HEARINGS DIVISION - SUBPROGRAM 55
2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

The Administrative Hearings Division reviews and evaluates investigative reports with recommended enforcement actions or with actions involving contractual violations. Its staff reviews the cases for technical sufficiency, and after evaluating reports, may issue a violation notice initiating the contested case hearing process. Staff ultimately resolves these cases via administrative hearing, settlement, and withdrawal or default final order.

The division makes recommendations to the OLCC executive director for cases where the executive director or the OLCC commissioners must make the final decisions. If the final licensing decision is negative, the Hearings Division issues a notice initiating the contested case hearing process.

The division presents the OLCC's administrative violations, licensing and certain contractual violation cases at contested case hearings; an OLCC employee representative prepares and presents the contested case before the Office of Administrative Hearings. OLCC's assigned assistant Attorney General sometimes consults on the case, and in rare cases presents the case with the OLCC employee representative assisting. Case preparation involves reviewing the case for legal sufficiency, identifying witnesses and documentary evidence, responding to discovery requests, subpoenaing witnesses, participating in pre-hearing conferences, filing and responding to motions, and planning and executing the presentation of the case at hearing. The OLCC employee representative reviews the administrative law judge's proposed order, files comments as appropriate and orally presents the comments to the liquor commissioners at their regularly scheduled meetings.

The Hearings Division director reviews the hearing record and assists the OLCC commissioners in drafting and issuing final orders. If a final order is appealed, staff prepares and files the official hearing record with the Court of Appeals and tracks the progress of the appeal. The Director receives all requests for legal assistance from throughout the OLCC and, in coordination with the Attorney General's (AG) Office, answers the requests where appropriate, or routes to the AG's Office and is part of a team responsible for the OLCC's legislative initiatives, including drafting legislative concepts, providing testimony, and assisting legislators.

The volume of rules, technical requests and reviews, and complexity of contested case hearings have increased greatly. The number of contested case prosecutions has increased significantly now that the Division handles marijuana licensing and compliance matters. The number of charging documents issued by staff has markedly increased. In 2016, staff in the Hearings Division issued less than 500 charging documents. In 2018 and 2019, staff issued over 700 charging documents. As a result, caseloads for the staff who handle these matters have markedly increased. In 2016 a case presenter's average caseload was 43 contested cases. In 2020, the average caseload is 65 contested cases, despite recently adding two positions. Currently, the Hearings Division has over 750 active matters in various stages of the contested case process; many of which are still waiting to be assigned.

Fines levied on licensees are fully transferred to the Criminal Fines and Assessment Account which is fungible with General Funds and represents revenue to the state. In 2019-2021 the transfer is expected to be nearly $832,000, and in 2021-2023 is expected to be $812,000.

B. BACKGROUND

The division performs the following functions: reviewing and evaluating final reports generated by the Public Safety Division (subprogram 47); issuing charging documents and otherwise resolving contested cases for the OLCC Public Safety Services (including hearing preparations, post-hearing exceptions and oral argument to the liquor commissioners); providing technical assistance to the Public Safety Division; coordinating with the state Office of Administrative Hearings; providing technical and policy support to the liquor commissioners, including assistance with drafting final orders in contested cases; compiling the contested case record on appeal, and compiling a Digest of Cases chronicling final orders in contested cases. Given the rapid caseload growth in both alcohol and marijuana the responsibility for rulemaking has been moved to PACE, a newly created program focused on policy and analysis which is housed in agency's Administrative Services Program.

C. EXPECTED RESULTS

Hearings Division will continue to provide its services and activities in the 2021-23 biennium. The expected result is to meet growing demand for services, but to do so will require additional staff.

Meeting an anticipated increase in demand for charging documents, especially pertaining to marijuana license refusals, worker permit refusals, and marijuana compliance actions: As Oregon grows, so do the number of

violations and charges, and in the 2019-23 budget period the hearings division's workload is expected to increase. In order to preserve agency resources and achieve equitable results, the division continues a process for formal settlement negotiations to increase the number of settlements and reduce the number of contested case hearings.

Meeting an expected demand for increased technical assistance: Innovation within growing spirits, wine and beer industries in Oregon and internationally is creating new complexities for regulating the industries and entertainment and hospitality businesses that serve alcoholic beverages. As a consequence, there is increasing need for technical assistance for the industry, and for personnel, to ensure commerce while maintaining compliance. Technical assistance in interpreting alcohol and marijuana statutes and rules will increase as the market and regulatory landscape evolve. The Technical Services Unit will continue to respond to requests for technical assistance throughout the agency. These requests are on the rise due to fundamental shifts in the liquor industry, resulting in multi-faceted challenges to the traditional three-tier model of alcohol manufacture, distribution, and sales and technical areas such as marijuana law interpretation and policy development, the siting of redemption centers, an increase in the bottle deposit and an expansion of containers covered by legislation expanding the Oregon Bottle Bill; and, continued enforcement of privilege tax reporting requirements.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

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Agency Concept 84500-08 – Amendments Affecting Marijuana Laboratory Licenses
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Alcohol Compliance and Licensing Staff
OLCC 21-23 Budget, Policy Option Package No. 204, Agency Priority No. 4, As Modified

A. Package Purpose

Licensing

OLCC license and permit requests for both the alcohol and marijuana program continues to grow. For alcohol, over the last two biennia, we have averaged a net growth of 340 active alcohol licenses each year. This has increased demands on staff responding to increasing information requests from the public and industry as well as carry higher caseloads in an effort to maintain the KPM of 75 days to licensure. Additionally, since 2016 due to agency growth to accommodate the marijuana program, dual role inspector/investigator positions were discontinued which resulted in a loss of staffing resources approximate to five investigators. Since this change, the alcohol program has been unable to achieve the 75 days to licensure KPM. The demand and responsibility for expeditious processing of alcohol and marijuana licenses and permits as well as the maintenance of licenses and permits and those records associated to them remains a top priority for OLCC. To meet this expectation, OLCC must better align the number of staff and classification of current staff to the growth and change of both industries.

Compliance

The Oregon Liquor Control Commission uses minor volunteers ages 18-20 who look under the age of 26, to attempt to buy alcohol at liquor stores, licensed businesses and other locations such as special events to confirm businesses are not selling alcohol to minors. The OLCC also uses minor volunteers to attempt to by marijuana products at licensed recreational marijuana retail shops. A continuing major focus of the agency includes its fundamental work to prevent sales to minors. In 2017, minor decoy operations were one of the first proactive compliance actions the agency conducted at recreationally licensed marijuana retailers. To close the gap and eliminate sales to minors the OLCC pursues four primary strategies: 1) Increase the number of decoy operations; 2) Expand upon the agency's general prevention communication strategy by providing increased community-level communications when sales to minors are faltering or not improving so community and licensee-based awareness is heightened; 3) Increase licensee education; and 4) Consider the implementation of heightened fines for violations if the rate of sales to minors fails to improve over time.

Sales of alcoholic beverages and marijuana products to minors, which include sales to minor decoys; failure to correctly check identification result in administrative sanctions to liquor licensees, liquor store agents, retail marijuana licensees, service permit holders, worker permit holders; and possible criminal sanctions to others. Historically, the OLCC has used volunteers as minor decoys. The minors decoy volunteers receive no compensation for dedicating their time to conduct

these minor decoy checks that are so important to the OLCC and the citizens of Oregon. There have been several occasions over the past years in which compliance staff have scheduled minor decoy operations and the minor decoy cancelled at the last minute, providing OLCC with the inability to conduct these key compliance checks. In some regions, it's very difficult to even find minors to volunteer to conduct these operations. Having the ability to pay the minor decoys will provide incentive and accountability to the minors to work with the OLCC to reach the OLCC's minor decoy goals. The Oregon Liquor Control Commission has assigned staff to field offices across the state to include Regulatory Specialists (alcohol, medical marijuana, recreational marijuana) and License Specialists (alcohol, recreational marijuana) and Administrative Assistants to carry out the operational goals regionally for the Commission. Staff is further broken down into five geographical regions: Bend, Eugene, Medford, Portland and Salem. These field offices are supervised by regional managers who are classified as Principal Executive Manager D, through the state class and compensation program. Each region is assigned one regional manager. The OLCC has seen unprecedented employee growth with the addition of the recreational and medical marijuana programs to our field operations. One region in particular, Medford has had the highest number of employees added to the area due to a very large number of marijuana licensees and registrants in the Jackson and Josephine County area. The employee to supervisory ratio for the Medford Regional Office currently stands at 15/1. Not counted in that total ratio are employees that are in other programs areas (medical marijuana/alcohol and marijuana licensing) working in the Medford Region. Those employees are supervised by program managers out of General Headquarters in Portland, however the day-to-day supervisory needs are handled by the Medford Regional Manager. With these additional employees added it brings the ratio to 26/1. During the 2019-21 biennium the agency was granted an additional ten Regulatory Specialists (8 recreational marijuana/2 alcohol) that have yet to be hired. At least three more of those positions will be allocated to the Medford Region, bringing the ratio employee to supervisory ratio to 28/1 without any new allocated positions in the 2021-23 biennium.

The growth in management responsibility for OLCC compliance has also brought a need for uniformity in enforcement practices and policies across the state and within the program. This has led OLCC to bring in experienced Public Safety management to evaluate and improve current OLCC compliance processes. Improvements have included stateside dispatch services implemented through Oregon State police that has improved coordination with local law enforcement and helped ensure the safety of liquor and marijuana regulatory specialist. This improvement has also been raised to the top levels of both state and federal law enforcement on how OLCC deals with enforcement of criminal activities in the nascent recreational marijuana industry. Continued coordination and improvement are still needed as both the alcohol and marijuana regulatory environments continue to evolve and OLCC grows both in positions and enforcement responsibility.

B. How Achieved

Alcohol Licensing

Ratios of Liquor License Specialist to Licenses over Time

Year	# of Instate Liquor Licensees	Increase of Licensees per Year	# of Liquor Licensing Specialists	Ratio of Licensee to Liquor Licensing Specialist	KPM is 75 Days to Issue a License
2011	12,497	N/A	24 *	521	74
2012	12,745	248	24 *	531	67
2013	13,017	272	24 *	542	72
2014	13,438	421	24 *	560	76
2015	13,700	262	24 *	649	72
2016	14,122	422	17	831	78
2017	14,408	286	17	848	80
2018	14,800	392	17	871	81
2019	15,228	428	17	896	79

*Dual Role was a position at OLCC that did both licensing and compliance work. For the ratio of licensee to liquor licensing specialist, dual role positions are at .50 FTE. In 2016 Dual Role positions converted to either a regulatory specialist or licensing specialist.

2019 Assistance to the Public for Liquor Related Rules & Laws				
Month	Walk-In	Phone	Emails	Total Contacts
August	127	332	304	763
September	159	143	241	543
October	115	273	345	733

OLCC requests addition of one Principal Executive Manager C "Assistant Licensing Manager" for alcohol licensing. Currently there are 17 licensing specialist positions under the supervision of the alcohol licensing manager. With the addition of the above requested staff, providing an assistant manager position to support this program is essential to maintain an appropriate management/staff ratio as well as to support the work required of these positions. This would create a manager to employee ratio of 1:12 rather than 1:24. Additionally, adding a lower level management position supports effective succession planning by developing a pathway into the PEM-D level management positions and beyond.

Analysis of the Situation and Action Requested

Effective 5/1/2018, the Commission moved to online applications for Service Permits. Below are some results from the first 18 months of processing:

- OLCC issued 61,998 permits from 76,950 applications.
- OLCC receives, on average, 150-200 applications per day.
- It has taken an average of 9 days to approve applications that do not require a background check. This is twice as long as it had been taking in the paper system.
- The standard rate of background checking used to be about 20% of applications. About 10% of applicants disclose criminal backgrounds and we run those automatically. We would randomly select another 10% and would find a number of people with backgrounds they did not disclose. OLCC is currently unable to run *any* random background checks and the processing of those we do run is backlogged, all due to workload.

OLCC has not kept up with the workload even with other staff in the unit pitching in and working up to 75 hours of overtime per week. It takes one person working full time to respond to emails and another person working full time on phones. With only 2 full permanent OS2 FTE in the unit, that leaves no one to process work.

Alcohol Compliance

OLCC Request funding for the addition of up to 12 minor decoys as temporary positions. OLCC is requesting each of the part time decoys be financed for 24 hours of work per month at $14.78 per hour. This totals 288 hours per decoy per year. This would require a budget of $51,079.68 per year and a total of $102,159.36 per biennium to employ 12 decoys, 24 hours per month.

OLCC requests one additional PEM-D to be assigned to the Medford Regional Office in the Public Safety Division. This position would supervise all of the recreational marijuana positions assigned to the Medford Region. Alcohol Compliance managers supervise both marijuana and alcohol regulatory positions.

Alcohol Compliance & Licensing Staff
OLCC 2021-23 Budget, Policy Option Package No. 204, As Modified

Division	Package Description		FTE	One-time	Ongoing	Total
Public Safety - Licensing	Add 1 PEM-C	*	1.00		$227,095	$227,095
	Services & Supplies, including office space @ $17,560 per employee			$3,100	$23,560	$26,660
	Work station furniture & chair			$7,700		$7,700
			1.00	$10,800	$250,655	$261,455
Public Safety - Compliance	Add 1 PEM-D for Medford Regional Office	*	1.00		$256,496	$256,496
	Services & Supplies, including office space @ $17,560 per employee			$3,100	$23,560	$26,660
	Work station furniture & chair			$7,700		$7,700
			1.00	$10,800	$280,056	$290,856
Public Safety - Compliance	Funding for 12 Minor Decoy Temporary Positions				$131,447	$131,447
			0.00	$0	$131,447	$131,447
TOTALS - Alcohol Compliance & Licensing Staff - Package #204		*	***2.00***	***$21,600***	***$662,158***	***$683,758***

*Personal Services calculated at Step 5 for all new positions

a. Benefits to stakeholders

OLCC's licensing system processes over 19,000 alcohol and marijuana licenses annually. In addition, there is processing and renewals annually for approximately 35,000 alcohol service permits and 20.500 marijuana worker permits. Timely processing of licenses and permits enables businesses and employees to begin contributing economically to the state. Oregon's liquor regulatory system oversees over 18,000 alcohol licensees including brewpubs, bars, restaurants, convenience stores, entertainment venues, special events and wineries. Oregon's recreational marijuana program oversees over 650 retail licensees. Businesses need to be regulated effectively so they do not become a public safety risk. Prevention of alcohol and recreational marijuana sales to minors is a top priority for OLCC. Having minors to consistently conduct decoy operations checks will effectively and consistently confirm the enhancement of Public Safety's proactive measures ensuring alcohol and marijuana doesn't get into the hands of minors.
OLCC is currently responsible for three separate program areas including alcohol, recreational and medical marijuana. Additional supervisory oversight will assist OLCC in meeting legislative benchmarks and assist in meeting the needs of stakeholders through adequate management oversight.

b. Benefits to OLCC

Resource constraints within the agency have led to significant overtime and stress related to increased workloads. Non-compliance of some licensees can lead to high profile cases where perception of the agency is diminished. More resources allow OLCC to more effectively serve the public as well as capture revenue more efficiently. Additional Public Safety resources will allow OLCC to more effectively serve the public. Compensating minor decoys within the Student/Technical Professional Worker classification (AU 0150) will allow OLCC to meet their minor decoy compliance goals. Having appropriate employee to supervisor ratios allows for appropriate oversight to provide quality customer service and to make sure the needs of our employees are being met as they carry out the mission of the Commission.

C. Staffing Impact

The package adds 2 (2.0 FTE) positions to OLCC. Student workers for minor decoy operations will be employed as needed to meet compliance objectives.

D. Quantifying Results

This requests links directly to two agency Key Performance Measures; Time to License for Alcohol and Sales to Minors.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

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Alcohol Compliance and Licensing Staff
OLCC 21-23 Budget, Policy Option Package No. 204, Agency Priority No. 4

A. Package Purpose

Licensing

OLCC license and permit requests for both the alcohol and marijuana program continues to grow. For alcohol, over the last two biennia, we have averaged a net growth of 340 active alcohol licenses each year. This has increased demands on staff responding to increasing information requests from the public and industry as well as carry higher caseloads in an effort to maintain the KPM of 75 days to licensure. Additionally, since 2016 due to agency growth to accommodate the marijuana program, dual role inspector/investigator positions were discontinued which resulted in a loss of staffing resources approximate to five investigators. Since this change, the alcohol program has been unable to achieve the 75 days to licensure KPM. The demand and responsibility for expeditious processing of alcohol and marijuana licenses and permits as well as the maintenance of licenses and permits and those records associated to them remains a top priority for OLCC. To meet this expectation, OLCC must better align the number of staff and classification of current staff to the growth and change of both industries.

Compliance

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recreational marijuana industry. Continued coordination and improvement are still needed as both the alcohol and marijuana regulatory environments continue to evolve and OLCC grows both in positions and enforcement responsibility.

B. How Achieved

Alcohol Licensing

OLCC requests addition of three liquor licensing specialists for alcohol licensing.
The current licensee to liquor licensing specialist ratio is unsustainable and has created significant workload issues. The marijuana program has brought additional work requirements for liquor licensing specialists. This includes using separate systems to verify marijuana compliance history for liquor license applicants and completing investigations to substantiate if the marijuana compliance history would impose restrictions or denial of the application. Additionally, licensing has received increased requests for direction from applicants and the public regarding policies that involve both marijuana and alcohol. Liquor licensing specialists assist the public with questions regarding liquor related rules and laws and answer about 500 – 700 questions a month from walk-in customers, phone calls and emails.

Ratios of Liquor License Specialist to Licenses over Time

Year	# of Instate Liquor Licensees	Increase of Licensees per Year	# of Liquor Licensing Specialists	Ratio of Licensee to Liquor Licensing Specialist	KPM is 75 Days to Issue a License
2011	12,497	N/A	24 *	521	74
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*Dual Role was a position at OLCC that did both licensing and compliance work. For the ratio of licensee to liquor licensing specialist, dual role positions are at .50 FTE. In 2016 Dual Role positions converted to either a regulatory specialist or licensing specialist.

OLCC requests addition of one Compliance Specialist 1 "Alcohol Licensing Program Coordinator" for alcohol and marijuana licensing. The increase of alcohol licenses year-over-year has increased the demand for access to information and contact with the alcohol licensing program. Currently alcohol licensing specialists must share in the responsibility to step away from their work when information requests come, either in-person, on the phone or electronically. These contacts, on average, range from 500 to 700 per month (See chart below). This directly affects their work as it creates a distraction from their primary responsibilities of investigating and processing license applications. This position will serve a vital role in preparing this program with a technical resource to include building a capacity of knowledge in preparation for the upcoming online licensing systems as well as help create a central resource for the industry and community to ensure the accuracy and consistency of information sharing and reducing non-applicant communication from licensing specialists. This position will be an integral part of the Liquor Licensing Unit as the agency is moving towards an online application system from a paper system. The position is necessary to triage technical information and metric data.

2019 Assistance to the Public for Liquor Related Rules & Laws				
Month	Walk-In	Phone	Emails	Total Contacts
August	127	332	304	763
September	159	143	241	543
October	115	273	345	733

OLCC requests addition of one Administrative Specialist 1 for alcohol licensing. The alcohol licensing program currently does not have an administrative support position. The addition of this position will further this programs effectiveness by providing necessary administrative support functions to both the manager and the program. The Liquor Licensing Unit currently has 17 licensing specialists and one manager who are located in five different offices. Administrative support is needed to be a liaison for information flow between the offices and to be the primary office support for the Liquor Licensing Unit. Without administrative support, the manager and licensing specialists must perform many support functions for the unit which lessen their effectiveness in their primary responsibilities.

OLCC requests addition of one Principal Executive Manager C "Assistant Licensing Manager" for alcohol licensing. Currently there are 17 licensing specialist positions under the supervision of the alcohol licensing manager. With the addition of the above requested staff, providing an assistant manager position to support this program is essential to maintain an appropriate management/staff ratio as well as to support the work required of these positions. This would create a manager to employee ratio of 1:12 rather than 1:24. Additionally, adding a lower level management position supports effective succession planning by developing a pathway into the PEM-D level management positions and beyond.

OLCC requests addition of one Office Specialist 2. This position will add support to the service permit team which processes and maintains alcohol service permits. Currently, the unit consists of one Administrative Specialist 2 position and two Office Specialist 2 positions.

Analysis of the Situation and Action Requested

Effective 5/1/2018, the Commission moved to online applications for Service Permits. Below are some results from the first 18 months of processing:

- OLCC issued 61,998 permits from 76,950 applications.
- OLCC receives, on average, 150-200 applications per day.
- It has taken an average of 9 days to approve applications that do not require a background check. This is twice as long as it had been taking in the paper system.
- The standard rate of background checking used to be about 20% of applications. About 10% of applicants disclose criminal backgrounds and we run those automatically. We would randomly select another 10% and would find a number of people with backgrounds they did not disclose. OLCC is currently unable to run *any* random background checks and the processing of those we do run is backlogged, all due to workload.

OLCC has not kept up with the workload even with other staff in the unit pitching in and working up to 75 hours of overtime per week. It takes one person working full time to respond to emails and another person working full time on phones. With only 2 full permanent OS2 FTE in the unit, that leaves no one to process work.

Alcohol Compliance

OLCC Request funding for the addition of up to 12 minor decoys as temporary positions. OLCC is requesting each of the part time decoys be financed for 24 hours of work per month at $14.78 per hour. This totals 288 hours per decoy per

year. This would require a budget of $51,079.68 per year and a total of $102,159.36 per biennium to employ 12 decoys, 24 hours per month.

OLCC requests one additional PEM-D to be assigned to the Medford Regional Office in the Public Safety Division. This position would supervise all of the recreational marijuana positions assigned to the Medford Region. Alcohol Compliance managers supervise both marijuana and alcohol regulatory positions.

OLCC requests addition of one half time, Limited Duration, Principle Executive Manager G. The position request is to maintain ongoing evaluation of OLCC enforcement structures, processes policies and procedures. The temporary position is currently filled by an experienced law enforcement management professional and works directly with OLCC regulatory specialists to insure that they conform to state standards and have appropriate interaction with local and state law enforcement. OLCC has had some history of inappropriate interactions with licensees. This position will continue to develop uniformity of application of liquor laws and rules throughout the state. OLCC requests funding for a half time position as a limited duration through the 2021-23 biennium.

Alcohol Compliance & Licensing Staff
OLCC 2021-23 Budget, Policy Option Package No. 204

Division	Package Description		FTE	One-time	Ongoing	Total
Public Safety - Licensing	Add 3 Licensing Specialists for both Liquor & Cannabis licensing	*	3.00		$586,920	$586,920
	Services & Supplies, including office space @ $17,560 per employee			$9,300	$70,680	$79,980
	Work station furniture & chair			$23,100		$23,100
			3.00	$32,400	$657,600	$690,000
Public Safety - Licensing	Add 1 Compliance Specialist 1 for both Liquor & Cannabis licensing	*	1.00		$168,597	$168,597
	Services & Supplies, including office space @ $17,560 per employee			$3,100	$23,560	$26,660
	Work station furniture & chair			$7,700		$7,700
			1.00	$10,800	$192,157	$202,957
Public Safety - Licensing	Add 1 Administrative Specialist 1 for both Liquor & Cannabis licensing	*	1.00		$146,600	$146,600
	Services & Supplies, including office space @ $17,560 per employee			$3,100	$23,560	$26,660
	Work station furniture & chair			$7,700		$7,700
			1.00	$10,800	$170,160	$180,960
Public Safety - Licensing	Add 1 Office Specialist 2 for both Liquor & Cannabis licensing	*	1.00		$139,952	$139,952
	Services & Supplies, including office space @ $17,560 per employee			$3,100	$23,560	$26,660
	Work station furniture & chair			$7,700		$7,700
			1.00	$10,800	$163,512	$174,312
Public Safety - Licensing	Add 1 PEM-C	*	1.00		$227,095	$227,095
	Services & Supplies, including office space @ $17,560 per employee			$3,100	$23,560	$26,660
	Work station furniture & chair			$7,700		$7,700
			1.00	$10,800	$250,655	$261,455
Public Safety - Compliance	Add 1 PEM-D for Medford Regional Office	*	1.00		$256,496	$256,496
	Services & Supplies, including office space @ $17,560 per employee			$3,100	$23,560	$26,660
	Work station furniture & chair			$7,700		$7,700
			1.00	$10,800	$280,056	$290,856
Public Safety - Compliance	Add 1 PEM-G for Limited Duration, Half-Time position	*	0.50		$172,423	$172,423
	Services & Supplies, including office space @ $17,560 per employee			$0	$23,560	$23,560
	Work station furniture & chair			$0		$0
			0.50	$0	$195,983	$195,983
Public Safety - Compliance	Funding for 12 Minor Decoy Temporary Positions				$109,974	$109,974
			0.00	$0	$109,974	$109,974
TOTALS - Alcohol Compliance & Licensing Staff - Package #204		*	***8.50***	***$86,400***	***$2,020,097***	***$2,106,497***

*Personal Services calculated at Step 5 for all new positions

a. Benefits to stakeholders

OLCC's licensing system processes over 19,000 alcohol and marijuana licenses annually. In addition, there is processing and renewals annually for approximately 35,000 alcohol service permits and 20.500 marijuana worker permits. Timely processing of licenses and permits enables businesses and employees to begin contributing economically to the state. Oregon's liquor regulatory system oversees over 18,000 alcohol licensees including brewpubs, bars, restaurants, convenience stores, entertainment venues, special events and wineries. Oregon's recreational marijuana program oversees over 650 retail licensees. Businesses need to be regulated effectively so they do not become a public safety risk. Prevention of alcohol and recreational marijuana sales to minors is a top priority for OLCC. Having minors to consistently conduct decoy operations checks will effectively and consistently confirm the enhancement of Public Safety's proactive measures ensuring alcohol and marijuana doesn't get into the hands of minors.
OLCC is currently responsible for three separate program areas including alcohol, recreational and medical marijuana. Additional supervisory oversight will assist OLCC in meeting legislative benchmarks and assist in meeting the needs of stakeholders through adequate management oversight.

b. Benefits to OLCC

Resource constraints within the agency have led to significant overtime and stress related to increased workloads. Non-compliance of some licensees can lead to high profile cases where perception of the agency is diminished. More resources allow OLCC to more effectively serve the public as well as capture revenue more efficiently. Additional Public Safety resources will allow OLCC to more effectively serve the public. Compensating minor decoys within the Student/Technical Professional Worker classification (AU 0150) will allow OLCC to meet their minor decoy compliance goals. Having appropriate employee to supervisor ratios allows for appropriate oversight to provide quality customer service and to make sure the needs of our employees are being met as they carry out the mission of the Commission.

C. Staffing Impact

The package adds 9 (8.5 FTE) positions to OLCC. Student workers for minor decoy operations will be employed as needed to meet compliance objectives.

D. Quantifying Results

This requests links directly to two agency Key Performance Measures; Time to License for Alcohol and Sales to Minors.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

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Administrative Hearings Case Presenters
OLCC 2021-23 Budget, Policy Option Package No. 205, Agency Priority No. 5

A. Package Purpose

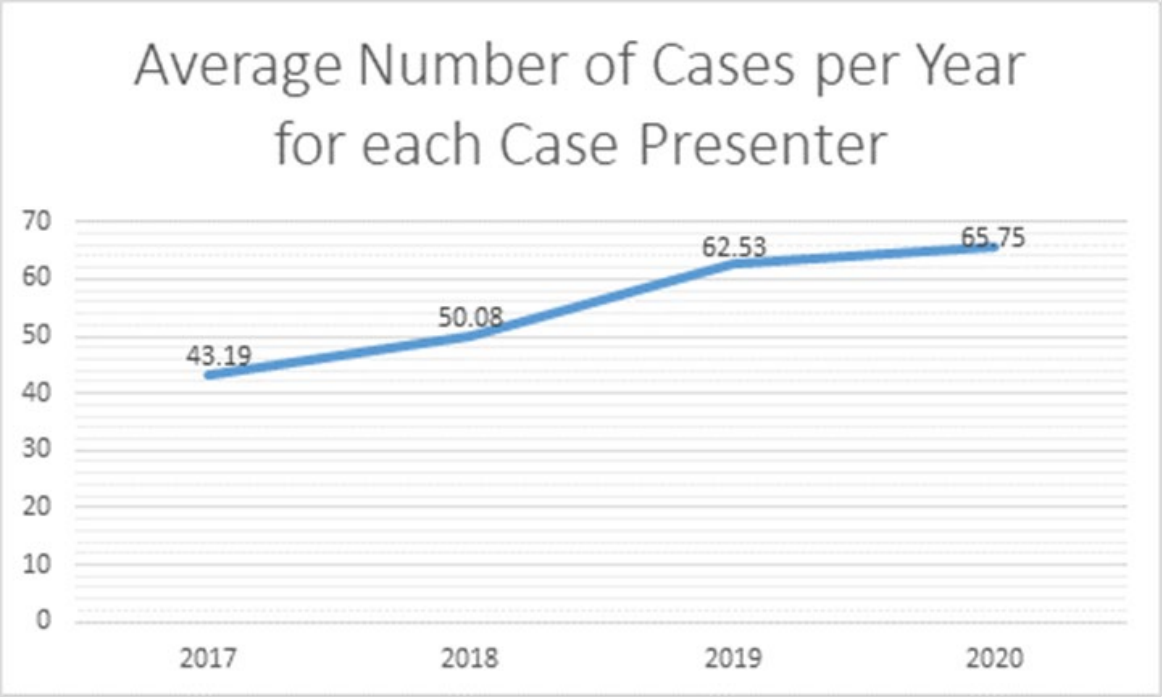
The Administrative Hearings Department Division is in need of a robust enhancement of the hearings unit to handle the increasing number of violation and licensing cases received from public safety staff. Existing staffing levels are insufficient to manage the current caseload, as evidenced by a backlog of cases, which began approximately when OLCC's maturing enforcement efforts began to generate increased citation of marijuana business. OLCC requires additional staff positions that can evaluate, settle or fully adjudicate cases in administrative law proceeds and before the Commission. The Departments workload will be driven upward with the additions of licensing and enforcement staff in the budget request.

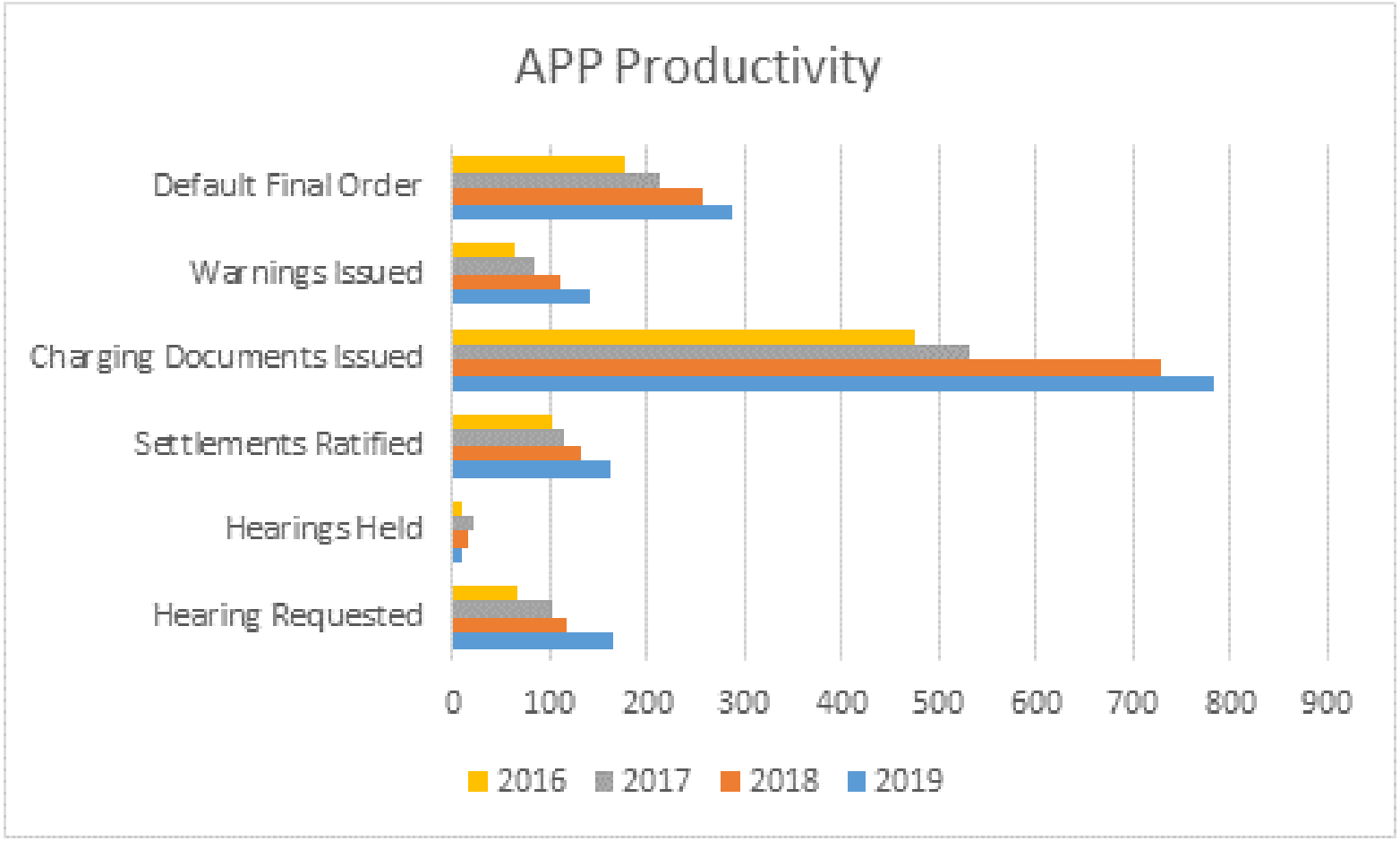
As of March 2, 2020, AHD has a total of 783 contested cases, in varying stages of the adjudication process. These include liquor licensing and violation cases, marijuana licensing and violation cases, alcohol service permit violations and denials, marijuana worker permit violations and denials, and retail sales agent violations. 379 cases are currently assigned among five case presenters. Case presenters are carrying caseloads between 52 and 69 cases. The underlying data in the chart below takes into account the fact that there were only three case presenters in the beginning of 2017 and then two were added over time. The caseload has continued to increase despite the addition of two case presenter positions.

Despite this increase in output, 404 cases have yet to be assigned. This means that AHD has more cases pending assignment than are actually assigned. Although the division has a fairly equal number of liquor cases and marijuana cases, violation cases involving marijuana licensees are more detailed and intricate than liquor cases. This is because OLCC's administrative rules pertaining to recreational marijuana are more prescriptive, and there is a lack of established case precedent. Evaluating a marijuana compliance report and drafting a charging document can take more than twice as long as most liquor cases. As of March 2, 2020, the number of assigned cases were 144 for marijuana, 167 for liquor, 22 for service permits and 71 for marijuana worker permits.

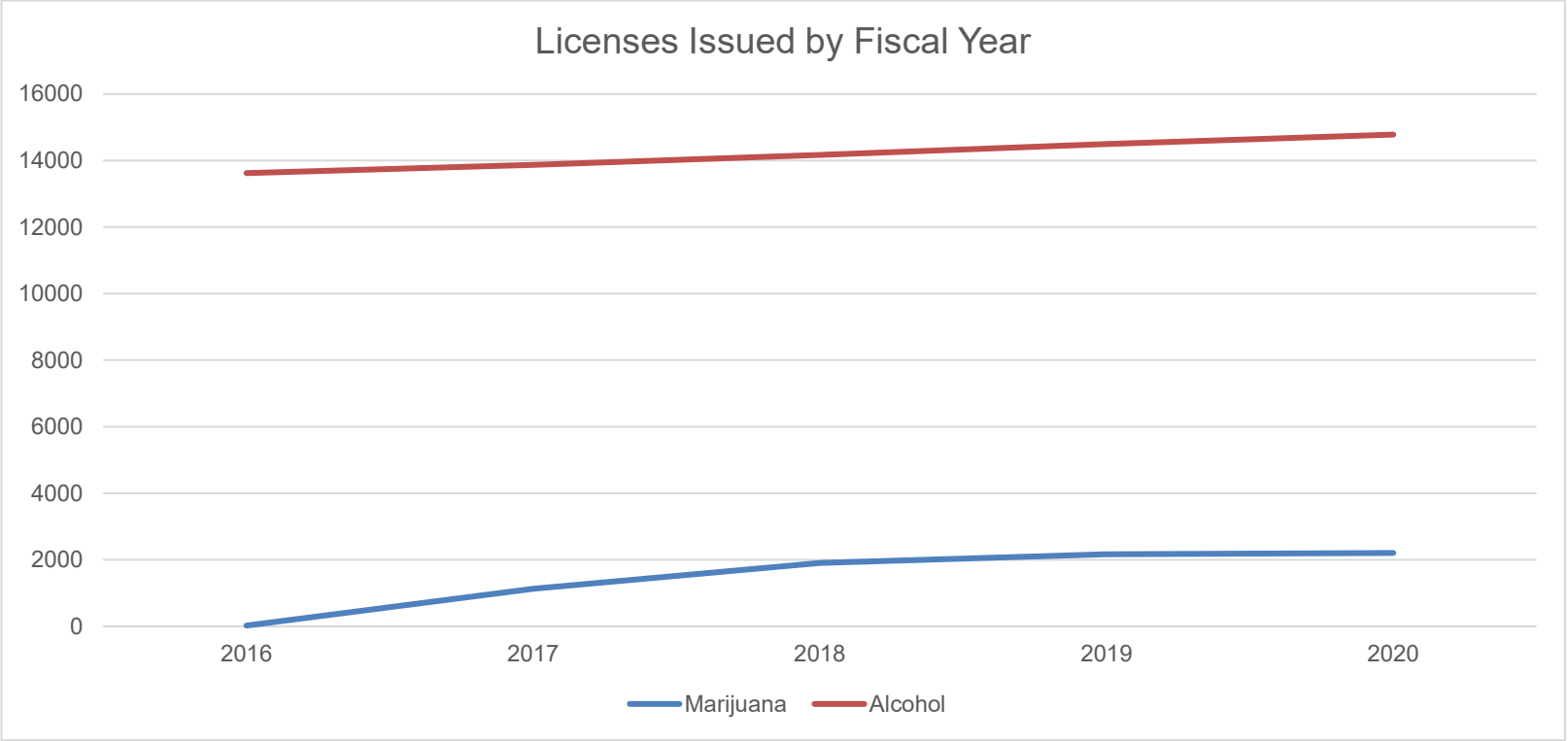
These other fund supported positions from the Liquor Administrative Fund and from marijuana fees are actually a source of funds for the state General Fund as fines and awards, which are increasing in value primarily related to recent marijuana settlements, are transferred to the Criminal Fines and Assessment Account that is fungible with the General Fund. In 2021-2023 transfers are estimated to be $812,000 and that does not take into account fines collected though the addition of positions.

At each stage of the development of the Recreational Marijuana Program the OLCC has seen staff shortages, Starting with lack of investigators in the field to ensure oversight of licensees in the initial months of the program, licensing has yet to recover from a deluge of applications for licensure and now the wave of work is impacting violation adjudication as a natural extension of a maturing program. The clear lesson of the backlog in licensing is that resources need to be committed swiftly. As well, the work of this unit is also being impacted by the growth in alcohol licensee and server complaints and investigations that are actionable for the hearings unit.




APP Productivity
Default Final Order
Warnings Issued
Charging Documents Issued
Settlements Ratified
Hearings Held
Hearing Requested
0
100
200
300
400
500
600
700
800
900
2016
2017
2018
2019

The number of licenses issued by the OLCC has increased over the past few years



When the number of issued licenses increases, it follows that compliance actions will also increase. Additional staffing in the form of four case presenters is required to evaluate and adjudicate the anticipated increase in compliance actions.

B. How Can This Be Achieved?

OLCC requests four Compliance Specialist 3 Case Presenter positions to handle existing workload. Duties would be the same as existing case presenter staff.

Administrative Hearings Case Presenters
OLCC 2021-23 Budget Policy Option Package No. 205

Division	Package Description		FTE	One-time	Ongoing	Total
Hearings	Add 4 Compliance Specialist 3s focused on addressing case backlog	*	4.00		$914,908	$914,908
	Services & Supplies, including office space @ $17,560 per employee			$12,400	$94,240	$106,640
	Work station furniture & chair			$30,800		$30,800
TOTALS - Administrative Hearings Case Presenters - Package #205		*	***4.00***	***$43,200***	***$1,009,148***	***$1,052,348***
	*Personal Services calculated at Step 5 for all new positions					

a. Benefits to stakeholders

Licensees will have their violations handled in a timely manner. The current wait time for processing is unacceptable.

b. Benefits to OLCC

Expanding workloads are impossible to maintain. Adding staff will create reasonable case load expectations for staff.

C. Staffing Impact

Increases 4 FTE.

D. Quantifying Results

There will be a reduction in time for processing violations.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

THE AGENCY REQUEST VERSION OF THE PACKAGE IS NOT IN THE LEGISLATIVELY ADOPTED BUDGET

Medical Marijuana Grow Site Regulation
OLCC 21-23 Budget, Policy Option Package No. 214, Agency Priority No. 14
(for LC 84500-006)

A. Package Purpose

Currently OLCC inspectors inspect OMMP grows that are tracked in the Cannabis Tracking System (CTS), inspecting for both CTS violations as well as violations of OMMP rules. Non-intentional violations are handled through education and follow-up; however there have been multiple instances where the findings have been more egregious. In these cases OLCC investigators write up a report and send it to OMMP. OMMP does not have adequate staff or an administrative violation unit to process these reports and instead needs to send them through DOJ, a slower and more expensive process. This creates a duplication of effort between the two agencies. Processing violations through OLCCs administrative process would streamline the process, be less expensive and lead to quicker action.

The Oregon Liquor Control Commission currently has 533 medical marijuana grow sites enrolled to track marijuana in the Oregon Cannabis Tracking System (CTS). LC 84500-06 proposes to transition the OLCC's role from one of conducting inspections and investigations of Oregon Health Authority registered grow sites to ensure compliance with tracking requirements; to registering, inspecting and sanctioning violations at grow sites.

B. How Achieved

The OLCC has submitted a legislative concept (84500-006) for possible consideration in the 2021 legislative session to give OLCC enforcement authority over medical marijuana grow sites tracked in OLCC's Cannabis Tracking System (those growers currently serving 3 or more cardholders). To accomplish this regulation OLCC anticipates needing the following:

Addition of 2 Compliance Specialists 3's (Case Presenters) to Administrative Hearings Division to conduct cases through the administrative law process.

Addition of 1 Administrative Specialist 2 to the Administrative Hearings Division to manage and process cases for case presenters.

Medical Marijuana Grow Site Regulation
OLCC 2021-23 Budget Policy Option Package No 214

Division	Package Description	FTE	One-time	Ongoing	Total
Administrative Hearings	Administrative Specialist 2	0.75		$122,141	$122,141
	Services & Supplies, including office space @ $17,560 per employee		$3,100	$23,560	$26,660
	Work station furniture & chair		$7,700		$7,700
		0.75	$10,800	$145,701	$156,501
Administrative Hearings	Compliance Specialist 3	1.50		$343,088	$343,088
	Services & Supplies, including office space @ $17,560 per employee		$6,200	$47,120	$53,320
	Work station furniture & chair		$15,400		$15,400
		1.50	$21,600	$390,208	$411,808
TOTALS - Medical Marijuana Grow Site Regulation - Package #214		***2.25***	***$32,400***	***$535,909***	***$568,309***
	*Personal Services calculated at Step 5 for all new positions				

a. Benefits to stakeholders

Medical marijuana grow sites are more efficiently regulated and movement of marijuana to the illicit markets is reduced.

b. Benefits to OLCC

Efficiencies in regulation are gained by combining monitoring and enforcement into one agency.

C. Staffing Impact

The package adds 3 positions Hearing Division in OLCC's Public Safety Program

D. Quantifying Results

OLCC currently has 13 enforcement staff monitoring 533 medical marijuana grow sites. Last year, commission inspectors conducted 528 investigations of Oregon Medical Marijuana Program of registered grow sites. Of those investigations, 377 resulted in violations of tracking or marijuana handling that were forwarded to the Oregon Health Authority for charges.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Public Safety Services Program**

Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor | **Cross Reference Number: 84500-002-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Personal Services							
Temporary Appointments	-	-	1,720	-	-	-	1,720
Overtime Payments	-	-	4,423	-	-	-	4,423
Shift Differential	-	-	2,572	-	-	-	2,572
All Other Differential	-	-	1,729	-	-	-	1,729
Public Employees' Retire Cont	-	-	1,592	-	-	-	1,592
Pension Obligation Bond	-	-	83,854	-	-	-	83,854
Social Security Taxes	-	-	799	-	-	-	799
Unemployment Assessments	-	-	412	-	-	-	412
Mass Transit Tax	-	-	11,053	-	-	-	11,053
Vacancy Savings	-	-	(28,348)	-	-	-	(28,348)
Total Personal Services	**-**	**-**	**$79,806**	**-**	**-**	**-**	**$79,806**
Total Expenditures							
Total Expenditures	-	-	79,806	-	-	-	79,806
Total Expenditures	**-**	**-**	**$79,806**	**-**	**-**	**-**	**$79,806**
Ending Balance							
Ending Balance	-	-	(79,806)	-	-	-	(79,806)
Total Ending Balance	**-**	**-**	**($79,806)**	**-**	**-**	**-**	**($79,806)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Public Safety Services Program**

Pkg: 022 - Phase-out Pgm & One-time Costs | **Cross Reference Number: 84500-002-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Services & Supplies							
Employee Training	-	-	(12,334)	-	-	-	(12,334)
Telecommunications	-	-	(14,620)	-	-	-	(14,620)
Agency Program Related S and S	-	-	(307,776)	-	-	-	(307,776)
IT Expendable Property	-	-	(22,670)	-	-	-	(22,670)
Total Services & Supplies	**-**	**-**	**($357,400)**	**-**	**-**	**-**	**($357,400)**
Capital Outlay							
Office Furniture and Fixtures	-	-	(76,680)	-	-	-	(76,680)
Automotive and Aircraft	-	-	(56,666)	-	-	-	(56,666)
Total Capital Outlay	**-**	**-**	**($133,346)**	**-**	**-**	**-**	**($133,346)**
Total Expenditures							
Total Expenditures	-	-	(490,746)	-	-	-	(490,746)
Total Expenditures	**-**	**-**	**($490,746)**	**-**	**-**	**-**	**($490,746)**
Ending Balance							
Ending Balance	-	-	490,746	-	-	-	490,746
Total Ending Balance	**-**	**-**	**$490,746**	**-**	**-**	**-**	**$490,746**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Services & Supplies							
Instate Travel	-	-	9,763	-	-	-	9,763
Out of State Travel	-	-	560	-	-	-	560
Employee Training	-	-	11,884	-	-	-	11,884
Office Expenses	-	-	14,010	-	-	-	14,010
Telecommunications	-	-	43,244	-	-	-	43,244
State Gov. Service Charges	-	-	(80,357)	-	-	-	(80,357)
Data Processing	-	-	1,900	-	-	-	1,900
Publicity and Publications	-	-	2,701	-	-	-	2,701
Professional Services	-	-	19,148	-	-	-	19,148
IT Professional Services	-	-	4,203	-	-	-	4,203
Employee Recruitment and Develop	-	-	385	-	-	-	385
Dues and Subscriptions	-	-	408	-	-	-	408
Facilities Rental and Taxes	-	-	28,547	-	-	-	28,547
Fuels and Utilities	-	-	997	-	-	-	997
Facilities Maintenance	-	-	799	-	-	-	799
Agency Program Related S and S	-	-	1,837	-	-	-	1,837
Other Services and Supplies	-	-	862	-	-	-	862
IT Expendable Property	-	-	1,372	-	-	-	1,372
Total Services & Supplies	**-**	**-**	**$62,263**	**-**	**-**	**-**	**$62,263**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Office Furniture and Fixtures	-	-	1	-	-	-	1
Total Capital Outlay	**-**	**-**	**$1**	**-**	**-**	**-**	**$1**
Total Expenditures							
Total Expenditures	-	-	62,264	-	-	-	62,264
Total Expenditures	**-**	**-**	**$62,264**	**-**	**-**	**-**	**$62,264**
Ending Balance							
Ending Balance	-	-	(62,264)	-	-	-	(62,264)
Total Ending Balance	**-**	**-**	**($62,264)**	**-**	**-**	**-**	**($62,264)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 060 - Technical Adjustments

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	(1,348,008)	-	-	-	(1,348,008)
Empl. Rel. Bd. Assessments	-	-	(406)	-	-	-	(406)
Public Employees' Retire Cont	-	-	(246,011)	-	-	-	(246,011)
Social Security Taxes	-	-	(101,889)	-	-	-	(101,889)
Worker's Comp. Assess. (WCD)	-	-	(322)	-	-	-	(322)
Flexible Benefits	-	-	(267,624)	-	-	-	(267,624)
Total Personal Services	**-**	**-**	**($1,964,260)**	**-**	**-**	**-**	**($1,964,260)**
Total Expenditures							
Total Expenditures	-	-	(1,964,260)	-	-	-	(1,964,260)
Total Expenditures	**-**	**-**	**($1,964,260)**	**-**	**-**	**-**	**($1,964,260)**
Ending Balance							
Ending Balance	-	-	1,964,260	-	-	-	1,964,260
Total Ending Balance	**-**	**-**	**$1,964,260**	**-**	**-**	**-**	**$1,964,260**
Total Positions							
Total Positions							(7)
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**(7)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 060 - Technical Adjustments

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total FTE							
Total FTE							(7.00)
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**(7.00)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 091 - Elimination of S&S Inflation

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	-	-	-	-	-
Out of State Travel	-	-	-	-	-	-	-
Employee Training	-	-	-	-	-	-	-
Publicity and Publications	-	-	-	-	-	-	-
Employee Recruitment and Develop	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-
Facilities Maintenance	-	-	-	-	-	-	-
Agency Program Related S and S	-	-	-	-	-	-	-
Other Services and Supplies	-	-	-	-	-	-	-
IT Expendable Property	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 092 - Personal Services Adjustments

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Vacancy Savings	-	-	-	-	-	-	-
Total Personal Services	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 096 - Statewide Adjustment DAS Chgs

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Public Safety Services Program**

Pkg: 204 - Alcohol Compliance & Licensing Staff | **Cross Reference Number: 84500-002-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	323,208	-	-	-	323,208
Temporary Appointments	-	-	86,342	-	-	-	86,342
Empl. Rel. Bd. Assessments	-	-	116	-	-	-	116
Public Employees' Retire Cont	-	-	58,986	-	-	-	58,986
Social Security Taxes	-	-	31,330	-	-	-	31,330
Worker's Comp. Assess. (WCD)	-	-	92	-	-	-	92
Flexible Benefits	-	-	76,464	-	-	-	76,464
Total Personal Services	**-**	**-**	**$576,538**	**-**	**-**	**-**	**$576,538**
Services & Supplies							
Employee Training	-	-	2,000	-	-	-	2,000
Office Expenses	-	-	2,000	-	-	-	2,000
Telecommunications	-	-	4,000	-	-	-	4,000
Data Processing	-	-	3,000	-	-	-	3,000
Facilities Rental and Taxes	-	-	35,120	-	-	-	35,120
Other Services and Supplies	-	-	2,000	-	-	-	2,000
IT Expendable Property	-	-	5,200	-	-	-	5,200
Total Services & Supplies	**-**	**-**	**$53,320**	**-**	**-**	**-**	**$53,320**
Capital Outlay							
Office Furniture and Fixtures	-	-	15,400	-	-	-	15,400
Technical Equipment	-	-	38,500	-	-	-	38,500
Total Capital Outlay	**-**	**-**	**$53,900**	**-**	**-**	**-**	**$53,900**

_____ Agency Request | **_____ Governor's Budget** | **_____ Legislatively Adopted**

2021-23 Biennium | **Page _____** | **Essential and Policy Package Fiscal Impact Summary - BPR013**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Public Safety Services Program**

Pkg: 204 - Alcohol Compliance & Licensing Staff | **Cross Reference Number: 84500-002-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	683,758	-	-	-	683,758
Total Expenditures	**-**	**-**	**$683,758**	**-**	**-**	**-**	**$683,758**
Ending Balance							
Ending Balance	-	-	(683,758)	-	-	-	(683,758)
Total Ending Balance	**-**	**-**	**($683,758)**	**-**	**-**	**-**	**($683,758)**
Total Positions							
Total Positions							2
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**2**
Total FTE							
Total FTE							2.00
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**2.00**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Public Safety Services Program**

Pkg: 205 - Administartive Hearings Case Presenters | **Cross Reference Number: 84500-002-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	604,896	-	-	-	604,896
Empl. Rel. Bd. Assessments	-	-	232	-	-	-	232
Public Employees' Retire Cont	-	-	110,392	-	-	-	110,392
Social Security Taxes	-	-	46,276	-	-	-	46,276
Worker's Comp. Assess. (WCD)	-	-	184	-	-	-	184
Flexible Benefits	-	-	152,928	-	-	-	152,928
Total Personal Services	**-**	**-**	**$914,908**	**-**	**-**	**-**	**$914,908**
Services & Supplies							
Employee Training	-	-	4,000	-	-	-	4,000
Office Expenses	-	-	4,000	-	-	-	4,000
Telecommunications	-	-	8,000	-	-	-	8,000
Data Processing	-	-	6,000	-	-	-	6,000
Facilities Rental and Taxes	-	-	70,240	-	-	-	70,240
Other Services and Supplies	-	-	4,000	-	-	-	4,000
IT Expendable Property	-	-	10,400	-	-	-	10,400
Total Services & Supplies	**-**	**-**	**$106,640**	**-**	**-**	**-**	**$106,640**
Capital Outlay							
Office Furniture and Fixtures	-	-	30,800	-	-	-	30,800
Total Capital Outlay	**-**	**-**	**$30,800**	**-**	**-**	**-**	**$30,800**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Public Safety Services Program**

Pkg: 205 - Administartive Hearings Case Presenters | **Cross Reference Number: 84500-002-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	1,052,348	-	-	-	1,052,348
Total Expenditures	**-**	**-**	**$1,052,348**	**-**	**-**	**-**	**$1,052,348**
Ending Balance							
Ending Balance	-	-	(1,052,348)	-	-	-	(1,052,348)
Total Ending Balance	**-**	**-**	**($1,052,348)**	**-**	**-**	**-**	**($1,052,348)**
Total Positions							
Total Positions							4
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**4**
Total FTE							
Total FTE							4.00
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**4.00**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Public Safety Services Program**

Pkg: 214 - Medical Marijuana Grow Site Regulation | **Cross Reference Number: 84500-002-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	-	-	-	-	-
Empl. Rel. Bd. Assessments	-	-	-	-	-	-	-
Public Employees' Retire Cont	-	-	-	-	-	-	-
Social Security Taxes	-	-	-	-	-	-	-
Worker's Comp. Assess. (WCD)	-	-	-	-	-	-	-
Flexible Benefits	-	-	-	-	-	-	-
Total Personal Services	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Services & Supplies							
Employee Training	-	-	-	-	-	-	-
Office Expenses	-	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	-	-
Data Processing	-	-	-	-	-	-	-
Facilities Rental and Taxes	-	-	-	-	-	-	-
Other Services and Supplies	-	-	-	-	-	-	-
IT Expendable Property	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Outlay							
Office Furniture and Fixtures	-	-	-	-	-	-	-
Total Capital Outlay	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Public Safety Services Program**

Pkg: 214 - Medical Marijuana Grow Site Regulation | **Cross Reference Number: 84500-002-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Positions							
Total Positions							-
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total FTE							
Total FTE							-
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 810 - Statewide Adjustments

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Employee Training	-	-	(40,359)	-	-	-	(40,359)
State Gov. Service Charges	-	-	(19,510)	-	-	-	(19,510)
IT Professional Services	-	-	(20,000)	-	-	-	(20,000)
Other Services and Supplies	-	-	684	-	-	-	684
Total Services & Supplies	**-**	**-**	**($79,185)**	**-**	**-**	**-**	**($79,185)**
Total Expenditures							
Total Expenditures	-	-	(79,185)	-	-	-	(79,185)
Total Expenditures	**-**	**-**	**($79,185)**	**-**	**-**	**-**	**($79,185)**
Ending Balance							
Ending Balance	-	-	79,185	-	-	-	79,185
Total Ending Balance	**-**	**-**	**$79,185**	**-**	**-**	**-**	**$79,185**

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Oregon Liquor & Cannabis Comm **Agency Number: 84500**

2021-23 Biennium **Cross Reference Number: 84500-002-00-00-00000**

Source	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
Other Funds						
Business Lic and Fees	-	9,172,403	9,172,403	-	-	-
Transfer In - Intrafund	19,155,734	26,194,966	26,194,966	31,742,209	30,570,688	29,671,976
Transfer In - Indirect Cost	1,052,520	1,683,716	1,683,716	-	-	-
Total Other Funds	**$20,208,254**	**$37,051,085**	**$37,051,085**	**$31,742,209**	**$30,570,688**	**$29,671,976**

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DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2017-2019 Actual	2019-21 Legislatively Adopted	Legislatively Approved	2021-23 Agency Request	2021-23 Governor's	2021-23 Legislatively Adopted
ALL Sources	OTHER	Various	$20,208,254	$37,051,085	$37,051,085	$31,742,209	$30,570,688	$29,671,976

___ Agency Request ___ Governor's Budget __X__ Legislatively Adopted Budget Page __87__

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BUDGET NARRATIVE

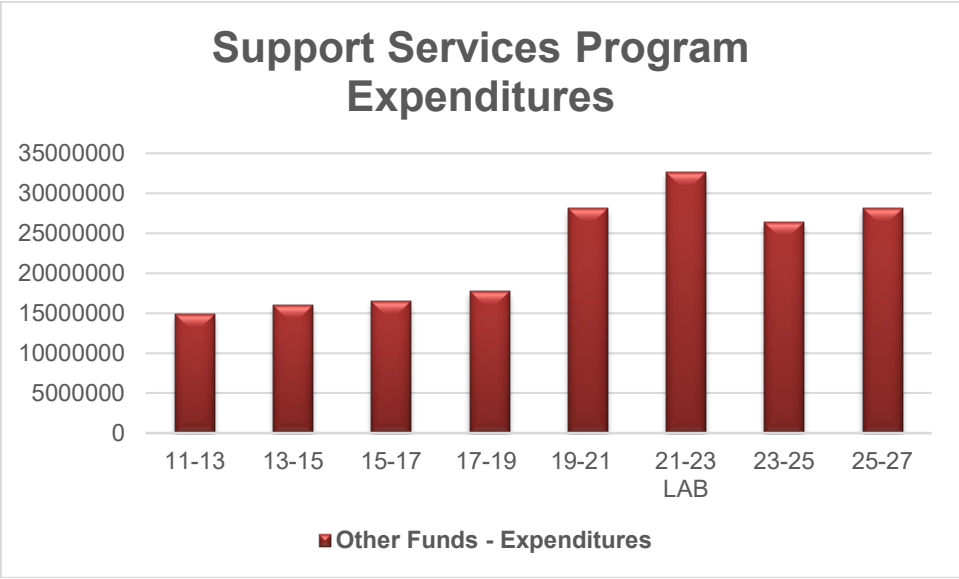
OLCC - ADMINISTRATION AND SUPPORT SERVICES PROGRAM - 003
2021-23 BUDGET

PROGRAM UNIT EXECUTIVE SUMMARY

A. PRIMARY OUTCOME AREA Economy and Jobs

B. PROGRAM CONTACT Will Higlin, OLCC Deputy Director, 503-872-5224

C. FUNDS BUDGET AND PERFORMANCE



The bars on the graph show historical and projected total expenditures for the support services program.

BUDGET NARRATIVE

D. PROGRAM OVERVIEW

The Administration and Support Services Program provides the infrastructure for the agency to fulfill commissioners' policy direction and for OLCC programs to provide services to customers and stakeholders. It provides a means to communicate and collaborate with external stakeholders; the internal structure to ensure accountability and stewardship, and provide the tools and supplies for an efficient and safe workplace.

E. PROGRAM FUNDING

The Legislatively Adopted Budget is $32,576,366 Other Funds limitation for the 2021-23 biennium for this program, with 90 positions and 90.00 FTEs.

F. PROGRAM DESCRIPTON

Functions include setting and implementing policy; providing public information; communicating with internal and external stakeholders; building relationships with partners; providing fiscal accountability and recordkeeping; administering privilege tax collection; providing information technology; training staff; providing labor relations; purchasing commodities; controlling personal property; leasing buildings and equipment; managing its motor pool; maintaining the physical plant and buildings; and providing mailroom services, central supplies and printing coordination.

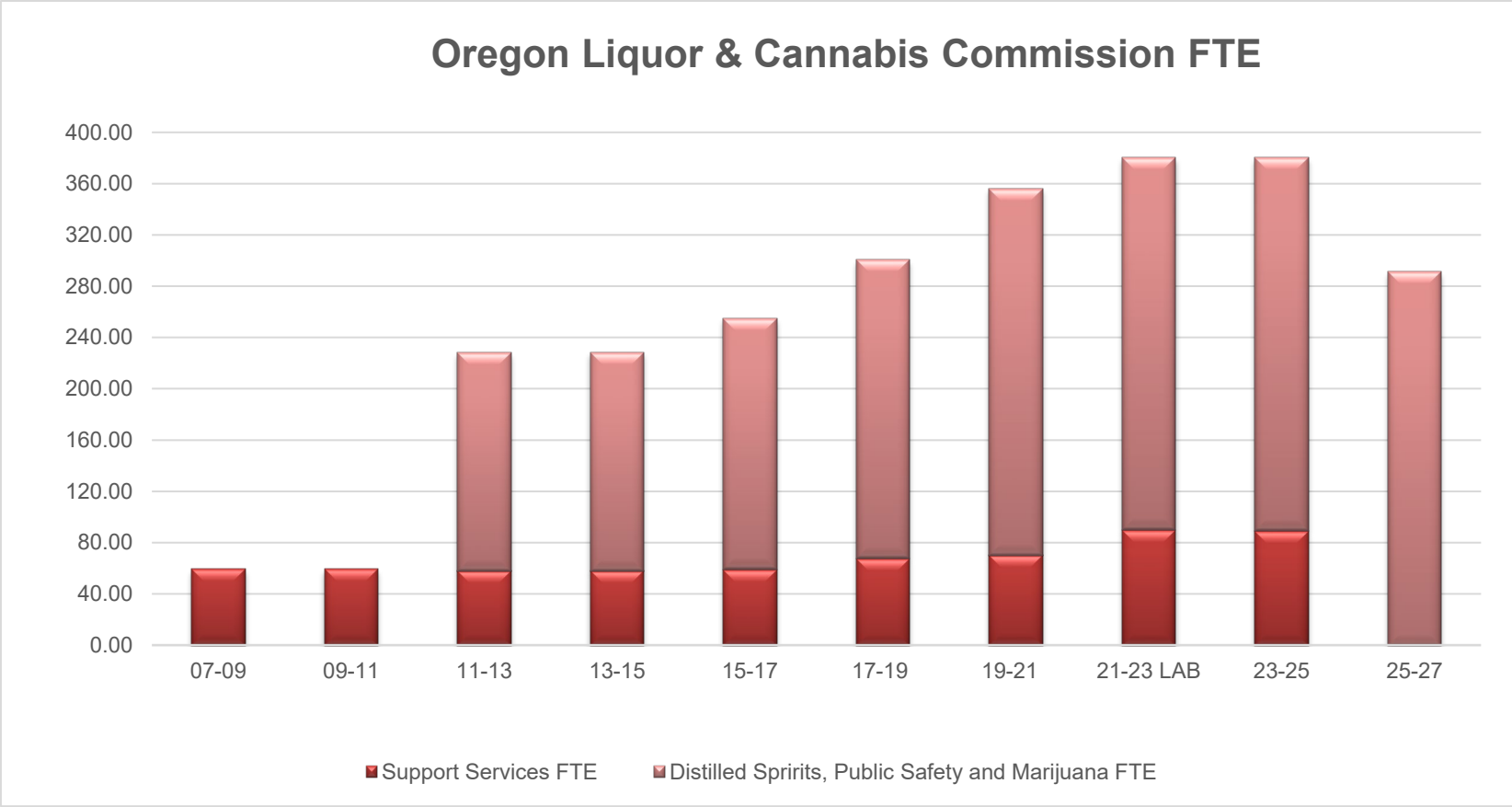
G. PROGRAM JUSTIFICATION AND LINK TO 10-YEAR OUTCOME

The Administration and Support Services Program enables the agency's Distilled Spirits, Marijuana, Public Safety Services, and OMMP Tracking programs, and its Store Improvement and Capital Improvement funds to meet projected 10-year revenue outcomes, growing from revenue of $1.24 billion in 2015-17 to projected revenue of $1.6 billion in 2021-23 (gross revenue including marijuana fees) and to implement licensing and compliance programs for the - recreational marijuana program including hemp and the OMMP program. These programs and funds contribute to the following strategies (see other program unit executive summaries for more details):

- Build agency infrastructure to match how the agency works today
- Preserve and build state revenue

- Enhance livable communities through regulation, licensing and enforcement/compliance

H. PROGRAM PERFORMANCE



The bars on the graph show historical and projected FTE for the support services program and the distilled spirits, public safety and marijuana programs.

ENABLING LEGISLATION/PROGRAM AUTHORIZATION

The OLCC administers Oregon's Liquor Control Act and regulates recreational licensing and compliance for cannabis. The OLCC's authority is derived from Oregon Revised Statutes Chapters 471, Alcoholic Liquor Generally; 473, Wine Cider and Malt Beverage Privilege Tax; 474, Trade Practices Related to Malt Beverages; 459A.700 to 74, Beverages Containers; the Bottle Bill; 475B, Cannabis Regulation; and Administrative Rules Chapter 845.

J. FUNDING STREAMS

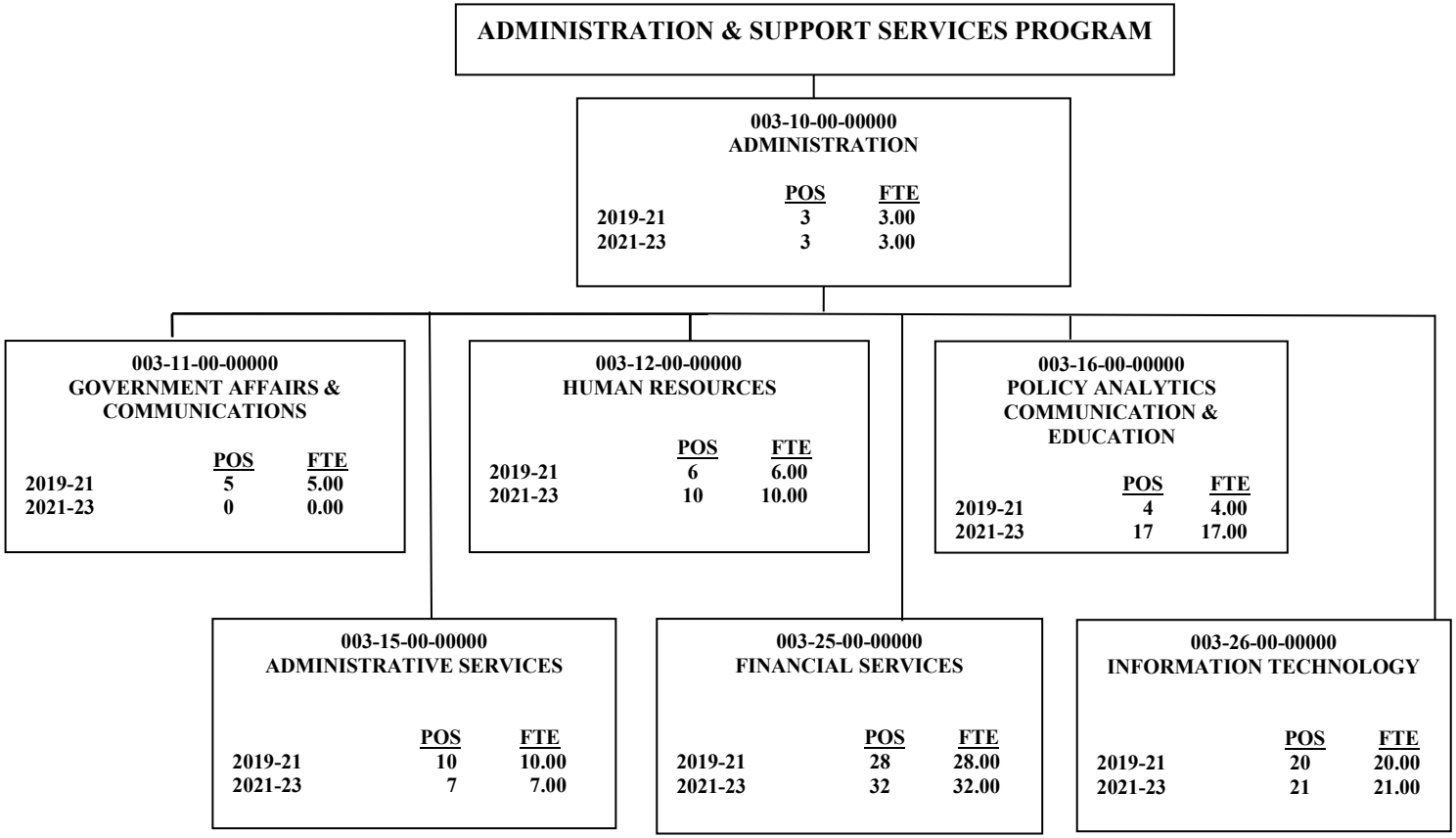
All OLCC alcoholic beverage programs are funded by OLCC-generated revenue. All revenue received by the OLCC is classified as "Other Funds." Revenues come from liquor sales, license fees and fines, server education fees, taxes on malt beverages and wines (Privilege Tax) and miscellaneous income. ORS 471.805 directs the OLCC to distribute available moneys to the state General Fund, cities, counties, and Mental Health. OLCC's marijuana program is funded by marijuana license fees and fines. Marijuana taxes are collected and distributed through the Department of Revenue. OLCC's OMMP Program is funded with marijuana tax proceeds.

K. SIGNIFICANT PROPOSED PROGRAM CHANGES FROM 2019-21

The 2021-23 Legislatively Adopted Budget moves: 1 position from the Distilled Spirits program; 1 position from the Administration program; 8 positions from the Public Safety program; and 4 position from Support Services' Communications division into a newly created Policy, Analysis, Communication and Education Division. The "PACE" program is designed to streamline and lead improvements to agency-wide policy, analysis, communication, and education services. PACE is located in the Support Services sub-program 16 which replaces the previously titled sub-program "Management Consulting". The Support Services sub-program (11) "Government Affairs & Communication", and Public Safety sub-program (46) "Training & Education" are eliminated and moved into PACE.

OLCC - ADMINISTRATION AND SUPPORT SERVICES PROGRAM (003)
2021-23 BUDGET

Organization Chart



OLCC - ADMINISTRATION & SUPPORT SERVICES PROGRAM SUMMARY - PROGRAM 003
2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

In 2019-21, the Administrative and Support Services Program focused on creating policies and processes to support the work of a rapidly changing and growing organization. The addition of marijuana licensing and compliance to the agency's portfolio in 2015 and subsequent legislative changes in 2015, 2016, 2017 2018, and 2019 continues to require new policies and rules, new procedures, hiring of additional support staff and adjustments in duties. The growth in alcohol licenses and changes in business models has challenged the agency to continually adapt to a new regulatory environment. The increasing demand for distilled liquor has pressed the agency's existing warehouse capacity. Rapid policy development, implementation and communication has been key as the agency worked with the Governor and industry leaders to respond to COVID-19 and educate internal staff and licensees on the subsequent restrictions on licensees. In the current biennium the workload of every department increased – from increased distribution of distilled liquor to managing the Bottle Bill, from deployment of IT equipment to support telework to redesigning license processes, from implementing virtual inspections to creating new sections for the web and a brand new website – all this added to the agency's already heavy lift to develop rules, procure computers, recruit and interview staff, analyze data and utilize for decision-making, organize informational meetings and materials for new licensees, track budgets, and implement planning new information systems. The Administrative and Support Services Program's emphasis on internal and external communication is key to the success of every department in the agency.

Purpose

The Administration and Support Services Program provides the infrastructure for the agency to fulfill commissioners' policy direction and for OLCC programs to provide services to customers and stakeholders. It provides a means to communicate and collaborate with external stakeholders; the internal structure to ensure accountability and stewardship, and provide the tools and supplies for an efficient and safe workplace. Functions include setting and implementing policy; providing public information; communicating with internal and external stakeholders; building relationships with partners; providing fiscal accountability and recordkeeping; administering privilege tax collection; adjudicating enforcement activities; providing information technology; administering beverage container redemption and collections, hiring and training staff; providing labor relations; purchasing commodities; controlling personal property; leasing

buildings and equipment; managing its motor pool; maintaining the physical plant and buildings; and providing mailroom services, central supplies and printing coordination.

Activities

As the third largest state revenue producer after income tax and lottery, the program provides leadership and infrastructure to support economic development in the state while providing for the responsible sale and service of alcoholic beverages and the licensing and regulation of recreational marijuana businesses. ORS 471.030 directs the Liquor Control Act to be implemented in the context of encouraging the development of all Oregon industry. This includes modernizing the retail alcoholic beverage system; developing a comprehensive system of licensing recreational marijuana; streamlining and prioritizing public safety functions and workloads; and using affordable modern technology to optimize the OLCC's ability to regulate, distribute, and generate stable revenue for all Oregonians. With an annual alcohol sales growth OLCC is on track to transfer record levels of revenue to cities, counties and the state General Fund. The tax revenue produced by recreational marijuana licensees is collected and distributed by the Oregon Department of Revenue. The OLCC funds the recreational marijuana program solely through license fees and fines.

Issues

A major issue during the 2019-21 biennium was growing agency services to meet the expanded mission for the agency; OLCC leadership and staff continues to adapt in order to develop systems, processes, and rules to implement the recreational marijuana statutes along with multiple legislative changes in 2015, 2016, 2017, 2018 and 2019. At the same time the agency remains focused on improving and expanding distribution processes and retail opportunities to sell alcoholic beverages throughout Oregon. The Commission and the agency management team is committed to maintaining an efficient and responsive organization, supporting Oregonians through the active development of new policy approaches, prioritizing improved communication across all areas of activity, and taking action to implement identified business investments to improve service and efficiency. This work is accomplished while maintaining a strong focus on the overriding priority of the OLCC to keep customers and the community safe. The OLCC is looking to strengthen the tools and communication it can apply at the local level to work with communities to ensure citizen safety and prevent alcohol and marijuana related problems while maintaining an unwavering focus on preventing alcohol and marijuana sales to minors. The OLCC's work with container redemption and approval of bottle redemption centers continues to grow as sanitation, social issues, and continuing redemption center coverage expands statewide.

BUDGET NARRATIVE

Over the last two decades, Oregon's population and its hospitality and tourism industries has resulted in a growing distilled spirits market, more liquor licenses, and greater demands on OLCC programs. With the addition of the marijuana program and the OMMP and hemp tracking programs, the focus on retail expansion, and an aging IT infrastructure, OLCC's administrative duties have expanded exponentially. Since the passage of Measure 91 legalizing marijuana, OLCC staff has grown from 230 employees to 364 and is likely to grow more. Of the 304 current positions prior to the 2018 session, 94 employees were new to the agency and 81 moved to a new position within the agency. New license types, new license privileges for alcohol and marijuana, new software and new processes and procedures has necessitated the need for policy development, IT oversight, continual hiring and training and producing materials for external stakeholders and employees. These needs will continue throughout the 2021-23 biennium. As of June 1, 2020, the agency regulates 2,267 marijuana licenses, 56,657 marijuana worker permittees, more than 15,000 in-state alcohol licenses, 16,000 special event licenses, nearly 3,300 out of state certificate holders and more than 165,000 alcohol service permittees. New rules and procedures continue to be developed, vetted, revised and implemented, and adapting IT systems to meet the agency's current needs have added significant responsibilities to existing and new staff. Implementing and communicating these changes have been hampered by the lack of central organization. To create efficiencies the agency reorganized in the spring of 2020 to bring the policy, analysis, communication and education staff from various departments into the PACE unit that operates using a "shared service" model to benefit the entire organization (Policy, Analysis, Communication and Education Division). This unit of senior policy, communication and analytics professionals proved invaluable during the pandemic by developing and implementing rapid analysis, policy options, and communication to stakeholders. The development of the Support Services Program continues to streamline processes in order meet increasing workloads while bearing its share of State reduction in staff and dollars. The agency budget calls for paced investments to meet demand for future services.

This division is responsible for the outcomes of: facilitating and making decisions that support all other divisions' work to produce growing, stable revenue, and activities that provide for customer convenience and citizen safety through the OLCC regulatory processes of licensing and compliance.

For 2021-23, the program proposes policy option packages to accomplish what the CSL budget cannot – to meet the stakeholders' expectations for efficient and effective services including online services and updated infrastructure – both physical and information technology – that is modern and functional. The following policy option packages in each of the structural components of the program are designed to meet the challenges and new work associated with growth in alcohol licensees and the expanded mission for the agency:

Warehouse Capital Bonding **Package No. 101, 0 FTE, $98,282,093**

The liquor distribution warehouses operated by the Oregon Liquor & Cannabis Commission have reached capacity for storage of distilled spirits. An estimated $1.5 billion in gross revenue ($586.9 million distributable revenue) is at risk without additional storage to meet demand from population growth and expansion. In addition the agency is currently engaged in a large Enterprise Modernization program to replace insufficient and unsupported warehouse technology. Aligning these two projects and funding them with capitol bonding reduces costs and creates efficiency. This package includes funding for warehouse construction, conveyors, and enterprise modernization information technology solutions. ($90 million total). Biennium payment after 2023 will be $15.1 million. Bond term are ten years for the enterprise modernization information technology solutions, 15 years for conveyors and 25 years for building. This package folds in the agency's expected funding request for the current IT modernization project and eliminates the need for roof repair and seismic upgrades on the existing warehouse. Deferment of roof repairs and seismic upgrades coupled with bond financing of a new distribution center lowers the overall limitation necessary for the program in the 2021-2023 biennium and increases the funds available for distribution. However, this benefit transfers to the general fund, counties and cities is only achieved by making a decision to capture efficiencies, and of committing to capital construction plan to meet project consumer demand over the next ten-year period. A vital mission of the OLCC is to be a predictable and reliable generator of revenue to the state, and this package is necessary to meet that goal. Importantly, on the social consequences side, this projection maintains a consistent rate of access to spirits at one store per 15,000 residence. On a per-capita basis, Oregon has far fewer stores than the national average. As well, projections maintain that Oregon remains a high spirits cost state, only Washington to the north exceeds Oregon's consumer pricing. All things equal, social impacts of alcohol are held at a status quo level in this projection.

Human Resources Staffing **Package No. 302, 4 FTE, $1,009,200, As Modified**

This package addresses the agency's ongoing need for continual recruitment, training and management support. The agency's vacancy average is 60 positions, including backfill. The volume of vacancies and unique skill sets required to fill those vacancies requires a full time recruiter with expertise in marketing, diversity, equal employment opportunity and Title VII regulations. With rapid growth and hiring, there is a growing need for training and development program that aligns with the state's requirements and policies and supportive of succession planning, employee retention and career advancement. This package converts a double fill of an HRA2 position to a permanent recruiter position and adds a HRA2 trainer position focused on onboarding new employees, HR compliance, policy review and manager training.

Information Services Management and Support **Package No. 303, 2 FTE, $522,397, As Modified**

OLCC is engaged in a large Enterprise Modernization Program to replace insufficient, outdated and unsupported technology. This multi-year, multi-project effort requires significant support from OLCC's Office of Information Services (OIS) which operates with no administrative support and requires significant strategic planning and oversight to ensure success of the current projects while upholding daily operations. This package addresses the need to provide dedicated administrative support to the agency's Information Services Division and management necessary to support ongoing operations, multiple IT projects, systems analysis, security and vendor management. This package adds four positions: 1) Administrative Specialist; 2) Project Management Office and Vendor Relationship Manager; 3) IT Operations Manager, and 4) Solutions Development and Delivery Manager.

Liquor Auditor and Payroll Contracting **Package No. 306, 1 FTE, $394,185**

In the 2019-21 biennium, the finance department double filled a liquor auditor position to address a 20% growth in the number of liquor stores that have opened since expansion began in 2017. The agency has also experienced increased growth in the management of liquor store compensation, payroll, and processing travel requests. In lieu of requesting an additional position, the agency proposes to address this workload increase by outsourcing payroll services. This package makes permanent a double filled Program Analyst 1 Liquor Store Auditor position and proposes to contract payroll services with DAS.

Privilege Tax Subscription Services **Package No. 311, 0 FTE, $1,100,000**

OLCC was provided project funding in the 2019 legislative session for an online privilege tax system that allows wine and beer licensees subject to privilege taxes to file reports online and make payments. This system, scheduled to be completed in the current biennium, requires ongoing funding to provide maintenance, security, hosting and support for the system. This package provides for those subscription and maintenance costs.

Vehicle Replacement **Package No. 312, (Not Included in LAB)**

The distribution center van often requires costly repairs to replace parts and when out of service affects staff's ability to acquire parts for the warehouse conveyor and deliver missed shipments to liquor stores. Costly repairs are also an issue for the agency's vehicle fleet. This package replaces the distribution center van and 13 aging vehicles.

The structural components of the program are:

Administration Division *(subprogram 10*) provides leadership in coordinating the development and articulation of the mission, vision and strategic goals for the agency, and implementing policy as set by the liquor commissioners. The administration division's key strategy to fulfilling the agency's role in economic development and public safety is to support current personnel's productivity through investment in technology infrastructure and training. The OLCC's seven part-time citizen liquor commissioners are the ultimate decision makers and serve as the OLCC's policy setters for budget, regulation, appointment of liquor agents, oversight of the marijuana program and contested cases. This division ensures that the overall policy direction set by the board of commissioners, the Legislature and the Governor is carried out. The executive director sets the tone and the climate to achieve the OLCC's goals and objectives and leads the executive team. The division also spearheads creating and strengthening partnerships with stakeholders – explaining agency needs, policies and processes within state government, and to stakeholders, and the public. Primary Administration Division functions are: strategic planning; policy and organizational development; guidance; assistance and support to the OLCC's program units – Distilled Spirits, Public Safety Services, Marijuana Program, Support Services, and the Medical Marijuana Program - OMMP Tracking. This division is responsible for the outcomes of: meeting the OLCC's overall mission of supporting businesses, public safety, and community livability with accountability to the citizens of Oregon through management of an effective and productive workforce.

Human Resources Division *(subprogram 12)* Partners with the OLCC division units to maximize the potential of its greatest asset, its employees. HR supports the recruitment, development and retention of the agency's workforce and provides equal employment opportunity from recruitment to on-boarding. HR is focused on excellent customer service and committed to attracting, developing, rewarding and retaining top talent regardless of race, religion, national origin, age, sex, sexual orientation, marital status, physical abilities or mental challenges. HR's goal is to foster a healthy, safe and productive work environment for its employees as well as to model the Commission's foundational commitment on Affirmative Action, Diversity & Inclusion and Equal Employment Opportunity. HR strives to make the OLCC and State an employer of choice by following through on this commitment and actively participating in labor relations, policy establishment, policy implementation, safety oversight, manager training, strategic business workforce operations and solutions, strategic recruitment and workforce management.

Policy, Analysis, Communication and Education Division (PACE) *(subprogram 16)* Between 2014 and 2019, the Oregon Liquor & Cannabis Commission ("OLCC") underwent a fundamental shift in regulatory responsibility requiring

significant changes day-to-day operations. The Oregon Legislature granted new authority to regulate recreational marijuana business licensing and many aspects of medical marijuana oversight. Standing up this new industry involved transformational change for the agency, largely driven by three external factors: 1) market demand for licenses; 2) continued illegality of marijuana at the federal level; and 3) annual changes in public policy through legislation.

Early on, OLCC integrated marijuana regulation with liquor regulation, threading marijuana responsibilities throughout the agency to achieve efficiencies and economies of scale among staff. As a result, agency management absorbed oversight of the marijuana program within its existing structure. Staff was largely added at the operational rather than management level. As the agency has grown from 230 employees in 2015 to 364 in 2020, and the marijuana and alcohol issues became more complex, the existing management has become increasingly overwhelmed by the sheer number of operational and policy needs of the organization. It was clear, given the work load, responsibilities, and rapidly changing environmental landscape for both alcohol and marijuana that reorganization was required, with a focus on management structure

In March 2020, OLCC adapted its organizational structure to streamline policy development, analysis, communication and education and organized staff previously located in individual departments into one program (PACE). This Division has already streamlined policy input and decision making in the ever-changing and multi-layered response to COVID-19. The program maintains regular communication with a multitude of stakeholders and centralizes analytical support for the entire agency. Going forward the program will continue to be critical as the agency grapples with issues ranging from alcohol and marijuana licensing and enforcement, agent and distiller compensation, home delivery of distilled spirits, warehouse expansion, the bottle bill, and Oregon state government's adaptation of new accountability standards and agency-wide performance management.

Administrative Services Division *(subprogram 15)* provides internal services including property control, **motor pool** (*subprogram 75*), physical plant maintenance, grounds/building maintenance, mail/**supply services** (*subprogram 60*), and administers the separate limitation fund for the **Capital Improvements Program** (*program 88*). This division is responsible for the outcomes of: providing citizens cost effective services and providing stewardship for state owned assets.

Financial Services Division (*subprogram 25*) provides fiscal accountability and stewardship of assets for the OLCC. In accordance with generally accepted accounting principles (GAAP), the division provides financial services, ensures OLCC-wide accountability, and maintains financial records in support of the OLCC's mission. Financial Services ensures appropriate oversight and review of the fiduciary role of the independent liquor agents' activities by providing an external audit function over liquor receipts. The division also is responsible for the collection and recording of privilege taxes due from licensees of the OLCC. Financial Services implements internal control policies to accurately record and report financial transactions. The workload of this division continues to increase due to distillery agent expansion, retail expansion, ageing liquor auditing equipment and software, marijuana implementation, and the recent assumption of responsibility for commodity purchasing and contracting. This division is responsible for assuring the integrity of all OLCC financial transactions, preparing fiscal analysis for the prioritization of programs, and maintaining and producing an agency budget.

Information Technology (IT) Division (*subprogram 26*) provides the means for the OLCC staff and stakeholders to perform their functions efficiently and effectively using information technology. OLCC also relies on the data from the Office of Information Services (OIS) to provide for responsible stewardship of resources, such as its Milwaukie liquor distribution center and the statewide retail liquor store operations as well as marijuana and liquor licensing data.

The OIS staff serve a varied internal and external customer base with various platforms, applications and desktop configurations. OLCC received legislative funding for a Chief Information Officer position which was filled May 7, 2018. Shortly thereafter, the CIO hired a Director of OIS. With these two strategic positions in place, the agency has initiated an evaluation across the entire technology spectrum. After initial analysis, it became apparent that the agency OIS division has been significantly lacking in staffing and infrastructure resources in order to maintain even the basic business operations expanding legislative mandates. As a result, the agency has engaged in an Enterprise Modernization Program which will address insufficient, inefficient, and disjointed legacy Marijuana and Alcohol licensing and compliance, Distilled Spirits supply chain program technology system(s). This multi-year and multi-pronged effort combined with strategic bond funding to increase warehouse capacity is outlined in POP# 101. In the 2019-2021 budget cycle, OLCC was granted some funding ($3,025,000 total; $1,512,500 per project) to begin the Enterprise Modernization Program in POP# 301. Prior to contract execution, the agency has been directed to report back to the JLCIMT on modernization program status, and request Joint Committee on Ways and Means authorization to proceed with implementation of the initiative. This IT investment would mitigate the risks to the Milwaukie distribution center that affect the ability to ship or receive distilled spirits, jeopardizing the revenue collected by OLCC that is distributed to the state, cities, counties, and mental health and addiction treatment services. Additionally, this investment safeguards the

agency against frequent and imminent system failures that result in loss of productivity, compromised data integrity, and a negative impact on agency stakeholders. Through enterprise modernization in these cornerstone areas, OLCC will increase revenue returned by improving productivity, decreasing processing time while enhancing service levels, decreasing paper usage, and improving stakeholder relations.

This division is responsible for the outcomes of: innovating and implementing information technology services and solutions that support an efficient workforce and information management oversight; and, providing citizens, licensees, and business customers convenient and accessible electronic services information, data and transactions. The Office of Information Services' customers include: OLCC Licensing and Public Safety divisions, OLCC Distilled Spirits Program, OLCC Marijuana Program, OMMP Tracking Program, liquor and marijuana licensees, permittees, liquor suppliers, liquor agents, other agencies, local governments and the general public. The OLCC utilizes both custom-developed and off-the-shelf applications that provide major functionality for OLCC programs, and thousands of liquor and marijuana licensed businesses, their stakeholders, and general public customers across the state. Replacing aging hardware and software for the distilled spirits program and its links to distilled liquor purchasing, manufacturer fulfillment and payment, liquor agent orders and payment is critical to preserving liquor revenue. OLCC currently operates on many outdated and unsupported IT systems along with a variety of paper only processes in conjunction with hundreds of excel spreadsheets. Maintaining and operating these environments is very time consuming and expensive. These legacy systems and processes are not only outdated but are also segregated, lacking a consistent data flow and thus, being susceptible to errors and manipulation. In order to support commerce and revenues generated for the state over the next ten years, a major retooling of the agency's IT systems is underway to achieve long-term goals for high performance service delivery.

B. BACKGROUND

Oregon's hospitality and distilled spirits industries ,marijuana licensees and their customers depend on OLCC's Distilled Spirits, Marijuana Program, OMMP Medical Marijuana Tracking and Public Safety Services programs' services for access to the marketplace and for clarity about regulatory controls. The OLCC works to prioritize and streamline services and program delivery through coordinated administration and support in order to facilitate commerce in a well-regulated marketplace. The Administration and Support Services Program creates a framework to manage agency assets update retail operations and plan for internal and external technology upgrades to support the effectiveness and timeliness of staff support and the delivery of services to customers.

Since 2015, the agency has focused on reorganizing its structural units to ensure centralization, efficiency and effective coordination. This has been particularly important as staff and programs have been added, particularly for the regulation of marijuana, the tracking of OMMP medical marijuana, tracking of hemp, and changes in the Bottle Bill. In response to the continual growth in programs and responsibilities, in the early spring of 2020 the agency once again reorganized to better utilize dispersed staff throughout the agency working on policy, analytics, communication and education. Bringing these staff into one unit has streamlined and improved internal and external communications and responsiveness to an ever changing regulatory environment.

C. EXPECTED RESULTS

This program is focused on the organization-wide outcome of meeting the OLCC's overall mission of supporting businesses, public safety, and community livability through education and the enforcement of liquor and marijuana laws. The Administration and Support Services Program plans to achieve the primary goals as outlined in the subsequent subprogram narratives, in doing so, the division is focused on specific results, including:

- **Protecting the public and consumers from harm**. The program works with communities to respond to community level problems associated with the consumption and service of alcohol and the licensing of marijuana businesses with an emphasis on education and prevention strategies as a key part of a regulatory system that ranges from corrective compliance to loss of licensing and service privileges.
- **Leading the agency in affirmatively and proactively encouraging Oregon's economy and communities (per ORS 471.030)**. The program produces growing and stable revenue for the support of public programs by focusing on the success of licensed and contracted businesses and creating jobs and income for a diverse and growing workforce throughout Oregon.
- **Developing and solidifying communication, partnership and trust with stakeholders.** Stakeholders include the alcohol beverage and marijuana industries, hospitality industry, liquor agents, law enforcement, moderation groups and local and state government.
- **Enabling agency-wide streamlining.** Automation or removal of unnecessary barriers for stakeholders' assists in their successful entry into business and promotes sustained growth.
- **Providing responsible stewardship.** The program provides oversight of the operation, maintenance, and modernization of OLCC-owned facilities, infrastructure and contracted retail outlets to meet customers' needs, safeguard commission and vendor-owned assets, and optimize the long-term stability of this vital revenue stream.

- **Valuing diversity and inclusion.** The program incorporates diversity and inclusion system-wide and within the workplace.
- **Ensuring dependable and predictable revenue through the distilled spirits business and facilitating point of sale tax generation through effective regulation of recreational marijuana.**

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, transfers from the Marijuana Administrative Fund, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accord with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

Agency Concept 84500-001 – OLCC Name Change
The agency name "Oregon Liquor Control Commission" no longer describes the mission of OLCC and breadth of the Commission's responsibilities which includes oversight for both alcohol and marijuana licensing and compliance. Given the agency's responsibilities for marijuana regulation, the current name is confusing for the public and creates and impression for marijuana stakeholders that marijuana regulation is less important than alcohol. After 5 years of increasing responsibilities for cannabis regulation it is time to change the agency name to the "Oregon Liquor and Cannabis Commission." This will reflect the agency's current responsibilities and mitigate concerns and center for the industry its regulator home within state government. This can be done without changing the initials OLCC, allowing the agency to maintain its current branding and mitigate cost.

Agency Concept 84500-003 – Sales of Commercial Data
The OLCC needs a statutory change to generate revenue to support operations from the data created and collected by OLCC. The Commission" alcohol sales data is shared this with the National Alcohol Beverage Control Association (NABCA) that collects control state data and provides it to industry. The concept only applies to commercial and not personally identifiable data. This concept enables the Commission to consider how alcohol and marijuana data might be further enhanced, packaged, and monetized.

OLCC - ADMINISTRATION DIVISION - SUBPROGRAM 10
2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

The Administration Division provides leadership in implementing policy as set by the board of liquor commissioners. The division is the agency's central link with the seven part-time, citizen commissioners who serve as the OLCC's policy setters and ultimate decision makers. This is in compliance with Oregon Revised Statutes 471, 473, 474, and 475B. The board leads the OLCC in the development and articulation of the mission, vision and strategic goals for the agency. Requirements for complex policy work has significantly expanded with the addition of responsibilities for regulating adult use marijuana, hemp, OMMP registrants, continual demands to modernize alcohol regulation and bottle redemption. The Administration Division – consisting of the Executive Director's– provides the overall framework and structure in which the OLCC's managers and staff work to achieve the agency's goals and objectives. Planning, setting priorities, developing policy, providing guidance, and securing and allocating appropriate resources for the OLCC's programs – Distilled Spirits, Public Safety Services, Marijuana, OMMP Tracking, and Support Services Programs– are the Administration Division's primary management functions.

Subprogram 10 includes the agency Executive Director, Deputy Director and Commission support staff and is aided by the administrative division's subprograms to implement organizational, structural expression of the agency's vision and values. The Division also guides legislative activities, policy development, public outreach and internal communication, working with the PACE Division (Policy, Analytics, Communication, and Education), subprogram 14, Human Resources, subprogram 12, Financial Services, subprogram 25, and Information Technology, subprogram 26 to do so.

In 2021-23, the agency will continue to focus on accountability and outcomes, preserving stable revenue, enhancing the economy, removing regulatory barriers, streamlining and improving internal and public processes, public safety, and building a diverse workforce. In 2021-23, administration aims to more affirmatively and proactively support the Oregon economy through policy, communications and streamlined, efficient, modern services. The OLCC administration continues to focus on extending its outreach efforts. OLCC interacts regularly with stakeholders to understand their issues, gather information, and adjust rules as necessary to create a regulatory structure that fosters economic development and public safety.

B. BACKGROUND

Historically, the OLCC Communications Division was part of Administration's subprogram 10 budget. Since 2005-07 the Communications Division budget has appeared as its own subprogram 11. In the 2020 agency reorganization Communications became part of subprogram 16, which assumed the responsibilities of the previously named Management Consulting Division and renamed the PACE Division (Policy, Analytics, Communication, and Education).

C. EXPECTED RESULTS

In 2021-23, the Administration Division will advance implementation of specific strategic outcomes to improve business efficiency and customer service by focusing on:

- **Facilitating Accountability and Outcomes:** Administration will provide fiscal accountability and stewardship of assets and provide improved oversight of all agency functions and independent liquor agents by increasing data and analysis to support management decision making, results measurement, and financial and management audits.
- **Prioritizing Economic Development and Job Creation in Oregon**: Administration will affirmatively and proactively support Oregon's economy and communities by initiating specific actions to modernize, streamline or remove regulatory barriers for stakeholders in order to free capital investments in communities, to create business income and commerce, and to provide for private sector job growth.
- **Advancing Public Outreach and Partnership Building:** Administration will increase its outreach to stakeholders in 2021-23 to promote understanding and partnership in supporting Oregon communities' economies, safety, and vitality by focusing on issues and challenges collaboratively.
- **Focusing on Policy Development, Planning and Analysis:** In 2021-23, Administration will work to integrate new policies into its operations based on new short and long-term strategic planning that will provide for public safety, improve distribution and retail operations, and identify specific actions to enable a focus on economic development and jobs.
- **Implementing Operational Improvements:** Administration will improve the systems it manages and its operations by replacing legacy technology and manual systems, beginning a long-term plan to build a modern IT infrastructure utilizing technology and analysis of best practices to support licensing and compliance for alcohol and marijuana and the preservation and enhancement of revenue through the distribution of distilled spirits, analysis, and system design.

- **Evolving Human Resources Management:** Human Resources will take a greater role in facilitating staff and manager success in an increasingly diverse work environment by providing consultative support for managers and staff in order to ensure best practices, problem solving and training, and to ensure that the OLCC has a productive and creative work environment, that meets the needs of a diverse workforce, throughout the agency.
- **Securing Warehouse Capacity to Meet Distilled Spirits Demand and Avoid Loss of Revenue:** Administration and agency leadership will be fully engaged in planning, executing and communicating the need for a new distilled spirits warehouse to secure predictable and stable revenue growth over the near term and though the 10-year planning period. It will provide support to development of the business plan and will work to ensure that Oregon's proposal follows tested approaches to warehouse transition by fully understanding Virginia's recent capacity expansion.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

Agency Concept 84500-001 – OLCC Name Change
The agency name "Oregon Liquor Control Commission" no longer describes the mission of OLCC and breadth of the Commission's responsibilities which includes oversight for both alcohol and marijuana licensing and compliance. Given the agency's responsibilities for marijuana regulation, the current name is confusing for the public and creates and impression for marijuana stakeholders that marijuana regulation is less important than alcohol. After 5 years of increasing responsibilities for cannabis regulation it is time to change the agency name to the "Oregon Liquor and Cannabis Commission." This will reflect the agency's current responsibilities and mitigate concerns and center for the industry its regulator home within state government. This can be done without changing the initials OLCC, allowing the agency to maintain its current branding and mitigate cost.

Agency Concept 84500-003 – Sales of Commercial Data
The OLCC needs a statutory change to generate revenue to support operations from the data created and collected by OLCC. The Commission" alcohol sales data is shared this with the National Alcohol Beverage Control Association (NABCA) that collects control state data and provides it to industry. The concept only applies to commercial and not

personally identifiable data. This concept enables the Commission to consider how alcohol and marijuana data might be further enhanced, packaged and monetized.

OLCC - ADMINISTRATION DIVISION - SUBPROGRAM 12

Human Resources

2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

Human Resources, subprogram 12, is responsible for the recruitment and support of a diverse workforce, aiding the OLCC in the implementation of its mission, vision and strategic goals. The program is dedicated to partnering with OLCC division units to maximize the potential of its greatest asset, its employees. The pressure on this small department continues to grow due to the agency's unprecedented growth since 2015. In 2015 the agency had 230 employees; today there are 364. Recruiting and onboarding has been a key function of this program as is the natural ebb and flow of filling vacancies due to internal promotions, employees leaving for personal reasons or a new jobs and retirements. This program partners with OLCC division units to maximize the potential of its employees.

HR supports the development and retention of a represented workforce as well as provide true equal employment opportunity from recruitment to on-boarding. HR is focused on excellent customer service and committed to attracting, developing, rewarding and retaining top talent regardless of race, religion, national origin, age, sex, sexual orientation, marital status, physical abilities or mental challenges. HR's goal is to foster a healthy, safe and productive work environment for its employees as well as to model the Commission's foundational commitment on Affirmative Action, Diversity & Inclusion and Equal Employment Opportunity. HR strives to make the OLCC and State an employer of choice by following through on this commitment and actively participating in labor relations, policy establishment, policy implementation, safety oversight, manager training, strategic business workforce operations and solutions, strategic recruitment and workforce management.

The division struggles to meet the demands of a growing agency with existing staffing. POP# 302 outlines the need and rationale for additional staffing.

B. BACKGROUND

Historically Human resources was part of subprogram 10; however in 2019 it was separated into a separate subprogram 12.

C. EXPECTED RESULTS

In 2021-23, the Human Resources program will advance implementation of specific strategic outcomes to improve business efficiency and customer service by focusing on:

- **Recruiting a Diverse Work Force:** Human Resource will focus its outreach to diverse stakeholder groups to share information and recruit candidates for upcoming employment opportunities.

- **Evolving Human Resources Management:** Human Resources will take a greater role in facilitating staff and manager success in an increasingly diverse work environment by providing consultative support for managers and staff in order to ensure best practices, problem solving and training.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

OLCC - POLICY, ANALYSIS, COMMUNICATION AND EDUCATION (PACE) - SUBPROGRAM 16

2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

PACE is a recently created program formed to support the core work of OLCC through the development and implementation of Commission-wide public policy, business analytics and performance management systems and prevention and education services. In addition to directly addressing the challenges that come with growth, centralization increase cooperation among staff who share similar responsibilities in different content areas and aligns agency business, policy and technology processes. PACE supports government relations initiatives and leads Commission-wide communication. Members of the team are key advisors to the agency executive director, senior staff and board of commissioners in identifying, designing and implementing legislative responses and solutions to alcohol and marijuana control system policy issues; analyzing proposed and adopted policy, procedural, administrative rule, legislative impacts and application; and establishing productive relationships with internal and external stakeholders locally and nationally. The division participates in various external and internal meetings and makes presentations to develop and communicate agency goals, policies and objectives. The division also manages agency-wide business analytics, in support of the OLCC Human Resources and DAS Chief Human Resource Office's new standards of accountability for performance management.

The four components of the division include:

Policy Development and Implementation: responsible for the development and implementation of public policy across the Commission. It does so by analyzing available research on specific issues and topics identified by Commission leadership as important to the development of sound decision-making and policy development, and then develops policy through the Commission rule making process and legislative concept development process. The Government Relations Director interfaces with the Policy Development Team regularly and manages interaction with the Oregon Legislature. The group drafts agency rules and conducts the agency's rulemaking function in accordance with the Administrative Procedures Act. This includes collaborating with various internal subject matter experts to develop rule concepts, facilitating stakeholder advisory groups, developing fiscal impact statements, conducting rulemaking hearings and gaining approval by both agency leadership and Commissioners. The agency faces a rapidly changing regulatory

environment. Given the ever-evolving recreational marijuana regulatory landscape, the number and complexity of rulemaking actions will continue to increase. Rulemaking actions will also continue to increase due to: ongoing legislative amendments to the agency's authorizing statutes; potential shifts in the traditional three-tier system of alcohol distribution and taxation; implementing and clarifying Bottle Bill legislation; and the industry's increased use of the petition process to effect administrative rule changes. The agency typically completes an average of about 15 – 20 separate rulemaking actions (with each rulemaking action possibly containing multiple rules to amend). This activity has increased significantly with the addition of marijuana regulation and alcohol and marijuana response to COVID-19.

Analytics: responsible for developing the Commission's performance management system using business analytics and research-informed program evaluation. The team also supports the Commission's Licensing and Enforcement operations by providing insight, analysis and tools to increase compliance among OLCC licensees. This group ensures OLCC's sound stewardship of the state's resources and enables OLCC's Distilled Spirits, Marijuana Program, Public Safety Services and the rest of the Support Services programs to perform their functions effectively and optimally. The staff provides quality control and enables the OLCC to meet highest standards in performance. Its internal consulting services include performance measurement, statistical analysis, RFP development, research, and economic, sales and revenue forecasting services. Responsibilities include providing accountability for program operations, facilitating data-based performance standards and decision making, and calculating predictive forecasts for revenue sources that allow the agency to meet its obligations for providing steady and growing revenue. By providing supplemental quantitative and qualitative expertise, analytics promotes more effective and consistent decision-making, streamlines or enhance processes, and allow for more efficient use of limited resources. This optimizes OLCC's path toward its strategic goals and mission. Examples of consulting services include: revenue and sales forecasting, cost benefit analyses, distilled spirits market research, the Performance Measurement Program and management of contract researchers.

The teams internal audit function is an independent, objective assurance-and-consulting activity with a goal of adding value and improving the operations of the OLCC. Since 2009-11, the division contracts with external consultants to provide these services but is slated to hire an internal auditor. The internal audit function focuses on operational accountability and performance, and provides management with appraisals, analyses and recommendations concerning the activities reviewed. Per OAR 125-700-0010 and with the passage of HB 3139, required internal audit activities include an annual risk assessment, an annual audit plan and individual audits. The team is also responsible for overseeing business continuity planning and ensuring OLCC's ability to conduct business soon after a disaster for those who depend on its services and revenues – from liquor agents, licensed restaurants and other licensed establishments, to state and

local governments that depend on OLCC revenue and for OLCC's Information Security Program and policies required by the state Enterprise Security Office. Information security is the protection of information assets from a wide range of threats in order to ensure business continuity, ensure privacy of information, minimize business risk, and maximize return on investments and business opportunities. Activities include: conducting business security risk and technical vulnerability assessments, establishing an incident response team, conducting security awareness training, and monitoring for compliance.

Communications and Government Affairs: central communication link external stakeholders, OLCC employees, legislators and the general public. The team puts a high priority on excellent customer service through communications with the public, the media and lawmakers, as well as developing all agency Internet content, publications and educational media used throughout the state. Effective and coordinated messages play a key role in providing consistent and accurate information to the public and creating a more transparent agency. Externally, the team manages the brand and marketing strategy development and implementation as well as providing media relations support for Executive Management. Internally, the team manages the downward and upward flow of information so that all staff have the right amount of knowledge at the right time to do their jobs effectively. The group coordinates complex public record requests, provides technical advice on responding to such requests and reviews the response to such requests to ensure compliance with Public Records law. This department provides Oregonians with timely information about the activities, products, services, and public meetings of the OLCC with transparency and clarity.

Partners and constituents include neighborhood and community groups, the Governor, legislators, industry groups, licensees, liquor agents, marijuana licensees, moderation advocacy groups, local governments and police agencies as well as the departments of Revenue, Human Services, Transportation, Environmental Quality, Agriculture and the Oregon Health Authority. Additional partners include the League of Oregon Cities, the Association of Oregon Counties, the Governor's Advisory Committee on DUII, the Governor's Alcohol and Drug Policy Commission and the Oregon Transportation Safety Commission. The team manages a digital subscription service, GovDelivery, which allows citizens to subscribe to topics of interest and receive automated email or wireless notification when those topics are updated, which also enhances external communications. The division currently manages more than 165,000 subscribers to this service. The agency website is a primary communication link between the OLCC and the general public. As constituents' online needs grow, the need for OLCC's communications strategy to focus on new and developing online technology is crucial. Assisting community partners, licensees and members of the public who contact the agency with questions is a vital part of providing excellent agency communications and service to stakeholders. Knowing how the different

divisions of the OLCC work together and knowing how best to communicate with each area helps the division meet the needs of constituents in a timely and effective manner. Consistent and timely outreach on rules and regulations to licensees, alcohol service permittees and marijuana worker permittees is a key strategy to assist public safety's education goals.

Alcohol and Marijuana Education: regulates the providers and instructors who teach the alcohol education course mandated by statute (ORS 471.542) for all licensees and servers of on-premises liquor licenses. The division also monitors the clerk-training course (ORS 471.341), which is mandatory for clerks who have sold alcohol to a minor, it oversees the Responsible Vendor Program (ORS 471.344), which provides incentives to licensees who adopt best practices and require ongoing training for employees, and the Marijuana Worker Permit Program (ORS 475B.215). The staff also works with the OLCC license investigators and inspectors and their support staff to maintain and update their training and policy and procedures manuals as necessary.

The Alcohol and Marijuana Education's goal is to maintain an excellent level of service. Staff ensures quality and consistency in both development and delivery of the educational program for both the alcohol and marijuana programs. Staff expects to evaluate 100% of the 10 alcohol server education instructors each year and provide meaningful feedback to them and the 17 certified course providers. Staff expects to continue approving more alcohol online courses and continue to monitor already approved courses. Staff enforces existing rules and standards and takes compliance action when necessary. Staff will continue to explore ways to encourage more participation by retail alcohol licensees in the free and voluntary Responsible Vendor Program. Staff provides guidance and assistance to licensees and the general public on responsible alcohol and marijuana sales and consumption, and this technical and educational component will continue for the 2021-23 biennium.

B. BACKGROUND

In March 2020 OLCC adapted its organizational structure to streamline policy development, analysis, communication and education and organized staff previously located in individual departments into one program (PACE). Support Services subprogram 16 "Management Consulting" was replaced by PACE. Support Services subprogram 11 "Communications "and Public Safety subprogram 46 "Training and Education" were folded into PACE.

C. EXPECTED RESULTS

PACE supports the operation of the entire organization, including distilled spirits, administration, public safety, marijuana and OMMP tracking. Centralizing policy, analysis, communication and education staff into one division improves communication, coordination and alignment with the agency's top goals.

***2021-23 goals include**:*

- Develop and implement an agency-wide "shared service" program to make strategic, agency-wide and program-specific improvements using public analysis development and implementation, data-informed decision making through management and performance analytics, and internal and external communication, education, and government relations strategy.
- Conduct organizational development to organize and standardized quality work through cross-boundary collaboration, effective communication, team building and employee development that supports transparency, inclusion, diversity and responsiveness.
- Clarify and share understanding of core routine work of the OLCC.
- Manage organizational change and execute strategies to improve and advance the core routine work. Related: develop and implement effective governance structures to ensure the continued implementation, maturity and sustainability of the OLCC's core work.
- Audit and develop and implement structures and processes to reinforce activities of a data-informed management system.
- Develop and implement internal improvement goals and targets to create standardized quality services to achieve OLCC goals, including developing and implementing processes to prioritize, resource and execute problem-solving and other improvement efforts.
- Support Distilled Spirits, Public Safety, and Administration programs in articulating the mission, vision, values, goals, core work and performance measures for OLCC and each Program area therein.
- Develop public and stakeholder information materials and respond to all public inquiries.
- Ensure strong partnerships with state, county, and local governmental agencies.
- Aid and assist other departments with their stakeholders through education, development of forms, signs, informational materials, presentations, the web, social media and the agency intranet.
- Promote public safety and the responsible use of alcoholic beverages and marijuana.

- Coordinates all aspects of rulemaking for all aspects of the law, administers procurement and development of tracking systems, develops interagency agreements with Oregon Department of Revenue, Oregon Health Authority and Oregon Department of Agriculture.
- Develops worker permit and education programs for persons that sell marijuana at retail locations and develops packaging and labeling standards for marijuana products.
- Coordinate government-to-government policy issues (local, state, federal, nation-to-nation).
- Publish marijuana fees and costs as percentage of sales annually (retail only), and
- Publish a market prices for marijuana product types annually.
- Increased engagement of staff supporting the agency mission.
- Education and programs (server education, marijuana worker permit education, etc.) remain relevant to the industry.
- Increased awareness to licensees about sale of marijuana to minors.
- Show of partnership with the moderation groups and OLCC with licensees.
- Show of partnership with outside agencies.
- Reduce public health and high risk behaviors with over service, DUII, minors, drinking on duty, intoxicated on duty.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

Agency Concept 84500-001 – OLCC Name Change
The agency name "Oregon Liquor Control Commission" no longer describes the mission of OLCC and breadth of the Commission's responsibilities which includes oversight for both alcohol and marijuana licensing and compliance. Given the agency's responsibilities for marijuana regulation, the current name is confusing for the public and creates an impression for marijuana stakeholders that marijuana regulation is less important than alcohol. After 5 years of increasing responsibilities for cannabis regulation it is time to change the agency name to the "Oregon Liquor and Cannabis Commission." This will reflect the agency's current responsibilities and mitigate concerns and center for the

industry its regulator home within state government. This can be done without changing the initials OLCC, allowing the agency to maintain its current branding and mitigate cost.

Agency Concept 84500-003 – Sales of Commercial Data
The OLCC needs a statutory change to generate revenue to support operations from the data created and collected by OLCC. The Commission" alcohol sales data is shared this with the National Alcohol Beverage Control Association (NABCA) that collects control state data and provides it to industry. The concept only applies to commercial and not personally identifiable data. This concept enables the Commission to consider how alcohol and marijuana data might be further enhanced, packaged, and monetized.

BUDGET NARRATIVE

OLCC ADMINISTRATIVE SERVICES
Administrative Services Division – Subprogram 15
Supply Center – Subprogram 60
Motor Pool – Subprogram 75
2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

The agency's Administrative Services' functions provide the internal means that OLCC programs need to realize their goals and missions. The division and their unit subprograms ensure OLCC's sound stewardship of the state's resources, and enable OLCC's Distilled Spirits, Public Safety Services, and the rest of the Support Services programs to perform their functions effectively and efficiently. Facilities maintenance and procurement-related support are essential services, as well.

Administrative Services Division (*subprogram 15*) The Administrative Services Division staff provide internal services including property control, motor pool (see narrative for Motor Pool, subprogram 75, below), property leasing, building security and access control, telephone services physical plant maintenance, grounds/building maintenance, mail/supply services (see Supply Center, subprogram 60,below) and administering the capital improvements program (see narrative in the Capital Improvements Program Fund in the section for that limitation.) The Division continues to work with energy monitoring, collection and reduction as required: ORS 276.900 through 276.915 and governed by OAR 330-130-0010 through 330-130-0100 (330-130-0080)

The division continues to focus on and take pride in providing quality services and supplies necessary for a productive workplace and maintaining safe and efficient building facilities. There are multiple facility challenges the OLCC will be facing over the next 10 years including construction of warehouse facilities to meeting the growing demands of an expanding retail system and the leasing of space throughout the staff to accommodate staff growth. The demand for storage of distilled liquor slated for distribution is expected to exceed the capacity of the current location. Expansion opportunities for the current location are limited and are addressed in POP# 101.

Supply Center *(subprogram 60)* The supply center, managed by the Administrative Services Division, is a cost center used to accumulate expenditures for office supplies such as paper, notebooks, pens, pencils, technology supplies, file

folders, photocopier toner/developer, copier/computer paper, postage, labels, envelopes, batteries and other items used by all OLCC work units. The supply center is a cost-effective, centralized service that provides office and warehouse supplies in a timely fashion. It supports the purchase of sustainable supplies and products available through state contracts. The supply center maximizes the use of materials through reuse and recycling.

Motor Pool *(subprogram 75***)** The OLCC Administrative Services Division uses the Motor Pool subprogram 75 as a cost center to track, monitor and manage expenditures for vehicle purchase and maintenance, and fuel for vehicles of the OLCC. The OLCC motor pool operates with DAS authority. The fleet includes vehicles for staff to do liquor and marijuana license related inspections and investigations, maintenance, and also liquor distribution. Besides the Portland area staff, the liquor and marijuana inspectors, investigators and Retail Services Division district managers located in offices need vehicles to do their jobs servicing their geographic areas. Other staff must travel on state business routinely. The agency monitors and actively manages the fleet to ensure compliance with DAS requirements. In 2020, OLCC's fleet size is 88 vehicles; 86 light-duty and 2 heavy-duty; however, much of the fleet is rapidly aging, requiring constant repairs. POP# 312 addresses funding needing to replace a portion of the agency's fleet.

C. EXPECTED RESULTS

These support services structures will continue in 2021-23 to provide the quality services and supplies necessary for a productive workplace using best practices and available funds to provide professional services. The goals for the division include:

- Managing and maintaining building infrastructure.
- Providing oversight for asset management, and internal controls.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

OLCC - FINANCIAL SERVICES DIVISION - SUBPROGRAM 25
2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

The Financial Services Division provides fiscal accountability by administering the laws, rules and policies of the state and the Oregon Liquor & Cannabis Commission. In accordance with generally accepted accounting principles, the division's goals are to provide fiscal services, ensure protection of the state's assets in conjunction with the activities of the Distilled Spirits Program and the Marijuana Program to ensure OLCC-wide accountability and maintain financial records in support of the OLCC's mission. Recently added to the division's portfolio is responsibility for procurement and contract management.

Financial Services is an integral component of the systems approach to distilled spirits and marijuana industries adopted by the OLCC, and serves a critical function in the safeguarding of the state's assets. Financial Services ensures appropriate oversight and review of the fiduciary role of the independent liquor agents' activities by providing an external audit function over liquor receipts. Financial Services also plays a role in the collection and recording of privilege taxes due from licensees of the OLCC. Financial Services implements internal control policies to accurately record and report financial transactions. It ensures that the net cash flow generated each month from its activities is distributed timely to the state General Fund, Oregon cities and counties, the mental health, drug and alcohol treatment account, and the Oregon Wine Board to allow the continued delivery of services to the citizens of Oregon. The division accounts for marijuana fee revenue and analyzes data from the Cannabis Tracking System to aid in compliance activities for the OLCC, the Oregon Department of Revenue, and the requirements from HB 4094 (2016 session) to provide licensee cannabis tracking system data to banks.

The division's staff includes auditors, accountants, accounting technicians and managers. The staff develop, implement and monitor systems to ensure proper reporting, banking and recording of liquor, privilege tax and license revenue for both alcohol and marijuana of more than $1.7 billion per biennium; ensure that liquor inventories, fixed assets, and supplies are properly accounted for; audit and approve expenditures; manage budget development and budget implementation; maintain budgetary control of OLCC's activities; maintain central records of revenue and expenditures; prepare financial statements and reports; and perform audits of all retail liquor stores and assist the

Department of Revenue in performing tax audits of marijuana licensees. Manufacturers and distributors of malt beverages and wine pay privilege tax monthly to the OLCC, amounting to a forecast of approximately $42 million in the 2021-23 biennium total. The entire process has been manual, resulting in 28,000 paper forms filed per year that are hand-entered into spreadsheets. In addition, Oregon breweries, brewpubs and wineries must report and be reconciled in a similar matter. Implementation is expected by the end of 2020 to replace this manual system with an online Privilege Tax reporting and payment system. OLCC Financial Services staff audit their monthly tax returns; maintaining appropriate accounting records to ensure full payment of the tax and compliance with records maintenance and reporting procedures. Staff also administers and processes tax returns, maintains accounting records, and collects amounts due for the payment of the tonnage tax on behalf of the Oregon Wine Board. The wine industry has grown steadily in the last 10 to 17 years, significantly affecting Oregon's economy. This growth and change in the operating environment has placed increasing demands on OLCC, which collects privilege taxes on this activity.
Funding needed for Privilege Tax subscription services is outlined in POP# 311

The division has seen substantial workload increases in the last 15 years as a result of a 133 % increase in gross revenues and the corresponding increase in transaction count. The division has seen additional workload responsibilities due to the addition of marijuana licensing, changes in the budget, operating and legal environments. Liquor business increases continue to put pressure on the staff resources required to perform audits of liquor stores due to increases in the quantity and variety of inventory products. The need for audits will increase as more stores are added statewide. Many audits that previously required two staff persons to perform now require as many as five staff to ensure accuracy. As the wine industry has matured, the number of licensees submitting tax returns has increased. Legislative action in 2008 approved the issuance of Direct Shipper permits to wineries, including out-of-state licensees. Each permit holder is required to submit tax reports for shipments into Oregon. During a time of dramatic growth, Financial Services always has been challenged to meet increasing demand. As a result of continuous efforts to streamline processes and to incorporate technological improvements, Financial Services has still maintained the highest level of accountability to the taxpayers of Oregon, earning its 26th Chief Financial Officer's Gold Star Certificate for the 2019 fiscal year.

In addition to the growth in liquor stores, Oregon has seen tremendous growth in the number of distilleries. Distillery agency sales have increased ten-fold since their inception in 2009, growing from $2 million in the 2009-11 biennium to a forecasted $21 million during the 2019-21 biennium. The number of distiller agency tasting room locations has grown to 93 which now sell distilled spirits. Distillery agents are currently self-reporting and sales are not audited. Annual sales from distillery agents are expected to exceed $25 million in the 2021-23 biennium and represent significant revenue for the state.

OLCC's expansion effort to establish more retail liquor stores continues on course to have nearly 300 operating stores by the end of the 2021-23. This will represent a 25% increase in workload for Financial Services staff to process growing liquor store revenue, pay agents compensation, reconcile bank card payments and ensure the state's financial resources are being accounted for properly. Current staff are often having to work overtime to keep up with the workloads.

In addition to growth in liquor stores, Oregon's distillery agents also continue to grow. The ability to make sales out of distillery tasting rooms was adopted in the 2009 legislature. Now there are 64 Distillery Licenses that operate 93 Distillery Tasting Room outlets throughout the state. The current forecast for distillery agent sales for the 2019-21 biennium is expected to exceed $21 million. Distillery agents report and remit their sales monthly to OLCC but there are no formal audit resources due to lack of staffing to ensure that the reporting are accurate.

The rationale for funding to support liquor auditing and payroll contracting is outlined in POP# 306.

B. BACKGROUND

The Oregon Liquor & Cannabis Commission functions in accordance with the Oregon Revised Statutes Chapters 471, 472, and 473. ORS 471.780, 471.790, 471.805, 471.810, and 475B specifically deal with preservation of records, deposit of funds, disposition of monies and distribution of available funds. The Privilege Tax Section primarily administers ORS 473, which imposes a privilege tax on manufacturers and importing distributors of malt beverages and wine. Malt beverages are taxed at the rate of $2.60 per 31-gallon barrel. Wine with not more than 14 percent alcohol by volume is taxed at the rate of $0.67 per gallon. Wine with more than 14 percent but not more than 21 percent alcohol by volume is taxed at the rate of $0.77 per gallon. The section also collects tonnage taxes for the Oregon Wine Board with a tax rate of $25 per ton. These areas are under the jurisdiction of the OLCC's Financial Services Division. Recreational marijuana taxes are collected and distributed by the Oregon Department of Revenue.

The 2015-17 Legislatively Adopted Budget added four positions to the Financial Services staff as a result of the addition of the Marijuana Program. Initially, these positions are responsible for developing, implementing and training related to the new processes, rules and requirements, and new areas of business that have arisen as a result of the new Marijuana Program. Collectively, these positions collect and account for the marijuana fee revenue, analyze and reconcile data from the Cannabis Tracking System, assist the Department of Revenue with tax audits of marijuana licensees, provide data to aid in OLCC compliance activities and provide Cannabis Tracking System data to banks as required by law.

C. EXPECTED RESULTS

The goals of the division include:

- Prepare accurate financial statements within thirty days of each month's end so that correct and timely distribution of funds are made to the state, cities, and counties,
- Ensure that all revenue is reported timely and appropriately banked, recorded, and transferred to appropriate accounts with the state treasurer's office,
- Ensure that all bills are paid correctly and on time,
- Ensure that all agency programs comply with fiscal procedures prescribed by various state agencies, and
- Prepare, implement and monitor the agency's budget in accordance with executive and legislative intent.

Additional objectives are to have monthly privilege tax reports reviewed, posted and recorded within one month of assessment, and discrepancies resolved immediately through correspondence and/or telephone; have all privilege tax revenue appropriately and timely banked and recorded; have an adequate bond or other acceptable collateral for each alcohol licensee; have manufacturers and importing distributors of malt beverages and wine audited in each three-year period; provide comprehensive information about the tax laws, tax reporting, and tax statistics to the malt beverage and wine industries and other interested parties; and to support the agency mission by providing cost/benefit and other financial management analyses of agency functions.

In the 2021-23 biennium, the Financial Services Division will continue working with business partners in the implementation and refinement of an online privilege tax software application for the efficient collection, analysis and customer support of privilege taxes for wine and beer. In addition, Financial Services will support the agency mission by providing financial management analyses of agency functions.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees and penalties from alcohol and marijuana, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

OLCC - INFORMATION TECHNOLOGY DIVISION - SUBPROGRAM 26
2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

The OLCC Office of Information Services (OIS) provides the means for the OLCC staff and stakeholders to perform their functions efficiently and effectively using information technology. OLCC also relies on the data from OIS to provide for responsible stewardship of resources, such as its Milwaukie liquor distribution center and the statewide retail liquor store operations as well as marijuana and liquor licensing data.

The OIS staff serve a varied internal and external customer base with various platforms, applications and desktop configurations.

OLCC received legislative funding for a Chief Information Officer position which was filled May 7, 2018. Shortly thereafter, the CIO hired a Director of OIS. With these two strategic positions in place, the agency has initiated an evaluation across the entire technology spectrum. After initial analysis, it became apparent that the agency OIS division has been significantly lacking in staffing and infrastructure resources in order to maintain even the basic business operations expanding legislative mandates. As a result, the agency has engaged in an Enterprise Modernization Program which will address insufficient, inefficient, and disjointed legacy Marijuana and Alcohol licensing and compliance, Distilled Spirits supply chain program technology system(s). In the 2019-2021 budget cycle, OLCC was granted some funding ($3,025,000 total; $1,512,500 per project) to begin the Enterprise Modernization Program in POP# 301. Prior to contract execution, the agency has been directed to report back to the JLCIMT on modernization program status, and request Joint Committee on Ways and Means authorization to proceed with implementation of the initiative.

This IT investment would mitigate the risks to the Milwaukie distribution center that affect the ability to ship or receive distilled spirits, jeopardizing the revenue collected by OLCC that is distributed to the state, cities, counties, and mental health and addiction treatment services. Additionally, this investment safeguards the agency against frequent and imminent system failures that result in loss of productivity, compromised data integrity, and a negative impact on agency stakeholders. Through enterprise modernization in these cornerstone areas, OLCC will increase revenue returned by improving productivity, decreasing processing time while enhancing service levels, decreasing paper usage, and improving stakeholder relations.

Activities

The division continually evaluates program areas and existing technologies for opportunities to increase effectiveness through the enhancement or application of information technology. In the 2021-23 biennium, OIS will continue to pursue modernization efforts along four strategic tracks: information technology network and infrastructure, distilled spirits operations, marijuana operations, and public safety operations. The division has made gains in replacing aging network platforms with modern systems in order to improve operational capacity, reliability and security. This improvement provides OLCC with a significantly higher level of technical capability to serve business partners, stakeholders and constituents. It will provide more highly resilient, redundant systems to provide uninterrupted data processing for OLCC's Distilled Spirits, Marijuana, and Public Safety Services programs.

OLCC recognizes that older technology is more susceptible and vulnerable to security breaches; the agency is investing in modern software systems that will enable OLCC to drastically increase security and meet the requirements of emerging and future security standards, such as those issued by the Department of Administrative Services, Enterprise Information Services.

Issues

The department continues to experience lack of resources to manage growing state IT requirements, service the increasing number of personnel at OLCC and undertake modernization of IT systems while at the same time maintaining the many outdated and unsupported IT systems which are subject to breakdown yet critical to revenue production. The OLCC needs to be able to maintain the current legacy systems and assure compliance with state and industry technology requirements (contracting, security/privacy, infrastructure, software, change management, disaster recovery, documentation, etc.). Significant revenue is at risk should the agency's IT systems fail.

The agency's large multi-year, multi-project Enterprise Modernization Program to replace insufficient, outdated, and unsupported technology requires significant support from OLCC's Office of Information Service (OIS). Amidst taking this substantial workload, the OIS division currently operates with no administrative support personnel. The OIS team supports 363 OLCC staff statewide. The diversified needs of the agency has created competing priorities for existing resources. Additional support is needed in three areas: management and vendor relationships, operations, and solutions development and delivery. POP# 303 " Information Services Management and Support" outlines the positions and responsibilities needed to accomplish these tasks.

As work on modernization progressed, it became clear that this effort which focuses on the distilled spirits supply chain needs to be closely aligned with the newly developed timing of warehouse expansion requirements. The challenge the agency faces is the time constraints to develop the technology within a biennial timeframe. To be successful, the agency is proposing a budget strategy that works within the timelines of legislative approval and regulatory oversight. Given the state's current budget environment the agency examined alternative methods of funding these projects and is proposing a bonding program. POP# 101 addresses bond funding for both IT and Warehouse expansion.

The rationale for funding IT and Warehouse expansion and staff is outlined in POP # 101 and POP # 303.

B. BACKGROUND

Modernization of OLCC software and infrastructure has been slow-moving. In 2009-11 the agency made some investments in its server, storage and network information system hardware infrastructure. A long-term plan developed in 2012 was heavily based on using virtualization and web-based applications. While the OLCC has made some progress, there is significant work to be done to bring processes and systems current for modern-day commerce and increased business demands on the network. Efficient document management is also something that the OLCC has hoped to accomplish through the long-term plan, but has yet to realize. Outdated systems currently in use at OLCC make it impossible to efficiently and effectively catalog, index and search agency documents or data. Processes that are documented by paper and excel spreadsheets make it difficult to find data in an expeditious manner. The modernization project will eliminate many of these manual process.

C. EXPECTED RESULTS

In the 2021-23 budget period the OLCC expects to expand the OIS workforce so that the division can adequately support the current and future demands of the Distilled Spirits program, Marijuana and Alcohol Licensing and Compliance programs and make significant progress on IT modernization.

2021-23 Focus:

- Invest in technology to protect core agency functions of distilled spirits distribution, finance, licensing and cannabis tracking.

- Secure appropriate levels of staffing to ensure continuation of agency operations.
- Manage Stage Gate and contracting processes.
- Support the efficiency gains through sustained telework and improved field services.
- Provide near and long-term redundancy for disaster recovery.
- Assist agency departments in the adaption of work processes to a digital environment eliminating manual processes, reliance on excel spreadsheets, and duplicate data entry.
- Connect data from disparate systems.
- Add administrative functionality to software to inform business intelligence and decision making.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

Agency Concept 84500-003 – Sales of Commercial Data
The OLCC needs a statutory change to generate revenue to support operations from the data created and collected by OLCC. The Commission" alcohol sales data is shared this with the National Alcohol Beverage Control Association (NABCA) that collects control state data and provides it to industry. The concept only applies to commercial and not personally identifiable data. This concept enables the Commission to consider how alcohol and marijuana data might be further enhanced, packaged, and monetized.

Human Resources Staffing
OLCC 2021-23 Budget, Policy Option Package No. 302, Agency Priority No. 2, As Modified

A. Package Purpose

The OLCC's Human Resources function is dedicated to partnering with the OLCC division units to maximize the potential of the agency's greatest asset: its employees. Human Resources is focused on excellent customer service and committed to attracting, developing, rewarding and retaining a diverse talent pool, while protecting employee rights, the OLCC and the State of Oregon through the execution of clear policies and comprehensive training. The goal of Human Resources is to foster a healthy, safe and productive work environment for all agency employees and to maximize the potential of all agency employees. Together, this commitment is making the OLCC an employer of choice in the exciting fields of alcohol regulation and distribution and in the regulation of Oregon's newest economic sector, the legal marijuana market. Though the OLCC has continued to generate additional revenue annually, there has been a strain and adverse impact to the agency's workforce and inability to keep up with stakeholder demands and needs – licensees, customers and state residents as the beneficiaries. While the agency's workforce output is still substantial, it is not able to keep stride with stakeholder's expectations. The appearance of being inefficient and pressure to stay ahead of the increased curve has not only impacted agency morale but has also led to increased health and safety issues and increased internal and external complaints. What started as a sprint to implement recreational marijuana has turned into a five year marathon of progressively new challenges.

Since the legalization of recreational marijuana the agency has experienced extraordinary growth and change:

- 230 positions prior to legalization, 364 positions in the 2019-21 Legislatively Adopted Budget.
- Approximately 240 employees or 66% have been with the agency or in their position for less than five years.
- Internal hires require double recruitments – for the initial position and the new vacancy.
- Succession planning is critical as retirement eligible managers and leadership are threaded throughout the agency.
- In response to COVID-19, 85% or 255 employees are working remote; requests for assistance from HR has increased.

The OLCC's Public Safety, Retail, Distribution/Warehouse and Administration divisions support three programs—Recreational Marijuana, Medical Marijuana and Distilled Spirits—which require the recruitment and retention of unique workforces with differing skill sets. The addition of the marijuana programs has increased the burden of support on Human Resources and is straining the team and its output. Workday has added another layer of work that did not

previously exist with the prior HRIS system. Human Resources staff have incurred the burden of attracting, developing, managing, training and retaining a workforce that never previously existed. These additions and changes has tripled the Human Resources workload for recruitment, onboarding, training and retention.

The continued growth of the agency also demands an elevated Human Resources (HR) team with services that stay ahead of the changes with clear, concise and creative Human Resource solutions for strategic long-term talent planning and management. Unfortunately, the HR team is not staffed well enough to even keep pace with recently added headcount, staff changes and events.

In addition to the increased headcount, the Human Resources Information System was overhauled and replaced with Workday. Workday rapidly became an added burden to the HR staff as well. Since Workday's implementation and added headcount, the HR staff has been overwhelmed with unprecedented workloads to balance day-to-day HR operations, recruit, hire, on-board, educate, counsel, investigate and mitigate employee and labor issues, maintain personnel information and maintain Workday with its on-going and inaccurate data storage issues. Unlike the previous HRIS program where HR changes were immediately effective, Workday actions require up to 48 hours to set for implementation. OLCC Human Resources requires additional full time support with expert recruitment management and training qualifications. The OLCC is lagging in support compared to other state agencies such as DEQ, OHA, DHS, and OSP which have designated separate teams for Workday, benefit programs, safety, employee relations, labor relations and recruiting. Other agency HR programs are not tasked with combining the varied workload to one individual. They are disseminated and dispersed through varied agency programs, and not always under HR.

The Human Resources program has strategized how to meet these challenges and designed an improved Human Resources program that shifts services to become proactive with talent management and reduce exposure to potential costly compliance issues. The program's strategic initiatives include:

- Assigning one Senior HR Analyst to each of the three largest agency programs for more relevant and purposeful talent management decisions.
- Establishing programs and processes to meet agency and growing workforce needs such as focusing on diversity, streamlining processes and redrafting the Employee Handbook.
- Establishing and aligning a workforce performance management program that is consistent with the State's performance management system in Workday and that is consistent with the CHRO's program.
- Establishing and implementing a strategic recruitment process for attracting and hiring a diverse, expert, and high performing talent.

- Developing and implementing an agency training program that is specific to evolving agency programs and also aligns with State training and development requirements.

B. How Can This Be Achieved?

OLCC requests converting a double fill Senior Recruiter (HR Analyst 2) to a permanent full-time Senior HR Recruiter and asks for the addition of a Trainer (HR Analyst 2).

Currently the agency does not have a full-time dedicated recruiter and does not have a dedicated full-time trainer.

OLCC requests to convert one double fill Human Resources Analyst 2 to a full-time and permanent Human Resources Analyst 2 – Senior Recruiter.

Convert HRA2 double fill to a permanent recruiter position. The agency does not currently have a full-time dedicated recruiter and has recently double filled this position with a full time dedicated, seasoned and experienced recruiter. Before hiring a double fill HR Analyst, the recruitment process was spread across three HR Analysts that manage other high level work and necessitate expertise in other HR areas, such as FMLA, OFLA, Workday, Worker's Compensation, Class and Comp analysis, Safety, Benefits, Labor Relations, Employee Relations, Affirmative Action initiatives and Division consults on restructuring options to balance additional team workloads and shifts as a result of unfilled vacancies. Converting this position will allow the HR Analysts to move closer to sustainable, balanced and focused workloads. It would also enable a consistent and compliant hiring practice.
The agency averages more than 60 vacancies monthly. Vacancies are reflective of agency growth and agency employees promoting to new positions, vacating their existing position and creating an on-going hire and backfill cycle. While the agency supports career advancement and career growth, the filled and vacant positions require unique skillsets and experience that are specific to the growing industry which are in turn challenging to fill. This requires a seasoned and experienced recruiter to strategize, screen, identify, recruit and hire exceptional talent.
The statewide vacancy recruitment and vacancy fill time averages more than 165 days from posting the job to hiring the candidate. *Using the state's recruitment model and with OLCC limited HR team, the vacancies will not be filled for years*. The ripple effect of this would bring grave hardships to the agency's operations that would result in unnecessary costs and compliance issues that would also ultimately decrease revenue funds over time. This type of environment would also result in retention issues and hiring turnover rates that would compound the backfilling issues even more.

OLCC requests to add one full-time trainer.

At one point, several years ago, the agency had a full-time dedicated trainer. The position was repurposed to another Division with greater operational needs. Currently, training and development is dissected in different divisions. The Trainer position should be returned to the HR Division and centralized through one division for consistency and compliance.

As previously noted, the agency faces two primary issues with hiring - the constant backfill of vacancies and hiring experienced and industry knowledgeable employees across three very diverse commission programs. Given this dynamic, there is considerable opportunity for establishing learning and training programs for career advancement and career development that specifically matches OLCC need for positions requiring specific expertise and professional qualifications.

For example, employees that excel in their position tend to be those who are promoted to manager positions, and roles based on their knowledge of processes, but are not necessarily experienced and trained on managing employees. Inexperienced people managers tend to have higher turnover and employee relation issues. There also tends to be more performance management issues that bleed the anxiety and stress to fellow employees and coworkers, thus reducing productivity and work quality.

The trainer will create, develop and implement a cross-training programs that that allows for program knowledge share, the development of management skills and pool training experience for high season position coverage needs that are temporary or transitional, but which the Commission has a high reliance on as a matter of operational efficiency. Training in this area would enhance coverage of services, shorten shifts and address the constant recruitment and retention issues that are challenging services.

The trainer will be the central point of contact for housing, modifying and implementing DAS and Commission policy requirements as well as contribute to successful succession planning. This would be accomplished by also providing tools and resources necessary to accelerate in job performance when future leaders and managers are identified.

Additionally, the trainer would be the central source in managing compliance record keeping and management as required for Public Safety while partnering with Regional Managers and the Compliance Division. As well, a focus on training will benefit management of diversity and inclusion issues and create room in the Human Resources area for a greater focus on

comprehensive achievement of a diverse workforce with greater skills in its management structure to protect employees and create a supportive environment for work place equity, diversity and inclusion.

Human Resources Staffing
OLCC 2021–23 Budget Policy Option Package No. 302

Division	Package Description		FTE	One-time	Ongoing	Total
Human Resources	Add 3 Human Resource Analyst 2 Recruiter for Backlog	*	3.00		$653,820	$653,820
	Services & Supplies, including office space @ 17,560 per employee			$9,300	$70,680	$79,980
	Work station furniture & chair			$23,100		$23,100
	Subtotal		3.00	$32,400	$724,500	$756,900
Human Resources	Add 1 Human Resource Analyst 2 for Training Coordinator	*	1.00		$217,940	$217,940
	Services & Supplies, including office space @ 17,560 per employee			$3,100	$23,560	$26,660
	Work station furniture & chair			$7,700		$7,700
	Subtotal		1.00	$10,800	$241,500	$252,300
TOTALS - Human Resources Staffing - Package #302		*	***4.00***	**$43,200**	**$966,000**	**$1,009,200**

*Personal Services calculated at Step 5 for all new positions

a. Benefits to stakeholders

A full time dedicated recruiter will enable the agency to fill vacancies and establish fully functioning teams. Fully functioning teams will provide a positive responsive and attentive customer service level that helps reduce stakeholder anxiety and complaints. This will also enable trust and better relationships with internal and external stakeholders. A trainer will provide support with knowledgeable employees and resources.

b. Benefits to OLCC

Filling vacancies with experienced employees will alleviate workloads and provide an improved work-life balance. There will also be a decrease with stress that will then reduce employee complaints. Training resources and opportunities support career development. Offering this opportunity is attractive to new hires and employees who have ambition and seek growth opportunity. It will in turn reduce turnover and provide improved succession planning options.

C. Staffing Impact

This will add two positions to the HR Division.

D. Quantifying Results

This will greatly impact and improve agency productivity while generating additional revenue and reducing costs associated with employee absences and leave.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

THE AGENCY REQUEST VERSION OF THE PACKAGE WAS ADJUSTED IN THE LEGISLATIVELY ADOPTED BUDGET

Human Resources Staffing
OLCC 2021-23 Budget, Policy Option Package No. 302, Agency Priority No. 2

A. Package Purpose

The OLCC's Human Resources function is dedicated to partnering with the OLCC division units to maximize the potential of the agency's greatest asset: its employees. Human Resources is focused on excellent customer service and committed to attracting, developing, rewarding and retaining a diverse talent pool, while protecting employee rights, the OLCC and the State of Oregon through the execution of clear policies and comprehensive training. The goal of Human Resources is to foster a healthy, safe and productive work environment for all agency employees and to maximize the potential of all agency employees. Together, this commitment is making the OLCC an employer of choice in the exciting fields of alcohol regulation and distribution and in the regulation of Oregon's newest economic sector, the legal marijuana market.
Though the OLCC has continued to generate additional revenue annually, there has been a strain and adverse impact to the agency's workforce and inability to keep up with stakeholder demands and needs – licensees, customers and state residents as the beneficiaries. While the agency's workforce output is still substantial, it is not able to keep stride with stakeholder's expectations. The appearance of being inefficient and pressure to stay ahead of the increased curve has not only impacted agency morale but has also led to increased health and safety issues and increased internal and external complaints. What started as a sprint to implement recreational marijuana has turned into a five year marathon of progressively new challenges.

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- Succession planning is critical as retirement eligible managers and leadership are threaded throughout the agency.
- In response to COVID-19, 85% or 255 employees are working remote; requests for assistance from HR has increased.

The OLCC's Public Safety, Retail, Distribution/Warehouse and Administration divisions support three programs—Recreational Marijuana, Medical Marijuana and Distilled Spirits—which require the recruitment and retention of unique workforces with differing skill sets. The addition of the marijuana programs has increased the burden of support on Human Resources and is straining the team and its output. Workday has added another layer of work that did not previously exist with the prior HRIS system. Human Resources staff have incurred the burden of attracting, developing, managing, training and retaining a workforce that never previously existed. These additions and changes has tripled the Human Resources workload for recruitment, onboarding, training and retention.

The continued growth of the agency also demands an elevated Human Resources (HR) team with services that stay ahead of the changes with clear, concise and creative Human Resource solutions for strategic long-term talent planning and management. Unfortunately, the HR team is not staffed well enough to even keep pace with recently added headcount, staff changes and events.

In addition to the increased headcount, the Human Resources Information System was overhauled and replaced with Workday. Workday rapidly became an added burden to the HR staff as well. Since Workday's implementation and added headcount, the HR staff has been overwhelmed with unprecedented workloads to balance day-to-day HR operations, recruit, hire, on-board, educate, counsel, investigate and mitigate employee and labor issues, maintain personnel information and maintain Workday with its on-going and inaccurate data storage issues. Unlike the previous HRIS program where HR changes were immediately effective, Workday actions require up to 48 hours to set for implementation. OLCC Human Resources requires additional full time support with expert recruitment management and training qualifications. The OLCC is lagging in support compared to other state agencies such as DEQ, OHA, DHS, and OSP which have designated separate teams for Workday, benefit programs, safety, employee relations, labor relations and recruiting. Other agency HR programs are not tasked with combining the varied workload to one individual. They are disseminated and dispersed through varied agency programs, and not always under HR.

The Human Resources program has strategized how to meet these challenges and designed an improved Human Resources program that shifts services to become proactive with talent management and reduce exposure to potential costly compliance issues. The program's strategic initiatives include:

- Assigning one Senior HR Analyst to each of the three largest agency programs for more relevant and purposeful talent management decisions.
- Establishing programs and processes to meet agency and growing workforce needs such as focusing on diversity, streamlining processes and redrafting the Employee Handbook.

- Establishing and aligning a workforce performance management program that is consistent with the State's performance management system in Workday and that is consistent with the CHRO's program.
- Establishing and implementing a strategic recruitment process for attracting and hiring a diverse, expert, and high performing talent.
- Developing and implementing an agency training program that is specific to evolving agency programs and also aligns with State training and development requirements.

B. How Can This Be Achieved?

OLCC requests converting a double fill Senior Recruiter (HR Analyst 2) to a permanent full-time Senior HR Recruiter and asks for the addition of a Trainer (HR Analyst 2).

Currently the agency does not have a full-time dedicated recruiter and does not have a dedicated full-time trainer.

OLCC requests to convert one double fill Human Resources Analyst 2 to a full-time and permanent Human Resources Analyst 2 – Senior Recruiter.

Convert HRA2 double fill to a permanent recruiter position. The agency does not currently have a full-time dedicated recruiter and has recently double filled this position with a full time dedicated, seasoned and experienced recruiter. Before hiring a double fill HR Analyst, the recruitment process was spread across three HR Analysts that manage other high level work and necessitate expertise in other HR areas, such as FMLA, OFLA, Workday, Worker's Compensation, Class and Comp analysis, Safety, Benefits, Labor Relations, Employee Relations, Affirmative Action initiatives and Division consults on restructuring options to balance additional team workloads and shifts as a result of unfilled vacancies. Converting this position will allow the HR Analysts to move closer to sustainable, balanced and focused workloads. It would also enable a consistent and compliant hiring practice.
The agency averages more than 60 vacancies monthly. Vacancies are reflective of agency growth and agency employees promoting to new positions, vacating their existing position and creating an on-going hire and backfill cycle. While the agency supports career advancement and career growth, the filled and vacant positions require unique skillsets and experience that are specific to the growing industry which are in turn challenging to fill. This requires a seasoned and experienced recruiter to strategize, screen, identify, recruit and hire exceptional talent.
The statewide vacancy recruitment and vacancy fill time averages more than 165 days from posting the job to hiring the candidate. *Using the state's recruitment model and with OLCC limited HR team, the vacancies will not be filled for years*.

The ripple effect of this would bring grave hardships to the agency's operations that would result in unnecessary costs and compliance issues that would also ultimately decrease revenue funds over time. This type of environment would also result in retention issues and hiring turnover rates that would compound the backfilling issues even more.

OLCC requests to add one full-time trainer.

At one point, several years ago, the agency had a full-time dedicated trainer. The position was repurposed to another Division with greater operational needs. Currently, training and development is dissected in different divisions. The Trainer position should be returned to the HR Division and centralized through one division for consistency and compliance.

As previously noted, the agency faces two primary issues with hiring - the constant backfill of vacancies and hiring experienced and industry knowledgeable employees across three very diverse commission programs. Given this dynamic, there is considerable opportunity for establishing learning and training programs for career advancement and career development that specifically matches OLCC need for positions requiring specific expertise and professional qualifications.

For example, employees that excel in their position tend to be those who are promoted to manager positions, and roles based on their knowledge of processes, but are not necessarily experienced and trained on managing employees. Inexperienced people managers tend to have higher turnover and employee relation issues. There also tends to be more performance management issues that bleed the anxiety and stress to fellow employees and coworkers, thus reducing productivity and work quality.

The trainer will create, develop and implement a cross-training programs that that allows for program knowledge share, the development of management skills and pool training experience for high season position coverage needs that are temporary or transitional, but which the Commission has a high reliance on as a matter of operational efficiency. Training in this area would enhance coverage of services, shorten shifts and address the constant recruitment and retention issues that are challenging services.

The trainer will be the central point of contact for housing, modifying and implementing DAS and Commission policy requirements as well as contribute to successful succession planning. This would be accomplished by also providing tools and resources necessary to accelerate in job performance when future leaders and managers are identified.

Additionally, the trainer would be the central source in managing compliance record keeping and management as required for Public Safety while partnering with Regional Managers and the Compliance Division. As well, a focus on training will benefit management of diversity and inclusion issues and create room in the Human Resources area for a greater focus on comprehensive achievement of a diverse workforce with greater skills in its management structure to protect employees and create a supportive environment for work place equity, diversity and inclusion.

Human Resources Staffing
OLCC 2021–23 Budget Policy Option Package No. 302

Division	Package Description		FTE	One-time	Ongoing	Total
Human Resources	Add 1 Human Resource Analyst 2 Recruiter for Backlog	*	1.00		$217,940	$217,940
	Services & Supplies, including office space @ 17,560 per employee			$3,100	$23,560	$26,660
	Work station furniture & chair			$7,700		$7,700
	Subtotal		1.00	$10,800	$241,500	$252,300
Human Resources	Add 1 Human Resource Analyst 2 for Training Coordinator	*	1.00		$217,940	$217,940
	Services & Supplies, including office space @ 17,560 per employee			$3,100	$23,560	$26,660
	Work station furniture & chair			$7,700		$7,700
	Subtotal		1.00	$10,800	$241,500	$252,300
TOTALS - Human Resources Staffing - Package #302		*	***2.00***	**$21,600**	**$483,000**	**$504,600**

*Personal Services calculated at Step 5 for all new positions

a. Benefits to stakeholders

A full time dedicated recruiter will enable the agency to fill vacancies and establish fully functioning teams. Fully functioning teams will provide a positive responsive and attentive customer service level that helps reduce stakeholder anxiety and complaints. This will also enable trust and better relationships with internal and external stakeholders. A trainer will provide support with knowledgeable employees and resources.

b. Benefits to OLCC

Filling vacancies with experienced employees will alleviate workloads and provide an improved work-life balance. There will also be a decrease with stress that will then reduce employee complaints. Training resources and opportunities support career development. Offering this opportunity is attractive to new hires and employees who have ambition and seek growth opportunity. It will in turn reduce turnover and provide improved succession planning options.

C. Staffing Impact

This will add two positions to the HR Division.

D. Quantifying Results

This will greatly impact and improve agency productivity while generating additional revenue and reducing costs associated with employee absences and leave.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

Information Services Management and Support
OLCC 2021-23 Budget, Policy Option Package No. 303, Agency Priority No. 3 As Modified

A. Package Purpose

Since the implementation of legalized marijuana in 2015, the Oregon Liquor Control Commission has grown from 230 employees in 2015 to 364 in 2020. In addition to their original roles, staff have taken on new responsibilities to ensure the success of the burgeoning marijuana industry. The diversified needs of the agency have created competing priorities for existing resources. The three main program areas for the Office of Information Services include:

- Continuing operations for the $1.6 billion distilled spirits supply chain, providing support for the ongoing retail expansion efforts, and project planning to replace the inefficient and disjointed systems through Enterprise Modernization.
- Supporting liquor licensing and enforcement through maintenance of the existing programs as well as project planning to bring liquor licensing online through Enterprise Modernization.
- Supporting the rapidly expanding marijuana licensing and enforcement divisions through enhancements and maintenance of current systems as well as project planning to ensure continuity and data integrity through Enterprise Modernization.

With limited oversight, the attention given to one area creates a ripple effect in the other areas. As referenced above, the agency is engaged in a large Enterprise Modernization Program to replace insufficient, outdated, and unsupported technology. A historical lack of leadership in information technology has lead the agency in a deep well of decades old technical debt, an initiative the OLCC Chief Information Officer is addressing since joining the OLCC in May 2018. This multi-year, multi-project effort requires significant strategic planning and oversight to ensure success of the current projects while upholding daily operations. Additionally, in a growing field like technology, the agency should also have the capacity to plan for future projects, upgrades or improvements.

The current OIS management structure of CIO, Director of OIS and Team Lead are bogged down maintaining daily operations on very old legacy systems that detract from the time available to dedicate to managing and developing staff. The agency has made gains in building out its Information Services Division and capacity, but much work important to operations remains. As project decision making does not rest with the agency, strategic actions are often delayed and work that could immediately benefit professional staff and operations languish. For a rapidly growing agency with ongoing operational deficits the current process lacks agility. Two issues for the OLCC are becoming progressively threatening to

agency operations: replacing the warehouse management system and development of a marijuana licensing system that matches the maturity of the program. The OLCC will be responsible for the failure of these system and is currently under increasing pressure from marijuana licensee because of unacceptable times for the issuance of marijuana licenses. Creating oversight functionality will help empower staff so be more effective and efficient with their time and accountable to own their tasks from beginning to end. On this front, considerable progress has been made with funding secured for the issuance of Request for Proposals to secure contractors for work, however the clock is ticking and delays could create an acute crisis, leading to loss of state revenue or loss of revenue by private sector business that depend on OLCC systems. Management awareness of the problems is clear; resources to accomplish these projects at all levels is insufficient given the urgency. The recent example of Employment's systems inability to rapidly move into modernization is a vivid example of process and program failure. If the legacy system fails or new systems are not deployed timely, the agency's warehouse operations would have to rely on expensive manual system adjustments, the marijuana licensing backlogs will continue to build and the tremendous loss of readily available data currently not digitally captured for compliance could lead to program disruption and a high risk of litigation or worse, movement back toward the unregulated and illegal markets. Management of Information Services is constantly reacting to immediate problems and "fires" that pop up related to the inability of legacy systems to accommodate simple needs of fiscal, licensing enforcement and important retail functionality, or with routine failures requiring constant triage. There is constant challenge and difficulty in switching gears to dedicate time to cross-agency alignment and long-term policy and operational efficiencies.

Policy Option Package # 303 looks to optimize Information Services staff work and responsibilities to lower overall failure risk and advance modernization consistent with statewide CIO policy goals for Information Service operations. The need for consistency and organization is addressed by providing a support person to the Chief Information Officer (CIO) and OIS Director to ensure seamless coordination and communication across the unit and within the agency and to the rest of key state and private sector relationships. Administrative support for the OLCC's IT Division will increasingly be necessary as the Division coordinates more contractor work, facilitates communication with the statewide CIO's office and works with industry partners, vendors and OLCC Divisions. Currently, there is a dependence on the Executive Director and Deputy Director's assistant and this is unstainable.

The Division proposes to increase the effectiveness by implementing systemic program management changes. The resources of this request will be used to put in place a tri-modal oversight structure. This structure includes management clarification for all areas of operations and asset management including computer software, hardware, data, and networks,

along with the staff who are appointed to maintain these resources. The three major designation levels is key to OLCC's ability to managing its moderation and operational issues by addressing project management and vendor relationships, operations, and solutions development and delivery. Through this package and proposed changes OLCC will be in an effective position to deliver on the Commission's expectations for strong customer service to our staff, our licensees and industry. This package will effectively support the Commissions overall obligations to the citizens of Oregon to deliver important consumer products to them efficiently and with convenience in support of alcohol and marijuana regulation services.

Project Management Office and Vendor Relationships Manager: provide IT project management, business analysis, procurement, and contracting oversight.

- Establish and oversee Change Management.
- Provide Enterprise strategic planning.
- Provide stewardship of agency budget regarding investment decisions.
- Manage third party vendors.
- Participate in new business RFI, RFQ, or RFP requests.
- Administer contracts for software and services.
- Provide oversight of project implementation.
- Set standards and practices for project management.
- Implement Project Management best practices and minimum process requirements.
- Improve project execution outcome in delivered project quality, project profitability, and execution speed.
- Lead efforts across cross-disciplinary team to deliver the estimated business value of an approved program, portfolio, or project.
- Facilitate, track and monitor programs, activities and roadmaps and scope.
- Lead integrated account planning sessions.
- Manage training of new systems to internal and external stakeholders.
- Ensure communication to stakeholders to keep them informed of project status.
- Demonstrate strong written and oral presentation skills.

IT Operations Manager: to provide IT security, network administration, and user support services oversight.

- Set standards and protocols for infrastructure.
- Ensure security integrity.

- Administer and monitor daily and monthly computer operating systems.
- Design, implement and ensure efficient maintenance and ensure compliance to all disaster recovery plans.
- Provide security and backup for recovering systems.
- Determine availability of systems and IT network application process.
- Design and maintain all IT processes according operation policies through standardization of methods.
- Maintain and prepare all paperwork for various activities and provide performance backup to retrieve data in case of emergency.
- Participate and manage all communication of OIS technical direction and initiatives.
- Administer and provide upgrade to systems and escalate issues.
- Analyze all continuous up gradation process through various proactive self-initiated projects and ensure efficiency.

Solutions Development and Delivery Manager: to provide application development, application management, data analytics/business intelligence, and systems analysis & architecture

- Establish Data Governance.
- Ensure Data integrity.
- Set software standards and processes along with best practices for delivery of scalable and high quality software.
- Applying the appropriate test measurements and metrics in the product.
- Supervise architecture plus lead efforts to develop technical roadmap of all projects.
- Develop relations with existing and prospective internal customers to interpret all individual requirements.
- Involve in strategic plans to accomplish technical as well as business with leadership chain, team and with customers.

B. How Achieved

OLCC requests addition of three (3) Principal Executive/Manager D (IP) positions. As mentioned above, the OIS division strives to shift efforts from operating reactively to tactically. As the OLCC team continues to grow and take on new responsibilities, the need for OIS oversight also increases. Creating management capacity and process improvement within the Chief Information Office will provide more line-of-sight and clearer roles and responsibilities for the division. Defining a new management structure in the wake of tremendous growth will ensure succession planning and continuity of operations with attrition.

OLCC requests addition of one Administrative Specialist 2 (0108) position. As mentioned above, the OIS division does not have administrative support. This gap is a serious detriment for future planning and growth as well as meeting the agency's internal day-to-day operations. As the OLCC team continues to grow and take on new responsibilities, the need for OIS support also increases.

Information Services Management & Support
OLCC 2021-23 Budget Policy Option Package No. 303 AS MODIFIED

Division	Package Description		FTE	One-time	Ongoing	Total
Information Services	Add 3 PEM D (IP) positions for management	*	1.00		$290,821	$290,821
	Services & Supplies, including office space @ $17,560 per employee			$3,100	$23,560	$26,660
	Work station furniture & chair			$7,700		$7,700
	Subtotal		1.00	$10,800	$314,381	$325,181
Information Services	Add 1 Administrative Specialist 2 for CIO Support	*	1.00		$162,856	$162,856
	Services & Supplies, including office space @ $17,560 per employee			$3,100	$23,560	$26,660
	Work station furniture & chair			$7,700		$7,700
	Subtotal		1.00	$10,800	$186,416	$197,216
TOTALS - Information Services Management & Support - Package #303		*	***2.00***	***$21,600***	***$500,797***	***$522,397***

*Personal Services calculated at Step 5 for all new positions

a. Benefits to stakeholders

The OIS Division is taking on large projects that will have a huge impact on external stakeholders. The addition of these positions, will provide the management structure and administrative support to ensure successful implementation of those projects. Additionally, creating the capacity for program oversight will also encourage strategic planning for continued improvement of applications and service to our customers.

b. Benefits to OLCC

The OIS Division provides information technology support to all OLCC staff across the state. The addition of these positions provides the capacity to provide better and faster response to internal customers as well providing better technology tools for the agency.

C. Staffing Impact

The package adds 4 FTE to the Information Services Division.

D. Quantifying Results

Gross liquor sales are forecast to be $1.6 billion in the upcoming biennium and are critically reliant on information technology to receive, store and sell distilled spirits.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

THE AGENCY REQUEST VERSION OF THE PACKAGE WAS ADJUSTED IN THE LEGISLATIVELY ADOPTED BUDGET

Information Services Management and Support
OLCC 2021-23 Budget, Policy Option Package No. 303, Agency Priority No. 3

A. Package Purpose

Since the implementation of legalized marijuana in 2015, the Oregon Liquor Control Commission has grown from 230 employees in 2015 to 364 in 2020. In addition to their original roles, staff have taken on new responsibilities to ensure the success of the burgeoning marijuana industry. The diversified needs of the agency have created competing priorities for existing resources. The three main program areas for the Office of Information Services include:

- Continuing operations for the $1.6 billion distilled spirits supply chain, providing support for the ongoing retail expansion efforts, and project planning to replace the inefficient and disjointed systems through Enterprise Modernization.
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With limited oversight, the attention given to one area creates a ripple effect in the other areas. As referenced above, the agency is engaged in a large Enterprise Modernization Program to replace insufficient, outdated, and unsupported technology. A historical lack of leadership in information technology has lead the agency in a deep well of decades old technical debt, an initiative the OLCC Chief Information Officer is addressing since joining the OLCC in May 2018. This multi-year, multi-project effort requires significant strategic planning and oversight to ensure success of the current projects while upholding daily operations. Additionally, in a growing field like technology, the agency should also have the capacity to plan for future projects, upgrades or improvements.

The current OIS management structure of CIO, Director of OIS and Team Lead are bogged down maintaining daily operations on very old legacy systems that detract from the time available to dedicate to managing and developing staff. The agency has made gains in building out its Information Services Division and capacity, but much work important to operations remains. As project decision making does not rest with the agency, strategic actions are often delayed and work

that could immediately benefit professional staff and operations languish. For a rapidly growing agency with ongoing operational deficits the current process lacks agility. Two issues for the OLCC are becoming progressively threatening to agency operations: replacing the warehouse management system and development of a marijuana licensing system that matches the maturity of the program. The OLCC will be responsible for the failure of these system and is currently under increasing pressure from marijuana licensee because of unacceptable times for the issuance of marijuana licenses. Creating oversight functionality will help empower staff so be more effective and efficient with their time and accountable to own their tasks from beginning to end. On this front, considerable progress has been made with funding secured for the issuance of Request for Proposals to secure contractors for work, however the clock is ticking and delays could create an acute crisis, leading to loss of state revenue or loss of revenue by private sector business that depend on OLCC systems. Management awareness of the problems is clear; resources to accomplish these projects at all levels is insufficient given the urgency. The recent example of Employment's systems inability to rapidly move into modernization is a vivid example of process and program failure. If the legacy system fails or new systems are not deployed timely, the agency's warehouse operations would have to rely on expensive manual system adjustments, the marijuana licensing backlogs will continue to build and the tremendous loss of readily available data currently not digitally captured for compliance could lead to program disruption and a high risk of litigation or worse, movement back toward the unregulated and illegal markets. Management of Information Services is constantly reacting to immediate problems and "fires" that pop up related to the inability of legacy systems to accommodate simple needs of fiscal, licensing enforcement and important retail functionality, or with routine failures requiring constant triage. There is constant challenge and difficulty in switching gears to dedicate time to cross-agency alignment and long-term policy and operational efficiencies.

Policy Option Package # 303 looks to optimize Information Services staff work and responsibilities to lower overall failure risk and advance modernization consistent with statewide CIO policy goals for Information Service operations. The need for consistency and organization is addressed by providing a support person to the Chief Information Officer (CIO) and OIS Director to ensure seamless coordination and communication across the unit and within the agency and to the rest of key state and private sector relationships. Administrative support for the OLCC's IT Division will increasingly be necessary as the Division coordinates more contractor work, facilitates communication with the statewide CIO's office and works with industry partners, vendors and OLCC Divisions. Currently, there is a dependence on the Executive Director and Deputy Director's assistant and this is unstainable.

The Division proposes to increase the effectiveness by implementing systemic program management changes. The resources of this request will be used to put in place a tri-modal oversight structure. This structure includes management clarification for all areas of operations and asset management including computer software, hardware, data, and networks,

along with the staff who are appointed to maintain these resources. The three major designation levels is key to OLCC's ability to managing its moderation and operational issues by addressing project management and vendor relationships, operations, and solutions development and delivery. Through this package and proposed changes OLCC will be in an effective position to deliver on the Commission's expectations for strong customer service to our staff, our licensees and industry. This package will effectively support the Commissions overall obligations to the citizens of Oregon to deliver important consumer products to them efficiently and with convenience in support of alcohol and marijuana regulation services.

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- Ensure communication to stakeholders to keep them informed of project status.
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IT Operations Manager: to provide IT security, network administration, and user support services oversight.

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- Ensure security integrity.
- Administer and monitor daily and monthly computer operating systems.
- Design, implement and ensure efficient maintenance and ensure compliance to all disaster recovery plans.
- Provide security and backup for recovering systems.
- Determine availability of systems and IT network application process.
- Design and maintain all IT processes according operation policies through standardization of methods.
- Maintain and prepare all paperwork for various activities and provide performance backup to retrieve data in case of emergency.
- Participate and manage all communication of OIS technical direction and initiatives.
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- Establish Data Governance.
- Ensure Data integrity.
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- Develop relations with existing and prospective internal customers to interpret all individual requirements.
- Involve in strategic plans to accomplish technical as well as business with leadership chain, team and with customers.

B. How Achieved

OLCC requests addition of three (3) Principal Executive/Manager D (IP) positions. As mentioned above, the OIS division strives to shift efforts from operating reactively to tactically. As the OLCC team continues to grow and take on new responsibilities, the need for OIS oversight also increases. Creating management capacity and process improvement within the Chief Information Office will provide more line-of-sight and clearer roles and responsibilities for the division. Defining a new management structure in the wake of tremendous growth will ensure succession planning and continuity of operations with attrition.

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Information Services Management & Support
OLCC 2021-23 Budget Policy Option Package No. 303

Division	Package Description		FTE	One-time	Ongoing	Total
Information Services	Add 3 PEM D (IP) positions for management	*	3.00		$872,463	$872,463
	Services & Supplies, including office space @ $17,560 per employee			$9,300	$70,680	$79,980
	Work station furniture & chair			$23,100		$23,100
	Subtotal		3.00	$32,400	$943,143	$975,543
Information Services	Add 1 Administrative Specialist 2 for CIO Support	*	1.00		$162,856	$162,856
	Services & Supplies, including office space @ $17,560 per employee			$3,100	$23,560	$26,660
	Work station furniture & chair			$7,700		$7,700
	Subtotal		1.00	$10,800	$186,416	$197,216
TOTALS - Information Services Management & Support - Package #303		*	***4.00***	***$43,200***	***$1,129,559***	***$1,172,759***

*Personal Services calculated at Step 5 for all new positions

a. Benefits to stakeholders

The OIS Division is taking on large projects that will have a huge impact on external stakeholders. The addition of these positions, will provide the management structure and administrative support to ensure successful implementation of those projects. Additionally, creating the capacity for program oversight will also encourage strategic planning for continued improvement of applications and service to our customers.

b. Benefits to OLCC

The OIS Division provides information technology support to all OLCC staff across the state. The addition of these positions provides the capacity to provide better and faster response to internal customers as well providing better technology tools for the agency.

C. Staffing Impact

The package adds 4 FTE to the Information Services Division.

D. Quantifying Results

Gross liquor sales are forecast to be $1.6 billion in the upcoming biennium and are critically reliant on information technology to receive, store and sell distilled spirits.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

Liquor Auditor and Payroll Contracting
OLCC 2021-23 Budget, Policy Option Package No. 306, Agency Priority No. 6

A. Package Purpose

OLCC's expansion effort to establish more retail liquor stores continues on course to have nearly 300 stores operating by the end of the 2021-23 biennium. This represents a 25% increase in workload for Financial Services staff to process liquor store revenue, pay agents compensation, reconcile bank card payments and ensure that the state's financial resources are being accounted for properly. The current number of 282 operating liquor stores has already significantly increased the work load for Financial Services store audits which have to occur annually. There are not enough store auditors to get to every store once a year and audit the state owned liquor inventory. Current staff are often having to work overtime to keep up with the workloads. In addition, OLCC's payroll position has multiple duties beyond payroll including paying agents compensation. The payroll position has become overwhelmed with the growth of the agency.
OLCC proposes addition of one position in the Financial Services Division to support the ongoing retail expansion and distillery agent growth. OLCC also proposes contracting with DAS payroll to take payroll duties out of the agency and centralize them. OLCC proposes re-classing two current accounting positions to enable them to do needed higher level work.

B. How Achieved

OLCC requests addition of one Program Analyst 1 Liquor Store Auditor position to increase the total number of liquor store auditors from five to six. This will enable teams of auditors to split up and audit smaller stores around the state and will provide enough people to efficiently audit a large store in the Portland Metro area. This will increase the number of store auditors by 20% which corresponds to the amount of new liquor stores that have opened and will open in the state since expansion began in 2017.

OLCC requests that payroll services be moved out of the agency and be contracted through DAS. This will move the primary payroll services off the desks of the Accountant 1 who also has responsibilities to process agency travel and management of compensation of liquor store agents. As OLCC has grown so has the amount of time that has been dedicated to payroll. It is now a full time job to do payroll within the agency so in lieu of requesting another position the agency proposes contracting with DAS for payroll services. This will free up the current Accountant 1 and Accountant 3 in disbursements to address growing workloads related to paying compensation to liquor store agents and processing travel requests in a timely manner.

Reclass Administrative Specialist 1 to Administrative Specialist 2 (Position 2500002) to perform higher level work. This position is currently in a work-out-of-class and performing AS 2 duties. Higher level duties now include putting together privilege tax documents for auditors, approving bonds for wineries, and invoicing liquor shipments.

Reclass Accountant 1 to Accountant 2 (Position 8000414) to allow this position to perform higher level work related in the privilege tax and marijuana accounting department. This level will enable the position to do full wine and beer tax audits which have a substantial back log. The current position only allows for tracking and reconciliation of marijuana, beer and wine revenues. Much of which will become automated with the new online beer and wine tax system being developed. Accountant 2's are allowed to do audits of taxpayers and licensees.

Liquor Auditor and Payroll Contracting
OLCC 2021-23 Budget Policy Option Package No 306

Division	Package Description		FTE	One-time	Ongoing	Total
Financial Services	Add 1 Program Analyst 1 Liquor Store Auditor + OPE	*	1.00	$0	$181,681	$181,681
	Service and Supplies Including Leased Office Space@$17,560/employee			$3,100	$23,560	$26,660
	S&S costs for 1 new employee setup			$7,700	$0	$7,700
		Subtotal	1.00	$10,800	$205,241	$216,041
Financial Services	Contract With Department of Administrative Services For Payroll $18.87 per employee per month*363 employees*24 months				$164,395	$164,395
Financial Services	Reclassify Administrative Specialist 1 to Administrative Specialist 2 (Position 2500002)				$6,890	$6,890
Financial Services	Reclassify Accountant 1 to Accountant 2 (Position 8000414)				$6,859	$6,859
TOTALS - Liquor Auditor & Payroll Contracting - Package #306		*	**1.00**	**$10,800**	**$383,385**	**$394,185**

*Personal Services calculated at Step 5 for all new positions

a. Benefits to stakeholders

Liquor stores can be audited annually and the state owned liquor inventory is timely and accurately accounted for. State resources and revenues are protected.

b. Benefits to OLCC

Liquor stores can be maintained on an annual audit schedule without stressing resources and excessive overtime. Accounting resources are freed up in payroll to dedicate time to agents' compensation payments without having to add positions. Wine, beer and marijuana tax audits will be done timely.

C. Staffing Impact

The package adds 1 position to OLCC and re-classes 2 existing positions.

D. Quantifying Results

Gross liquor sales are forecast to be $1.6 billion with 3% of the sales coming from new stores as a result of retail expansion. More liquor stores requires more resources to audit, pay store compensation and distribute revenues.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

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Privilege Tax Subscription Services
OLCC 21-23 Budget, Policy Option Package No. 311, Agency Priority No. 11

A. Package Purpose

OLCC was provided project funding in the 2019-21 legislative session for the Privilege Tax Online Project (HB 2150, enacted during the 2017 legislative session) that will allow wine and beer tax payers to file electronically. The project was awarded to a private software company as a service provider (SICPA) who is now developing the online system. Completion of development is expected in this biennium but OLCC will require ongoing funding to provide maintenance, security, hosting and support to the system. The project development costs are within budget in 2019-21 but future subscription and maintenance costs were not known during the initial RFP period.

B. How Achieved

In order to realize the benefits of the state's investment into the system, the OLCC needs ongoing funding to be able to support, maintain, host, and ensure security. OLCC requests $555,000/year or $1,110,000/biennium to be added to OLCC's base budget**.** This is a ten-year contract. OLCC requests funding be placed in the base budget going forward to support this system.

Privilege Tax Subscription Service
OLCC 2021-23 Budget Policy Option Package No. 311

Division	Package Description	FTE	One-time	Ongoing	Total
Financial Services	Subscription Costs of Privilege Tax System		$0	$1,110,000	$1,110,000
TOTALS - Privilege Tax Subscription Services - Package #311		***0.00***	$0	$1,110,000	$1,110,000

a. Benefits to stakeholders

Currently, manufacturers and importing distributors of wine, cider, and malt beverages file tax statements on paper, and pay taxes via check, cash or money order. Development of an electronic system for filing reports and tax returns will reduce paperwork for beer and wine manufacturers and wholesalers and allow for tax payments online. The system will allow for electronic record keeping and significantly reduce the requirement for paper files.

b. Benefits to OLCC

The OLCC's privilege tax program staff use a mix of manual processes, which rely on a collection of spreadsheets and a minimally functioning and insufficient data system, to manage processes associated with the filing and payment of privilege taxes. With over 2,500 tax filings submitted per month, and a 90% paper based process, this is a daunting task. House Bill 2150 (HB2150), enacted during the 2017 legislative session, directs the OLCC to allow manufacturers or importing distributors of wine, cider or malt beverages to file required statements and pay privilege taxes by electronic means. The system will allow OLCC to fulfill the statutory requirement.

C. Staffing Impact

There is no addition of staffing. The project is a contract service.

D. Quantifying Results

The OLCC processes more than 2,500 tax filings each month and is forecasted to collect $41.8 in privilege taxes during the 2021-23 biennium.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

THE AGENCY REQUEST VERSION OF THE PACKAGE IS NOT IN THE LEGISLATIVELY ADOPTED BUDGET

Vehicle Replacement
OLCC 2021 - 23 Budget, Policy Option Package No. 312, Agency Priority No. 12

A. Package Purpose

Through the Department of Administrative Services (DAS) Delegated Authority, the Oregon Liquor Control Commission (OLCC) owns and maintains their fleet of vehicles. That fleet consists of 88 total vehicles. Vehicle types range from 4-door passenger vehicles to light duty off road pick-ups to vans and service trucks for the warehouse operations. The Commission's fleet is aging, because of that, the agency cannot meet the requirements of Executive Order 17-21; Zero Emission Vehicles (ZEV) - without replacement of 15% of our current vehicles (Phase 1) and on-going replacement of 7% of our fleet each biennium (Phase 2).

B. How Achieved

OLCC proposes a two phase fleet replacement process:

Phase 1: Replacement package of initial 13 vehicles or 15% of our total fleet - will leave OLCC with an average fleet vehicle age of 9 years.

Phase 2: On-going biennial replacement of 7% of our fleet vehicles will reduce that average age to 7 years – allowing us to maintain the ZEV standards.

On-going replacement of aging vehicles at a rate of 7% of vehicles per biennium will allow us to maintain an average fleet age of 7 years, better enabling us to maintain ZEV standards. If approved, OLCC will issue a Request for Quote against state held contracts. Existing aged-out vehicles will be disposed of through State Surplus. Phase 1 replacement expected to begin July 1, 2021, with full 13 vehicle replacement complete by December 31, 2021.

Vehicle Replacement
OLCC 2021-23 Budget Policy Option Package No 312

Division	Package Description	FTE	One-time	Ongoing	Total
Administrative Services Fleet	Phase 1: Replace 13 Vehicles that have excessive maitenance costs		$338,000	$0	$338,000
Administrative Services Fleet	Phase 2: Ongoing Replacement of 7% of the Total Fleet Per Biennium		$0	$156,000	$156,000
TOTALS - Vehicle Replacement - Package #312		***0.00***	$338,000	$156,000	$494,000

a. Benefits to stakeholders

OLCC's existing fleet of 13 aged vehicles are averaging $1800 per biennium maintenance costs. Our newer vehicles are averaging $300 per biennium maintenance costs. Average 21/23 biennium maintenance savings of $19,500 in addition to increased fuel efficiency and ability to meet EO 17-21.

b. Benefits to OLCC

Safety of state employee drivers and decreased owned fleet maintenance/fuel costs.

c. Staffing Impact

The package adds no new staff to OLCC.

d. Quantifying Results

OLCC will be able to continue its business without interruptions to public safety programs.

e. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Administration and Support**

Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor | **Cross Reference Number: 84500-003-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Personal Services							
Temporary Appointments	-	-	303	-	-	-	303
Overtime Payments	-	-	2,025	-	-	-	2,025
Shift Differential	-	-	125	-	-	-	125
All Other Differential	-	-	511	-	-	-	511
Public Employees' Retire Cont	-	-	485	-	-	-	485
Pension Obligation Bond	-	-	258,797	-	-	-	258,797
Social Security Taxes	-	-	228	-	-	-	228
Unemployment Assessments	-	-	582	-	-	-	582
Mass Transit Tax	-	-	14,729	-	-	-	14,729
Vacancy Savings	-	-	(23,517)	-	-	-	(23,517)
Total Personal Services	**-**	**-**	**$254,268**	**-**	**-**	**-**	**$254,268**
Total Expenditures							
Total Expenditures	-	-	254,268	-	-	-	254,268
Total Expenditures	**-**	**-**	**$254,268**	**-**	**-**	**-**	**$254,268**
Ending Balance							
Ending Balance	-	-	(254,268)	-	-	-	(254,268)
Total Ending Balance	**-**	**-**	**($254,268)**	**-**	**-**	**-**	**($254,268)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Administration and Support**

Pkg: 022 - Phase-out Pgm & One-time Costs | **Cross Reference Number: 84500-003-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Services & Supplies							
Telecommunications	-	-	(5,500)	-	-	-	(5,500)
Data Processing	-	-	(15,000)	-	-	-	(15,000)
IT Professional Services	-	-	(4,326,360)	-	-	-	(4,326,360)
IT Expendable Property	-	-	(67,984)	-	-	-	(67,984)
Total Services & Supplies	**-**	**-**	**($4,414,844)**	**-**	**-**	**-**	**($4,414,844)**
Capital Outlay							
Office Furniture and Fixtures	-	-	(60,865)	-	-	-	(60,865)
Recreational Equipment	-	-	-	-	-	-	-
Data Processing Software	-	-	(15,390)	-	-	-	(15,390)
Total Capital Outlay	**-**	**-**	**($76,255)**	**-**	**-**	**-**	**($76,255)**
Total Expenditures							
Total Expenditures	-	-	(4,491,099)	-	-	-	(4,491,099)
Total Expenditures	**-**	**-**	**($4,491,099)**	**-**	**-**	**-**	**($4,491,099)**
Ending Balance							
Ending Balance	-	-	4,491,099	-	-	-	4,491,099
Total Ending Balance	**-**	**-**	**$4,491,099**	**-**	**-**	**-**	**$4,491,099**

_____ Agency Request **_____ Governor's Budget** **_____ Legislatively Adopted**

2021-23 Biennium **Page _____** **Essential and Policy Package Fiscal Impact Summary - BPR013**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Services & Supplies							
Instate Travel	-	-	4,492	-	-	-	4,492
Out of State Travel	-	-	1,198	-	-	-	1,198
Employee Training	-	-	2,800	-	-	-	2,800
Office Expenses	-	-	13,100	-	-	-	13,100
Telecommunications	-	-	4,923	-	-	-	4,923
State Gov. Service Charges	-	-	1,437,295	-	-	-	1,437,295
Data Processing	-	-	39,360	-	-	-	39,360
Publicity and Publications	-	-	481	-	-	-	481
Professional Services	-	-	8,085	-	-	-	8,085
IT Professional Services	-	-	37,416	-	-	-	37,416
Attorney General	-	-	95,340	-	-	-	95,340
Employee Recruitment and Develop	-	-	341	-	-	-	341
Dues and Subscriptions	-	-	567	-	-	-	567
Facilities Rental and Taxes	-	-	4,531	-	-	-	4,531
Fuels and Utilities	-	-	15,397	-	-	-	15,397
Facilities Maintenance	-	-	9,464	-	-	-	9,464
Agency Program Related S and S	-	-	582	-	-	-	582
Other Services and Supplies	-	-	4,841	-	-	-	4,841

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Expendable Property	-	-	17,490	-	-	-	17,490
Total Services & Supplies	**-**	**-**	**$1,697,703**	**-**	**-**	**-**	**$1,697,703**
Capital Outlay							
Technical Equipment	-	-	749	-	-	-	749
Automotive and Aircraft	-	-	5,006	-	-	-	5,006
Total Capital Outlay	**-**	**-**	**$5,755**	**-**	**-**	**-**	**$5,755**
Total Expenditures							
Total Expenditures	-	-	1,703,458	-	-	-	1,703,458
Total Expenditures	**-**	**-**	**$1,703,458**	**-**	**-**	**-**	**$1,703,458**
Ending Balance							
Ending Balance	-	-	(1,703,458)	-	-	-	(1,703,458)
Total Ending Balance	**-**	**-**	**($1,703,458)**	**-**	**-**	**-**	**($1,703,458)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 060 - Technical Adjustments

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	1,849,200	-	-	-	1,849,200
Empl. Rel. Bd. Assessments	-	-	522	-	-	-	522
Public Employees' Retire Cont	-	-	337,478	-	-	-	337,478
Social Security Taxes	-	-	138,069	-	-	-	138,069
Worker's Comp. Assess. (WCD)	-	-	414	-	-	-	414
Flexible Benefits	-	-	344,088	-	-	-	344,088
Total Personal Services	**-**	**-**	**$2,669,771**	**-**	**-**	**-**	**$2,669,771**
Total Expenditures							
Total Expenditures	-	-	2,669,771	-	-	-	2,669,771
Total Expenditures	**-**	**-**	**$2,669,771**	**-**	**-**	**-**	**$2,669,771**
Ending Balance							
Ending Balance	-	-	(2,669,771)	-	-	-	(2,669,771)
Total Ending Balance	**-**	**-**	**($2,669,771)**	**-**	**-**	**-**	**($2,669,771)**
Total Positions							
Total Positions							9
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**9**

_____ Agency Request **_____ Governor's Budget** **_____ Legislatively Adopted**
2021-23 Biennium **Page _____** **Essential and Policy Package Fiscal Impact Summary - BPR013**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 060 - Technical Adjustments

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total FTE							
Total FTE							9.00
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**9.00**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 090 - Analyst Adjustments

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	(228,144)	-	-	-	(228,144)
Empl. Rel. Bd. Assessments	-	-	(116)	-	-	-	(116)
Public Employees' Retire Cont	-	-	(41,636)	-	-	-	(41,636)
Social Security Taxes	-	-	(17,453)	-	-	-	(17,453)
Worker's Comp. Assess. (WCD)	-	-	(92)	-	-	-	(92)
Flexible Benefits	-	-	(76,464)	-	-	-	(76,464)
Reconciliation Adjustment	-	-	3,000	-	-	-	3,000
Total Personal Services	**-**	**-**	**($360,905)**	**-**	**-**	**-**	**($360,905)**
Total Expenditures							
Total Expenditures	-	-	(360,905)	-	-	-	(360,905)
Total Expenditures	**-**	**-**	**($360,905)**	**-**	**-**	**-**	**($360,905)**
Ending Balance							
Ending Balance	-	-	360,905	-	-	-	360,905
Total Ending Balance	**-**	**-**	**$360,905**	**-**	**-**	**-**	**$360,905**
Total Positions							
Total Positions							(2)
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**(2)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 090 - Analyst Adjustments

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total FTE							
Total FTE							(2.00)
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**(2.00)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 091 - Elimination of S&S Inflation

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	-	-	-	-	-
Out of State Travel	-	-	-	-	-	-	-
Employee Training	-	-	-	-	-	-	-
Publicity and Publications	-	-	-	-	-	-	-
IT Professional Services	-	-	-	-	-	-	-
Employee Recruitment and Develop	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-
Fuels and Utilities	-	-	-	-	-	-	-
Facilities Maintenance	-	-	-	-	-	-	-
Agency Program Related S and S	-	-	-	-	-	-	-
Other Services and Supplies	-	-	-	-	-	-	-
IT Expendable Property	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 092 - Personal Services Adjustments

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Vacancy Savings	-	-	-	-	-	-	-
Total Personal Services	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 096 - Statewide Adjustment DAS Chgs

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 097 - Statewide AG Adjustment

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Attorney General	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 099 - Microsoft 365 Consolidation

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Transfers Out							
Transfer Out - Intrafund	-	-	-	-	-	-	-
Total Transfers Out	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Services & Supplies							
State Gov. Service Charges	-	-	-	-	-	-	-
Data Processing	-	-	(256,766)	-	-	-	(256,766)
Other Services and Supplies	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**($256,766)**	**-**	**-**	**-**	**($256,766)**
Total Expenditures							
Total Expenditures	-	-	(256,766)	-	-	-	(256,766)
Total Expenditures	**-**	**-**	**($256,766)**	**-**	**-**	**-**	**($256,766)**
Ending Balance							
Ending Balance	-	-	256,766	-	-	-	256,766
Total Ending Balance	**-**	**-**	**$256,766**	**-**	**-**	**-**	**$256,766**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 302 - Human Resources Staffing

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	570,624	-	-	-	570,624
Empl. Rel. Bd. Assessments	-	-	232	-	-	-	232
Public Employees' Retire Cont	-	-	104,140	-	-	-	104,140
Social Security Taxes	-	-	43,652	-	-	-	43,652
Worker's Comp. Assess. (WCD)	-	-	184	-	-	-	184
Flexible Benefits	-	-	152,928	-	-	-	152,928
Total Personal Services	**-**	**-**	**$871,760**	**-**	**-**	**-**	**$871,760**
Services & Supplies							
Employee Training	-	-	4,000	-	-	-	4,000
Office Expenses	-	-	4,000	-	-	-	4,000
Telecommunications	-	-	8,000	-	-	-	8,000
Data Processing	-	-	6,000	-	-	-	6,000
Facilities Rental and Taxes	-	-	70,240	-	-	-	70,240
Other Services and Supplies	-	-	4,000	-	-	-	4,000
IT Expendable Property	-	-	10,400	-	-	-	10,400
Total Services & Supplies	**-**	**-**	**$106,640**	**-**	**-**	**-**	**$106,640**
Capital Outlay							
Office Furniture and Fixtures	-	-	30,800	-	-	-	30,800
Total Capital Outlay	**-**	**-**	**$30,800**	**-**	**-**	**-**	**$30,800**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 302 - Human Resources Staffing

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	1,009,200	-	-	-	1,009,200
Total Expenditures	**-**	**-**	**$1,009,200**	**-**	**-**	**-**	**$1,009,200**
Ending Balance							
Ending Balance	-	-	(1,009,200)	-	-	-	(1,009,200)
Total Ending Balance	**-**	**-**	**($1,009,200)**	**-**	**-**	**-**	**($1,009,200)**
Total Positions							
Total Positions							4
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**4**
Total FTE							
Total FTE							4.00
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**4.00**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 303 - Information Services Management & Support

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	299,448	-	-	-	299,448
Empl. Rel. Bd. Assessments	-	-	116	-	-	-	116
Public Employees' Retire Cont	-	-	54,649	-	-	-	54,649
Social Security Taxes	-	-	22,908	-	-	-	22,908
Worker's Comp. Assess. (WCD)	-	-	92	-	-	-	92
Flexible Benefits	-	-	76,464	-	-	-	76,464
Total Personal Services	**-**	**-**	**$453,677**	**-**	**-**	**-**	**$453,677**
Services & Supplies							
Employee Training	-	-	2,000	-	-	-	2,000
Office Expenses	-	-	2,000	-	-	-	2,000
Telecommunications	-	-	4,000	-	-	-	4,000
Data Processing	-	-	3,000	-	-	-	3,000
Facilities Rental and Taxes	-	-	35,120	-	-	-	35,120
Other Services and Supplies	-	-	2,000	-	-	-	2,000
IT Expendable Property	-	-	5,200	-	-	-	5,200
Total Services & Supplies	**-**	**-**	**$53,320**	**-**	**-**	**-**	**$53,320**
Capital Outlay							
Office Furniture and Fixtures	-	-	15,400	-	-	-	15,400
Total Capital Outlay	**-**	**-**	**$15,400**	**-**	**-**	**-**	**$15,400**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Administration and Support**

Pkg: 303 - Information Services Management & Support | **Cross Reference Number: 84500-003-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	522,397	-	-	-	522,397
Total Expenditures	**-**	**-**	**$522,397**	**-**	**-**	**-**	**$522,397**
Ending Balance							
Ending Balance	-	-	(522,397)	-	-	-	(522,397)
Total Ending Balance	**-**	**-**	**($522,397)**	**-**	**-**	**-**	**($522,397)**
Total Positions							
Total Positions							2
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**2**
Total FTE							
Total FTE							2.00
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**2.00**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 306 - Liquor Auditor & Payroll Contracting

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	124,776	-	-	-	124,776
Empl. Rel. Bd. Assessments	-	-	58	-	-	-	58
Public Employees' Retire Cont	-	-	22,772	-	-	-	22,772
Social Security Taxes	-	-	9,546	-	-	-	9,546
Worker's Comp. Assess. (WCD)	-	-	46	-	-	-	46
Flexible Benefits	-	-	38,232	-	-	-	38,232
Total Personal Services	**-**	**-**	**$195,430**	**-**	**-**	**-**	**$195,430**
Services & Supplies							
Employee Training	-	-	1,000	-	-	-	1,000
Office Expenses	-	-	1,000	-	-	-	1,000
Telecommunications	-	-	2,000	-	-	-	2,000
Data Processing	-	-	165,895	-	-	-	165,895
Facilities Rental and Taxes	-	-	17,560	-	-	-	17,560
Other Services and Supplies	-	-	1,000	-	-	-	1,000
IT Expendable Property	-	-	2,600	-	-	-	2,600
Total Services & Supplies	**-**	**-**	**$191,055**	**-**	**-**	**-**	**$191,055**
Capital Outlay							
Office Furniture and Fixtures	-	-	7,700	-	-	-	7,700
Total Capital Outlay	**-**	**-**	**$7,700**	**-**	**-**	**-**	**$7,700**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 306 - Liquor Auditor & Payroll Contracting

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	394,185	-	-	-	394,185
Total Expenditures	**-**	**-**	**$394,185**	**-**	**-**	**-**	**$394,185**
Ending Balance							
Ending Balance	-	-	(394,185)	-	-	-	(394,185)
Total Ending Balance	**-**	**-**	**($394,185)**	**-**	**-**	**-**	**($394,185)**
Total Positions							
Total Positions							1
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**1**
Total FTE							
Total FTE							1.00
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**1.00**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 311 - Privilege Tax Subscription Services

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Professional Services	-	-	1,110,000	-	-	-	1,110,000
Total Services & Supplies	**-**	**-**	**$1,110,000**	**-**	**-**	**-**	**$1,110,000**
Total Expenditures							
Total Expenditures	-	-	1,110,000	-	-	-	1,110,000
Total Expenditures	**-**	**-**	**$1,110,000**	**-**	**-**	**-**	**$1,110,000**
Ending Balance							
Ending Balance	-	-	(1,110,000)	-	-	-	(1,110,000)
Total Ending Balance	**-**	**-**	**($1,110,000)**	**-**	**-**	**-**	**($1,110,000)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 312 - Vehicle Replenishment

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Automotive and Aircraft	-	-	-	-	-	-	-
Total Capital Outlay	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 801 - LFO Analyst Adjustments

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	42,192	-	-	-	42,192
Public Employees' Retire Cont	-	-	7,701	-	-	-	7,701
Social Security Taxes	-	-	3,228	-	-	-	3,228
Reconciliation Adjustment	-	-	(2,145)	-	-	-	(2,145)
Total Personal Services	**-**	**-**	**$50,976**	**-**	**-**	**-**	**$50,976**
Total Expenditures							
Total Expenditures	-	-	50,976	-	-	-	50,976
Total Expenditures	**-**	**-**	**$50,976**	**-**	**-**	**-**	**$50,976**
Ending Balance							
Ending Balance	-	-	(50,976)	-	-	-	(50,976)
Total Ending Balance	**-**	**-**	**($50,976)**	**-**	**-**	**-**	**($50,976)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 810 - Statewide Adjustments

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Office Expenses	-	-	2,520	-	-	-	2,520
State Gov. Service Charges	-	-	(431,870)	-	-	-	(431,870)
Data Processing	-	-	246,746	-	-	-	246,746
IT Professional Services	-	-	(197,823)	-	-	-	(197,823)
Attorney General	-	-	(32,642)	-	-	-	(32,642)
Other Services and Supplies	-	-	81,883	-	-	-	81,883
Total Services & Supplies	**-**	**-**	**($331,186)**	**-**	**-**	**-**	**($331,186)**
Total Expenditures							
Total Expenditures	-	-	(331,186)	-	-	-	(331,186)
Total Expenditures	**-**	**-**	**($331,186)**	**-**	**-**	**-**	**($331,186)**
Ending Balance							
Ending Balance	-	-	331,186	-	-	-	331,186
Total Ending Balance	**-**	**-**	**$331,186**	**-**	**-**	**-**	**$331,186**

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DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Oregon Liquor & Cannabis Comm **Agency Number: 84500**

2021-23 Biennium **Cross Reference Number: 84500-003-00-00-00000**

Source	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
Other Funds						
Transfer In - Intrafund	20,839,259	23,321,977	23,321,977	27,191,703	24,752,948	25,061,972
Transfer In - Indirect Cost	2,873,904	4,788,486	4,788,486	6,925,306	6,315,618	7,517,394
Transfer Out - Intrafund	-	-	-	-	(256,766)	-
Total Other Funds	**$23,713,163**	**$28,110,463**	**$28,110,463**	**$34,117,009**	**$30,811,800**	**$32,579,366**

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DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2017-2019 Actual	2019-21 Legislatively Adopted	2019-21 Estimated	2021-23		
						Agency Request	Governor's	Legislatively Adopted
ALL Sources	OTHER	Various	$23,713,163	$28,110,463	$28,110,463	$34,117,009	$30,811,800	$32,579,366

___ Agency Request ___ Governor's Budget __X__ Legislatively Adopted Budget Page __99__

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BUDGET NARRATIVE

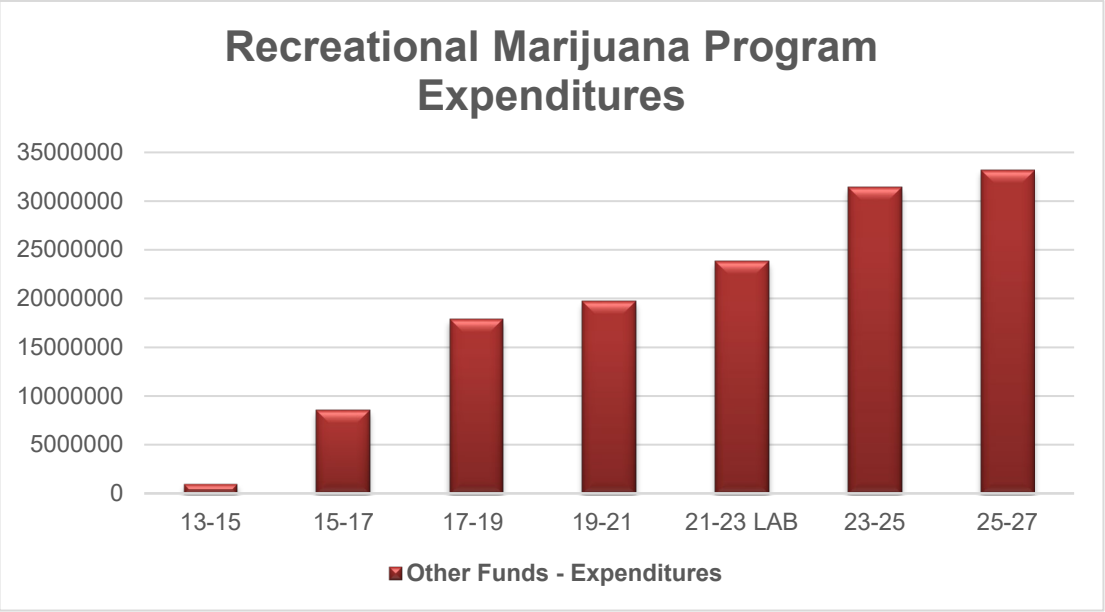
OLCC - RECREATIONAL MARIJUANA REGULATION PROGRAM - 004
2021-23 BUDGET

PROGRAM UNIT EXECUTIVE SUMMARY

A. PRIMARY OUTCOME AREA Economy and Jobs

B. PROGRAM CONTACT Will Higlin, OLCC Deputy Director, 503-872-5224

C. FUNDS BUDGET AND PERFORMANCE



The bars on the graph show historical and projected total expenditures for Recreational Marijuana.

D. PROGRAM OVERVIEW

OLCC's Marijuana Program regulates the production, manufacture, distribution and sale of recreational and medical grade marijuana products to ensure public safety and consumer protection while encouraging economic development. This Program funds agency responsibilities and strategies related to licensing, compliance and education. The Program's efforts have statewide reaches, and impact community livability and public safety throughout Oregon. Two primary missions of the Program's work are to prevent the sale of marijuana products to minors and to help ensure that marijuana is not being diverted outside of the regulated market. Together, this structure of licensing, tracking and commerce creates the platform for a well regulated system that supports the legal sale and taxation of marijuana. Revenue from this program has grown significantly as the system has matured and this revenue is distributed to important public services at the state and local level.

In November 2014, Oregon voters approved Ballot Measure 91, which legalized the sale and use of recreational marijuana in Oregon. The measure tasked OLCC with regulating the new industry, including adoption of rules, licensing and compliance. Each following year has provided subsequent legislation which has further defined, expanded and changed the scope of regulation. Past changes include: movement of taxation responsibilities to the Oregon Department of Revenue and point of sale taxation at retail locations; the dedication of licensing fees to support the OLCC recreational marijuana program; the addition of more license types that could be issued to support small producers and necessary system services; the expansion of privileges for existing license types; and allowing medical products to be produced, processed and sold through the OLCC system. More recently, 2017 legislation widened the scope of the OLCC's regulatory authority to include a subset of the Oregon Medical Marijuana Program (OMMP) and the tracking of hemp products in OLCC's cannabis tracking system.

2015 Legislation

- SB 460 (allows early start of recreational sales in medical marijuana dispensaries; sunsets on December 31, 2016).
- SB 844 (creates task force on Researching the Medical and Public Health Properties of Cannabis. The task force is staffed by OHA, OLCC is a member).
- HB 2041 (replaces Measure 91 grower tax administered by OLCC with 17% retail tax administered by the Department of Revenue).
- HB 3400 (clarifies and adds requirements for implementation of Measure 91 as well as makes changes to the medical marijuana statutes).

2016 Legislation

- HB 4014 (marijuana base bill that includes concepts requested by the Commission as well as multiple other technical and minor policy fixes to HB 3400 passed by the legislature in the 2015 session).
- SB 1511 (expanded access bill which allows OLCC licensees to grow, process and sell medical product, to sell tax free to medical card holders, and creates a micro-canopy tier for small farmers).
- SB 1598 (removes land use compatibility statement requirements for certain small growers and requires all workers of recreational licensees to obtain a marijuana worker permit).
- HB 4094 (exempts financial institutions providing services to marijuana licensees from state criminal law and directs the OLCC to provide financial institutions with information related to licensees or registered businesses).

2017 Legislation

- HB 2198 - Medical Marijuana Governance
- SB 56 - Marijuana Technical Changes
- SB 302 - The Control and Regulation of Marijuana Act
- SB 319 - Siting of Marijuana Establishments near Schools
- SB 863 - Marijuana Consumer Privacy
- SB 1015 - Industrial Hemp Processing
- SB 1057 - Marijuana Tracking and Regulation
- SB 303 - Minors in Possession of Alcohol or Marijuana
- HB 2197 - Tribal Tax Rebates
- HB 3470 - Statutory Changes to support 2017-19 Legislative Adopted Budget (Marijuana Tax Distribution, Borrowing from Liquor Fund)
- HB 5006 - Emergency Board Allocation and 2017-19 Budget Adjustments
- HB 5019 - OLCC Budget 2017-19
- SB 5529 - Oregon Marijuana Account, Lottery, and Criminal Fine Allocations
- SB 5545 - Ratifies Marijuana Fees

2018 Legislation
- HB 4089 Hemp Legislation
- SB 1544 Medical Marijuana, Hemp and Illegal Marijuana Market Enforcement Grant Program
- HB 4163 Moves Marijuana Civil Penalties collected to General Fund
- HB 5201 OLCC Budget Additions
- HB 5202 Hemp and Marijuana Fees

2019 Legislation
- SB 218 Producer Moratorium
- SB 365 Prohibits local government from imposing fees
- SB 420 Procedures for setting aside marijuana convictions
- SB 522 Prohibits return of non-Oregon products
- SB 582 Interstate Commerce
- HB 2098 Potency testing, pilot programs, acceptable ID and revocation of licensure for failure to pay required tax
- HB 3067 City and County opt-in and opt-out survey to DAS
- HB 3200 Requires owner's consent for marijuana production

The implementation of Ballot Measure 91, the creation of three significantly changing budgets and the administration of 35 unique legislative acts—in conjunction with management of a federal interest in Oregon's marijuana program—was a considerable challenge over the past five years. Prolific and consistent changes in state policy development has continually compressed the timeframe for the agency's rulemaking processes and necessitated rapid administrative action to implement an entirely new sector of legal commerce in Oregon. The OLCC has been one of the fastest growing agencies in state government history and the scope of its work is still expanding as it manages the creation of a regulatory framework for recreational marijuana from conception to the major sector of Oregon's economy. With policy leadership from the Governor and Legislature, the OLCC and the marijuana industry have done enough licensing and compliance work to create a legal business sector now characterized by hundreds of millions of dollars of commerce and tens of thousands of jobs in legal and innovative enterprises across the state. Today prices of marijuana are profitable for growers as compared to a year and half ago, retail markets are working well even in the face of COVID-19 challenges; retail curbside operations were a success from a sales and compliance standpoint. One of the biggest indicators of the displacement of illegal marijuana markets was the tremendous sales growth by legal retailers heading into the Governor's initial stay at home order,

this reveled consumer reliance and dependence on legal retail operations. Taken together, in five years' time Oregon has stood up the one of the most successful, ubiquitous and evolved legal marijuana markets in America -- in the world. Even so, much work and imperfection remains with respect to testing, consumer protection and patient access. Much work also falls on OLCC to streamline its administrative systems, eliminate the backlog in licensing and focus compliance work on data driven high priority issues.

On January 4, 2016 the OLCC began accepting applications for marijuana producers, processors, wholesalers, laboratories and retailers. The first production licenses were granted in April of 2016, followed by processors, wholesalers, laboratories and retailers. By January 1, 2017, the end of the "Early Start" law, the OLCC had a functioning recreational marketplace. However, the establishment of a newly legalized market did not come without cost. The OLCC is tasked with bringing a historically illicit market into a regulated legal market. Because of this the OLCC has applicants, and now licensees, with varied skill sets, IT knowledge and business backgrounds. This made each license application time consuming to process and added a variety of factors to address in policy and procedure. Aside from OLCC licensing and compliance work there was, and continues to be, a focus on licensee education of new and existing statutes and rules, and other state laws and responsibilities required to be followed in order to be a successful business.

As of June 1, 2020, OLCC has 2,267 active marijuana licensees and an additional 1,141 applications under review; these numbers are much larger than anticipated by the OLCC and other market research estimates in the early years of the program. Limited start-up funding, combined with the need for a regulatory structure strong enough to avoid federal intervention, created the conditions that could not possibly curb the enthusiasm for licensing and rapid market entry by expectant *cannapreneurs.* The original estimate of 830 licensees was overwhelmed by Oregon's open market oriented system that had low barriers to entry -- except for the resulting slowness of licensing that began in year two and three of the program. However, the OLCC issued enough licenses to create a full and robust market that lead to last session's direction to curtail license issuance for growers in a saturated market.

Marijuana licenses are renewed on an annual basis to ensure all licensing and compliance factors are being addressed at regular intervals. Other than licensing businesses, the OLCC is also required by law to issue marijuana worker permits for the majority of employees within the recreational marketplace. At this time the OLCC has processed over 56,000 worker permit applications. The need for licensing, compliance and analytical staff continues to be a necessity to create a well-regulated marketplace.

License renewals and compliance continues to challenge the agency as this new industry adapts to rapidly changing market forces. As the market evolves, licensees continue to make changes to their physical premises or business ownership and structures, requiring additional investigation, physical inspections and background checks. As of June 15, 2018, the agency temporarily stopped processing new license applications in order to focus on processing renewals and already submitted applications.

With the number of licenses, particularly producers, concern regarding oversupply and out-of-state diversion increased. Governor Kate Brown introduced Senate Bill 218 in the 2019 regular legislative session in an effort to curb marijuana production. SB 218 proposed to place a moratorium on new producer licenses until January 2022. SB 218 passed and Governor Brown signed it into law on June 17, 2019. See 2019 Oregon Laws, Chapter 419.

In 2019-21 the OLCC's Marijuana Program transitioned from implementation of rules and initial licensure to an annual licensing and compliance focus. The program's focus continues be on agency integration, compliance activities, licensing, rulemaking, licensee education and enforcement and compliance activities derived from the PACE Program's production and analysis of data from the Cannabis Tracking System. Processes and procedures are continually refined as statutes and rules change, and as the program gains experience. Adaptability, transparency, public engagement and industry engagement is key to the development of this new industry, public safety, and community livability.

The backlog in all categories of licensing activities is unacceptably slow and burdened by rigorous checks that are manually processed to ensure the integrity of the system. The OLCC is well aware of the economic impact this has on new licensee applicants that spend millions of dollars on leases or property and facility improvements only to sit and wait for assignment of a license to an investigator. Today the agency is in the process of streamlining its work based on five years of implementation experience. During the stay-at-home COVID-19 Orders in 2020, the OLCC's teleworking staff supported by employees who were no longer conducting licensee inspections cleared the backlog of renewals and laid in place plans to tackle about 150 change of ownership requests. The agency expects to create discernable movement in the issuance of new licenses prior to 2021; however to bring the backlog fully current in 2021-23 the agency will work with the industry and legislature to put fee financing resources into a significant increase in licensing staff. A new licensing system is in the planning stages and has the potential to be operable in the last half of 2022 (COVID-19 delay in RFP planning as focus shifted to operable telework capabilities).

While working on implementation of licensing, compliance, IT systems, and general program policy and procedures it became clear the OLCC needed to integrate the marijuana program into the established liquor program when possible. An effort to best use resources and fund the integration of the marijuana program into the larger OLCC became a focus for administration. At this time the marijuana program is holistically integrated into already established OLCC workplace, allowing the OLCC to utilize its staff and resources to better serve its licensees and ensure that compliance is being achieved.AS the marijuana program continues to grow it will need to share at a higher percentage in the cost of operating the agency's statewide administration.

To further integrate the agency a structural change was developed in early 2020. Staff from various areas of the organization including recreational marijuana were pulled together to form the policy, analytical, communications and education team ("PACE"). A shared service for the agency, providing needed structure for streamlined internal and external work in the development and communication of policy and regulations.

As a result of robust legislative changes the OLCC has been in constant rulemaking for the past five years. The implementation of new law takes staff time, education, interagency coordination and stakeholder engagement. With the modifications and additions to law and rules the OLCC must educate staff, licensees and the general public on the current regulations. In 2021-23 the OLCC anticipates marijuana law and rules to continue to be modified to best fit the needs of Oregonians and the growing industry.

On July 1, 2018 a subset of registered Oregon Medical Marijuana Program (OMMP) growers, processers and dispensaries were required by statute to utilize the same tracking system as the recreational market to track cannabis in Oregon. As of June 1, 2020, the OLCC has 481 medical grow sites and 3 OMMP medical dispensaries being tracked in the CTS. In 2019 – 2020 OLCC hired and trained a team inspectors that have inspected hundreds of grow sites around the state and provided education, outreach and compliance violations. Violations are reported to OHA for enforcement As fewer Oregonians are obtaining medical marijuana cards, OHA ability to carry out its compliance obligations is challenged and out of budgetary necessity OLCC may be asked to do more to ensure all legal marijuana is grown in compliance with state law and remains in the system and is safely provided to consumers and patients.

In 2018, legislative changes to the industrial hemp law, related to hemp products entering the OLCC recreational marijuana market put Oregon at the lead of a trend toward fuller integration of the regulation of cannabis. Notable changes include requirements for: tracking, testing, packaging, labeling, and product flow in the recreational marijuana market. As of June 2020, the OLCC has 13 ODA hemp growers and 73 hemp handlers certified to transfer hemp and hemp derived products into the licensed marijuana system. The agency anticipates the certifications to remain steady, if not increase with the federal legalization of hemp. Compliance within this program is critical because industrial hemp and marijuana products are virtually indistinguishable, which can lead to diversion issues. Because federal law allows hemp cultivation and commerce and marijuana remains federally illegal, two regulatory frameworks are being utilized by states to regulate cannabis, but today the products and consumer end products are generally indistinguishable except for levels of THC, the active psychological compound found in both hemp and cannabis. The OLCC works closely with the ODA to harmonize consumer disparities but this is an area where there are opportunity for efficiency in testing regimes, packaging, and consumer protection

Much of the work in implementing the recreational marijuana program has focused around interagency coordination. Marijuana law in Oregon touches many agencies other than the OLCC. The OLCC works closely with the Oregon Health Authority, Department of Agriculture, Department of Revenue, Oregon Water Resources Department and local, state and federal law enforcement. All agencies have their own areas of expertise and are able to share information to solve issues effecting the state as a whole. One large area of overlap in the marijuana system is laboratory licensees. The laboratories are accredited by the Oregon Environmental Laboratory Accreditation Program (ORELAP) which is housed within OHA. The laboratories follow OHA's administrative rules for product testing requirements, and the OLCC licenses the laboratories. In 2020 the OLCC expects to hire a staff member with specialized scientific knowledge to work with ORELAP and OHA to conduct audits and make sure the laboratories are held to the same standards of other licensees and the focus on consumer safety is met. This staffing addition will heighten our interagency communication and better serve the marijuana industry as a whole.

There remains a large scientific and oversight gap in the state's overall ability hold marijuana testing laboratories accountable for their credentialing, methodology and accuracy of their results. To better protect consumers and human health and safety, greater resources are necessary to utilize ODA's expertise in laboratory testing to test a market basket of marijuana products as a means to determine deficient practices by marijuana testing laboratories licensed by OLCC but largely regulated by OHA. Industry desires greater reliability and fairness in the testing sector. A budget note directed ODA and OLCC to collaborate on this testing issue and ODA will be requesting necessary funding from marijuana resources to dedicate a portion of their new laboratory facility to marijuana testing in conjunction with OLCC, OHA and ODA's needs. As the primary regulators of marijuana, the OLCC has identified this as a priority to protect consumers and will work with ODA to secure support for this service. To illustrate the need, during the EVALI lung injury vaping crisis that was causing significant harm including death of consumers, the OLCC could not buy from anywhere in Oregon or nationally an independent full spectrum analysis of the components in a sampling of consumer vape products sold in Oregon. As of June 2020, results of OHA and CDC testing were patient specific and not made available to OLCC as they were part of the investigation nationally. Lack of testing in Oregon is a public health threat and the buildup of capacity in this area is leverage as the capabilities allow response to a multitude of health threats.

In 2018 and 2019 OLCC began better utilizing CTS information for data driven enforcement and inspections, notably, the harvest inspections implemented in the summer of 2018, requiring producers to let OLCC know when they would be harvesting in CTS so inspectors were able to be on-site at the time of harvest. This lead to multiple violations, but also proved to help the industry gain compliance through education. In the 2021-23 budget cycle the OLCC plans to further refine data driven enforcement and audits with the assistance of the recently established Analytics and Research Department within PACE. It is anticipated that the use of data-informed enforcement will even the playing field and allow the compliant licensees to thrive, while moving others out of the system.

While overall licensing and compliance activities are similar between alcohol and marijuana, the specific practices of the various recreational marijuana license types are very different. The OLCC plans to comprehensively examine both liquor and marijuana licensing in the 2021-23 biennium, and begin to streamline policies and protocols where acceptable. The OLCC will continue to develop new skills and knowledge to define activities that are allowed and those that are not, as well as the degree of severity of any violation of governing statutes and administrative rules. Agency staff will have to fine tune their ability to monitor licensee activity through the Cannabis Tracking System to trigger investigations, and learn what activities are within normal bounds of deviation and what are not. Coordination with local law enforcement will be paramount for smooth operations of legal activity, for enforcing and investigating suspected criminal activities of licensees, and importantly, for supporting the legal market through enforcement against illegal operations and sales.

After 5 years of implementation OLCC and the marijuana industry have developed clearer understanding of the controls and sanctions that are program priorities and today the OLCC is working with industry and public safety partners to increase the effectiveness of our program. Licensing was a primary control for compliance when the program started – lots of time consuming checks before license were issued, lots of required detail on business structures, lots of checks of facilities in the field for compliance. Today, it is clear that people have experience and knowledge about initial licensing regulations. In general, the OLCC will work to streamline economically prohibitive timeliness for licensure, rely on compliance checks in the field to designate expectations on the fixing of compliance issues that are important to accountability but not indicative of diversion or criminal activity – these are issues that can be fixed without going through a full violations investigation and administrative proceedings that are costly and time consuming for the agency and licensees. Of course, if deficiencies are not corrected then violations would be issued. As discussed, the OLCC and Commission are working to refine violations so it is clear to policy makers, inspectors and licensees what issues are so serious there is no discretion of field flexibility, and provide clarity on what actions will lead to the agency pursuing cancellation of a license. Today many violations can lead to license cancellation, but for the most part they are settled without cancellation. At the same time, the OLCC utilizes sanctions to good effect and has settle numerous violations that include the relinquishment of a license and attribution of responsibility to the persons involved that limits their future ability to be licensed or hold a marijuana worker permit. The non-compliant, “bad actors” and the incapable operators are regularly being pushed out of the system.

There is an expectation that OLCC will contribute to the development of public policies to support social and business issues that impact the legal operations of its licensees. The OLCC is working with the state Treasurer and industry to facilitate banking solutions that get the cash out of the system as great sums of cash are a source of criminality and violence. HB 4098 from 2016 gave the OLCC the ability to work with financial institutions and provide data from the Cannabis Tracking System as well as licensing and compliance information. At this time the OLCC has relationships with three credit unions, one money transaction

institution and pursues conversations with others who are interested. The OLCC is working with the industry to ensure that efforts to provide for social consumption of marijuana are separate and apart from licensees that serve and sell liquor products. Lastly, the OLCC will follow legislative guidance and new laws addressing these issues and other new frontiers related to the marketing of tourism and private social events permitting that would require regulation changes.

As this industry develops, social equity, particularly access to capital and support for minority business owners, has become a part of the greater national conversation. This is an area the OLCC is recommending be addressed through legislation that put resources into the hands of a marijuana diversity council structure to allocate loans and develop capital assets for minority owned marijuana businesses.

Goals of the Recreational Marijuana program include:

Administrative Goals:

- Provide the Marijuana Policy Team of the OLCC with consistent coordination for team members, division and program managers.
- Ensure an ability to rapidly communicate on crisis enforcement matters.
- Prepare agency leadership to represent the marijuana program, specifically related to issues of compliance and enforcement.
- Ensure marijuana fees support the cost of the program.
- Maintain an accountability for transfers of marijuana funding that is utilized to support services and personnel in most divisions. of the OLCC as both alcohol and marijuana responsibilities are fully integrated services of the agency.
- Transfer funds to the Public Safety Program increase support for marijuana licensing and timely inspection.
- Transfer funds to the Public Safety Program to train, equip, and provide for the safety of inspectors.
- Support consumer protection staff work and increase public health and safety capacity internal to OLCC.
- Establish coordination between program areas for the administration of violations in conjunction with the Public Safety Division.
- Establish coordination for making licensing determinations in conjunction with the Public Safety Division.
- Assist the Public Safety Division in the development of a comprehensive education program for the marijuana worker permittees, which meaningfully serve to prevent sales to minors, diversion of product and other public safety issues statewide.
- Facilitate revenue generation and accurate collection of taxes, and distribution to state and local governments by the Oregon Department of Revenue.
- Coordinate with the Public Safety Division, OMMP Tracking Division.

- Maintain intergovernmental Agreement to coordinate with the Public Safety and OMMP Tracking Divisions to develop internal guidelines and processes to utilize the Cannabis Tracking System as a means of conducting meaningful compliance checks on marijuana licensees.
- Work with DPSST staff to refine OLCC's academy and internal training requirements for all sworn staff.
- Establish and maintain intergovernmental agreements with the Oregon State Police, the Oregon Public Safety Standards and Training, the Oregon Department of Revenue, the Oregon Department of Agriculture and all other state agencies the OLCC provides or delivers services with or through.

Policy Goals:

- Eliminate the backlog in licensing and implement a new IT licensing system for the future.
- Participate in the development of the agency's administrative rules, policies and processes that further the goal of preventing diversion of product, preventing access to alcohol and marijuana by minors, reducing impaired driving incidents and protecting the overall public health and safety needs of the state.
- Develop depth in OLCC's capacity for consumer protection.
- Provide input into policy analysis, policy development and issues for necessary leadership decision making in cooperation with PACE.
- Lead agency-wide enforcement of implementation of policy goals.
- Develop strategies and plans for program development through the PACE Team and agency leadership.
- Implement changes that enhance the effectiveness and fairness of fines, suspensions, and license revocations in deterring future violations and protection of overall public safety.
- Implement changes that enhance licensing practices to streamline renewal and new applications, making it time and cost effective for businesses without access to traditional banking and capitol to enter the regulated marketplace.
- Engage in regular coordination meetings with local law enforcement, local governments and other regulatory bodies to position the agency to be responsive to local communities' many interests in marijuana and its regulation.
- Maintain the agency's leadership position in establishing best practices for regulation through continued participation and engagement with states and nations that regulate cannabis.
- Ensure the agency is open and accessible to the marijuana industry as a whole and that marijuana licensees are supported in achieving compliance through readily available services and consistent regulatory communication by OLCC.

- Engage other state and local agencies involved in marijuana and alcohol control to further develop a statewide approach to alcohol and marijuana compliance.
- Work with industry stakeholders to reach social equity goals.

In the 2021-23 biennium, the OLCC's Marijuana Program will continue to refine licensing and compliance efforts, and best utilize technological resources. The Program in 2021-23 will focus on licensing, renewal and compliance activities described in and managed by the Public Safety Services Program -002. In addition IT systems and internal processes need significant revision to better match the changing statutory requirements and work flow as it exists today. A key initiative will be re-crafting the online application system and processes to provide better functionality and to reduce manual processes for licensees and administrative staff.

The Marijuana Program is funded solely from marijuana application and license/permit fees and fines, paying for marijuana program expenses and personnel including its proportional share of agency-wide shared management, support staff and expenses. The Department of Revenue collects and distributes marijuana taxes.

In 2021-23 the Legislatively Request Budget includes the following package to meet the challenges of an evolving marijuana regulatory landscape:

Marijuana Licensing Specialists **Package No. 409, 8.0 FTE, $1,840,000, As Modified**

There are currently 13 marijuana licensing specialist positions assigned to this program with 2,267 active licenses and 1,141 applications either assigned or waiting for assignment; 1,775 applications have been withdrawn or inactivated. Licensing specialists approve renewals, change of ownership, change of locations, and changes in tier sizes for existing licenses and a myriad of processes including background checks for applications for new licenses. Delays in processing changes and approving applications continues to cause significant problems for applicants. These services performed timely and efficiently support events and establishment that create jobs, commerce and revenue through business income taxes and are vital to Oregon's economic recovery efforts. Delays translate into private sector loss of income generation. This situation is unacceptable and is costing applicants millions of dollars in capital. The OLCC will work with industry to cover the additional cost of providing timely licensing services and attacking the backlog of license application. If existing license fees and $8m in accumulated reserves is utilized, OLCC can likely accomplish this without a fee increase, however, increase licensing fees is an acceptable option to achieve this goal of OLCC and its licensees. The efficiency of this program must increase and OLCC is fully committed to eliminate the backlog. As this program is self-supported, it has no implications for the general fund. This package requests for marijuana licensing specialists and a GIS analyst to address demand for marijuana licensing services.

CBD Inhalant System Regulation **Package No. 413, 1.5 FTE, $346,147, As Modified**

The Oregon Liquor & Cannabis Commission, Oregon Health Authority and Oregon Department of Agriculture currently cooperate on the regulation of various cannabis product value-chains in Oregon. Currently, marijuana and hemp products intended for human consumption are tested for THC and CBD levels and the presence of certain solvents or pesticides. However, once hemp has been tested and converted into industrial hemp products, there is no longer any tracking or regulation of product on its path to final consumers. OLCC Legislative Concept 8500-005 tasks OLCC with the regulation of CBD vaping products. It adds a compliance specialist 3 to establish the vaping program, develop rules and assist with adjudication of violations and an administrative specialist to coordinate, manage and facilitate product testing.

E. PROGRAM FUNDING REQUEST

The Legislatively Adopted Budget is $23,836,494 Other Funds limitation for the 2021-23 biennium for this program, with 80 positions and 79.25 FTEs.

F. PROGRAM DESCRIPTION

In 2021-23 the Program's focus will be on enhanced compliance activities and continued agency integration, interagency integration, rulemaking, licensee education, licensing, and the production and analysis of data from the Cannabis Tracking System to aid in licensee compliance and the auditing of tax collections in conjunction with the Department of Revenue. Processes and procedures will be refined as statutes and rules change and as the program gains experience. Adaptability, transparency and public and industry engagement will be key to the development of this new industry, public safety and community livability.

OLCC's duties for recreational marijuana regulation include the following:

- Enforcement of regulations relating to producers, wholesalers, processors, retailers, laboratories, marijuana worker permits and research certificates with an emphasis on voluntary compliance,
- Management compliance and enforcement of a product tracking system which is required to be used by licensees to track all marijuana and marijuana products from plant viability to final sale to the consumer,
- Implementation of a marijuana workers permitting program for all recreational marijuana businesses,

- Conduct investigations, inspections, seizures, and detect and deter violations related to OLCC-licensed marijuana facilities,
- Maintain a focus on intentional diversion from the OLCC licensed marijuana facilities to the black market,
- Regulation of all marijuana products sold in OLCC retail stores,
- Label and package compliance for both recreational and medical marijuana,
- Working with the Oregon Health Authority to allow the medical marijuana program to utilize tracking technology,
- Assisting in the development of testing requirements and standards for product testing, and
- Working with the Department of Revenue to reconcile product movement with taxes paid.

The OLCC works closely with its partner agencies to administer this program:

- Oregon Health Authority (Oregon Medical Marijuana Program regulation, testing standards, ORELAP certification, label requirements, THC concentration limits).
- Oregon Department of Revenue (taxation, audit).
- Oregon Department of Agriculture (certification of kitchen and weight scales, pesticide use).
- Oregon Department of Water Resources (regulatory authority of water use in Oregon).
- Local, State and Federal law enforcement.

G. PROGRAM JUSTIFICATION AND LINK TO LONG TERM OUTCOMES

The budget environment related to regulation of recreational marijuana continues to adapt as the industry matures. Resources budgeted are predicated on an estimated number of licensees, the *actual* number of which may vary widely from estimates. In addition to a significant backlog in process applications, new applications for marijuana licenses and worker permits continue to rise. It is anticipated that the budget will be adjusted pending actual experience as license applications and renewals are received and the work of approvals and inspections continue.

H. PROGRAM PERFORMANCE

OLCC proposed two metrics for the 2019-21 biennium of operation for the Marijuana Program that mirrored similar metrics in the Distilled Spirits Program.

The first proposed metric is compliance-based, the OLCC proposes to measure the rate of retail business that refuse to sell to minors during inspector directed minor decoy operations. Keeping marijuana out of the possession of minors is a major responsibility of

OLCC oversight for its licensed retailers. This measure is calculated from the compiled results of minor decoy operations conducted during the fiscal year out of the five OLCC regional offices; Bend, Eugene, Salem, Medford and Portland Metro. The measure is calculated by dividing the total number of instances when a licensee refused to sell to a minor by the total number of attempted minor decoy purchases.

The second proposed metric is to measure the total amount of time it takes to issue a marijuana license. The data supporting this measure is compiled by the OLCC marijuana unit and reported from NIC-USA online licensing system documentation, as well as data compiled by license investigators statewide; processing time for individual applications varies widely based on how complete applications are, how ready for inspection an applicant is, and how quickly and thoroughly applicants respond to requests for additional information.

I. ENABLING LEGISLATION/PROGRAM AUTHORIZATION

The OLCC's authority to regulate marijuana is derived from ORS Chapter 475B.

J. FUNDING STREAMS

With the adoption of Policy Option Package 408 "Marijuana Program Enhancement" which included a modest increase in annual licenses fees, OLCC's Marijuana Program expected to be fully funded by license and application fees during the 2019-21 biennium as mandated in HB 3400 from the 2015 session. New fees will be established through rulemaking that cover the agency request budget cost for administering the Program. The fees will be based on the total number of licenses and permits issued that are expected to renew during the 2019-21 biennium, plus the forecast revenue from new licenses.

Recreational Marijuana License Fees

Fee Type	Amount	Comment
Application Fee for Initial License or Certificate	$ 250	Non-Refundable fee due with the application for a marijuana license
Annual Marijuana Producers (growers) License Tier I	$ 3,750	Annual License fee for smaller producers of marijuana; Less than 5,000 sq. ft. indoor/ 20,000 sq. ft. outdoor
Annual Marijuana Producers (growers) License Tier 2	$ 5,750	Annual License fee for larger producers of marijuana; 5001 to 20,000 sq. ft. indoor/ 20,001 to 40,000 sq. ft. outdoor
Annual Marijuana Producer (growers) Micro Tier 1	$ 1,000	Annual License Fee for Producers of marijuana up to 625 sq. ft.
Annual Marijuana Producer (growers) Micro Tier 2	$ 2,000	Annual License Fee for Producers of marijuana up to 626 sq. ft. to 1,250 sq. ft.
Annual Marijuana Processor License	$ 4,750	Annual license fee for processors ; process marijuana flower into extracts and edibles
Annual Marijuana Wholesaler License	$ 4,750	Annual license fee for wholesalers of marijuana products including transportation entities
Annual Marijuana Micro Wholesaler License	$ 1,000	Marijuana wholesaler that only receives product from a Micro tier 1 or Micro Tier 2 producer
Annual Marijuana Retailer License	$ 4,750	Annual license fee for retailers of marijuana products
Annual Marijuana Laboratory License	$ 4,750	Annual license fee for laboratories that test marijuana products
Annual Marijuana Sampling Laboratory License	$ 2,250	Annual license fee for laboratories that only sample marijuana for delivery to a licensed laboratory
Research Certificate (three year term)	$ 4,750	Certificate to conduct research on marijuana but material and product must be tracked similar to other licenses
Annual Hemp Certificate	$ 1,000	Annual license that allows industrial hemp producers to transfer hemp to licensed marijuana processor, wholesaler or retailer
Marijuana Handler Permit (five year term)	$ 100	Five year fee to educate, perform background checks and license individuals who sell marijuana product at retail
Additional Criminal Background Check	$ 50	Fee for additional background checks if not part of an initial or new license application
Change of Ownership Review	$ 1,000	Fee to evaluate any change to a ownership structure of a existing licensee (e.g. change of owners)
Change of Business Structure Review	$ 1,000	Fee to evaluate any change to a business structure of a existing licensee (e.g. change from C Corporation to LLC)
Transfer of Location of Premises Review	$ 1,000	Fee to evaluate any change to a business location of a existing licensee (e.g. moving location of business)
Packaging Preapproval fee	$ 100	One time fee to approve a type of packing for sale of marijuana products
Labeling Preapproval Fee	$ 100	One time fee to approve a type and content of label for sale of marijuana products
Annual License Fee for Additional Medical Canopy	$ 100	Annual fee to allow grower to licensed tier limits for medical marijuana production by ten percent
Change to Previously Approved Package or Label	$ 25	One time fee to approve a change to the type and content of label for sale of marijuana products
Transfer of Packing or Labeling Application to Another Entity	$ 25	One time fee to approve a transfer of packaging or labeling to another licensed entity
Late Renewal Fee for license if received less than 20 days before expiration date	$ 150	Renewals are due by the 10th of the month
Late Renewal Fee for license if received after expiration date	$ 300	Licenses expire at the end of the month. If no renewal received within 30 days of expiration date license is cancelled.
Late Renewal Fee for handler permit if received less than 20 days before expirati	$ 50	Renewals are due by the 10th of the month
Late Renewal Fee for handler permit received after expiration date	$ 100	Licenses expire at the end of the month. If no renewal receive within 30 days of expiration license is cancelled.

Based on the current number of applications in the marijuana license system, OLCC anticipates 2,442 active marijuana licenses by the end of FY 23. If this estimate continues to hold, then current license fees will cover 2021-23 Program expenses.

K. SIGNIFICANT PROPOSED PROGRAM CHANGES FROM 2019-21

There are no proposed changes

Agency Integration Strategy

Marijuana Positions moved to the Administration and Support Services Program and Public Safety Services Programs

Key to the agency's continued success in marijuana implementation is common management for both alcohol and marijuana, and the integration of marijuana personnel throughout the agency's central services.

OLCC's strategy is to integrate responsibilities for the Marijuana Program into the Public Services Safety Program and Administration and Support Services Program currently servicing the alcohol side of the agency. The integration results in cost efficiencies to both programs and allows for OLCC's extensive experience in liquor licensing and regulation to transfer to the regulation of recreational marijuana. Integration of positions provided for Administration and Support Services were the first to be integrated, followed by integration of licensing and compliance staff. An allocation of funds are charged from the Public Safety Services and Administrative Support Services Programs to the Marijuana Program to pay for these added services and positions.

Administrative and Support Service Program (support for marijuana implementation)

The Administration and Support Services Program provides administrative, technical, accounting, purchasing, facilities, motor pool and communications services for the Public Safety Services, Distilled Spirits, Store Operations and Capital Improvement programs for the OLCC through liquor funding. The addition of the Marijuana Program also requires Support Services but has a separate funding source (Marijuana Control and Regulation Fund). Six permanent and two limited duration positions provided to OLCC were support service oriented (Accountants, Information Technology, Human Resources, Administrative Policy and Process, Public Relations and Procurement). A technical adjustment was made to move these positions into the appropriate divisions of the Support Services Program. Three accounting positions were moved into Financial Services, one procurement specialist position was moved into Administrative Support Services, one IT technician was moved into the Information Services Division and one Public Affairs Specialist was moved into the Communications Division.

The Marijuana Program pays for their portion of Support Services program costs through a position-based allocation. The Marijuana Program will be charged 26% of the Support Services program budget. This will total $5.9 million in the 2021-23 biennium and monies will be transferred to the Liquor Fund from the Marijuana Control and Regulation fund for this allocation.

Public Safety Services Program (support for marijuana implementation)

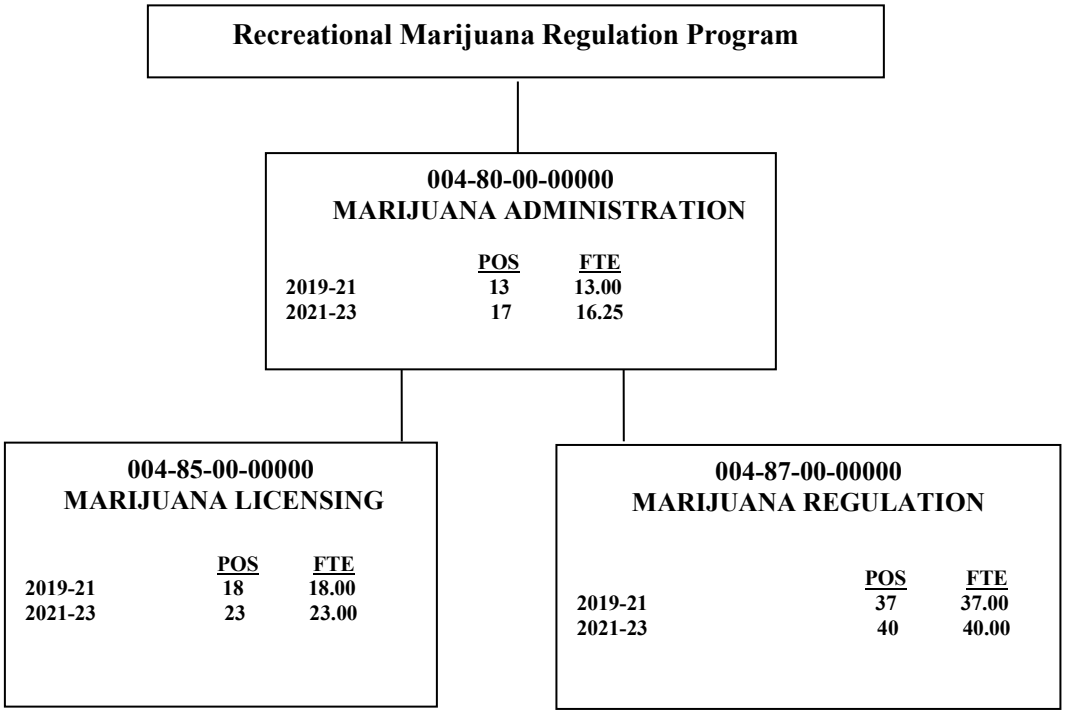
One management position was provided to OLCC for the implementation of recreational marijuana (PEM G). OLCC moved this position into the Public Safety Services Program as part of the agency strategy to integrate management of marijuana and alcohol regulation. This position oversees the Public Safety Services Program including regulation of licensing of both alcohol and marijuana. Public Safety Services management including licensing and field offices will manage the Marijuana Program positions that will directly perform licensing, regulation, education, label and packaging certification, policy development, rule-making and data analysis.

Funding

The total allocation to the Liquor Fund from the Marijuana Control and Regulation Fund for Administrative Support Services and Public Safety Services Management will be $5.9 million for the 2021-23 biennium. The $5.9 million will be funded through marijuana license fees.

OLCC - RECREATIONAL MARIJUANA REGULATION PROGRAM (004)
2021-23 BUDGET

Organization Chart



BUDGET NARRATIVE

OLCC - MARIJUANA ADMINISTRATION - SUBPROGRAM 80
2021 - 23 BUDGET

A. PURPOSE, ACTIVITIES & ISSUES

The Marijuana Administration Division is the primary entity for implementing the compliance and enforcement responsibilities related to recreational marijuana as outlined in ORS 475B (Cannabis Regulation) and Oregon Administrative Rules Chapter 845. This Division establishes standards and procedures for licensing and regulation, assists the Department of Revenue in collection and audit of marijuana taxes, and enforces the packaging and labeling standards for marijuana products.

The Division is looking to accomplish the following goals:

- Train prospective licensees and the general public on marijuana rules and license process,
- Support for medical operations transitioning to recreational operations,
- Accountability among emerging industry using Cannabis Tracking System,
- Continue to issue five business licenses types and one research certificate type to support the recreational marijuana industry while still federally illegal, and
- Establish data-sharing agreements with non-governmental organizations (e.g. research universities).

B. BACKGROUND

Measure 91 was passed in November of 2014. The Measure legalized recreational marijuana in Oregon and gave authority to the Oregon Liquor & Cannabis Commission for administration of the law and regulation of the market. Several pieces of legislation were passed during the 2015 Legislative Session that refined and clarified OLCC's mission, duties and responsibilities. During the 2016 session, House Bill 4014, Senate Bill 1511 and Senate Bill 1598 were passed which added additional authorities including expansion of license types targeting small producers, expansion of the worker permit system to include all workers in the industry, and the ability to move medical marijuana product from the medical system to the recreational system. In 2019 a moratorium set to expire on January 2022 was placed on new producer licenses.

C. EXPECTED RESULTS

In addition to the administrative functions list above, the Marijuana Administration Division also expects to accomplish the following:

- Increase the number of hours spent preparing for training and training stakeholders annually; touring facilities,
- Respond to 80%+ of requests for a speakers from OLCC Marijuana Program within 48 hours of receiving request,
- Monthly update of Business Readiness Guidebook,

OBJ

D. REVENUE SOURCE

The Recreational Marijuana Program is funded from license fees and fines out of the Marijuana Control and Regulation Account created in HB 3400. The Oregon Liquor & Cannabis Commission is 100% Other Funded, and generates revenues from the sale of distilled spirits, alcohol and marijuana license fees, privilege tax paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapters 471, 473 and 475B. Funding for the Marijuana Program comes exclusively from marijuana-related license and permit fees.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

OLCC - MARIJUANA LICENSING – SUBPROGRAM 85
2021 - 23 BUDGET

A. PURPOSE, ACTIVITIES & ISSUES

The Marijuana Licensing Division is responsible for the licensing of all recreational marijuana business in Oregon. The division is managed by License Services Division for alcohol. Aside from the day to day activities of licensing applicants, the division also intends the following outcomes in the 2021-23 biennium:

- Continue hiring as positions become vacant or new positions are added,
- Set workload standards for all licensing staff,
- Set performance measures (quality and quantity) for all licensing staff,
- Complete comprehensive training materials and training plan for all new staff,
- Complete comprehensive training materials and training plan for quarterly staff training,
- Complete comprehensive training materials for advanced staff training,
- Complete licensing process review: evaluate entire licensing process from start to finish. Identify duplications, inefficiencies,
- Document all aspects of licensing process: include any coordination with other divisions, step-by-step process, ancillary processes, etc.,
- Complete updates of all applicant forms,
- Complete comprehensive licensing manual,
- Establish protocols and process for updating, distribution to staff, training to staff on updates,
- Redevelopment of the online licensing system: to be up to date on current requirements and business processes for all new applications,
- Redevelopment of the renewal system: to function with the licensing system,
- Create document management protocols within the licensing system,
- Establish comprehensive tracking system: with multiple data points for purposes of tracking all licensing activities on an individual, regional and statewide level,
- Establish violation tracking system within licensing system.

B. BACKGROUND

Measure 91 was passed in November of 2014. The Measure legalized recreational marijuana in Oregon and gave authority to the Oregon Liquor & Cannabis Commission for administration of the law and regulation of the market. Several pieces of legislation were passed during the 2015 Legislative Session that refined and clarified OLCC's mission, duties and responsibilities. During the 2016 session, House Bill 4014, Senate Bill 1511 and Senate Bill 1598 were passed which added additional authorities including expansion of license types targeting small producers, expansion of the worker permit system to include all workers in the industry, and the ability to move medical marijuana product from the medical system to the recreational system. In 2019 a moratorium set to expire on January 2, 2022 was placed on all new producer licenses.

C. EXPECTED RESULTS

In the 2021-23 biennium, the Division expects the following results:

- Agency rules, policies and processes result in the reduction of incidents which negatively impact public safety as measured by local and state agency feedback and number of violations.
- Strong partnerships with law enforcement and other state and local agencies result in measurable statewide decreases in the number of public safety incidents related to marijuana and alcohol.
- Reduction in statewide sales to minors by percentage in both marijuana and alcohol licensees/permit holders as measured by minor decoy checks compared with previous years.
- OLCC sworn staff have the appropriate training necessary to obtain and maintain DPSST certification, which is also in line with the agency's voluntary compliance philosophy and enforcement authority.

D. REVENUE SOURCE

The Recreational Marijuana Program is funded from license fees and fines out of the Marijuana Control and Regulation Account created in HB 3400. The Oregon Liquor & Cannabis Commission is 100% other funded, and generates revenues from the sale of distilled spirits, alcohol and marijuana license fees, privilege tax paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapters 471, 473 and 475B. Funding for the Marijuana Program comes exclusively from marijuana-related license and permit fees.

E. PROPOSED LEGISLATIVE CHANGES

Agency Concept 84500-005 – Regulations of CBD Inhalant Systems
The Governor's Executive Order 19-09 reflects the concerns relating to minors and vape items. This legislative concepts authorizes an agency to regulate hemp-derived CBD inhalant delivery systems and provides for testing of ingredients of hemp vaping devices like tests conducted on the ingredients of marijuana inhalant delivery systems.

Agency Concept 84500-07 – Marijuana Social Equity
Solutions are needed to eliminate barriers and assist minorities and people with low income who wish to participate in the establishment of marijuana businesses. This legislative concept authorizes OLCC to coordinate with Business Oregon to establish a grant program with funds dedicated from the marijuana tax fund to assist minority ownership in marijuana businesses.

Agency Concept 84500-08 – Amendments Affecting Marijuana Laboratory Licenses
The definition of premises in ORS 475B.015(30) describes only producers, processors, wholesalers, and retailers, which limits OLCC's ability to apply certain requirements to laboratory licenses. In addition, lab employees were left out of the group of employees which required marijuana worker permits. Extending these requirements to marijuana laboratory licenses will ensure that OLCC has the appropriate regulatory authority to regulate laboratories and their employees.

OLCC - MARIJUANA REGULATION - SUBPROGRAM 87
2021 - 23 BUDGET

A. PURPOSE, ACTIVITIES & ISSUES

The Marijuana Regulation Division is responsible for enforcing the laws related to recreational marijuana license holders. The Program will investigate license applications, inspect licensed premises for compliance, respond to complaints related to licensees and administer violations of Oregon's marijuana law and regulations. The Division is managed by the Public Safety Program of the OLCC and shares similar activities and expected outcomes with the alcohol program. Along with ongoing enforcement activities, the Division also expects the following activities:

- Creating or recognizing opportunities for staff to participate in community events such as job fairs, school activities or industry presentations,
- Remain informed about current trends/topics in education in marijuana and incorporate knowledge into existing programs,
- Increase minor decoy visits to marijuana retail shops,
- Partner with moderation groups to conduct minor decoy operations, and
- Consistent information sharing with outside compliance agencies such as OHA, Department of Agriculture, Department of Revenue, Water Resources Department, State Police, as well as local government programs and law enforcement.
- Establish a team of investigators to conduct data driven investigations that leads to known diversion throughout the state.

Compliance:

- Conduct minor decoy operations.
- Conduct inspections of retailers, producers, wholesalers, processors, researchers and labs.
- Conduct in-field inspections during the outdoor harvest season.
- Conduct complaint driven investigations.
- Conduct data driven investigations at retailers, produces, wholesalers, processors, researchers and labs.
- Analyze data from METRC and provide educational warnings along with directed enforcement when necessary.

BUDGET NARRATIVE

B. BACKGROUND

Measure 91 with amendments from legislation in 2015, 2016, 2017, 2018, and 2019 provide OLCC's responsibilities for licensing, regulation and administration. Rulemaking and adoption of processes and procedures is ongoing.

C. EXPECTED RESULTS

The Marijuana Enforcement Division expects the following results during 2021-23 biennium:

- Continuation of increased focus on evolving industry needs.
- Increased focus on education and compliance around the sale of marijuana to minors,
- Partnership with the moderation groups and OLCC with licensees to enhance education of overconsumption of marijuana products.
- Partnership with outside agencies on investigations outside of OLCC's authority that have direct correlation to the recreational marijuana market.
- Reduce public health and high risk behaviors with over service, DUII, minors, drinking on duty, intoxicated on duty
- Increased enforcement activities.

D. REVENUE SOURCE

The Recreational Marijuana Program is funded from license fees and fines out of the Marijuana Control and Regulation Account created in HB 3400. The Oregon Liquor & Cannabis Commission is 100% Other Funded, and generates revenues from the sale of distilled spirits, alcohol and marijuana license fees, privilege tax paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapters 471, 473, and 475B. Funding for the Marijuana Program comes exclusively from marijuana-related license and permit fees.

E. PROPOSED LEGISLATIVE CHANGES

Agency Concept 84500-005 – Regulations of CBD Inhalant Systems
The Governor's Executive Order 19-09 reflects the concerns relating to minors and vape items. This legislative concepts authorizes an agency to regulate hemp-derived CBD inhalant delivery systems and provides for testing of ingredients of hemp vaping devices like tests conducted on the ingredients of marijuana inhalant delivery systems.

Agency Concept 84500-07 – Marijuana Social Equity
Solutions are needed to eliminate barriers and assist minorities and people with low income who wish to participate in the establishment of marijuana businesses. This legislative concept authorizes OLCC to coordinate with Business Oregon to establish a grant program with funds dedicated from the marijuana tax fund to assist minority ownership in marijuana businesses.

Agency Concept 84500-08 – Amendments Affecting Marijuana Laboratory Licenses
The definition of premises in ORS 475B.015(30) describes only producers, processors, wholesalers, and retailers, which limits OLCC's ability to apply certain requirements to laboratory licenses. In addition, lab employees were left out of the group of employees which required marijuana worker permits. Extending these requirements to marijuana laboratory licenses will ensure that OLCC has the appropriate regulatory authority to regulate laboratories and their employees.

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Marijuana Licensing Specialist
OLCC 2021-23 Budget, Policy Option Package No. 409, Agency Priority No. 9 As Modified

A. Package Purpose

OLCC license requests for the recreational marijuana program continue to grow and OLCC's backlog in many categories of licensing activity is too slow and unexpectable. Recreational marijuana—while this program is now five years since its inception—the industry continues to evolve both on its own as well as in response to ever-changing legislation. Due to this, the licensing work for marijuana remains highly complex and the demand to be nimble to the aforementioned changes is high. As of June 1, 2020, OLCC had 2,267 active marijuana licenses with over 1,100 applications for licenses either assigned or waiting to be assigned. These numbers far exceed the initial expectation of 800 active licenses within the first two years of the program. The demand and responsibility for expeditious processing of alcohol and marijuana licenses and permits as well as the maintenance of licenses permits and those records associated to them remains a top priority for OLCC. To meet this expectation, OLCC must better align the number of staff to the growth and change of both industries.

Some applicants have been waiting over two years for licensing services, and the OLCC has been clear with angry licensee applicants that this is unacceptable performance. It is not uncommon for millions of dollars of capital to be lost by private sector businesses as they wait for assignment of an application. Many of these licensee have utilize considerable sums of capital in property, facilities and leases and are faced with no forward movement toward a license, and without the ability to generate income. An important consideration here is that marijuana business do not have access to conventional financing and banking. Long delays for OLCC licensing is currently at an unsustainable rate and is economically prohibitive for many expectant citizens hoping to start a marijuana business; this includes minority business enterprise that have traditionally faced access to capital issues. This situation has opened the agency to potential litigation and the program's barrier to entry make illegal markets attractive, which is completely counter to the objectives of the recreational program.

The industry that funds the agency's marijuana program does not understand the limits on the agency's ability to simply hire a workforce that matches the demand – particularly when their fees support the program and have been ample enough to build-up reserves. In 2020, the OLCC added personnel to work on the renewal backlog during the COVID-19 stay at home order and the backlog was eliminated. Management made policy changes to facilitate the process of moving forward and addressing a backlog of about 150 change of ownership applications (which often provides new life to the capital investment in a marijuana business and license). By 2021 the OLCC's goal is to maintain its current progress on renewal of licenses, its substantial progress on change of ownership applications and to show routine progress on moving new license applications forward. In the 2021-2023 budget period the OLCC will eliminate

backlogs, maintain current work and normalize a practical and timely licensing path for new applicants. As well, these 12 positions requested will enable experienced staff to assist with the development of the IT project to automate the application and tracking of licensing and provide the support necessary to migrate licensing data to support the operation of a new system. OLCC projects marijuana funds will be sufficient to cover this cost and maintain the agency's overall budget – that of course depends on the OLCC's ability to produce licenses and the revenue to support its operations.

Licensing staff spend an inordinate amount of time dealing with constant license process questions about the progress of applications, losing even more time from advancing licenses. Without change and commitment, OLCC's licensing capability will remain stressed, ineffectual in making progress against the backlog and relegated to an ineffective government service. The ministerial approval of marijuana funds which can only be spent on this program, with approval of requested FTE will enable OLCC to effectively attack its lack of *capacity and resources* to perform.

Another critical component of marijuana licensing is to affirm the accurate location of the proposed license relative schools and other licenses. Current statute requires that marijuana retail locations be located no closer than 1,000 feet of a site that holds instructional activities for K-12 students. Previously, OLCC was funding one position in OHA to provide these services. In July 2019, DHS-OHA terminated the agreement with OLCC to host this service and provide other GIS services needed by the agency. OLCC needs to develop capacity previously filled by DHS-OHA to perform mission critical functions related to GIS and fulfill statutory requirements.

B. How Achieved

OLCC requests addition of twelve marijuana licensing specialists positions for marijuana licensing. The number of active marijuana licenses far exceeds the number expected and OLCC lacks the capacity to eliminate the backlog and normalize reasonable licensing times without additional capacity. To be able to accommodate this growth and keep up with the ever-changing marijuana industry, it is imperative to increase the number of marijuana licensing specialists assigned to this work. There are currently 13 licensing specialist positions assigned to this program and much of their work is assigned to renewals and change requests of the 2,263 current active licenses. These changes range in complexity to significant changes in business structure to adding endorsements to a license. There are currently 1,100 new license applications that are awaiting processing with many of these licenses experiencing critical financial issues related to license delay.

OLCC requests addition of one Information Specialist 6 position to manage the requirements to license and track Recreational Marijuana licenses. The position will provide extensive technical support and application development to help integrate OLCC data and web-based application used by licensing and enforcement staff in the marijuana program. This position will be funded as a recreational marijuana position but housed in Information Services.

Marijuana Licensing Specialist
OLCC 2021-23 Budget Policy Option Package No. 409 As Modified

Division	Package Description		FTE	One-time	Ongoing	Total
Rec-MJ Licensing	Add 2 Licensing Specialists for Cannabis licensing	*	2.00		$391,280	$391,280
	Services & Supplies, including office space @ $17,560 per employee			$6,200	$47,120	$53,320
	Work station furniture & chair			$15,400		$15,400
		Subtotal	2.00	$21,600	$438,400	$460,000
Rec-MJ Licensing	Add 6 Regulatory Specialists for Cannabis	*	6.00		$1,173,840	$1,173,840
	Services & Supplies, including office space @ $17,560 per employee			$18,600	$141,360	$159,960
	Work station furniture & chair			$46,200		$46,200
		Subtotal	6.00	$64,800	$1,315,200	$1,380,000
TOTALS - Marijuana Licensing Specialists - Package #409		*	***8.00***	***$86,400***	***$1,753,600***	***$1,840,000***

*Personal Services calculated at Step 5 for all new positions

a. Benefits to stakeholders

New license applications should not have to wait for months or years to be approved at the expense of renewals of existing licenses. These resources will provide for new applicants to more rapidly come in to the recreational market place and begin operating their businesses. Oregon consumers of cannabis are protected with accurate labeling of products and from harmful substances that may occur in their products.

b. Benefits to OLCC

Resource constraints within the agency have led to significant overtime and stress related to increased workloads. Non-compliance of some licensees can lead to high profile cases where perception of the agency is diminished. More resources allow OLCC to more effectively serve the public as well as capture revenue more efficiently.

C. Staffing Impact

For the OLCC, this package adds 13 positions to OLCC Recreational Marijuana Program.

D. Quantifying Results

This requests links directly to one agency Key Performance Measures; Time to license for marijuana licenses.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B. Funding for recreational marijuana comes from fees paid by licensees.

THE AGENCY REQUEST VERSION OF THE PACKAGE WAS ADJUSTED IN THE LEGISLATIVELY ADOPTED BUDGET

Marijuana Licensing Specialist
OLCC 2021-23 Budget, Policy Option Package No. 409, Agency Priority No. 9

A. Package Purpose

OLCC license requests for the recreational marijuana program continue to grow and OLCC's backlog in many categories of licensing activity is too slow and unexpectable. Recreational marijuana—while this program is now five years since its inception—the industry continues to evolve both on its own as well as in response to ever-changing legislation. Due to this, the licensing work for marijuana remains highly complex and the demand to be nimble to the aforementioned changes is high. As of June 1, 2020, OLCC had 2,267 active marijuana licenses with over 1,100 applications for licenses either assigned or waiting to be assigned. These numbers far exceed the initial expectation of 800 active licenses within the first two years of the program. The demand and responsibility for expeditious processing of alcohol and marijuana licenses and permits as well as the maintenance of licenses permits and those records associated to them remains a top priority for OLCC. To meet this expectation, OLCC must better align the number of staff to the growth and change of both industries.

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change of ownership applications (which often provides new life to the capital investment in a marijuana business and license). By 2021 the OLCC's goal is to maintain its current progress on renewal of licenses, its substantial progress on change of ownership applications and to show routine progress on moving new license applications forward. In the 2021-2023 budget period the OLCC will eliminate backlogs, maintain current work and normalize a practical and timely licensing path for new applicants. As well, these 12 positions requested will enable experienced staff to assist with the development of the IT project to automate the application and tracking of licensing and provide the support necessary to migrate licensing data to support the operation of a new system. OLCC projects marijuana funds will be sufficient to cover this cost and maintain the agency's overall budget – that of course depends on the OLCC's ability to produce licenses and the revenue to support its operations.

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B. How Achieved

OLCC requests addition of twelve marijuana licensing specialists positions for marijuana licensing. The number of active marijuana licenses far exceeds the number expected and OLCC lacks the capacity to eliminate the backlog and normalize reasonable licensing times without additional capacity. To be able to accommodate this growth and keep up with the ever-changing marijuana industry, it is imperative to increase the number of marijuana licensing specialists assigned to this work. There are currently 13 licensing specialist positions assigned to this program and much of their work is assigned to renewals and change requests of the 2,263 current active licenses. These changes range in complexity to significant changes in business structure to adding endorsements to a license. There are currently 1,100 new license applications that are awaiting processing with many of these licenses experiencing critical financial issues related to license delay.

OLCC requests addition of one Information Specialist 6 position to manage the requirements to license and track Recreational Marijuana licenses. The position will provide extensive technical support and application development to help integrate OLCC data and web-based application used by licensing and enforcement staff in the marijuana program. This position will be funded as a recreational marijuana position but housed in Information Services.

Marijuana Licensing Specialist
OLCC 2021-23 Budget Policy Option Package No. 409

Division	Package Description		FTE	One-time	Ongoing	Total
Rec-MJ Licensing	Add 12 Licensing Specialists for Cannabis licensing	*	12.00		$2,347,680	$2,347,680
	Services & Supplies, including office space @ $17,560 per employee			$37,200	$282,720	$319,920
	Work station furniture & chair			$92,400		$92,400
	Subtotal		12.00	$129,600	$2,630,400	$2,760,000
Rec-MJ Licensing	Add 1 Information Service Specialist 6 For GIS Mapping of Marijuana Licenses	*	1.00		$233,501	$233,501
	Services & Supplies, including office space @ $17,560 per employee			$3,100	$23,560	$26,660
	Work station furniture & chair			$7,700		$7,700
	Subtotal		1.00	$10,800	$257,061	$267,861
TOTALS - Marijuana Licensing Specialists - Package #409		*	***13.00***	***$140,400***	***$2,887,461***	***$3,027,861***

*Personal Services calculated at Step 5 for all new positions

a. Benefits to stakeholders

New license applications should not have to wait for months or years to be approved at the expense of renewals of existing licenses. These resources will provide for new applicants to more rapidly come in to the recreational market place and begin operating their

businesses. Oregon consumers of cannabis are protected with accurate labeling of products and from harmful substances that may occur in their products.

b. Benefits to OLCC

Resource constraints within the agency have led to significant overtime and stress related to increased workloads. Non-compliance of some licensees can lead to high profile cases where perception of the agency is diminished. More resources allow OLCC to more effectively serve the public as well as capture revenue more efficiently.

C. Staffing Impact

For the OLCC, this package adds 13 positions to OLCC Recreational Marijuana Program.

D. Quantifying Results

This requests links directly to one agency Key Performance Measures; Time to license for marijuana licenses.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B. Funding for recreational marijuana comes from fees paid by licensees.

BUDGET NARRATIVE

CBD Inhalant System Regulation
OLCC 2021-23 Budget, Policy Option Package No. 413, Agency Priority No. 13 As Modified
(for LC 84500-005)

A. Package Purpose

The Oregon Liquor Control Commission, Oregon Health Authority and Oregon Department of Agriculture currently cooperate on the regulation of various cannabis product value-chains in Oregon. Currently, marijuana and hemp products intended for human consumption are tested for THC and CBD levels and the presence of certain solvents or pesticides. However, once hemp has been tested and converted into industrial hemp products, there is no longer any tracking or regulation of product on its path to final consumers. An Oregon agency should be tasked with regulating CBD vaping products and for working to prevent CBD vaping product retailers from furnishing CBD vaping products to minors. Additionally, tracking products on the value chain will help in the event of another vaping-related public health event. The Oregon Liquor Control Commission anticipates that an agency would need to adapt its rule-making, regulatory, and adjudication resources to register products, track products and monitor compliance by retailers and possibly other market participants.

B. How Achieved

The OLCC has submitted a legislative concept (84500-005) for possible consideration in the 2021 legislative session to authorize the OLCC to regulate hemp-derived CBD inhalant delivery systems. This analysis assumes that there will be approximately 300 retailers across the state who participate in the CBD vaping product market. Some of those retailers are stand-alone vape shops and others are convenience-type stores that also possess an Oregon Off-premises alcohol sales license.
To accomplish this regulation OLCC anticipates needing the following positions; however, changes may be required as discussions continue with other state agencies and the Governor.

Addition of 1 Compliance Specialists 3 to the Recreational Marijuana program to establish the CBD vaping program, develop rules, provide for ongoing program development and assist with adjudications in the instances of violations.

Addition of 1 Administrative Specialist 2 to the Recreational Marijuana Program to coordinate, manage and facilitate product testing.

CBD Inhalant System Regulation
OLCC 2021-23 Budget Policy Option Package No 413 As Modified

Division	Package Description	FTE	One-time	Ongoing	Total
Recreational Marijuana	Compliance Specialist 3	0.75		$171,975	$171,975
	Services & Supplies, including office space @ $17,560 per employee		$2,240	$23,560	$25,800
	Work station furniture & chair		$0		$0
		0.75	$2,240	$195,535	$197,775
Recreational Marijuana	Administrative Specialist 2	0.75		$122,572	$122,572
	Services & Supplies, including office space @ $17,560 per employee		$2,240	$23,560	$25,800
	Work station furniture & chair		$0		$0
		0.75	$2,240	$146,132	$148,372
TOTALS - CBD Inhalant System Regulation - Package #413		***1.50***	***$4,480***	***$341,667***	***$346,147***

*Personal Services calculated at Step 5 for all new positions

a. Benefits to stakeholders

Users of CBD inhalant systems are protected.

b. Benefits to OLCC

Health issues that could emerge again from vape product use can be tracked and products can be quickly identified in the marketplace.

C. Staffing Impact

The package adds 2 positions to the OLCC Recreational Marijuana Program.

D. Quantifying Results

Assumptions included up to 100 entities will be producing CBD vape products and 300 retailers selling product in Oregon.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B. The Recreational Marijuana Program is exclusively funded by license fee revenues.

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CBD Inhalant System Regulation
OLCC 2021-23 Budget, Policy Option Package No. 413, Agency Priority No. 13
(for LC 84500-005)

A. Package Purpose

The Oregon Liquor Control Commission, Oregon Health Authority and Oregon Department of Agriculture currently cooperate on the regulation of various cannabis product value-chains in Oregon. Currently, marijuana and hemp products intended for human consumption are tested for THC and CBD levels and the presence of certain solvents or pesticides. However, once hemp has been tested and converted into industrial hemp products, there is no longer any tracking or regulation of product on its path to final consumers. An Oregon agency should be tasked with regulating CBD vaping products and for working to prevent CBD vaping product retailers from furnishing CBD vaping products to minors. Additionally, tracking products on the value chain will help in the event of another vaping-related public health event. The Oregon Liquor Control Commission anticipates that an agency would need to adapt its rule-making, regulatory, and adjudication resources to register products, track products and monitor compliance by retailers and possibly other market participants.

B. How Achieved

The OLCC has submitted a legislative concept (84500-005) for possible consideration in the 2021 legislative session to authorize the OLCC to regulate hemp-derived CBD inhalant delivery systems. This analysis assumes that there will be approximately 300 retailers across the state who participate in the CBD vaping product market. Some of those retailers are stand-alone vape shops and others are convenience-type stores that also possess an Oregon Off-premises alcohol sales license.
To accomplish this regulation OLCC anticipates needing the following positions; however, changes may be required as discussions continue with other state agencies and the Governor.

Addition of 1 Compliance Specialists 3 to the Recreational Marijuana program to establish the CBD vaping program, develop rules, provide for ongoing program development and assist with adjudications in the instances of violations.

Addition of 1 Administrative Specialist 2 to the Recreational Marijuana Program to coordinate, manage and facilitate product testing.

CBD Inhalant System Regulation
OLCC 2021-23 Budget Policy Option Package No 413

Division	Package Description	FTE	One-time	Ongoing	Total
Recreational Marijuana	Compliance Specialist 3	0.75		$171,544	$171,544
	Services & Supplies, including office space @ $17,560 per employee		$3,100	$23,560	$26,660
	Work station furniture & chair		$7,700		$7,700
		0.75	$10,800	$195,104	$205,904
Recreational Marijuana	Administrative Specialist 2	0.75		$122,141	$122,141
	Services & Supplies, including office space @ $17,560 per employee		$3,100	$23,560	$26,660
	Work station furniture & chair		$7,700		$7,700
		0.75	$10,800	$145,701	$156,501
TOTALS - CBD Inhalant System Regulation - Package #413		***1.50***	***$21,600***	***$340,805***	***$362,405***

*Personal Services calculated at Step 5 for all new positions

a. Benefits to stakeholders

Users of CBD inhalant systems are protected.

b. Benefits to OLCC

Health issues that could emerge again from vape product use can be tracked and products can be quickly identified in the marketplace.

C. Staffing Impact

The package adds 2 positions to the OLCC Recreational Marijuana Program.

D. Quantifying Results

Assumptions included up to 100 entities will be producing CBD vape products and 300 retailers selling product in Oregon.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B. The Recreational Marijuana Program is exclusively funded by license fee revenues.

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Recreational Marijuana Program**

Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor | **Cross Reference Number: 84500-004-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Pension Obligation Bond	-	-	141,303	-	-	-	141,303
Unemployment Assessments	-	-	8	-	-	-	8
Mass Transit Tax	-	-	5,881	-	-	-	5,881
Vacancy Savings	-	-	(24,342)	-	-	-	(24,342)
Total Personal Services	**-**	**-**	**$122,850**	**-**	**-**	**-**	**$122,850**
Total Expenditures							
Total Expenditures	-	-	122,850	-	-	-	122,850
Total Expenditures	**-**	**-**	**$122,850**	**-**	**-**	**-**	**$122,850**
Ending Balance							
Ending Balance	-	-	(122,850)	-	-	-	(122,850)
Total Ending Balance	**-**	**-**	**($122,850)**	**-**	**-**	**-**	**($122,850)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Recreational Marijuana Program**

Pkg: 022 - Phase-out Pgm & One-time Costs | **Cross Reference Number: 84500-004-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Employee Training	-	-	(49,336)	-	-	-	(49,336)
Telecommunications	-	-	(42,980)	-	-	-	(42,980)
IT Professional Services	-	-	(756,250)	-	-	-	(756,250)
Agency Program Related S and S	-	-	(21,504)	-	-	-	(21,504)
IT Expendable Property	-	-	(20,403)	-	-	-	(20,403)
Total Services & Supplies	**-**	**-**	**($890,473)**	**-**	**-**	**-**	**($890,473)**
Capital Outlay							
Office Furniture and Fixtures	-	-	(69,255)	-	-	-	(69,255)
Automotive and Aircraft	-	-	(226,664)	-	-	-	(226,664)
Total Capital Outlay	**-**	**-**	**($295,919)**	**-**	**-**	**-**	**($295,919)**
Total Expenditures							
Total Expenditures	-	-	(1,186,392)	-	-	-	(1,186,392)
Total Expenditures	**-**	**-**	**($1,186,392)**	**-**	**-**	**-**	**($1,186,392)**
Ending Balance							
Ending Balance	-	-	1,186,392	-	-	-	1,186,392
Total Ending Balance	**-**	**-**	**$1,186,392**	**-**	**-**	**-**	**$1,186,392**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	4,851	-	-	-	4,851
Out of State Travel	-	-	682	-	-	-	682
Employee Training	-	-	3,671	-	-	-	3,671
Office Expenses	-	-	8,278	-	-	-	8,278
Telecommunications	-	-	16,065	-	-	-	16,065
State Gov. Service Charges	-	-	(40,316)	-	-	-	(40,316)
Data Processing	-	-	4,709	-	-	-	4,709
Publicity and Publications	-	-	135	-	-	-	135
Professional Services	-	-	20,898	-	-	-	20,898
IT Professional Services	-	-	119,153	-	-	-	119,153
Attorney General	-	-	83,869	-	-	-	83,869
Employee Recruitment and Develop	-	-	4,125	-	-	-	4,125
Dues and Subscriptions	-	-	135	-	-	-	135
Facilities Rental and Taxes	-	-	19,810	-	-	-	19,810
Facilities Maintenance	-	-	38,809	-	-	-	38,809
Agency Program Related S and S	-	-	6,577	-	-	-	6,577
Other Services and Supplies	-	-	3,250	-	-	-	3,250
Expendable Prop 250 - 5000	-	-	3,440	-	-	-	3,440
IT Expendable Property	-	-	127	-	-	-	127
Total Services & Supplies	**-**	**-**	**$298,268**	**-**	**-**	**-**	**$298,268**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	298,268	-	-	-	298,268
Total Expenditures	**-**	**-**	**$298,268**	**-**	**-**	**-**	**$298,268**
Ending Balance							
Ending Balance	-	-	(298,268)	-	-	-	(298,268)
Total Ending Balance	**-**	**-**	**($298,268)**	**-**	**-**	**-**	**($298,268)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Recreational Marijuana Program**

Pkg: 033 - Exceptional Inflation | **Cross Reference Number: 84500-004-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Professional Services	-	-	402,847	-	-	-	402,847
Total Services & Supplies	**-**	**-**	**$402,847**	**-**	**-**	**-**	**$402,847**
Total Expenditures							
Total Expenditures	-	-	402,847	-	-	-	402,847
Total Expenditures	**-**	**-**	**$402,847**	**-**	**-**	**-**	**$402,847**
Ending Balance							
Ending Balance	-	-	(402,847)	-	-	-	(402,847)
Total Ending Balance	**-**	**-**	**($402,847)**	**-**	**-**	**-**	**($402,847)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 080 - March 2020 Eboard

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Reconciliation Adjustment	-	-	-	-	-	-	-
Total Personal Services	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total FTE							
Total FTE							-
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Recreational Marijuana Program**

Pkg: 088 - September 2020 Emergency Board | **Cross Reference Number: 84500-004-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	134,952	-	-	-	134,952
Empl. Rel. Bd. Assessments	-	-	58	-	-	-	58
Public Employees' Retire Cont	-	-	24,629	-	-	-	24,629
Social Security Taxes	-	-	10,324	-	-	-	10,324
Worker's Comp. Assess. (WCD)	-	-	46	-	-	-	46
Flexible Benefits	-	-	38,232	-	-	-	38,232
Reconciliation Adjustment	-	-	-	-	-	-	-
Total Personal Services	**-**	**-**	**$208,241**	**-**	**-**	**-**	**$208,241**
Total Expenditures							
Total Expenditures	-	-	208,241	-	-	-	208,241
Total Expenditures	**-**	**-**	**$208,241**	**-**	**-**	**-**	**$208,241**
Ending Balance							
Ending Balance	-	-	(208,241)	-	-	-	(208,241)
Total Ending Balance	**-**	**-**	**($208,241)**	**-**	**-**	**-**	**($208,241)**
Total Positions							
Total Positions							1
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**1**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 088 - September 2020 Emergency Board

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total FTE							
Total FTE							1.00
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**1.00**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Recreational Marijuana Program**

Pkg: 091 - Elimination of S&S Inflation | **Cross Reference Number: 84500-004-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	-	-	-	-	-
Out of State Travel	-	-	-	-	-	-	-
Employee Training	-	-	-	-	-	-	-
Publicity and Publications	-	-	-	-	-	-	-
Employee Recruitment and Develop	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-
Facilities Maintenance	-	-	-	-	-	-	-
Agency Program Related S and S	-	-	-	-	-	-	-
Other Services and Supplies	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Recreational Marijuana Program**

Pkg: 092 - Personal Services Adjustments | **Cross Reference Number: 84500-004-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Vacancy Savings	-	-	-	-	-	-	-
Total Personal Services	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Recreational Marijuana Program**

Pkg: 096 - Statewide Adjustment DAS Chgs | **Cross Reference Number: 84500-004-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Recreational Marijuana Program**

Pkg: 097 - Statewide AG Adjustment | **Cross Reference Number: 84500-004-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Attorney General	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Recreational Marijuana Program**

Pkg: 409 - Marijuana Licensing Specialists | **Cross Reference Number: 84500-004-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	999,552	-	-	-	999,552
Empl. Rel. Bd. Assessments	-	-	464	-	-	-	464
Public Employees' Retire Cont	-	-	182,416	-	-	-	182,416
Social Security Taxes	-	-	76,464	-	-	-	76,464
Worker's Comp. Assess. (WCD)	-	-	368	-	-	-	368
Flexible Benefits	-	-	305,856	-	-	-	305,856
Total Personal Services	**-**	**-**	**$1,565,120**	**-**	**-**	**-**	**$1,565,120**
Services & Supplies							
Employee Training	-	-	8,000	-	-	-	8,000
Office Expenses	-	-	8,000	-	-	-	8,000
Telecommunications	-	-	16,000	-	-	-	16,000
Data Processing	-	-	12,000	-	-	-	12,000
Employee Recruitment and Develop	-	-	-	-	-	-	-
Facilities Rental and Taxes	-	-	140,480	-	-	-	140,480
Other Services and Supplies	-	-	8,000	-	-	-	8,000
IT Expendable Property	-	-	20,800	-	-	-	20,800
Total Services & Supplies	**-**	**-**	**$213,280**	**-**	**-**	**-**	**$213,280**
Capital Outlay							
Office Furniture and Fixtures	-	-	61,600	-	-	-	61,600
Total Capital Outlay	**-**	**-**	**$61,600**	**-**	**-**	**-**	**$61,600**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 409 - Marijuana Licensing Specialists

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	1,840,000	-	-	-	1,840,000
Total Expenditures	**-**	**-**	**$1,840,000**	**-**	**-**	**-**	**$1,840,000**
Ending Balance							
Ending Balance	-	-	(1,840,000)	-	-	-	(1,840,000)
Total Ending Balance	**-**	**-**	**($1,840,000)**	**-**	**-**	**-**	**($1,840,000)**
Total Positions							
Total Positions							8
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**8**
Total FTE							
Total FTE							8.00
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**8.00**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 413 - CBD Inhalent Regulation

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	187,596	-	-	-	187,596
Empl. Rel. Bd. Assessments	-	-	86	-	-	-	86
Public Employees' Retire Cont	-	-	34,236	-	-	-	34,236
Social Security Taxes	-	-	14,351	-	-	-	14,351
Worker's Comp. Assess. (WCD)	-	-	68	-	-	-	68
Flexible Benefits	-	-	57,348	-	-	-	57,348
Reconciliation Adjustment	-	-	862	-	-	-	862
Total Personal Services	**-**	**-**	**$294,547**	**-**	**-**	**-**	**$294,547**
Services & Supplies							
Employee Training	-	-	2,000	-	-	-	2,000
Office Expenses	-	-	2,000	-	-	-	2,000
Telecommunications	-	-	4,000	-	-	-	4,000
Data Processing	-	-	3,000	-	-	-	3,000
Facilities Rental and Taxes	-	-	35,120	-	-	-	35,120
Other Services and Supplies	-	-	280	-	-	-	280
IT Expendable Property	-	-	5,200	-	-	-	5,200
Total Services & Supplies	**-**	**-**	**$51,600**	**-**	**-**	**-**	**$51,600**
Capital Outlay							
Office Furniture and Fixtures	-	-	-	-	-	-	-
Total Capital Outlay	**-**	**-**	**-**	**-**	**-**	**-**	**-**

_____ Agency Request **_____ Governor's Budget** **_____ Legislatively Adopted**
2021-23 Biennium **Page _____** **Essential and Policy Package Fiscal Impact Summary - BPR013**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 413 - CBD Inhalent Regulation

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	346,147	-	-	-	346,147
Total Expenditures	**-**	**-**	**$346,147**	**-**	**-**	**-**	**$346,147**
Ending Balance							
Ending Balance	-	-	(346,147)	-	-	-	(346,147)
Total Ending Balance	**-**	**-**	**($346,147)**	**-**	**-**	**-**	**($346,147)**
Total Positions							
Total Positions							2
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**2**
Total FTE							
Total FTE							1.50
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**1.50**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Recreational Marijuana Program**

Pkg: 801 - LFO Analyst Adjustments | **Cross Reference Number: 84500-004-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	31,656	-	-	-	31,656
Public Employees' Retire Cont	-	-	5,777	-	-	-	5,777
Social Security Taxes	-	-	2,423	-	-	-	2,423
Reconciliation Adjustment	-	-	416	-	-	-	416
Total Personal Services	**-**	**-**	**$40,272**	**-**	**-**	**-**	**$40,272**
Total Expenditures							
Total Expenditures	-	-	40,272	-	-	-	40,272
Total Expenditures	**-**	**-**	**$40,272**	**-**	**-**	**-**	**$40,272**
Ending Balance							
Ending Balance	-	-	(40,272)	-	-	-	(40,272)
Total Ending Balance	**-**	**-**	**($40,272)**	**-**	**-**	**-**	**($40,272)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 810 - Statewide Adjustments

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	(11,006)	-	-	-	(11,006)
Attorney General	-	-	(28,714)	-	-	-	(28,714)
Total Services & Supplies	**-**	**-**	**($39,720)**	**-**	**-**	**-**	**($39,720)**
Total Expenditures							
Total Expenditures	-	-	(39,720)	-	-	-	(39,720)
Total Expenditures	**-**	**-**	**($39,720)**	**-**	**-**	**-**	**($39,720)**
Ending Balance							
Ending Balance	-	-	39,720	-	-	-	39,720
Total Ending Balance	**-**	**-**	**$39,720**	**-**	**-**	**-**	**$39,720**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 813 - Policy Bills

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	64,440	-	-	-	64,440
Overtime Payments	-	-	79,428	-	-	-	79,428
Empl. Rel. Bd. Assessments	-	-	43	-	-	-	43
Public Employees' Retire Cont	-	-	26,256	-	-	-	26,256
Social Security Taxes	-	-	11,006	-	-	-	11,006
Worker's Comp. Assess. (WCD)	-	-	34	-	-	-	34
Flexible Benefits	-	-	28,674	-	-	-	28,674
Reconciliation Adjustment	-	-	(2,483)	-	-	-	(2,483)
Total Personal Services	**-**	**-**	**$207,398**	**-**	**-**	**-**	**$207,398**
Services & Supplies							
Employee Training	-	-	1,000	-	-	-	1,000
Office Expenses	-	-	1,000	-	-	-	1,000
Telecommunications	-	-	2,000	-	-	-	2,000
Data Processing	-	-	-	-	-	-	-
Professional Services	-	-	60,000	-	-	-	60,000
IT Professional Services	-	-	13,249	-	-	-	13,249
Facilities Rental and Taxes	-	-	17,560	-	-	-	17,560
Agency Program Related S and S	-	-	85,500	-	-	-	85,500
Other Services and Supplies	-	-	1,000	-	-	-	1,000
IT Expendable Property	-	-	2,600	-	-	-	2,600
Total Services & Supplies	**-**	**-**	**$183,909**	**-**	**-**	**-**	**$183,909**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Recreational Marijuana Program**

Pkg: 813 - Policy Bills | **Cross Reference Number: 84500-004-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Office Furniture and Fixtures	-	-	7,700	-	-	-	7,700
Total Capital Outlay	**-**	**-**	**$7,700**	**-**	**-**	**-**	**$7,700**
Total Expenditures							
Total Expenditures	-	-	399,007	-	-	-	399,007
Total Expenditures	**-**	**-**	**$399,007**	**-**	**-**	**-**	**$399,007**
Ending Balance							
Ending Balance	-	-	(399,007)	-	-	-	(399,007)
Total Ending Balance	**-**	**-**	**($399,007)**	**-**	**-**	**-**	**($399,007)**
Total Positions							
Total Positions							1
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**1**
Total FTE							
Total FTE							0.75
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**0.75**

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Oregon Liquor & Cannabis Comm **Agency Number: 84500**

2021-23 Biennium **Cross Reference Number: 84500-004-00-00-00000**

Source	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
Other Funds						
Business Lic and Fees	14,092,527	25,000,000	25,000,000	27,013,845	27,013,845	27,013,845
Fines and Forfeitures	266,503	-	-	-	-	-
Transfer Out - Indirect Cost	(3,926,424)	(4,671,784)	(4,671,784)	(5,174,954)	(4,717,688)	(5,889,918)
Tsfr To Oregon Health Authority	-	(169,324)	(169,324)	-	-	-
Tsfr To Agriculture, Dept of	(258,664)	(292,593)	(292,593)	(305,175)	(305,175)	(793,072)
Total Other Funds	**$10,173,942**	**$19,866,299**	**$19,866,299**	**$21,533,716**	**$21,990,982**	**$20,330,855**

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DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2017-2019 Actual	2019-21 Legislatively Adopted	Legislatively Approved	2021-23 Agency Request	2021-23 Governor's	2021-23 Legislatively Adopted
ALL Sources	OTHER	Various	$10,173,942	$19,866,299	$19,866,299	$21,533,716	$21,990,982	$20,330,855

___ Agency Request ___ Governor's Budget __X__ Legislatively Adopted Budget Page __67__

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BUDGET NARRATIVE

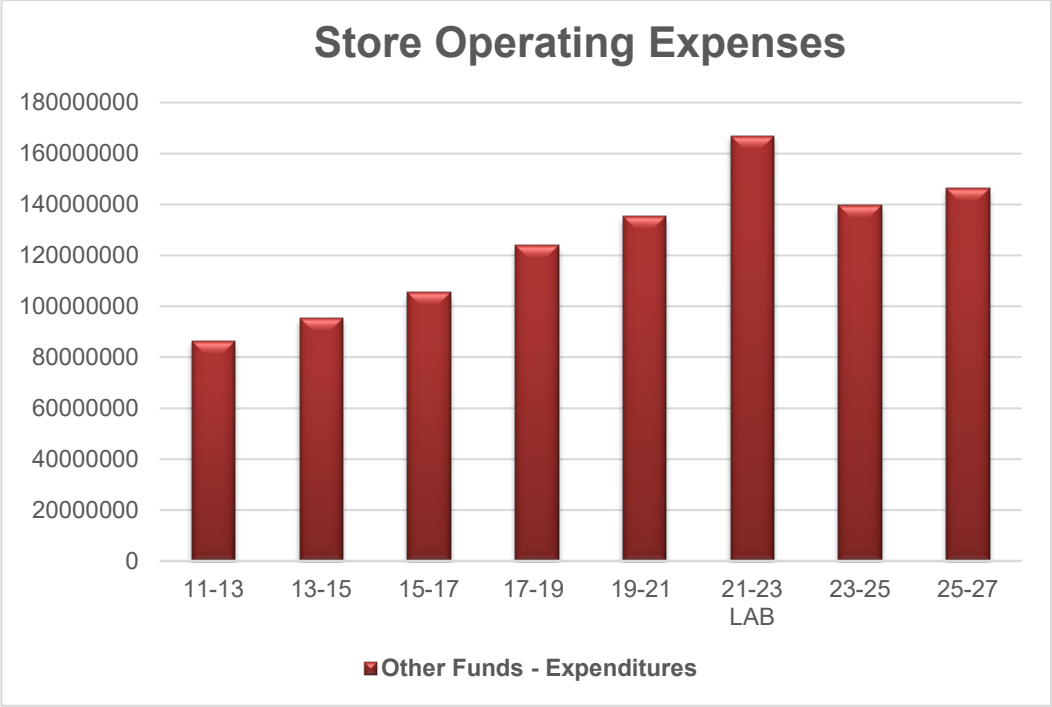
OLCC - STORE OPERATING EXPENSES / AGENTS COMPENSATION PROGRAM - 005
2021-23 BUDGET

PROGRAM UNIT EXECUTIVE SUMMARY

A. PRIMARY OUTCOME AREA Economy and Jobs

B. PROGRAM CONTACT Chris Mayton, OLCC Distilled Spirits Director, 503-872-5038

C. FUNDS BUDGET AND PERFORMANCE



The bars show the Store Operating Expenses Program's expenditures. All are funded by Other Funds (liquor revenues).

BUDGET NARRATIVE

D. PROGRAM OVERVIEW

The OLCC appoints liquor agents – independent business people or businesses – to operate liquor stores for the State of Oregon. In addition, the OLCC grants distillery tasting room retail privileges to Oregon Distiller Licensees. The Store Operating Expenses Program contains funds available to pay retail liquor store and distillery agents for their retailing services for the state, encouraging the development of the Oregon economy, per ORS 471.030, Purpose of the Liquor Control Act.

E. PROGRAM FUNDING REQUEST

The Legislatively Adopted Budget is $159,118,952 Other Funds limitation for the 2021-23 biennium for Store Operating Expense and $7,767,000 Other Funds Limitation for Distillery Agent Operating Expense. No FTE or positions are requested.

F. PROGRAM DESCRIPTION

OLCC expects to generate an estimated $1.6 billion in liquor sales in 2021-23 from liquor stores and $25.1 million in sales through distillery agents. In 2021-23 the Store Operating Expenses Program funds sales compensation for more than 282 liquor retail locations of which 86 are exclusive stand-alone liquor stores, and 196 are nonexclusive liquor stores combined with grocery stores, convenience stores and other retail outlets located throughout the state, making alcohol available in a regulated fashion for the people of Oregon and the state's visitors. The agents ensure the responsible sale of alcohol to the public, are responsible for following all liquor laws, and for providing stewardship for the state's $65 million inventory investment in the stores. Also, the program funds sales compensation for 97 distillery retail outlets.

G. PROGRAM JUSTIFICATION AND LINK TO 10-YEAR OUTCOME

The state's appropriate funding of Oregon liquor store and distillery tasting room operations supports economic development and the creation of jobs in Oregon. It supports these entrepreneurs and the jobs they create throughout the distilled spirits supply chain in Oregon. Selling alcohol is essential to the success of Oregon's tourism and the broader hospitality industry, comprising entrepreneurs and their base of jobs that are vital to every Oregon community, including family-wage jobs in rural Oregon. Restaurants and bars, often locally owned businesses, purchase approximately 24 % of the spirits sold by the liquor stores. Additionally, the craft distillery industry continues to grow in Oregon and hopes to gain more national momentum and recognition. OLCC ensures that products from these local micro-businesses get an equal footing, alongside national and international brands, on the shelves of Oregon liquor stores. Funding Oregon liquor stores links to the following 10-Year Outcome strategies:

Leading the agency in affirmatively and proactively encouraging Oregon's economy and communities (per ORS 471.030). OLCC's liquor agents are mostly local, small business owners, though larger, incorporated businesses are now eligible to become agents as well. Their employment of local people familiar with local needs and issues helps to maintain a vibrant, growing economy. Their retailing expertise helps bring business from distillers into the state's economy, and helps Oregon's own distilleries to flourish and access external markets. OLCC's uniform statewide pricing of spirits safeguards availability no matter where businesses or citizens are located. OLCC's contracted liquor stores are part of an in-state supply chain. They deliver spirits to bars and restaurants that fuel local jobs in the communities. Importantly, they are a part of a system that retains the profits from sales to support state, city and county public services.

Providing for a world-class selection and availability of distilled spirits. The unique mix of stores located throughout Oregon and the state funding of inventory results in an exceptional system with a wide variety of distilled spirits, including Oregon products and special orders that are available statewide at a uniform price.

Supporting the growth of Oregon craft distillers and other beverages. The program supports Oregon distilleries by putting their products on the store shelves competitively with large distilleries' products, without placement fees. Many of these spirits are produced with Oregon grains and other agricultural products, which create additional local jobs and are a crucial component of Oregon's economic sustainability and builds on Oregon's global reputation for craft excellence in spirits, beer, and of course, our notable winery industry. This entire craft sector is a driver of tourism, and agent stores are becoming centers of access for all these craft products by stocking spirits, beer, wine, and cider produced locally.

Enhancing customer convenience. Liquor store agents use their compensation to upgrade stores, extend hours open to the public, and move to better locations. With the retail expansion, first-time and already-existing agents are opening new and exciting stores located for the convenience of Oregonians.

H. PROGRAM PERFORMANCE

The chart below shows the number of liquor stores supported by the program; cases sold in millions; spirits gross sales; net distribution as a percent of sales; the key performance measure (KPM) of distribution to the state General Fund and local governments per dollar of agency expenditure and the cost of store operating expenses as a percent of gross liquor sales. Actuals are through the fiscal year 2019.

Biennium	Number of Operating Liquor Stores	Cases of Spirits Sold (millions)	Distilled Spirits Gross Store Sales (millions)	Distributed Revenue as a Percent of Liquor Sales	OLCC Rate of Return KPM (Distributed $s per Expenditure $	Cost of Store Operation Expense as a Percent of Sales
2003-2005	241	4.12	$605	40.2%	$2.70	8.88%
2005-2007	241	4.73	$728	38.7%	$2.44	8.88%
2007-2009	240	5.12	$823	39.8%	$2.72	8.82%
2009-2011	247	5.25	$865	40.4%	$2.73	8.88%
2011-2013	249	5.70	$968	40.8%	$2.89	8.88%
2013-2015	248	5.98	$1,065	40.5%	$2.90	8.88%
2015-2017	272	6.37	$1,169	39.3%	$2.67	8.93%
2017-2019	280	6.89	$1,292	39.7%	$2.78	8.93%
2019-2021	282	7.41	$1,443	39.9%	$2.70	9.02%
2021-2023	292	7.97	$1,598	39.0%	$2.70	9.02%
2023-2025	302	8.59	$1,773	39.0%	$2.70	9.02%
2025-2027	312	9.26	$1,965	39.0%	$2.70	9.02%
2027-2029	322	9.97	$2,174	39.0%	$2.70	9.02%

I. ENABLING LEGISLATION/PROGRAM AUTHORIZATION

The OLCC administers Oregon's Liquor Control Act. The OLCC's authority is derived from Oregon Revised Statutes Chapters 471, Alcoholic Liquor Generally; 473, Wine Cider and Malt Beverage Privilege Tax; 474, Trade Practices Related to Malt Beverages; 459A.700 to 74, Beverages Containers; the Bottle Bill, and Administrative Rules Chapter 845.

J. FUNDING STREAMS

OLCC alcohol programs are funded by alcohol-related revenue. All revenue received by the OLCC is classified as Other Funds. Revenues come from liquor sales, license fees, and fines, server education fees, taxes on malt beverages and wines (Privilege Tax), and miscellaneous income. ORS 471.805 directs the OLCC to distribute available monies to the state General Fund, cities, counties, and Mental Health.

K. SIGNIFICANT PROPOSED PROGRAM CHANGES FROM 2019-21

None

OLCC - STORE OPERATING EXPENSES PROGRAM - 005
2021-23 Budget

A. PURPOSE, ACTIVITIES & ISSUES

The OLCC appoints liquor agents – independent business people or businesses – to operate liquor stores for the State of Oregon; the OLCC contracts with them to serve as retail sales agents. In addition, by statute, holders of Oregon Distillery licenses can sell their own manufactured product in their Distillery Tasting Room Retail Outlets. The liquor agent stores range from stand-alone exclusive liquor stores to nonexclusive liquor stores located in grocery stores, convenience stores, and other retail establishments. Many of the rural stores are nonexclusive. The Store Operating Expenses Program contains funds available to pay agents for their retailing services for the state. The OLCC pays agents monthly for their services using a formula based on several factors, the most important of which is store sales. This payment is not only the agents' take-home pay but also the dollars they use to operate and improve the liquor stores. Out of their compensation, agents must pay liquor store rent, insurance, telephone, electricity, heat, water, city and county business taxes, employee salaries, sick leave and vacation coverage. Liquor agents also pay for infrastructure improvements -- such as in-store remodels, appearance improvements and fixtures -- and computer equipment from these funds. From the remainder, agents pay their own salaries, Social Security, state and federal taxes, medical insurance, and retirement plan. The state supports the agents by purchasing the inventory sold in the stores, paying for credit card fees, and miscellaneous expenses such as store signage and price tags. Distiller Tasting Room Retail Agents also pay for their own infrastructure and salaries; however, they do not receive credit card fee reimbursement, and the state does not purchase their inventory sold in the tasting rooms until it is sold to the customer.

Liquor and Distillery agents are compensated primarily on the sales volume the stores produce. The Legislature mandates the average funding rate to be paid on forecasted sales, but it also has chosen to set a maximum limitation. If sales exceed forecasts during a biennium, OLCC must request a limitation increase from the Emergency Board to maintain paying agents the mandated average funding rate of compensation. On the other hand, if sales do not meet the biennium's forecast, OLCC does not distribute the entire fund to agents. The agency request budget does not present a policy option package to convert the OLCC's Store Operating Expenses Program to a non-limited fund; however, conversion to non-limited would recognize that compensation expenses are variable costs correlated with sales and independent purchase decisions by customers; those costs are an expense of doing business and outside of OLCC's control. If the Store Operating Expense Fund were non-limited, then OLCC would have the appropriate level of funding available for payment to agents, as sales increased through the biennium. The OLCC would no longer have a need to request an Emergency Board authority to cover these costs if sales grow higher than forecasted.

In April 2016, as a first step to increase store density to meet population growth and customer convenience, the Commission approved, as part of an open recruitment effort, fourteen new retail liquor locations to sell distilled spirits in the Portland tri-county area. Eight of the new locations are in grocery stores or neighborhood markets, and six are stand-alone new locations. Four of the fourteen locations were approved for existing liquor agents. In 2017-19, the Commission continued to appoint new liquor agents throughout the state. To date, the Commission has approved a total of 34 new stores. The targeted expansion will continue during the 2019-21 biennium to support customers and enhance revenue stability and growth. However, the COVID quarantines have put a hold on expansion so far in the current biennium. The Commission expects to resume expansion after the pandemic has been brought under control to have close to 300 retail liquor locations statewide. If increases to store locations are realized, OLCC will exceed the limitation for the Store Operating Expenses Program and will need to request Emergency Board authority to cover these costs if sales grow higher than forecasted.

For 2021-23, the budget provides liquor store agents statewide a store expenses fund calculated as an average rate of **9.02** percent of statewide sales. Since 1997, the Legislature has increased the average rate four times to meet the continued business demands of the sales force. Prior to 1997, the approved average rate was 8.2 percent; in 1997, it moved to 8.54 percent. The 8.54 percent rate was unchanged until 2003, when the 2003 Legislature increased the rate from 8.54 percent to 8.88 percent. The 2015 Legislature increased the average rate to 8.93 percent for the 2015-17 biennium. The agency continues to examine the rate structure and funding formula with the goals of covering expenses for the sale of goods and creating incentives for agents to improve service to the public, upgrade their facilities, invest in remodels, or move to better locations. OLCC will make recommendations for rate structure changes in the biennium budget requests. For 2021-23, the budget provides distillery agents statewide a store expenses fund calculated as an average rate of 17.00 percent of statewide sales. Distillery Agent compensation was separated out from store agent compensation in 2019 to allow for individualized adjustments for distillers, which can sell their own products out of their tasting rooms.

The OLCC has used one basic formula structure since 1987 and plans to use it for 2019-21, to calculate individual agents' monthly compensation amounts. The specific percentages used in the formula have changed over time as the Legislature approved increases in the average compensation rate. Please note the sales commission rates listed below vary during a biennium to maintain an average payout of compensation statewide as 9.02% of actual statewide sales from stores and 17.00% of statewide sales for distillery agents.

Any individual agent receives compensation based on one of the following formulas:

NON-EXCLUSIVE AGENT FORMULA (A non-exclusive agent runs the liquor store in conjunction with another business.)
Base Compensation
14.25% of the first $10,000 of monthly sales

PLUS
Sales Commission
Note: These numbers may vary slightly during the biennium as OLCC balances compensation to set to the overall statutory 9.02% compensation rate
8.38% of all monthly consumer sales
6.54% of all monthly licensee sales

PLUS
Each non-exclusive agent is eligible for up to $118 in additional monthly compensation, which is deposited into deferred compensation if the agent also deposits a like amount into the fund.

EXCLUSIVE AGENT FORMULA (An exclusive agent runs a store whose only business is the sale of distilled spirits and some distilled spirits-related items.)

Base Compensation

Sales Class	Annual Sales	Compensation Base
Class I	up to $209,999	14.25 percent of first $10,000 monthly sales
Class II	$210,000 - $449,999	$1,660 per month
Class III	$450,000 - $749,999	$1,920 per month
Class IV	$750,000 - $1,049,999	$2,348 per month
Class V	$1,050,000 – $1,649,999	$2,440 per month
Class VI	$1,650,000 and up	$2,700 per month

PLUS
Sales Commission
8.38% of all monthly consumer sales
6.54% of all monthly licensee sales

PLUS
Each exclusive agent is eligible for up to $150 monthly in additional compensation, which is deposited into deferred compensation if the agent contributes a like amount into the fund.

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Any individual distillery receives compensation based on one of the following formulas:

DISTILLERY AGENT FORMULA (A distillery agent sells their own liquor out of the distillery of other designate premises.)
Base Compensation
14.25% of the first $10,000 of monthly sales

PLUS
Sales Commission
Note: These numbers may vary slightly during the biennium as OLCC balances compensation to set to the overall statutory 9.02% compensation rate
8.15% of all monthly consumer sales
6.36% of all monthly licensee sales

B. BACKGROUND

Originally, the OLCC annually determined the compensation amount that agents would receive each month. Then in 1979, the OLCC started calculating compensation monthly as a percentage of actual monthly sales. As a result, an agent's monthly compensation for store operating expenses fluctuates as sales fluctuate. Until 1980, the OLCC made biennial adjustments to this basic formula. From 1980 to 1985, the basic formula did not change, but the Legislature added annual cost-of-living increases to the base formula. In a 1985-87 budget footnote, the Legislature directed OLCC to allocate agents compensation based on a redesigned compensation schedule.

The 2005 Legislature directed the OLCC to initiate a study to re-evaluate the payment schedule for liquor agents and to report the results of the study to the Legislature. The study was completed in June 2006 and was reported to the House Business and Labor Committee on November 26, 2007. As a result of the study, the OLCC created a task force of agents, OLCC staff, and other interested parties to develop recommendations regarding agents' compensation for presentation to the Legislature. The task force reported to the board of liquor commissioners in December 2007 with seven proposals to modify agents' compensation. OLCC requested packages for 2009-11 and 2011-13 requesting non-limited funding and an incentive plan in response to the task force proposals, but they were not adopted by the Legislature. The 2013-15 Governor's Request Budget recommended non-limited

funding again. The package, "Respond to Variable Store Business Costs," was not approved. From 2013 and to 2019, legislative and OLCC actions have driven small changes in compensation upward. The agency examined the funding formula in 2019-21 with the goal to compensate agents based on their operating locations around the state, which have become subject to divergent labor (minimum wage) and leasing costs. To address agent compensation for the 2021-23 biennium, the agency is submitting two Policy Option Packages:

- Policy Option Package 108 "Liquor Store Agent Compensation"
- Policy Option Package 110 "Distillery Agent Compensation"

C. EXPECTED RESULTS

The OLCC expects to generate an estimated $1.62 billion in liquor (spirits) sales in 2021-23. The Store Operating Expenses Program funds up to 300 stores already approved (or will be approved through Retail Expansion) located throughout the state, making alcohol available in a controlled, regulated fashion for the people of Oregon and the state's robust travel and tourism industry. The agents ensure the responsible sale of alcohol to the public, and have the responsibility for following all liquor laws, and for providing stewardship for the state's $65 million inventory investment in the stores.

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission's alcohol program is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees and penalties, privilege tax paid on the sales of beer and wine, and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471 and 473.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

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BUDGET NARRATIVE

Agent Compensation Formula
OLCC 21-23 Budget, Policy Option Package No. 108, Agency Priority No 8

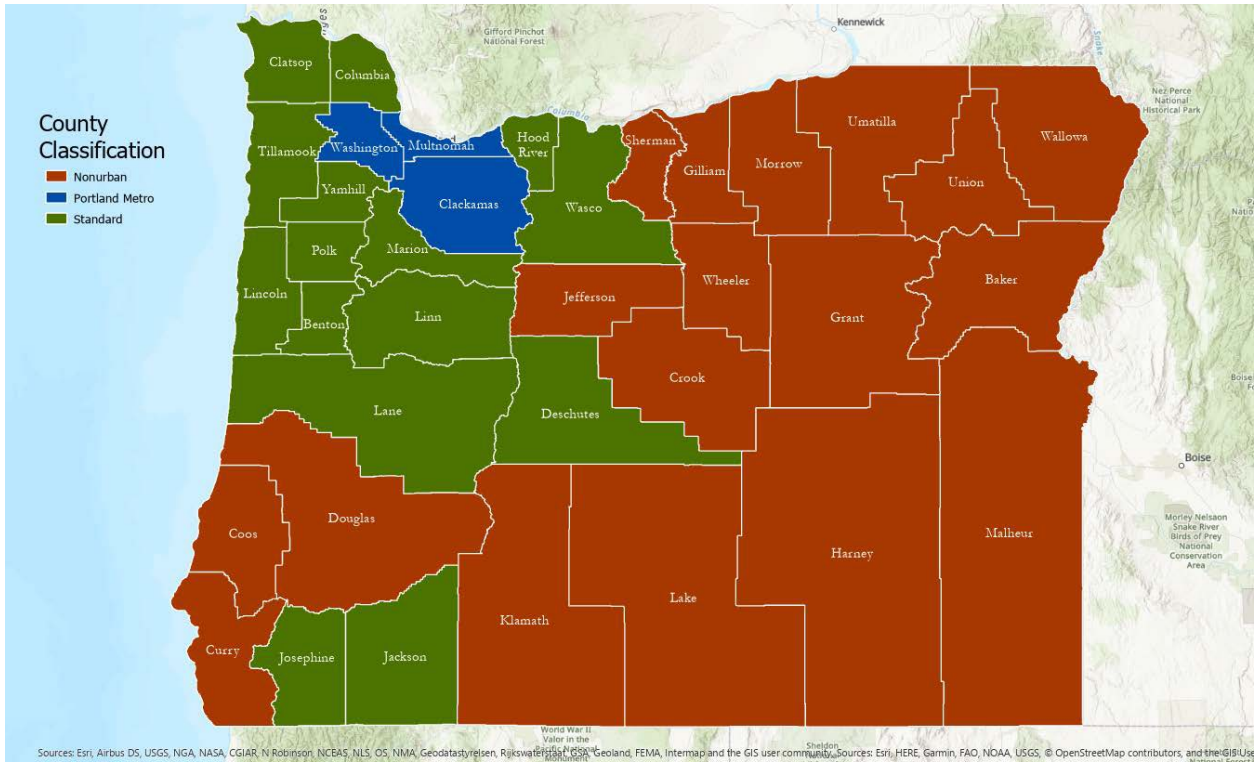
A. Package Purpose

Oregon's liquor stores are the critical channel for distributing spirits through the state and generating essential revenue for the state and local governments. Maintaining the economic viability of Oregon's liquor stores is necessary to continuing their success as small businesses. Compensation paid to liquor store agents has changed very little in its structure since 1986. Although there have been increases in the overall compensation rate paid to liquor stores, over time, how the compensation is distributed between stores has not. Liquor stores in different regions of Oregon have different operating costs especially related to hourly wages for employees and lease costs. The current compensation system has not kept up with these changes. Stores in the larger metro areas incur higher costs relative to stores in rural and less populated areas. Factors such as increases in the minimum wage have differed by region. In addition base compensation (about 12% of total compensation) has remained static since 1986 and have not been adjusted for inflation. Base compensation was created as part of the overall formula to provide a known, stable amount to liquor stores each month to cover fixed costs such as rents and utilities. The intent of the formula at the time was to adjust the base amounts each biennium using inflation as measured by the Consumer Price Index, however, these adjustments were never made.

B. How Achieved

OLCC proposes revamping the entire liquor store agent compensation formula. This means expanding the number of store classes for base compensation from 6 to 10 and increasing the base compensation for stores having more than $1.65 million in sales annually. The formula will also consider where a liquor store is located and consider additional escalators in the base compensation for minimum wage and the cost of retail space. These locational considerations will be based on the county classification which have been established under Oregon's minimum wage statute. The statute has identified three primary regions; Non-urban, Portland Metro, and Standard.

County Calssification Per SB 1532



Base compensation will have escalators depending on the stores location within these regions. Stores located in the Portland Metro regions will have higher base compensation than stores in the Standard and Non-urban areas.

OLCC is requesting an increase of $13.5 million in Store Operating Expense over the current service level in the 2021-23 biennium to implement this compensation plan. The impact of this increase will be to move the average compensation rate from 9.02% for liquor stores to 9.86%.

OLCC is also requesting the Store Operating Expense be removed from limited funding and become non-limited due to the complexity of applying this formula across almost 300 stores in the state. Liquor store compensation is a variable cost of doing business. Total compensation for stores will be based on the total sales within the biennium which is similar to how cost of goods and transportation are treated. OLCC agency request budgets will continue to report average compensation rates.

Liquor Store Agent Compensation Enhancement
OLCC 2021-23 Budget, Policy Option Package No. 108

Division	Package Description	FTE	One-time	Ongoing	Total
Liquor Store Agents Compensation	Increase Agents Compensation in FY 2022 and FY 2023		$0	$13,500,000	$13,500,000
TOTALS - Agent Compensation Formula- Package #108		***0.00***	$0	$13,500,000	$13,500,000

a. Benefits to stakeholders

Liquor stores in metropolitan areas will be appropriately compensated for their higher operating costs. Escalated base compensation will compensate store owners for increase in minimum wage and lease costs.

b. Benefits to OLCC

Successfully operating liquor stores will generate more revenue for the state and encourage more applicants to apply for contracts as the agency continues to expand the number of stores in the state through the 2021-23 biennium.

C. Staffing Impact

The package adds no new staff to OLCC.

D. Quantifying Results

Liquor sales in Oregon are expected to exceed $1.6 billion in 2021-23. Liquor store labor costs are expected to increase 24% into the 2021-23 biennium from current levels as Oregon's minimum wage is increased according to the schedule mandated in SB 1532 passed in the 2016 Oregon Legislature.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

Distillery Agent Compensation
OLCC 21-23 Budget, Policy Option Package No. 110, Agency Priority No 10

A. Package Purpose

Distillery agents are retail sales agents that sell product in as many as six tasting rooms. Distillery agents are currently compensated as non-exclusive liquor agents and are included in the overall agent's compensation formula. The entities, however are different than the typical liquor store in Oregon. They only sell their own products, they do not ship products sold in the tasting room out of the OLCC warehouse, and they cover their own bank card costs. Currently there are 93 tasting rooms operated by 64 distilleries in Oregon. In the 2017-19 biennium distillery agents recorded $21.3 million in sales and remitted $7 million to the state in profit for distribution to cities, counties and the general fund. Distillery agents were paid $3.6 million in compensation at an average rate of 17% of sales. There is an equity gap into how distillery agents are compensated for their liquor sales compared to liquor stores. This open package adjusts compensation to better reflect the unique nature of these businesses. There is also disparity in how Oregon's small wineries, breweries and brewpubs are treated compared to Oregon distilleries related to the taxation. Oregon does not tax spirits but OLCC can increase the amount of compensation paid to distillery agents scaled to the amount of sales for the size of their business.

B. How Achieved

OLCC proposes to increase the compensation for Distillery Retail Agents from 17% to 45% for the first $250,000 in annual sales. Sales over $250,000 in a year would be compensated at 17%. This will allow these agents to retain more of their profits from sales directly to consumers and continue to fund their distillery operations and tasting rooms. This change in compensation is forecasted to reduce distributed revenue by $3.5 million in the 2021-23 biennium.

Distillery Agent Compensation
OLCC 2021-23 Budget, Policy Option Package No. 110

Division	Package Description	FTE	One-time	Ongoing	Total
Distillery Agent Compensation	Increase Agents Compensation in FY 2023		$0	$3,500,000	$3,500,000
TOTALS - Distillery Agent Compensation - Package #110		***0.00***	$0	$3,500,000	$3,500,000

a. Benefits to stakeholders

Oregon distillers will receive more in compensation that will help them to grow their markets within and outside of Oregon. Smaller distillers will receive a higher percentage of compensation which parallels the tax treatment of small wineries, breweries and brewpubs.

b. Benefits to OLCC

The compensation formula for distillery agents will be simplified allowing these businesses to be compensated based on gross sales rather than forcing them into the tiered compensation system where most of their compensation comes from a fixed base amount which does not change marginally as sales increase. Oregon liquor stores may benefit due to increased overall compensation in the system related to the high proportion being paid to distillery agents as base compensation.

B. Staffing Impact

The package adds no new staff to OLCC.

C. Quantifying Results

Liquor sales in Oregon are expected to exceed $1.6 billion in 2021-23. Liquor store labor costs are expected to increase 24% into the 2021-23 biennium from current levels as Oregon's minimum wage is increased according to the schedule mandated in SB 1532 passed in the 2016 Oregon Legislature.

D. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Agents Compensation Program
Cross Reference Number: 84500-005-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Services & Supplies							
Professional Services	-	-	7,716,985	-	-	-	7,716,985
Total Services & Supplies	**-**	**-**	**$7,716,985**	**-**	**-**	**-**	**$7,716,985**
Total Expenditures							
Total Expenditures	-	-	7,716,985	-	-	-	7,716,985
Total Expenditures	**-**	**-**	**$7,716,985**	**-**	**-**	**-**	**$7,716,985**
Ending Balance							
Ending Balance	-	-	(7,716,985)	-	-	-	(7,716,985)
Total Ending Balance	**-**	**-**	**($7,716,985)**	**-**	**-**	**-**	**($7,716,985)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 033 - Exceptional Inflation

Cross Reference Name: Agents Compensation Program
Cross Reference Number: 84500-005-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Services & Supplies							
Professional Services	-	-	5,281,083	-	-	-	5,281,083
Total Services & Supplies	**-**	**-**	**$5,281,083**	**-**	**-**	**-**	**$5,281,083**
Total Expenditures							
Total Expenditures	-	-	5,281,083	-	-	-	5,281,083
Total Expenditures	**-**	**-**	**$5,281,083**	**-**	**-**	**-**	**$5,281,083**
Ending Balance							
Ending Balance	-	-	(5,281,083)	-	-	-	(5,281,083)
Total Ending Balance	**-**	**-**	**($5,281,083)**	**-**	**-**	**-**	**($5,281,083)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Agents Compensation Program**

Pkg: 108 - Agent Compensation Formula | **Cross Reference Number: 84500-005-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Professional Services	-	-	13,500,000	-	-	-	13,500,000
Total Services & Supplies	**-**	**-**	**$13,500,000**	**-**	**-**	**-**	**$13,500,000**
Total Expenditures							
Total Expenditures	-	-	13,500,000	-	-	-	13,500,000
Total Expenditures	**-**	**-**	**$13,500,000**	**-**	**-**	**-**	**$13,500,000**
Ending Balance							
Ending Balance	-	-	(13,500,000)	-	-	-	(13,500,000)
Total Ending Balance	**-**	**-**	**($13,500,000)**	**-**	**-**	**-**	**($13,500,000)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Agents Compensation Program**

Pkg: 110 - Distillery Agent Compensation | **Cross Reference Number: 84500-005-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Professional Services	-	-	3,500,000	-	-	-	3,500,000
Total Services & Supplies	**-**	**-**	**$3,500,000**	**-**	**-**	**-**	**$3,500,000**
Total Expenditures							
Total Expenditures	-	-	3,500,000	-	-	-	3,500,000
Total Expenditures	**-**	**-**	**$3,500,000**	**-**	**-**	**-**	**$3,500,000**
Ending Balance							
Ending Balance	-	-	(3,500,000)	-	-	-	(3,500,000)
Total Ending Balance	**-**	**-**	**($3,500,000)**	**-**	**-**	**-**	**($3,500,000)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 801 - LFO Analyst Adjustments

Cross Reference Name: Agents Compensation Program
Cross Reference Number: 84500-005-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Indirect Cost	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Services & Supplies							
Professional Services	-	-	1,502,180	-	-	-	1,502,180
Total Services & Supplies	**-**	**-**	**$1,502,180**	**-**	**-**	**-**	**$1,502,180**
Total Expenditures							
Total Expenditures	-	-	1,502,180	-	-	-	1,502,180
Total Expenditures	**-**	**-**	**$1,502,180**	**-**	**-**	**-**	**$1,502,180**
Ending Balance							
Ending Balance	-	-	(1,502,180)	-	-	-	(1,502,180)
Total Ending Balance	**-**	**-**	**($1,502,180)**	**-**	**-**	**-**	**($1,502,180)**

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DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Oregon Liquor & Cannabis Comm **Agency Number: 84500**

2021-23 Biennium **Cross Reference Number: 84500-005-00-00-00000**

Source	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
Other Funds						
Transfer In - Intrafund	116,859,932	135,385,704	135,385,704	165,383,772	165,383,772	166,885,952
Total Other Funds	**$116,859,932**	**$135,385,704**	**$135,385,704**	**$165,383,772**	**$165,383,772**	**$166,885,952**

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DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2017-2019 Actual	2019-21 Legislatively Adopted	Legislatively Approved	2021-23 Agency Request	2021-23 Governor's	2021-23 Legislatively Adopted
ALL Sources	OTHER	Various	$116,859,932	$135,385,704	$135,385,704	$165,383,772	$165,383,772	$163,885,952

___ Agency Request ___ Governor's Budget __X__ Legislatively Adopted Budget Page __27__

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BUDGET NARRATIVE

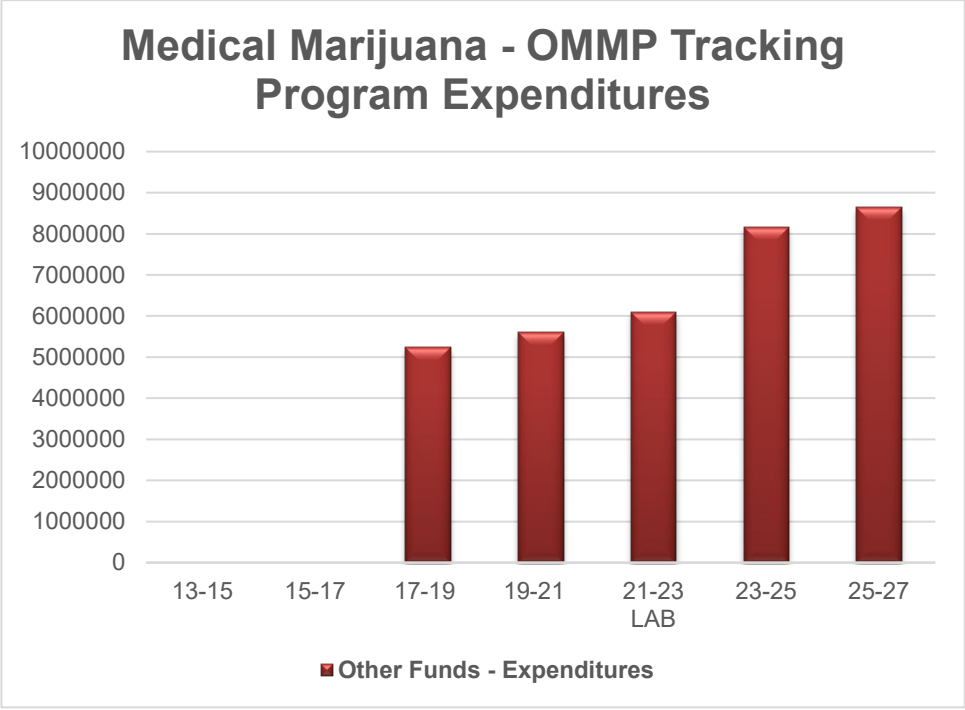
OLCC - MEDICAL MARIJUANA OMMP TRACKING PROGRAM - 006
2021-23 BUDGET

PROGRAM UNIT EXECUTIVE SUMMARY

A. PRIMARY OUTCOME AREA Economy and Jobs

B. PROGRAM CONTACT Will Higlin, Deputy Director, 503-872-5224

C. FUNDS BUDGET AND PERFORMANCE



D. PROGRAM OVERVIEW

OLCC's Medical Marijuana Tracking Program results from the passage of SB 1057 (2017) which requires the propagation, production, process and transfer of marijuana and marijuana derived products by OHA medical marijuana grow sites, OHA medical marijuana processing sites and OHA medical marijuana dispensaries to be tracked by OLCC's Cannabis Tracking System (CTS) starting July 1, 2018. OLCC was given the responsibility to administer the tracking and to perform inspections to assure that OMMP marijuana is properly accounted for. The system will track production, sharing with medical cardholders, and the annual sale of up to $20 pounds of marijuana to OLCC licensees. Violations of daily tracking requirements are reported to OHA for enforcement. This program is a vital part of the state of Oregon's policy to account for all marijuana produced through a state OLCC license or grown by OHA medical marijuana registrants or grow site administrators. Only operations of more than 12 plants are required to participate in daily tracking of marijuana.

Grower, processor, and dispensary registrants in the medical marijuana program had to declare their intent by December 1, 2017, to either continue their registration with OMMP or to apply with OLCC for a recreational license which allowed them to sell marijuana to medical and recreational customers. As of the December 1, 2017 deadline, OHA reported a total of approximately 2,100 medical growers, dispensaries and/or processors in which their current operation would require them to register with OLCC's CTS. Almost 400 OHA growers, processors and dispensaries indicated their plan to apply for an OLCC recreational license. As of June 1, 2020, 481 grow site administrators and three OMMP medical dispensaries were registered with the Cannabis Tracking System.

The OMMP Tracking Program is funded through a quarterly distribution of marijuana tax funds administered by the Department of Revenue and fees. In addition, OHA collects the cost of tracking from OMMP growers, processors and dispensaries and remits those funds to OLCC who manages the Cannabis Tracking System vendor. OLCC requires additional limitation in order to expend those funds and pay the vendor.

OLCC administers cannabis tracking and inspections of medical marijuana registrants for compliance with OLCC and OHA rules and shares findings with OHA for appropriate follow-up and enforcement. In the 2017 legislative session, seven positions were funded to create this program, including policy and procedure development, oversight of required Cannabis Tracking System changes to accommodate this new group of users, and constituent outreach. The agency was instructed to return to e-Board or the legislative session in 2018 and request staffing for enforcement. The 2018 legislative session approved 16 medical marijuana regulatory specialists to focus on OMMP tracking and inspections. Regulatory specialists are assigned to field offices throughout the state which has led to a need for larger spaces in some field offices.

2019-21 Program Focus

- Continued hiring and onboarding of staff
- DPSST training
- Refinement of policies and procedures
- Continued public and registrant education and outreach
- CTS analysis, refinement and improvement
- Registrant inspections

2021-23 Program Focus

- DPSST training
- Refinement of policies and procedures
- Data driven enforcement
- CTS analysis, refinement and improvement
- Continued public and registrant education and outreach
- Registrant inspections

E. PROGRAM FUNDING REQUEST

The Legislatively Adopted Budget is $6,082,209 Other Funds limitation for the 2021-23 biennium for this program, with 21 positions and 21.00 FTEs.

Similar to Recreational Marijuana an allocation has also been established for the OMMP tracking program that pays for a portion of Support Services costs based on FTE. The allocation for 2021-23 is calculated at 7% of the support services costs or $1.6 million in the biennium. This amount will be transferred from the OMMP tracking program to the Liquor fund.

F. PROGRAM DESCRIPTION

The passage of SB 1057 modified the recreational and medical marijuana programs administered by the Oregon Liquor & Cannabis Commission and the Oregon Health Authority, including requiring the OLCC to track OMMP medical marijuana growers, processors, wholesalers and retailers.

In 2021-23 the program's focus is similar to the agency's work in its recreational marijuana program. The program will continue to work on agency integration, interagency integration, rulemaking, OMMP registrant education, inspection activities and analysis of data from the Cannabis Tracking System to aid OMMP in their enforcement activities.

The OMMP Tracking Program is funded solely from marijuana tax dollars and fees, paying for OMMP tracking program expenses and personnel including its proportional share of agency-wide shared management, support staff and expenses.

The OLCC works closely with its partner agencies to administer this program:

- Oregon Health Authority (testing standards, ORELAP certification, label requirements, dosage levels)
- Oregon Department of Revenue (taxation, audit)
- Oregon Department of Agriculture (certification of kitchen and weight scales, pesticide use)

G. PROGRAM JUSTIFICATION AND LINK TO LONG TERM OUTCOMES

Compliance is likely to be a continuing issue for both OLCC and OHA as the body of registrants required to be tracked fluctuates. Many registrants are located in remote places or homes which makes inspections particularly difficult. In addition, ongoing outreach and education is required as new registrants learn the tracking requirements. New registrants are typically unfamiliar with utilizing a robust tracking system, and the agency makes every effort to make the transition as easy as possible; however, as with any new program some registrants will struggle until they gain more experience.

OLCC performs both physical and virtual inspections, and often utilizes Cannabis Tracking System results to identify problem areas. Inspectors utilize an education first philosophy when working with registrants; however, when serious rule violations are discovered, inspectors write up reports and send them to OHA for enforcement. This creates unnecessary duplication which is doubly difficult as OHA does not have an administrative hearings unit or the funding to efficiently process the volume of reports submitted by OLCC. The two agency process has the potential to reduce compliance as responses to violations are delayed.

H. PROGRAM PERFORMANCE

The Legislative Fiscal Office will work with the OLCC to determine whether a new key performance measures might be merited for work related to medical marijuana tracking.

A separate budgeting structure has been set up to track revenues and expenses related to monitoring OMMP medical marijuana producers, processors and retailers.

BUDGET NARRATIVE

I. ENABLING LEGISLATION/PROGRAM AUTHORIZATION

The OLCC's authority to regulate medical marijuana is derived from SB 1057.

J. FUNDING STREAMS

Start-up costs for hiring staff and for adding additional data fields to the existing OLCC cannabis tracking system to accommodate medical marijuana growers was funded by a transfer of $1.8 million in marijuana tax revenue from the Department of Revenue to the OLCC in 2017. Ongoing operating costs related to marijuana tracking and inspections will be funded by a marijuana tax transfer of up to $875,000 million per quarter or $7 million per biennium, pursuant to SB 1544 passed in 2018. The precise amount will be determined in consultation with LFO based on agency need as dictated by the number of medical growers, processors and dispensaries that enroll in the cannabis tracking system. The agency has set up a separate budgeting structure to track revenues and expenses related to costs associated with monitoring medical marijuana producers, processors and retailers.

OHA will collect cannabis tracking fees from OMMP registrants and remit those funds to OLCC who administers the contract for the Cannabis Tracking System. OLCC will need spending limitation in order to pay the vendor. These are estimated at $0.6 million for the 2021-23 biennium.

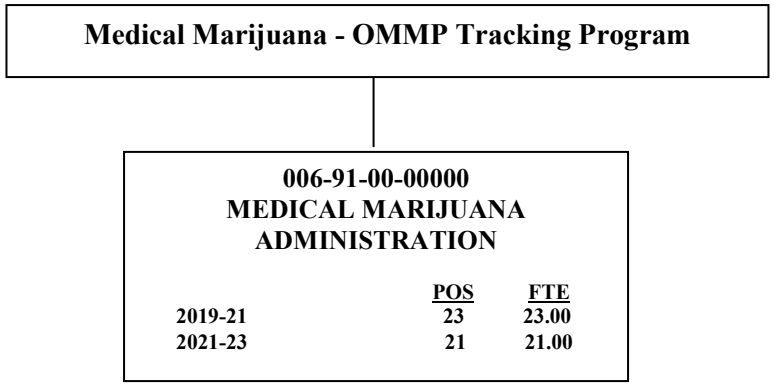
K. PROGRAM LEGISLATIVE CHANGES

Given the duplicative process for oversight from both OLCC and OHA and the lack of OHA resources, the process for getting "bad actors" out of the medical grow system is cumbersome, slow and duplicative. As Recreational Program retailers also sell marijuana to medical patients' tax free, the OLCC system is the primary source of medical marijuana, sell about 11% of products for medical use. The OLCC has an Administrative Hearings Unit and OHA does not, positioning the OLCC as an effective choice to administer the processing of violations on a timely basis. OLCC inspectors work closely with OHA registrants and are in a better position to work with the Administrative Hearings unit than OHA inspectors who don't work with the registrants on a day-to-day basis. As the OLCC refines its violation and focuses on corrective compliance rather than violations subject to hearings, this change makes the shift in responsibility a more palatable form of compliance. OLCC is well aware of the long standing independence of medical growers and understands many are focused on the idea of providing quality product to known patients that they have an affiliation with over time; these growers are not a focus of systemic diversion. However, some growers abuse the intent of this system and the OLCC oversight will support state policy that focuses on keeping all legal production of marijuana within the legal system. As well, OHA's program is facing a loss of revenue given the dramatic drop in Medical Cards issued. If, OLCC can support medical system compliance and administration, OHA can focus of access of medical patients to marijuana for treatment of medical conditions,

facilitation of changes in use in conjunction with the medical community, the Oregon Cannabis Commission and medical program advocates. This proposal is in the following legislative concept:

Agency Concept 84500-006 - Medical Marijuana Grow Sites
Currently OLCC inspectors inspect OMMP grows that are tracked in the Cannabis Tracking System (CTS), inspecting for both CTS violations as well as violations of OMMP rules. Non-intentional violations are handled through education and follow-up; however there have been multiple instances where the findings have been more egregious. In these cases OLCC investigators write up a report and send it to OMMP. OMMP does not have adequate staff or an administrative violation unit to process these reports and instead needs to send them through DOJ, a slower and more expensive process. This creates a duplication of effort between the two agencies. Processing violations through OLCC's administrative process would streamline the process, be less expensive, and lead to quicker action.

L. ORGANIZATION CHART



ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Medical Marijuana Program**

Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor | **Cross Reference Number: 84500-006-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Pension Obligation Bond	-	-	35,815	-	-	-	35,815
Unemployment Assessments	-	-	30	-	-	-	30
Mass Transit Tax	-	-	3,294	-	-	-	3,294
Vacancy Savings	-	-	(2,778)	-	-	-	(2,778)
Total Personal Services	**-**	**-**	**$36,361**	**-**	**-**	**-**	**$36,361**
Total Expenditures							
Total Expenditures	-	-	36,361	-	-	-	36,361
Total Expenditures	**-**	**-**	**$36,361**	**-**	**-**	**-**	**$36,361**
Ending Balance							
Ending Balance	-	-	(36,361)	-	-	-	(36,361)
Total Ending Balance	**-**	**-**	**($36,361)**	**-**	**-**	**-**	**($36,361)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 021 - Phase-in

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Tsfr From Oregon Health Authority	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	2,083	-	-	-	2,083
Office Expenses	-	-	1,027	-	-	-	1,027
Telecommunications	-	-	8,968	-	-	-	8,968
State Gov. Service Charges	-	-	(19,600)	-	-	-	(19,600)
Data Processing	-	-	40,960	-	-	-	40,960
Professional Services	-	-	33	-	-	-	33
Employee Recruitment and Develop	-	-	62	-	-	-	62
Facilities Rental and Taxes	-	-	6,607	-	-	-	6,607
Other Services and Supplies	-	-	1,256	-	-	-	1,256
Total Services & Supplies	**-**	**-**	**$41,396**	**-**	**-**	**-**	**$41,396**
Total Expenditures							
Total Expenditures	-	-	41,396	-	-	-	41,396
Total Expenditures	**-**	**-**	**$41,396**	**-**	**-**	**-**	**$41,396**
Ending Balance							
Ending Balance	-	-	(41,396)	-	-	-	(41,396)
Total Ending Balance	**-**	**-**	**($41,396)**	**-**	**-**	**-**	**($41,396)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm **Cross Reference Name: Medical Marijuana Program**

Pkg: 090 - Analyst Adjustments **Cross Reference Number: 84500-006-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Tsfr From Revenue, Dept of	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	(238,608)	-	-	-	(238,608)
Empl. Rel. Bd. Assessments	-	-	(116)	-	-	-	(116)
Public Employees' Retire Cont	-	-	(43,546)	-	-	-	(43,546)
Social Security Taxes	-	-	(18,254)	-	-	-	(18,254)
Worker's Comp. Assess. (WCD)	-	-	(92)	-	-	-	(92)
Flexible Benefits	-	-	(76,464)	-	-	-	(76,464)
Total Personal Services	**-**	**-**	**($377,080)**	**-**	**-**	**-**	**($377,080)**
Services & Supplies							
Data Processing	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	(377,080)	-	-	-	(377,080)
Total Expenditures	**-**	**-**	**($377,080)**	**-**	**-**	**-**	**($377,080)**
Ending Balance							
Ending Balance	-	-	377,080	-	-	-	377,080
Total Ending Balance	**-**	**-**	**$377,080**	**-**	**-**	**-**	**$377,080**

_____ Agency Request **_____ Governor's Budget** **_____ Legislatively Adopted**

2021-23 Biennium **Page _____** **Essential and Policy Package Fiscal Impact Summary - BPR013**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 090 - Analyst Adjustments

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Positions							
Total Positions							(2)
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**(2)**
Total FTE							
Total FTE							(2.00)
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**(2.00)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm | **Cross Reference Name: Medical Marijuana Program**

Pkg: 091 - Elimination of S&S Inflation | **Cross Reference Number: 84500-006-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	-	-	-	-	-
Out of State Travel	-	-	-	-	-	-	-
Employee Training	-	-	-	-	-	-	-
Data Processing	-	-	-	-	-	-	-
Publicity and Publications	-	-	-	-	-	-	-
Employee Recruitment and Develop	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-
Facilities Maintenance	-	-	-	-	-	-	-
Agency Program Related S and S	-	-	-	-	-	-	-
Other Services and Supplies	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm **Cross Reference Name: Medical Marijuana Program**

Pkg: 092 - Personal Services Adjustments **Cross Reference Number: 84500-006-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Vacancy Savings	-	-	-	-	-	-	-
Total Personal Services	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 810 - Statewide Adjustments

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	(3,722)	-	-	-	(3,722)
Total Services & Supplies	**-**	**-**	**($3,722)**	**-**	**-**	**-**	**($3,722)**
Total Expenditures							
Total Expenditures	-	-	(3,722)	-	-	-	(3,722)
Total Expenditures	**-**	**-**	**($3,722)**	**-**	**-**	**-**	**($3,722)**
Ending Balance							
Ending Balance	-	-	3,722	-	-	-	3,722
Total Ending Balance	**-**	**-**	**$3,722**	**-**	**-**	**-**	**$3,722**

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Oregon Liquor & Cannabis Comm **Agency Number: 84500**

2021-23 Biennium **Cross Reference Number: 84500-006-00-00-00000**

Source	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
Other Funds						
Business Lic and Fees	-	629,662	629,662	-	-	-
Tsfr From Revenue, Dept of	6,723,539	7,000,000	7,000,000	7,000,000	7,153,600	7,000,000
Tsfr From Oregon Health Authority	-	-	-	528,000	528,000	528,000
Transfer Out - Indirect Cost	-	(1,800,418)	(1,800,418)	(1,750,352)	(1,597,930)	(1,627,476)
Total Other Funds	**$6,723,539**	**$5,829,244**	**$5,829,244**	**$5,777,648**	**$6,083,670**	**$5,900,524**

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DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2017-2019 Actual	2019-21 Legislatively Adopted	Legislatively Approved	2021-23 Agency Request	2021-23 Governor's	2021-23 Legislatively Adopted
ALL Sources	OTHER	Various	$6,723,639	$5,829,244	$5,829,244	$5,777,648	$6,083,670	$5,900,524

___ Agency Request ___ Governor's Budget __X__ Legislatively Adopted Budget Page __17__

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BUDGET NARRATIVE

OLCC - CAPITAL IMPROVEMENTS PROGRAM - 088
2021-23 BUDGET

PROGRAM EXECUTIVE SUMMARY

A. PURPOSE, ACTIVITIES & ISSUES

Through its Capital Improvements Program, the OLCC provides effective stewardship of its building and grounds. The OLCC owns its main office and distribution center complex on McLoughlin Blvd., Milwaukie. OLCC's distribution center comprises the warehouse connected to the main office building and a second warehouse on Milport Road, acquired in 2007. The entire campus houses approximately 219 employees; 109 employees are located in thirteen different leased field offices.

Preventive maintenance and regular repairs of the OLCC offices and distribution center are high priorities in order to reduce potentially more costly projects that might result from deferring maintenance. The OLCC Administrative Services Division creates and implements the agency's ten-year maintenance plan and is responsible for the timely planning, management, execution and completion of the capital improvement projects.

The OLCC has a perpetual ten-year maintenance plan. Each biennium the OLCC receives legislative limitation authority to accomplish its facility maintenance projects. The OLCC's capital improvement expenditures typically average less than two percent of the assessed market value of the facility. More extensive maintenance projects follow the policy option package budget process.

B. BACKGROUND

The Milwaukie complex is comprised of the central office and distribution center on McLoughlin Blvd and a second nearby warehouse on Milport Road. The original McLoughlin building was built in 1954. The warehouse was expanded in 1977 to its present 126,109 square feet and the central office was expanded in 1991 to 50,361 square feet for a total footprint of 176,470 square feet. The newest portion of the McLoughlin warehouse is 41 years old and the newest portion of the central office is 27 years old. In 2007 the OLCC acquired the nearby Milport building, with 104,875 square feet of warehouse and 2,369 square feet of office space for a total footprint of 107,244 square feet. The Milport building was built in 1977 and is also 41 years old.

BUDGET NARRATIVE

Location	Square Footage	Date of Construction	Years Since Last Roof Replacement
McLoughlin	**176,470**		
*Warehouse	126,109	1954, 1977	64 years for main area built in 1954 41 years for additions to the main area built in 1977
*Central Office	50,361	1991	2
Milport	**107,244**		
*Warehouse	104,875	1991	2
*Office	2,369	1991	2
Total Square Footage	**283,714**		

The OLCC provides warehouse security for both the state and vendor owned bottled distilled spirits inventory. The McLoughlin warehouse serves as the main warehouse for distribution to 282 liquor stores in Oregon. This is an increase from 248 stores prior to retail expansion. The Milport facility serves as a delivery hub for inbound products from manufactures and fulfillment center to support distribution from the main warehouse. Combined, these two facilities are expected to distribute 8.0 million cases of distilled liquor in the 2021-23 biennium, accommodating a case growth rate of 3.7% per year. Facility maintenance, repair and the conditions of the building impact the OLCC's ability to generate revenue and protect the safety and security of the distilled liquor inventory. The wholesale value of the entire inventory in the warehouses, both vendor and OLCC-owned, is approximately $40 million at cost and a retail value of $80 million. The inventory turns approximately 11 times per year, generating an expected $1.60 billion in total sales during the 2021-23 biennium and $607 million in 2021-23 distributed revenue for state, counties and cities.

The central office located in the McLoughlin building serves as the primary customer service hub for: 2,267 marijuana licenses, 56,657 marijuana worker permittees, more than 15,000 liquor alcohol licenses, 10,000 special event licenses each year, nearly 3,300 out of state certificate holders and more than 165,000 alcohol service permittees as of June 2020. It also provides central services for the Commission, Distilled Spirits, Public Safety, Support Services, Marijuana and OMMP Tracking Programs, OLCC field offices, liquor store agents and the public.

Each biennium, the OLCC completes regular maintenance and repairs per its ten-year plan, and does major projects as provided for by the Legislatively Adopted Budget.

C. EXPECTED RESULTS

Keeping both the McLoughlin and Milport facilities properly maintained is critical to their continued role in generating revenue and protecting the vendor and OLCC-owned inventory and state assets. The OLCC Administrative Services Division's main objective for the capital improvement program is to maintain a safe and efficiently operated facility that has continued expected life, and the flexibility to continue growth while addressing the changing demands brought on by administering the marijuana program.

As of Spring 2018, the OLCC's ten-year plan, beginning in 2019-21, contains the following elements. The current service level budget will enable the OLCC to perform some basic regular maintenance; larger projects will require legislatively approved policy option packages.

2019-21
Current Service Level

- Safety and operational related repairs such as electrical, plumbing, mechanical and maintenance.
- Replace access control and badging systems; Mcloughlin and Milport Facilities.
- Repair of the main warehouse roof at the Mcloughlin building.

2021-2023
Current Service Level

- Repair all CMU and Concrete walls at McLoughlin building.
- Replace caulking/sealant at expansion joints, windows and doors (Milport).
- Repair cracking of roof storage unit (McLoughlin).
- Repair garage doors (McLoughlin).
- Apply safety zone markings (Milport warehouse)

2023-2025
Current Service Level

- Repaint exterior walls (repair concrete) at Milport.
- Repair/replace caulking expansion joints, windows and doors (McLoughlin).
- Apply new safety zone markings (McLoughlin).
- Replace gravel (McLoughlin).
- Replace domestic hot water heater (gas) (McLoughlin).
- Repaint garage doors (McLoughlin).

2025-2027
Current Service Level

- Repair/replace concrete paving (Milport).
- Bark mulch/landscaping - both locations.

2027-2029
Current Service Level

- Repaint interior office walls (Milport).
- Repaint interior office walls/ceilings (McLoughlin).
- Repaint exterior walls McLoughlin warehouse.
- Replace counters (restrooms/cafeteria) both locations.
- Replace carpet (Milport).
- Replace fixed windows (Milport).
- Replace vinyl and carpet (McLoughlin).
- Facility Condition Assessments both locations .

D. REVENUE SOURCE

The Oregon Liquor & Cannabis Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471, 473, 475B.

E. PROGRAM FUNDING REQUEST

The Legislatively Adopted Budget is $237,745 Other Funds limitation for the 2021-23 biennium. No Positions or FTE are requested.

F. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm **Cross Reference Name: Capital Improvements**

Pkg: 022 - Phase-out Pgm & One-time Costs **Cross Reference Number: 84500-088-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Outlay							
Building Structures	-	-	(150,000)	-	-	-	(150,000)
Total Capital Outlay	**-**	**-**	**($150,000)**	**-**	**-**	**-**	**($150,000)**
Total Expenditures							
Total Expenditures	-	-	(150,000)	-	-	-	(150,000)
Total Expenditures	**-**	**-**	**($150,000)**	**-**	**-**	**-**	**($150,000)**
Ending Balance							
Ending Balance	-	-	150,000	-	-	-	150,000
Total Ending Balance	**-**	**-**	**$150,000**	**-**	**-**	**-**	**$150,000**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Capital Improvements
Cross Reference Number: 84500-088-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Outlay							
Land Improvements	-	-	230	-	-	-	230
Building Structures	-	-	9,572	-	-	-	9,572
Total Capital Outlay	**-**	**-**	**$9,802**	**-**	**-**	**-**	**$9,802**
Total Expenditures							
Total Expenditures	-	-	9,802	-	-	-	9,802
Total Expenditures	**-**	**-**	**$9,802**	**-**	**-**	**-**	**$9,802**
Ending Balance							
Ending Balance	-	-	(9,802)	-	-	-	(9,802)
Total Ending Balance	**-**	**-**	**($9,802)**	**-**	**-**	**-**	**($9,802)**

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Oregon Liquor & Cannabis Comm **Agency Number: 84500**

2021-23 Biennium **Cross Reference Number: 84500-088-00-00-00000**

Source	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
Other Funds						
Transfer In - Intrafund	361,666	377,943	377,943	237,745	237,745	237,745
Total Other Funds	**$361,666**	**$377,943**	**$377,943**	**$237,745**	**$237,745**	**$237,745**

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DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2017-2019 Actual	2019-21 Legislatively Adopted	Legislatively Approved	2021-23 Agency Request	2021-23 Governor's	2021-23 Legislatively Adopted
ALL Sources	OTHER	Various	$361,666	$377,943	$377,943	$237,745	$237,745	$237,745

___ Agency Request ___ Governor's Budget __X__ Legislatively Adopted Budget Page _9_

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BUDGET NARRATIVE

OLCC CAPITAL CONSTRUCTION PROGRAM 089
2121-23 BUDGET

PROGRAM EXECUTIVE SUMMARY

A. PRIMARY OUTCOME AREA Economy and Jobs

B. PROGRAM CONTACT Steve Marks, Executive Director, 503-872-5224

C. FUNDS BUDGET AND PERFORMANCE

This is a new program proposed by the Oregon Liquor & Cannabis Commission (OLCC) to replace its current warehouse and office facilities.

D. PROGRAM OVERVIEW

Capital Construction is a new program to facilitate the planning, design, and construction of a new OLCC warehouse and office facility. OLCC has no history of capital construction projects.

E. PROGRAM FUNDING REQUESTS

The OLCC Capital Construction Program funding source is the prospective issuance of Article XI-Q General Obligation Bonds totaling $89,537,265. The OLCC budget request also seeks expenditure limitation of $8,744,828 (Other Funds) to cover the cost of issuance of the bonds ($1,197,735) as well as debt service expense ($7,547,093) during the 2021-23 biennium.

The primary purpose of the budget request is the new construction of a warehouse and office facility. OLCC's warehouse facilities are at capacity and are restricting the distribution and sale of distilled spirits in Oregon. The package, in conjunction with the construction of the expanded facility, includes an IT enterprise modernization request that will update the primary agency legacy systems for warehouse management, licensing, and enforcement. This combined request will provide a "turn-key" solution that will be ready to move-in and reduce the wasted costs of developing redundant systems that may have to be redone in the new location.

BUDGET NARRATIVE

F. PROGRAM DESCRIPTION

The Oregon Liquor & Cannabis Commission focuses on producing and growing stable revenue for the support of public programs. Its stewardship of sales of liquor and collection of beer and wine privilege taxes are optimized to protect the long-term stability of this significant revenue stream for the state General Fund, cities, and counties. The proposed Capital Construction program addresses the agency's most critical need of warehouse capacity for distilled spirits and replacing legacy information technology systems that require constant intervention and failure. The warehouse and IT warehouse management system that supports the sale of distilled spirits in Oregon generates $3.2 million per day in revenues. Interruptions in service are frequent, and the current systems require almost daily intervention to be maintained.

The proposed package is a one-time request for the program to produce a new facility that will provide a move-in ready option that will sustain the state's distilled spirits program for the next 30 years or more. The program also includes the construction of an automated conveyor system that will allow picking numerous orders simultaneously and loading multiple trucks at the same time for delivery of distilled spirits to almost 300 liquor stores throughout the state. The project intends to utilize one contractor to develop a design-build solution for the three primary elements. This approach has been successful in other state-controlled liquor systems.

G. PROGRAM JUSTIFICATION AND LINK TO LONG TERM OUTCOMES

The Oregon Liquor & Cannabis Commission focuses on producing and growing stable revenue for the support of public programs. Its stewardship of sales of liquor and collection of malt and wine privilege taxes are optimized to protect the long-term stability of this significant revenue stream for the state General Fund, cities, and counties. The Oregon Liquor & Cannabis Commission's management of liquor sales and beer and wine privilege taxes produces the third-largest source of revenue for the State of Oregon with a biennial value of over $1.6 billion. In the 2021-23 biennium, the OLCC is projected to distribute $607 million to the state general fund, cities, counties, and mental health for vital services. The distribution formula as defined by statute dedicates 56 percent of the revenue to the General Fund, 20 percent to cities, 14 percent to city revenue sharing, 10 percent to counties, and 50 percent of the privilege tax revenue to Mental Health.

The current warehouse for spirits distribution was constructed by the OLCC in 1954. There have been updates to the original warehouse capacity, including the purchase of a smaller warehouse in 2007 for receiving of product located about a mile away. Although solving the capacity issue at that time, the satellite warehouse has caused the Commission to incur higher long term costs

by forcing distilled spirits operations to transport products from one warehouse to another before shipping products to their final destinations. This biennial cost of moving products between the two warehouses is estimated at $3.6 million.

Warehouse capacity issues, especially during the November/December holiday seasons, led the OLCC to conduct two studies in 2019 and 2020, looking at capacity limitations of the current facilities and real estate market reviews of the existing warehouse and office facilities. These studies concluded that the current OLCC's current liquor warehouse facilities are at 100% capacity, and the value proposition of the current facility is high. The current facilities (13 acres plus two warehouses and office) was valued at about $25 million by the study done by Cushman Wakefield in 2019. The warehouse capacity issue will severely limit OLCC's ability to fulfill spirits demand into the future. It will also limit the number and types of products that are offered for sale in the state, including the higher number of Oregon made distilled products. In addition, the Commission's activities to expand the number of liquor store locations in the state will also be seriously impinged.

H. PROGRAM PERFORMANCE

Oregon's' demand for distilled spirits to continue to climb over the next ten years at an annual rate of 5% per year is at risk. Gross liquor sales revenue threatened is estimated at $1.5 billion over the next ten years if demand cannot be met. Incremental revenue impacted over the next ten years if OLCC cannot continue the expansion of liquor stores is estimated at $318 million.

I. ENABLING LEGISLATION/PROGRAM AUTHORIZATION

Legislation is being proposed for authorization.

J. FUNDING STREAMS

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine, and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B. The Recreational Marijuana Program is exclusively funded by license fee revenues.

K. SIGNIFICANT PROPOSED CHANGES FROM 2019-21

New proposed program.

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BUDGET NARRATIVE

Warehouse Capital Bonding
OLCC 2021-23 Budget, Policy Option Package No. 101, Agency Priority No. 1
AS MODIFIED in Analyst Packages No. 811 & 816

A. Package Purpose

The liquor distribution warehouses operated by the Oregon Liquor Control Commission have reached capacity for storage of distilled spirits. The main warehouse and office was built in 1954 at which time OLCC was receiving, storing and shipping about 850,000 cases of liquor annually. In 2019 the warehouse received, stored and shipped 3.5 million cases. Although OLCC has added on to the current facility and added additional warehouse space with the acquisition of the Milport facility in 2007 almost 98% of the current warehouse space is being utilized throughout the year. During the peak holiday sales season the warehouse is at 100% capacity and has to limit the amount of items in inventory. The industry standard for distribution facilities is between 80% and 85% storage utilization. With the 5% expected annual increase in liquor shipments the current warehouses are expected to run out of storage capacity in 2022 and put future liquor sales and state revenues at risk. The distilled spirits supply chain and marijuana & liquor licensing and compliance programs are at risk as they operate on insufficient, inefficient, and disjointed legacy information technology systems which have been identified as needing to be replaced through enterprise modernization. In order to support commerce and revenues generated for the state over the next ten years, a major retooling of the agency is required to achieve long-term goals for high performance service delivery.

B. How Achieved

OLCC commissioned separate studies looking at the current and future needs for liquor warehouse capacity, real estate valuations for the current facility and future needed facilities. Based on these analyses, the OLCC has outgrown the existing location. Moving is the best solution from both an operational perspective as well as a financial perspective Such a solution will provide for the continued growth and profitability of OLCC for at least 30 years, while other options explored do not offer as long of an operational time horizon while requiring sizeable investments to achieve results, not in line with the level of expenditure. In addition, the agency is currently engaged in a large Enterprise Modernization program to replace insufficient and unsupported warehouse technology. Aligning these two projects and funding them with capitol bonding reduces costs and creates efficiency.

OLCC is proposing a comprehensive plan for an OLCC warehouse and administrative offices. At a minimum, the project will include real estate development approaches to achieve operational readiness, "turn-key," cost-effective and efficient solutions to meet OLCC's functional and business requirements. Solutions will consist of site, building design and construction, material handling and equipment, and enterprise modernization of information technology solutions including both the distilled spirits supply chain and marijuana and liquor licensing and compliance systems.

The estimated cost for this solution is $90 million.

OLCC will use debt service to finance the primary components of the solution: facility land and building, conveyor system construction (material handling), and the enterprise modernization information technology solutions. Real estate studies indicate that the value of the existing facility is about $25 million.

OLCC's facility is expected to cost $89,537,365 for a "turnkey" operation that will include land, building, liquor conveyor system, and enterprise modernization of information technology solutions.

OLCC issued separate Request For Information (RFI) solicitations in July 2019 for the enterprise modernization information technology solutions (distilled spirits supply chain and the marijuana and liquor licensing and compliance). Eleven responses were received for the distilled spirit supply chain and sixteen responses were collected for the marijuana and liquor licensing and compliance systems. After a thorough gap analysis, a five-year estimate for implementation would cost $17 million for the distilled spirits supply chain and $10 million for marijuana and liquor licensing and compliance.

Warehouse Capital Bonding
OLCC 2021-23 Budget Policy Option Package No 101

Project Name	Bond Type	Tax Status	Sale Date	PAR Amount	Project Amount	Costs of Issuance
Liquor Warehouse Conveyor System	XI-Q	Tax Exempt	May-22	10,175,000	10,000,000	175,000
Liquor Warehouse Land & Building	XI-Q	Tax Exempt	May-22	53,170,000	52,537,265	632,735
Liquor Warehouse Management IT System	XI-Q	Tax Exempt	May-22	27,390,000	27,000,000	390,000
		Total Bonds		**90,735,000**	**89,537,265**	**1,197,735**

Warehouse Capital Bonding - Package #101

Warehouse Capital Bonding
OLCC 2021-23 Budget Policy Option Package No 101

	Package Description	FTE	Proceeds	Cost of Issuance	Debt Service 2021-23	Total
Land & Buildings	Construct New Warehouse and Agency Office	0.00	$52,537,265	$632,735	$3,405,136	$56,575,136
Warehouse Conveyor System	Turn Key Conveyor System for Liquor Warehouse	0.00	$10,000,000	$175,000	$896,730	$11,071,730
Warehouse Mgmt. IT System	Enterprise Modernization for New Facility	0.00	$27,000,000	$390,000	$3,245,227	$30,635,227
TOTALS - Warehouse Capital Bonding - Package #101		***0.00***	**$89,537,265**	**$1,197,735**	**$7,547,093**	**$98,282,093**

Total request for Distilled Spirits (SCR 001) for 2021-23 biennium is $35,744,828
$27,000,000 for Capital Construction
$7,547,092 for Debt Service
$1,197,735 for Cost of Issuance
Total request for Capital Construction (SCR 089) for 2021-23 biennium is $62,537,265

DEBT SERVICE			DEBT SERVICE 21-23			DEBT SERVICE 23-25			DEBT SERVICE 25-27	DEBT SERVICE 27-29	DEBT SERVICE 29-31
Project Name	Bond Type	Sale Date	Principle	Interest	Total	Principle	Interest	Total	Total	Total	Total
Liquor Warehouse Conveyor System	XI-Q	May-22	565,000	331,730	896,730	1,150,000	640,728	1,790,728	1,788,774	1,786,100	1,787,845
Liquor Warehouse Land & Building	XI-Q	May-22	1,425,000	1,980,136	3,405,136	2,910,000	3,902,831	6,812,831	6,811,788	6,812,654	6,816,243
Liquor Warehouse Management IT System	XI-Q	May-22	2,485,000	760,227	3,245,227	5,075,000	1,420,283	6,495,283	6,495,312	6,493,984	6,493,984
Total Debt Service Per Biennium			**4,475,000**	**3,072,093**	**7,547,093**	**9,135,000**	**5,963,842**	**15,098,842**	**15,095,874**	**15,092,738**	**15,098,072**
Warehouse Capital Bonding - Package #101											

a. Benefits to stakeholders

OLCC will be able to meet the customer expectations by continuing to open new stores and actively seek opportunities to profitably expand our product selection. Manufactures of spirits will be able to innovate and introduce new products into the market place. Oregon distillers will find shelf space for their products in Oregon liquor stores. State revenues from liquor sales will be predictable and a stable revenue source that continues to grow at rates above inflation, to be used to finance state, county and city services. The 2021-23 projected bond costs for this project is less than the cost of needed roof replacement, earthquake mitigation and planned enterprise modernization information technology solutions. Unexpended funds can be used for other state priorities.

Through enterprise modernization of information technology systems in these cornerstone areas, OLCC will increase revenue returned by improving productivity, increasing processing time and service levels, decreasing paper usage, and improving stakeholder relations. Currently, the agency faces frequent and imminent system failures that result in loss of productivity, compromised data integrity, and a negative impact on stakeholders. Without new information services resources, it is questionable for how long will the agency be able to maintain its business operations, serve its constituencies, and fulfil its legislative mandates. Industry stakeholders will be able to conduct more business electronically and reduce the time and paperwork. This investment secures the agency's ability to ship or receive distilled spirits, and safeguards the revenue collected by OLCC that is distributed to the state, cities, counties, and mental health and addiction treatment services.

A vital mission of the OLCC is to be a predictable and reliable generator of revenue to the state, and this package is necessary to meet that goal. Importantly, on the social consequences side, this projection maintains a consistent rate of access to spirits at one store per 15,000 residence. On a per-capita basis, Oregon has far fewer stores than the national average. As well, projections maintain that Oregon remains a high spirits cost state, only Washington to the north exceeds Oregon's consumer pricing. All things equal, social impacts of alcohol are held at a status quo level in this projection.

b. Benefits to OLCC

OLCC will have room to expand for the next 30+ years. Operational inefficiencies from operating two warehouses will be mitigated and costs reduced. This package folds in the agency's expected funding request for the current IT modernization project and eliminates the need for roof repair and seismic upgrades on the existing warehouse. OLCC will not have to invest in roof replacement and earthquake mitigation in an existing building that is too small for current operations. OLCC will be able to continue expansion of liquor stores into the future to reach an average of one store per 15,000 residents.

OLCC currently operates on many outdated and unsupported IT systems along with a variety of paper only processes in conjunction with hundreds of excel spreadsheets. Maintaining and operating these environments is very time consuming and expensive. These legacy systems and processes are not only outdated but are also segregated, lacking a consistent data flow and thus, being susceptible to errors and manipulation.

Integrated and modernized information services will reduce manual processes and bring user efficiencies that will allow OLCC to keep up with increasing workloads related to liquor, public safety and marijuana without adding significant staff in the future. System failures requiring "work arounds" and resulting in service delays will be reduced.

C. Staffing Impact

There are no staffing impacts. Project management and coordination will be done with contractors.

D. Quantifying Results

$1.5 billion in gross sales liquor revenue could be at risk if OLCC does not have the capacity to store product over the next ten years. In the current system, 1.8 cases must be in storage during an average month to be able to ship and supply one case to a liquor store. Reducing this capacity will put up to 800 Oregon distilled products at risk if there is not capacity in the warehouse to store them. This investment would mitigate the risks to the Milwaukie distribution center that affect the ability to ship or receive distilled spirits, jeopardizing the revenue collected by OLCC that is distributed to the state, cities, counties, and mental health and addiction treatment services. Additionally, this investment safeguards the agency against frequent and imminent system failures that result in loss of productivity, compromised data integrity, and a negative impact on agency stakeholders.

E. Revenue Source

The Oregon Liquor & Cannabis Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

BUDGET NARRATIVE

THE AGENCY REQUEST VERSION OF THE PACKAGE WAS ADJUSTED IN THE GOVERNOR'S BUDGET AND IN THE LEGISLATIVELY ADOPTED BUDGET

Warehouse Capital Bonding

OLCC 2021-23 Budget, Policy Option Package No. 101, Agency Priority No. 1

A. Package Purpose

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Warehouse Capital Bonding
OLCC 2021-23 Budget Policy Option Package No 101

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Warehouse Capital Bonding - Package #101

Warehouse Capital Bonding
OLCC 2021-23 Budget Policy Option Package No 101

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TOTALS - Warehouse Capital Bonding - Package #101		***0.00***	**$89,537,265**	**$1,197,735**	**$7,547,093**	**$98,282,093**

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$7,547,092 for Debt Service
$1,197,735 for Cost of Issuance
Total request for Capital Construction (SCR 089) for 2021-23 biennium is $89,537,265

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Warehouse Capital Bonding - Package #101											

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D. Quantifying Results

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm **Cross Reference Name: Capital Construction**

Pkg: 101 - Warehouse Capital Bonding **Cross Reference Number: 84500-089-00-00-00000**

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Dedicated Fund Oblig Bonds	-	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Services & Supplies							
Other Services and Supplies	-	-	-	-	-	-	-
Total Services & Supplies	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Outlay							
Technical Equipment	-	-	-	-	-	-	-
Building Structures	-	-	-	-	-	-	-
Professional Services	-	-	-	-	-	-	-
Total Capital Outlay	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Debt Service							
Principal - Bonds	-	-	-	-	-	-	-
Interest - Bonds	-	-	-	-	-	-	-
Total Debt Service	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 101 - Warehouse Capital Bonding

Cross Reference Name: Capital Construction
Cross Reference Number: 84500-089-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor & Cannabis Comm
Pkg: 816 - Capital Construction

Cross Reference Name: Capital Construction
Cross Reference Number: 84500-089-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Dedicated Fund Oblig Bonds	-	-	62,537,265	-	-	-	62,537,265
Total Revenues	**-**	**-**	**$62,537,265**	**-**	**-**	**-**	**$62,537,265**
Capital Outlay							
Technical Equipment	-	-	10,000,000	-	-	-	10,000,000
Building Structures	-	-	52,537,265	-	-	-	52,537,265
Total Capital Outlay	**-**	**-**	**$62,537,265**	**-**	**-**	**-**	**$62,537,265**
Total Expenditures							
Total Expenditures	-	-	62,537,265	-	-	-	62,537,265
Total Expenditures	**-**	**-**	**$62,537,265**	**-**	**-**	**-**	**$62,537,265**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

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DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Oregon Liquor & Cannabis Comm **Agency Number: 84500**

2021-23 Biennium **Cross Reference Number: 84500-089-00-00-00000**

Source	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
Other Funds						
Dedicated Fund Oblig Bonds	-	-	-	89,537,265	62,537,265	62,537,265
Total Other Funds	**-**	**-**	**-**	**$89,537,265**	**$62,537,265**	**$62,537,265**

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DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	201-2019 Actual	2019-21 Legislatively Adopted	Legislatively Approved	2021-23 Agency Request	2021-23 Governor's	2021-23 Legislatively Adopted
Article XI-Q Bonds	OTHER	0560	N/A	N/A	N/A	$89,537,265	$62,537,265	$62,537,265

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Major Construction/Acquisition 10-Year Plan, Lease Plans, Disposals

2021-23 Biennium

Agency Name: Oregon Liquor & Cannabis Commission

Proposed New Construction or Acquisition - *Complete for 5 Biennia*

Biennium	Priority	Concept/Project Name	Description	GSF	Position Count	General Fund	Other Funds	Lottery Funds	Federal Funds	Estimated Cost/Total Funds
2021-23	1	New Warehouse	Warehouse + Conveyor + IT Warehouse Mgmt System	TBD	0		98,282,093			98,282,093
2023-25					0					-
2025-27					0					-
2027-29					0					-
2029-31					0					-

Proposed Lease Changes over 10,000 RSF - *Complete for 5 Biennia*

Biennium		Location	Description/Use	Term in Years	Total RSF[2] +/- (added or eliminated)	USF[3]	Position Count[1]	Biennial $ Rent/RSF[2]	Biennial $ O&M[4]/RSF[2] not included in base rent payment	Total Cost / Biennium
					A	B	C	D	E	(D+E)*A
2021-23										-
2023-25										-
2025-27										-
2027-29										-
2029-31										-

Planned Disposal of Owned Facility

Biennium		Facility Name	Description
2025-27		Millport Warehouse	Estimated $25 million value
2025-27		McLoughlin WH + HQ	for both facilities.

Definitions:

Position Count: **1** Total Legislatively Approved Budget (LAB) Position Count assigned to (home location) each building or lease as applicable.

RSF **2** Rentable SF per BOMA definition. The total usable area plus a pro-rated allocation of the floor and building common areas within a building.

USF **3** Usable Square Feet per BOMA definition for office/administrative uses. Area of a floor occupiable by a tenant where personnel or furniture are normally housed plus building amenity areas that are convertible to occupant area and not required by code or for the operations of a building. If not known, estimate the percentage.

O&M **4** Total Operations and Maintenance Costs for facilities including all maintenance, utilities and janitorial.

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Capital Financing Six-Year Forecast Summary 2021-23

Agency: LIQUOR & CANNABIS COMMISSION
Agency #: 84500

Provide amounts of agency financing needs for the 2021-23 biennium, by expected use and repayment source. Include proposed project amounts only (do not include debt service from either previously issued debt or from new debt issuance).

Use of Bond Proceeds	Bond Type: General Obligation Bonds	Bond Type: Revenue Bonds	Totals by Repayment Source	
Major Construction / Acquisition Projects				
General Fund Repayment	$	$	$ -	GF
Lottery Funds Repayment			-	LF
Other Funds Repayment	90,735,000		90,735,000	OF
Federal Funds Repayment			-	FF
Total for Major Construction	$ 90,735,000	$ -	$ 90,735,000	
$500,000				
General Fund Repayment	$	$	$ -	GF
Lottery Funds Repayment			-	LF
Other Funds Repayment			-	OF
Federal Funds Repayment			-	FF
Total for Equipment/Technology	$ -	$ -	$ -	
Debt Issuance for Loans and Grants				
General Fund Repayment	$	$	$ -	GF
Lottery Funds Repayment			-	LF
Other Funds Repayment			-	OF
Federal Funds Repayment			-	FF
Total for Loans and Grants	$ -	$ -	$ -	
Total All Debt Issuance				
General Fund Repayment	$ -	$ -	$ -	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	90,735,000	-	90,735,000	OF
Federal Funds Repayment	-	-	-	FF
Grand Total 2021-23	$ 90,735,000	$ -	$ 90,735,000	

Capital Financing Six-Year Forecast Summary 2023-25

Agency: LIQUOR & CANNABIS COMMISSION
Agency #: 84500

Provide amounts of agency financing needs for the 2023-25 biennium, by expected use and repayment source. Include proposed project amounts only (do not include debt service from either previously issued debt or from new debt issuance).

Use of Bond Proceeds	Bond Type: General Obligation Bonds	Bond Type: Revenue Bonds	Totals by Repayment Source	
Major Construction / Acquisition Projects				
General Fund Repayment	$ -	$ -	$ -	GF
Lottery Funds Repayment			-	LF
Other Funds Repayment	-		-	OF
Federal Funds Repayment			-	FF
Total for Major Construction	$ -	$ -	$ -	
Equipment/Technology Projects over $500,000				
General Fund Repayment	$	$	$ -	GF
Lottery Funds Repayment			-	LF
Other Funds Repayment			-	OF
Federal Funds Repayment			-	FF
Total for Equipment/Technology	$ -	$ -	$ -	
Debt Issuance for Loans and Grants				
General Fund Repayment	$	$	$ -	GF
Lottery Funds Repayment			-	LF
Other Funds Repayment			-	OF
Federal Funds Repayment			-	FF
Total for Loans and Grants	$ -	$ -	$ -	
Total All Debt Issuance				
General Fund Repayment	$ -	$ -	$ -	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Grand Total 2023-25	$ -	$ -	$ -	

Capital Financing Six-Year Forecast Summary 2025-27

Agency: LIQUOR & CANNABIS COMMISSION
Agency #: 84500

Provide amounts of agency financing needs for the 2025-27 biennium, by expected use and repayment source. Include proposed project amounts only (do not include debt service from either previously issued debt or from new debt issuance).

Use of Bond Proceeds	Bond Type: General Obligation Bonds	Bond Type: Revenue Bonds	Totals by Repayment Source	
Major Construction / Acquisition Projects				
General Fund Repayment	$ -	$ -	$ -	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Total for Major Construction	$ -	$ -	$ -	
Equipment/Technology Projects over $500,000				
General Fund Repayment	$ -	$ -	$ -	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Total for Equipment/Technology	$ -	$ -	$ -	
Debt Issuance for Loans and Grants				
General Fund Repayment	$ -	$ -	$ -	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Total for Loans and Grants	$ -	$ -	$ -	
Total All Debt Issuance				
General Fund Repayment	$ -	$ -	$ -	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Grand Total 2025-27	$ -	$ -	$ -	

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BUDGET NARRATIVE

Agency Name: **Oregon Liquor & Cannabis Commission**

Owned Facilities Over $1 million	**FY 2020 DATA**
Number of Facilities	2
Current Replacement Value $ (CRV)[1]	$ 51,883,592
Gross Square Feet (GSF)	283,714
Usable Square Feet (USF)[2]	283,714
Occupants Position Count (PC)[3]	278

Source[4] Risk (Risk or FCA)

Estimate/Actual[5] *40* % USF/GSF

USF/PC[6] **413**

Or Agency Measure[7] n/a

Owned Facilities Under $1 million	
Number of Facilities	not applicable
CRV[1]	not applicable
GSF	not applicable

Leased Facilities	
Total Rentable SF[8]	35,046
Biennual Lease Cost	1,534,120
Additional Costs for Lease Properties (O&M)[9]	28,128
Usable Square Feet (USF)[2]	*not available*
Occupants Position Count (PC)[3]	86

Estimate/Actual[5] *100* % RSF/GSF

USF/PC[6] **n/a**

Definitions

CRV 1 Current Replacement Value Reported to Risk Management ***or Calculated***

USF 2 Usable Square Feet per BOMA definition for office/administrative uses. Area of a floor

Occupant Postion Count (PC) 3 Total Legislatively Approved Budget (LAB) Position Count within the buildings or

Source 4 Enter Source of CRV as "Risk" or "FCA"

Estimate/Actual 5 Use actual USF % of USF to GSF, if available. If not known, estimate the percentage.

Office/Administrative USF/PC 6 Divide your USF by your position count. If office/admin space is a less than 10% of

Agency Measure 7 If not using USF/PC, insert Agency Measure as defined in 107BF02 question #1.

RSF 8 Rentable SF per BOMA definition. The total usable area plus a pro-rated allocation of

O&M 9 Total Operations and Maintenance Costs for facilities including all maintenance,

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BUDGET NARRATIVE

Agency Name		**Oregon Liquor & Cannabis Commission**				
Facilities Operations and Maintenance (O&M) Budget excluding Capital Improvements and Deferred Maintenance	**1**	**2017-19 Actual**	**2019-21 LAB**	**2021-23 Budgeted**	**2023-25 Budgeted**	
Personal Services (PS) Operations and Maintenance		$432,797	$474,192	$490,312	$511,395	
Services and Supplies (S&S) Operations and Maintenance		$645,189	$1,170,758	$1,221,101	$1,273,608	
Utilities not included in PS and S&S above		$281,232	$363,416	$379,043	$395,342	
Total O&M		$1,359,218	$2,008,366	$2,090,455	$2,180,345	
O&M $/SF		4.79	7.08	7.37	7.69	
Total O&M SF		283,714	Include only the SF for which your agency provides O&M funding.			
		General Fund	**Lottery Fund**	**Other Funds**	**Federal Funds**	
O&M Estimated Fund Split Percentage %	**2**			100%		
Deferred Maintenance Funding In Current Budget Model		**2021-23 Biennium**		**Ongoing Budgeted (non POP) 2021-23 Budgeted SB 1067 (2% CRV min.)**	**Ongoing Budgeted (non POP) 2023-25 Projected SB 1067 (2% CRV min.)**	
Total Short and Long Term Deferred Maintenance Plan for Facilities	**3**	**Current Costs 2019**	**Ten Year Projection**			SB 1067 Guidance Below
Priorities 1-3 - Currently, Potentially and Not Yet Critical	**4,5,6**	$6,746,710	$13,922,073	$1,147,375	$1,196,712	If your allocation is <> 2%, replace with your value
DM/Life Safety (Priority 1)		$2,397,359				
Capital Renewal (Priority 2)		$3,933,805				
Capital Renewal (Priority 3)		$415,546				
Priority 4 - Seismic & Natural Hazard	**7**	$1,286,549	$1,286,549	$1,286,549	$1,286,549	
(title change) Priority 5 - **Net** Modernization	**8**					
(title change) **Total Priority 1-5 Need**						(minus DM funding in current budget model)
Facility Condition Index (Priority 1-3 Needs/CRV)	**9**	12.603%	27.636%			
Assets CRV		$57,368,745	Current Replacement Value Reported to Risk or Calculated Replacement Value Reported from Facility Conditions Assessment (FCA)			
Process/Software for routine maintenance (O&M)		OLCC uses iPlan & spreadsheets to track building assets/components, maint. requests				Provide narrative
Process/Software for deferred maintenance/renewal		OLCC uses iPlan & spreadsheets to track building assets/components, maint. requests				Provide narrative
Process for funding facilities maintenance		Facility maintenance is included as a separate item in the agency requested budget on				Provide narrative
From iPlan FCA						

Definitions

Facilities Operations and Maintenance Budget	**1**	The Facilities Operations and Maintenance budget includes costs to operate and maintain facilities and keep them
O&M Estimated Fund Split Percentage %	**2**	Show the fund split by percentage of fund source allocated to facility O&M for your agency
Total Short and Long Term Maintenance and Deferred Maintenance Plan for Facilities Value Over $1M	**3**	All Maintenance excluding routine O&M costs. 19-21 and 21-23 auto-populates with 2% of the sum of your agency portfolio's CRV. Written to deliver on SB 1067: SECTION 9. (1) Each biennium, the Governor shall propose as part of
Priority One: Currently Critical	**4**	From the Budget Instruction: Priority One projects are conditions that require immediate action in order to address
Priority Two: Potentially Critical	**5**	From the Budget Instruction: Priority Two projects are to be undertaken in the near future to maintain the integrity
Priority Three: Necessary - Not yet Critical	**6**	From the Budget Instructions: Priority Three projects could be undertaken in the near to mid-term future to
Priority Four: Seismic and Natural Hazard Remediation	**7**	From the Budget Instructions: Priority Four projects improve seismic performance of buildings constructed prior to
Priority Five: Modernization	**8**	From the Budget Instructions: Priority Five projects are alterations or replacement of facilities solely to implement
Facility Condition Index	**9**	A calculated measure of facility condition relative to its current replacement value (expressed as a percentage)

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INFORMATION TECHNOLOGY - PROJECT PRIORITIZATION MATRIX

OLCC Project Prioritization Matrix			OLCC Enterprise Modernization Program (EMP)	Privilege Tax Online (Annual SAAS Subscription)		Notes
		TOTAL PROJECT SCORE (0-100)	91	85		
CRITERIA	WEIGHT	SCORING GUIDE				
Technology & Strategic Alignment	**35%**	WEIGHTED SUBTOTAL & PERCENT OF TOTAL PROJECT SCORE	29 32%	23 27%		
Alignment to Strategic Plans Does the Agency adhere to the Governor's Strategic Plan (*Action Plan: User Friendly, Reliable and Secure: Modernizing State Information Technology Systems and Oversight*) and the Enterprise Information Services Strategic Plan? Does the investment align with IT best practices (e.g. transparency by design, easily retrievable data, early value delivery, modular implementation, security principles, modern hosting technologies such as cloud, configuration over customization, etc.) How does this investment integrate into the agency's strategic plan?		**3 - Mastery (High)** Investment incorporates multiple elements of state technical vision, is strategically consistent with agency strategic vision and IT best practices. Proposed solution is technically consistent with State vision for User-friendly, Reliable and Secure systems. **2 - Competent (Medium)** Mostly aligned with Mastery **1 - Adequate (Low)** Partially aligned with Mastery **0 - Insufficient (None)** Investment is inconsistent with elements of the Enterprise and/or Agency state technical vision and does not incorporate the state's technical values or consider IT best practices.	3	2		As mentioned in the Business Case, the catalyst for the Enterprise Modernization Program (EMP) is to modernize the OLCC's technology to make it easier for our stakholders, our staff, and to improve the data quality as well as security for all systems. Another goal is to create easily digestible data sets to be used for business intelligence that can be used for licensees, liquor agents, distributors, etc. Mentioned below under Risk, a Secretary of State Audit and Moss Adams audit also provides motivation for the OLCC to improve usability, security, and efficiency. Because OLCC uses CJIS information, security is paramount to ensuring success of our systems. Reliability is also paramount as the OLCC ships distilled spirits to liquor stores 5 days a week and 6 days during peak seasons. Based on the OLCC's in-depth analysis from the RFI submissions, you'll see that the highest ranked proposals align with IT best practices to include things such as COTS solutions with less than 20% configuration, Cloud-based, high security standards (FedRamp, Soc2-type2), etc. OLCC's strategic plan document is uploaded to the PPM tool in the EMP folder. Additionally, OLCC's mission statement is to support businesses, public safety, and community livability through education and the enforcement of liquor and marijuana laws. These three projects, all support OLCC's licensees and promote community livability.
Diversity, Equity, Inclusion, and Accessibility Does the Agency adhere to the Governor's Office of Diversity, Equity, Inclusion/Affirmative Action mission and objectives? Does the Agency have processes in place ensuring Oregon's government develops, maintains, and embeds a diverse and inclusive culture throughout state systems, institutions, and deliverables and plan to incorporate them into this investment? Does the Agency address how the solution will meet or exceed Oregon Accessibility Standards?		**3 - Mastery (High)** Agency intentionality makes equity, inclusion and accessibility a priority in change management, customer service, leadership development, and community engagement. Investment demonstrates and incorporates diligence in employment, from hiring to retention, promotion, and succession planning. Agency plans to work with Procurement on COBID certified firms. Project substantially benefits underserved communities-including rural communities, low income communities or communities **2 - Competent (Medium)** Mostly aligned with Mastery **1 - Adequate (Low)** Partially aligned with Mastery **0 - Insufficient (None)** Agency does not have adequate existing processes to intentionally promote diversity, equity, inclusion or accessibility and has only nominally considered incorporating them in to this investment.	2	2		The OLCC supports a wide variety of users across the industries that we serve including a mix of education levels, socio-economic backgrounds, and representing the diversity Oregon has to offer. OLCC's Board of Commissioners are very diverse and support the agency in our efforts to improve conditions for our diverse constituency. https://www.oregon.gov/olcc/pages/commissioners.aspx It has remained a priority for our Commissioners that OLCC actively engages with communities of color and minorities. Through participation in organizations such as OAME, OLCC has been able to share information, gather feedback, and recruit both staff as well as businesses that may be interested in upcoming opportunities. OLCC's committment to diversity and inclusion is also documented in the agency's Affirmative Action Plan. OLCC constituents include bartenders, budtenders, wait staff, trimmers, corner markets, boutique bottle shops, craft brewers, award-winning vintners, rural mom and pop shops big box grocery stores, family farms, industrial processors, small distillers and national distributors. OLCC is responsible for ensuring that they all have access to OLCC services. As the wholesaler of distilled spirits, OLCC is also the steward of access to distilled spirits, ensuring that they are available and accessible in any part of the state.

BUDGET NARRATIVE

OLCC Project Prioritization Matrix			OLCC Enterprise Modernization Program (EMP)	Privilege Tax Online (Annual SAAS Subscription)		Notes
		TOTAL PROJECT SCORE (0-100)	91	85		
CRITERIA	WEIGHT	SCORING GUIDE				
Business & Customer Driven Technology	**25%**	**WEIGHTED SUBTOTAL & PERCENT OF TOTAL PROJECT SCORE**	25 27%	25 29%		
Customer Centered Approach How does this technology investment take into consideration the number of users and place an emphasis on providing customer value? If the investment addresses public facing technology, is it customer-focused? If the investment is for agency use, does it improve the agency users' experience? Does the implementation plan focus on user experience/feedback?		**3 - Mastery (High)** Investment is focused on providing customer value. For public services, the customer experience is primary. Potential for use by all Oregonians. For agency investments, provides tangible benefits to agency users. Investment plan includes customer stakeholders and addresses methods to incorporate user experience/feedback. **2 - Competent (Medium)** Mostly aligned with Mastery **1 - Adequate (Low)** Partially aligned with Mastery **0 - Insufficient (None)** Investment is being implemented in isolation from customers and end users or will not be used by many users.	3	3		OLCC regularly meets with representatives from the alcohol and marijuana industries. https://www.oregon.gov/OLCC/pages/public_meetings.aspx The OLCC holds open meetings to gather feedback from the marijuana industry on how we can improve our services through the Cannabis Tracking System. OLCC travels around the state to hold listening sessions to hear from the wine and marijuana industries. Distilled Spirits Representatives and Liquor Store agents are frequently invited to OLCC for matters regarding future policy, legislative concepts, listings decisions, among others. OLCC's administration is very committed to our stakeholders and including them in the process. Stakeholders are invited to participate throughout the development, testing, and training processes. The Privilege Tax system was at the request of industry. The spirits industry has publicly supported a new distilled spirits supply chain system. The alcohol licensees have been clamoring for an online system for decades. Marijuana licensees are unhappy with the current system and have also publicly supported OLCC using a new system. New systems will also improve the experience for OLCC staff and provide efficiency. OLCC users are included in creating requirements for the systems.
Business Process Transformation Does this technology investment contribute to business process improvement/transformation? How does this technology investment intersect with measurable business outcomes including the return on investment, if applicable?		**3 - Mastery (High)** Business outcomes will be improved as a result of this investment. Investment implementation is being driven by business process transformation to improve service delivery. If public facing, customer interaction with business process is improved as a result of this investment. Solution will modernize processes. Specific examples of measurable business improvements are provided in the business case (i.e. cost savings, streamlined processes, improved controls, access to information). Investment is consistent with the agency's internal strategic plan and direction. **2 - Competent (Medium)** Mostly aligned with Mastery, includes measurable outcomes **1 - Adequate (Low)** Partially aligned with Mastery, does not include measurable outcomes. **0 - Insufficient (None)** Investment implementation is nominally considering business processes and their integration with technology. Investment has no relationship with an agency's business processes. Agency is thinking 'tool first' to solve business problems. Investment does not cohere with agency strategy.	3	3		OLCC's Legislative KPMs are located on our website: https://www.oregon.gov/olcc/docs/performance_measures/OLCC_AnnualPerformanceReport_2017.pdf Currently, OLCC is not meeting the target for licensing time. Modern, user-friendly systems would help our customers in submitting documentation as well as help our staff process applications. There is no online system for liquor licensing currently. The system for MJ licensing is inadequate and most of the process is completed manually outside the system, tracked on a plethora of excel spreadsheets. OLCC's total customer satisfaction is also not met which could partially be attributed to long waiting times and difficult processes. OLCC is also not meeting the target for rate of return for distilled spirits sales. A more efficient warehouse management system and related supply chain systems could improve the rate of return.
Investment Risk Does this investment need to be implemented during this budget cycle? What is the impact of not doing this investment during this cycle? Would the agency, state, or its customer be exposed to a risk or impact if the service/product is not offered (e.g., security, safety, legal, funding source, or any other related risk)? Is an existing service at risk? Do other current services/products depend on it?		**3 - Mastery (High)** Investment addresses a currently unmet, time sensitive mandate (legislative, federal, state) or risk, and/or addresses audit findings requiring urgent action or not implementing this solution puts existing services at risk. **2 - Competent (Medium)** Mostly aligned with Mastery **1 - Adequate (Low)** Partially aligned with Mastery **0 - Insufficient (None)** Investment provides an opportunity to improve services, but does not introduce new capability or address imminent risks.	3	3		While Privilege Tax Online is legislatively mandated, both Privilege Tax and Enterprise Modernization are part of POP 301 which received funding in the last legislative session. The Enterprise Modernization Program is also the result of a failed Secretary of State Audit https://www.oregon.gov/newsroom/Pages/NewsDetail.aspx?newsid=2563 as well as a Moss Adams Audit.

BUDGET NARRATIVE

OLCC Project Prioritization Matrix			OLCC Enterprise Modernization Program (EMP)	Privilege Tax Online (Annual SAAS Subscription)	Notes
		TOTAL PROJECT SCORE (0-100)	91	85	
CRITERIA	WEIGHT	SCORING GUIDE			
Agency Readiness & Solution Appropriateness	**40%**	**WEIGHTED SUBTOTAL & PERCENT OF TOTAL PROJECT SCORE**	37 40%	37 43%	
Organizational Change Management How does this technology investment impact operations throughout the organization? What are the agency plans to address and mitigate risk through formal Organizational Change Management? (Organizational Change Management (OCM) is a framework for managing the effect of new business processes or systems.)		**3 - Mastery (High)** Investment demonstrates complete consideration and resources for OCM. Efforts are proportional to the size of the change taking place. **2 - Competent (Medium)** Mostly aligned with Mastery **1 - Adequate (Low)** Partially aligned with Mastery **0 - Insufficient (None)** Investment dramatically underestimates OCM requirements for this effort, or OCM efforts inadequate to address the impact of the change in the organization.	3	3	**OLCC currently has a change management process. However, we have recently hired new employees with change management backgrounds and have asked them to refresh our process. They are currently engaged in that refresh. Additionally, OLCC is hiring an external planning and integration consultant who will also provide change management rigor.**
Solution Scale What is the scope and size of the agency's proposed technology investment? Is this the right-sized appropriate scaled type of solution to address this problem?		**3 - Mastery (High)** Investment is appropriate size and scale for the agency's business needs. The investment addresses the agency's needs sufficiently and holistically. Criteria evaluation focuses on how this specific solution is right sized for the agency's need. **2 - Competent (Medium)** Mostly aligned with Mastery **1 - Adequate (Low)** Partially aligned with Mastery **0 - Insufficient (None)** Investment is inappropriately sized to address agency need. Investment narrowly targets agency needs and the proposed solution does not serve all areas that would be impacted by the investment.	3	3	**Yes, as mentioned in our business case, the OLCC has very deep well of technical debt. Although the EMP is a large undertaking, it is what is necessary to bring our agency current in order to best serve our customers and find efficiencies. The Privilege Tax project is much smaller and is reflective of the need for that specific system.**
Capacity Has the Agency given consideration for adequate staffing inclusive of project resources, subject matter experts (SMEs), leadership availability and capability to effectively support this technology investment? Will this technology investment detract from the Agency's ability to deliver on its core business functions? Has the Agency addressed capacity requirements needed to effectively resource this initiative to cover core business functions?		**3 - Mastery (High)** Investment has completely considered SME availability and resource backfilling. Investment and agency normal business is adequately staffed for duration of project. Availability of resources include: project team, SMEs, other technical resources, and backfilled resources. **2 - Competent (Medium)** Mostly aligned with Mastery **1 - Adequate (Low)** Partially aligned with Mastery **0 - Insufficient (None)** Investment has only nominally considered resource availability. Investment is not adequately staffed for duration of project.	2	2	**The OLCC is a small agency. We do feel that a combination of our current staff (with recent hires) combined with the external professional services we are hiring/have hired, we'll be able to keep the lights on for our customers.**
Governance Processes What elements do the Agency's project governance process consist of? Project Governance standards are inclusive of executive sponsorship and steering, vendor/contract management, change control, Quality Assurance, Independent Verification & Validation (IV&V), stakeholder feedback for decision making.		**3 - Mastery (High)** Agency has existing governance processes in place or is introducing new ones to adequately oversee this investment. Processes include multiple of the following elements: engaged executive sponsorship, steering committees, vendor and contract management, change control, QA, IV&V, and stakeholder representation processes. **2 - Competent (Medium)** Mostly aligned with Mastery **1 - Adequate (Low)** Partially aligned with Mastery **0 - Insufficient (None)** Agency does not have adequate existing governance processes and has only nominally considered incorporating them in to this investment.	3	3	**The OLCC has a dedicated IT Steering Committee as well as a Joint Steering Committee specific to EMP and Privilege Tax. The IT Steering Committee has a charter and discusses the overall health and focus of the IT prioritization for the agency. The committee consists of representatives from each of the agency's major divisions.** **The agency has a four-member project team in the Office of Information Services (OIS) that is responsible for providing rigor and ensuring project management standards are met. Additionally, the agency has procured external iQMS, project management, testing, business analysis, and integration consulting services. The agency also includes stakeholders in development, testing, and training.**

KEY PERFORMANCE MEASURES
2021 - 2023

Legislatively Approved 2021 - 2023 Key Performance Measures

Published: 6/15/2021 11:50:46 AM

Agency: Liquor Control Commission, Oregon

Mission Statement:

Support businesses, public safety and community livability through education and the enforcement of liquor and marijuana laws.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
1. Sales to Minors - Percentage of licensees who refuse to sell to minor decoys.		Approved	84%	90%	90%
2. RATE OF SECOND VIOLATION - Percentage of licensees detected to have violated a liquor law in a second, separate, incident occurring within 2 years after the year of the first violation.		Approved	4.40%	12%	12%
3. Licensing Time - Average days from application receipt to license issuance.		Approved	85	75	75
4. CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Expertise	Approved	82%	85%	85%
	Helpfulness		83%	85%	85%
	Availability of Information		64%	85%	85%
	Overall		74%	85%	85%
	Timeliness		67%	85%	85%
	Accuracy		77%	85%	85%
5. OLCC Rate of Return - Net OLCC distribution divided by actual expenses.		Approved	$2.61	$2.50	$2.50
6. Best Practices - Percent of total best practices met by the Board.		Approved	95%	100%	100%
7. Sales to Minors- Recreational Marijuana - This measure is the rate at which licensees refuse to sell marijuana products to minor decoys.		Approved	90%	90%	90%
8. Time to license- marijuana - Average days to license completed marijuana applications.		Approved	195	85	85

LFO Recommendation:

The Legislative Fiscal Office recommends key performance measures as presented.

The Legislative Fiscal Office notes that should the Joint Ways and Means Subcommittee on Capital Construction approve additional warehouse capacity and IT infrastructure, any resulting increases to agency efficiency and sales (and thus, the rate of return) over time, it will take several years before these improvements are online and being utilized by the agency; in the short term (2021-23 biennia) the OLCC may fall slightly short of its rate of return measure target (KPM #5).

SubCommittee Action:

The Subcommittee recommended approval of the Key Performance Measures and Targets as presented.

AUDITS RESPONSE REPORT

BUDGET NARRATIVE

To ensure the Governors' Budget complies with the requirements of Senate Bill 1052 (2019), agencies must report on the implementation status of action plans in response to the Audits Division audit findings and recommendations. In addition, agencies should provide a written summary of responses to any financial or performance audits completed by the Secretary of State or the Joint Legislative Audit Committee ***since February 2018***.

This report must identify any new or enhanced funding or savings included in agency budgets as a result of implementation of audit findings or recommendations. Additionally, identify any policy packages in the Agency Request Budget that are intended to address audit findings and recommendations from completed audits, regardless of when the audit occurred.

1. Secretary of State ***FY2020 Statewide Financial Management Audit*** letter dated 11/9/2020.
   - ✓ The audit identified two significant internal control deficiencies:
   - ➢ Liquor agent inventory audits were not being completed every 6-12 months as targeted by agency management.
   - ➢ User system-access was not adequately documented or regularly reviewed for appropriateness.
   - ✓ Management agreed with all recommendations. During FY21, the agency caught up on the frequency of liquor agent inventory audits. The agency also updated the system-access review policy to quarterly reviews of employee access by the acting manager, along with assigning an employee to coordinate the quarterly reviews of user access to five critical systems.

2. Secretary of State ***FY2019 Statewide Financial Management Audit*** letter dated 12/27/19.
   - ✓ No deficiencies were noted in agency internal controls.

3. Secretary of State Audit #2019-23 dated 5/29/19 was a follow-up to SOS audit #2018-07 regarding ***OLCC Cannabis Information Systems***
   - ✓ 15 of 17 recommendations were implemented, with 2 recommendations (implementing change management processes and documenting disaster recovery plans) deferred while the replacement licensing system is developed, and while the state data center move is completed. OLCC's disaster recovery plan will need to incorporate elements of the disaster recovery plan developed for the state data center.

4. Secretary of State Audit #2019-04 dated 1/25/19:
   Oregon's Framework for Regulating Marijuana should be strengthened to better mitigate Diversion Risk, and Improve Laboratory Testing
   - ✓ The audit scope covered both OLCC and OHA processes; and included 8 OLCC recommendations, and 9 OHA recommendations.
   - ✓ Management agreed with all 8 OLCC recommendations.

5. Secretary of State Audit ***FY2018 Statewide Financial Management Audit*** dated 12/17/18.
   - ✓ No deficiencies were noted in agency internal controls.

6. Secretary of State ***FY 2017 Statewide Financial Management Audit*** #2017-009 dated 3/8/18.
   - ✓ A significant deficiency was noted in internal controls related to system access.
   - ✓ Management agreed with all recommendations and indicated corrective action was taken. This deficiency is also noted in FY2020.

OLCC Policy Option Packages (POPs) addressing Audit Findings or Recommendations

POP	POP Description	Audit Reference	Helps Address Audit Findings / Recommendations
303	Information Services Management & Support Package: The 21-23 Agency Request Budget (ARB) requested three Principal/Executive Manager Ds: **1 PMO & Vendor Relationship Manager** **1 IT Operations Manager** **1 Solutions Development & Delivery Manager**.	SOS #2019-23, Recommendations #4-17	Monitor SAAS vendors for security, hosting, & SLA compliance; Ensure data is appropriately transmitted to the Marijuana Licensing System (MLS) and Cannabis Tracking Systems (CTS); establish processes for granting & reviewing MLS & CTS access; implement change management processes; maintain an up-to-date inventory of authorized hardware & software on the OLCC network; implement configuration processes; develop network vulnerability scanning processes; implement an anti-virus solution on servers and workstations; transition software off obsolete platforms; review physical access procedures; develop a process to remediate risk assessment weaknesses and routinely evaluate agency security posture; develop disaster recovery plan and test periodically.
409	Marijuana Licensing Specialists Package: The 21-23 ARB requested **twelve Licensing Specialists**, along with **one Information Services Specialist 6** focused on providing extensive technical support and application development to help integrate OLCC data and web-based applications used by Recreational Marijuana licensing and enforcement staff.	SOS #2019-23, Recommendations #5-6	Ensure data is appropriately transmitted to the Marijuana Licensing System (MLS) and Cannabis Tracking Systems (CTS); Establish processes for granting & reviewing MLS & CTS access.
204	Alcohol Compliance & Licensing Staff - POP #204 requested 9 positions, including: **1 Principal Exec Mgr. C - Licensing** **1 Principal Exec Mgr. D - Compliance** **1 Principal Exec Mgr. G - Compliance** (limited duration)	SOS #2019-04, Recommendation #3	Establish inspection frequency goals and metrics and determine how many inspectors are needed to meet these goals. If the current number of inspectors is too low, work with the legislature to identify additional funding options. Periodically reassess inspection goals and metrics, and whether the number of inspectors aligns with them.

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AFFIRMATIVE ACTION PLAN
7/1/2021 - 6/30/2023

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Oregon
Kate Brown, Governor

Liquor Control Commission
9079 SE McLoughlin Blvd.
Portland, Oregon 97222-7355
503-872-5000
800-452-6522
www.oregon.gov/olcc

April 19, 2021

Governor's Office of Diversity & Inclusion/Affirmative Action
Steve Lee, Affirmative Action Manager
900 Court St NE, Suite 254
Salem, OR 97301

Dear Mr. Lee,

The Oregon Liquor Control Commission is committed to a workplace that is inclusive, diverse in its internal operations, and it is committed to working to improve its focus on the culturally diverse communities that it serves. The Affirmative Action Plan is one key focus of our ongoing work to improve the agency's operations for all of the Oregonians that the agency serves.

We appreciate the overall focus of the state on its commitment to providing opportunities to its state employees and to all Oregonians through the public services it provides. We are submitting our Affirmative Action Plan to you, and we look forward to doing our part.

Sincerely,

Steven Marks

Executive Director, Oregon Liquor Control Commission

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Oregon Liquor Control Commission

Affirmative Action Plan 2021 – 2023 Biennium

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I. Report

A. Agency Overview

The Oregon Liquor Control Commission (OLCC) is a small to medium-sized state agency and is headquartered in Milwaukie (Portland Metro area). OLCC is the agency responsible for regulating the sale and service of alcoholic beverages, the production and sale of recreational marijuana, medical marijuana, and the tracking of industrial hemp products sold in OLCC retail stores.

B. Agency Mission and Objectives

Our Mission:

"To support businesses, public safety, and community livability through education and the enforcement of liquor and marijuana laws."

Our Objectives:

Public Safety Principle

- OLCC's policy will focus on public safety and community livability considerations when guiding alcoholic beverage and recreational marijuana system growth.
- OLCC will meet potential customer demands for alcoholic beverages and recreational marijuana by managing outlets in a socially responsible manner.

Economic Development Principle

- OLCC will support businesses by providing education on the rules and regulations of selling alcohol and marijuana. Education will promote

compliance and legal adherence resulting in improved sales and economic viability for Oregonians.
- OLCC will intelligently manage the growth of the Distilled Spirits Program, Oregon Health Authority Medical Marijuana Program and the Recreational Marijuana Program so that products reach the customer safely, timely, and efficiently.

Stewardship Principle

- OLCC will continue to work collaboratively with local government and other partners to promote communication and service to stakeholders.
- OLCC will continue to provide responsible stewardship of its assets, managing risks and protecting revenue flow.
- OLCC will sustain high-level customer service. It will continue to seek to improve its customer service levels by finding additional efficiencies, improving timeframes for delivering services, and by making information accessible to customers and the public.

C. Identification of the Following Agency Employees:

1. Agency Director/Administrator:
   Mr. Steven Marks, Executive Director
   9079 SE McLoughlin Blvd
   Milwaukie, OR 97222
   (503) 872-5062

2. Governor's Policy Advisor for Our Agency:
   Mr. Jeffrey Rhoades
   (503) 378-8472

3. Affirmative Action Representative:
   Ms. Marsha Barton
   (503) 872-5152

4. Equity Leader:
   N/A

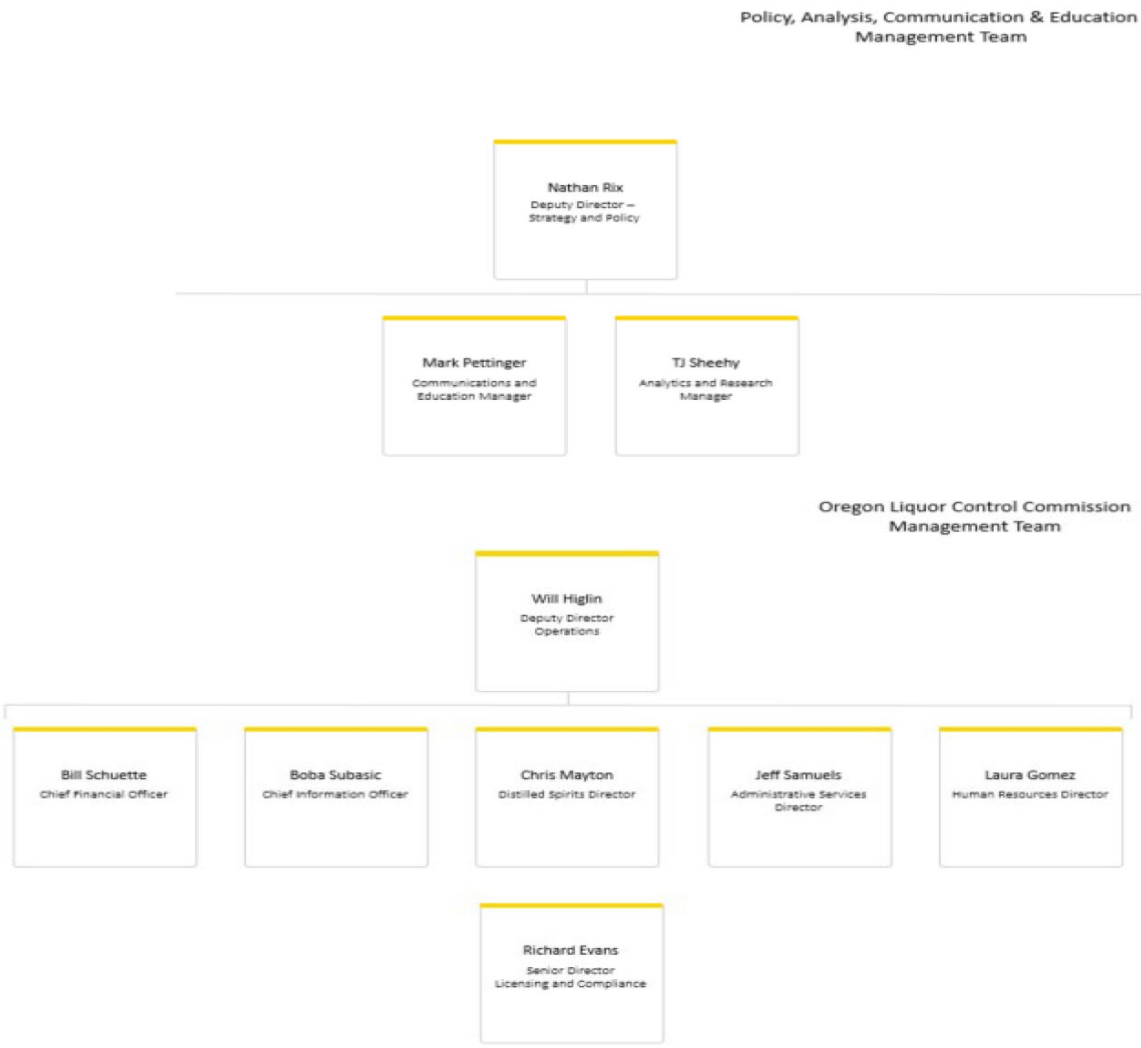
5. Lead for COBID Contracting and Procurement:
   N/A

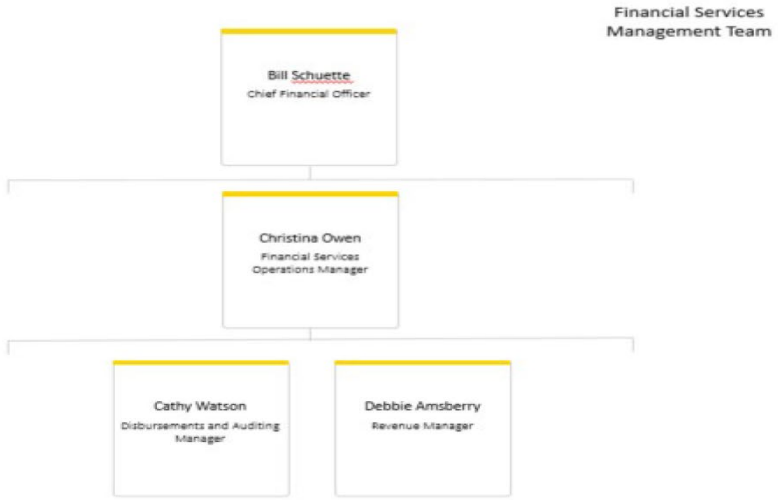
D. Agency Organizational Chart


Oregon Liquor Control Commission
Kate Brown
Governor
OLCC - Commissioners
Steve Marks
OLCC
Executive Director

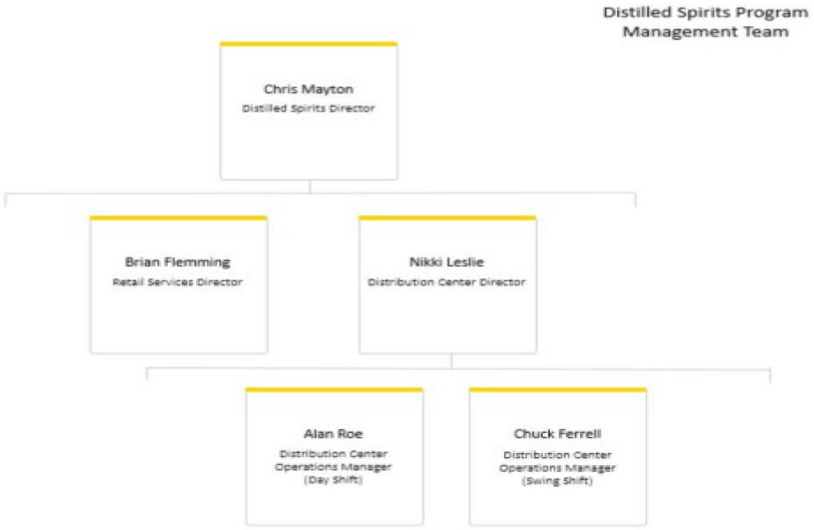

Oregon Liquor Control Commission
Executive Management
Steve Marks
OLCC Executive Director
Nathan Rix
Deputy Director
Strategy and Policy
Will Higlin
Deputy Director
Operations

5


Policy, Analysis, Communication & Education Management Team
Nathan Rix
Deputy Director – Strategy and Policy
Mark Pettinger
Communications and Education Manager
TJ Sheehy
Analytics and Research Manager
Oregon Liquor Control Commission Management Team
Will Higlin
Deputy Director Operations
Bill Schuette
Chief Financial Officer
Boba Subasic
Chief Information Officer
Chris Mayton
Distilled Spirits Director
Jeff Samuels
Administrative Services Director
Laura Gomez
Human Resources Director
Richard Evans
Senior Director Licensing and Compliance


Financial Services
Management Team
Bill Schuette
Chief Financial Officer
Christina Owen
Financial Services
Operations Manager
Cathy Watson
Disbursements and Auditing
Manager
Debbie Amsberry
Revenue Manager


Information Technology
Management Team
Boba Subasic
Chief Information Officer
Jon-Kai Nakashima
OIS Director


Distilled Spirits Program
Management Team
Chris Mayton
Distilled Spirits Director
Brian Flemming
Retail Services Director
Nikki Leslie
Distribution Center Director
Alan Roe
Distribution Center
Operations Manager
(Day Shift)
Chuck Ferrell
Distribution Center
Operations Manager
(Swing Shift)


Richard Evans
Senior Director, Licensing and Compliance
Public Safety Division Management Team
Shannon Hoffeditz
Compliance Director
Kelly Routt
Administrative Hearings Director
Jason Hanson
Director of Licensing
Thomas Mott
Medical Marijuana Manager
Principal Executive/Manager F
Vacant
Alisa Larsen
License and Permit Program Manager
Patrick Owen
Marijuana Licensing Manager
Liquor License Manager
Vacant
Beth Sykes
Marijuana License and Permit Process Manager



II. Affirmative Action Policies

A. Affirmative Action Policy Statement

People are the Oregon Liquor Control Commission's most important asset. Each person has differences that enrich the workplace and strengthen our cultural awareness.

It is the Commission's policy to provide equal employment opportunities at all levels and in all aspects of the agency's operations. The policy also ensures that it serves the public fairly, and it also reinforces that this agency's services are inclusive.

The Commission conducts its Human Resources management programs and personnel actions, including recruitment, hiring, training, promotion, transfer, demotion, reduction in force and termination regardless of race, religion, national origin, age, sex, sexual orientation, marital status, or physical or mental disability or for any prohibited by state statute or federal regulation.

The Commission's affirmative action goals contained in the affirmative action plan, support the development and retention of a representative workforce, and it supports providing equal employment opportunities to all individuals. Managers are held accountable for actively supporting recruitment, career development, and other

affirmative action programs that are focused on achieving goals. The Commission formally evaluates managers on their efforts to support the Commission's affirmative action plan.

Additionally, the Commission's employees and managers are accountable for helping develop a work culture that is caring and respectful to all individuals, including co-workers, customers, stakeholders, and members of the public. The Commission will not tolerate harassment. Employees are expected to actively help create and promote a harassment free work environment, and managers will strive to eliminate and prevent harassment, including protected class based harassment and other forms of unlawful discrimination.

B. Oregon Liquor Control Commission Diversity and Inclusion Statement

The OLCC seeks to attract and retain a workforce that is culturally diverse. Culture includes, but is not limited to, people of different genders, age, race, religion, national origin, sexual orientation, and disability spectrums.

The OLCC wants to attract and retain a culturally diverse workforce. It welcomes and supports all employees by identifying and dismantling unconscious barriers and by doing so the OLCC fosters a diverse and inclusive workplace environment. The OLCC will diversify its sourcing and recruiting strategies as well, and develop partnerships within more diverse communities. The OLCC also supports establishing tools, training and a networking program that fosters a diverse workforce which will also include career path opportunities supporting diverse talent retention.

Demonstrating and modeling a diverse workforce requires the OLCC's management and staff to actively welcome all newcomers, ensure they have a seat at the table, identify and remove invisible barriers to advancement, and initiate open dialogue with each individual. By including all individuals in workplace functions, activities and outreach programs, the agency can help ensure everyone feels included, respected, valued and supported.

a. The Commission developed its Affirmative Action Plan to ensure implementation of this policy. The Affirmative Action Representative (Sr. Human Resource Analyst, Marsha Barton - phone: 503-872-5152) is responsible for coordinating the plan's implementation. The Affirmative Action Plan is kept in the Human Resources office, posted on the agency intranet and posted on OLCC's website. Copies of the plan are available to anyone who requests one. In addition, hard copies of the policy statements are posted on agency bulletin boards. Though the current plan's implementation is continuous.

b. The Commission has implemented a process that employees and members of the public may use to escalate equal employment opportunity concerns and awareness to the Commission and its leaders for resolution. Anyone

subject to harassment or discrimination should report inappropriate behavior to the employee's immediate supervisor, another manager, Human Resources, the Executive Director or chair. Complaint investigations on the basis of race, color, religion, sex, marital status, national origin, disability, age, sexual orientation, gender identity, veteran status or any other factor applicable by state or federal law within OLCC, will be conducted by Human Resources. Employees also retain the right to file a complaint through the union grievance process and/or with the Civil Rights Division of the Bureau of Labor and Industries (BOLI) or the Equal Employment Opportunity Commission (EEOC).

C. Employment

a. OLCC's Implementation of Equity

i. Hiring

- Create an exceptional onboarding experience that promotes a more inclusive and productive work environment.
- Continue practice of making hiring, transfer and promotional decisions that support agency Affirmative Action, Diversity & Inclusion and Equal Employment Opportunity goals and objectives.
- Promote recruitment efforts designed to reach the agency's Affirmative Action, Diversity & Inclusion and Equal Employment Opportunity goals and objectives.
- Additional review of hiring, transfers, promotional, developmental/rotational or training practices and procedures to identify and remove barriers to attain the agency's Affirmative Action goals and objectives.
- Coach interview panelists on recognizing and eliminating unconscious biases.

ii. Retention

- Promote and foster a positive work environment within the agency's Affirmative Action, Diversity & Inclusion and Equal Employment Opportunity programs.

iii. Promotion

- Continued attendance at Affirmative Action, Diversity & Inclusion and Equal Employment Opportunity and other diversity-related training to provide guidance to staff by being aware of diversity and cultural issues. This also includes

supporting employees to attend such programs for further professional development.

iv. Succession Planning
- Identifying future leaders within the agency while keeping OLCC's commitment to diversity at the forefront.

D. Training, Education and Development Plan (TEDP)

a. Training Overview

All new employees attend an orientation program in order to support the immediate integration into the OLCC's culture. In late 2018, the agency deployed a program that enhances the agency's mission and other topics including health and wellness, diversity and inclusion, and harassment and discrimination awareness.

Each year, the OLCC's employees, attend mandatory trainings on the following topics: Professional Workplace Behavior, Harassment and Discrimination Awareness, and Violence Free Workplace. The training is a blend of lecture, video, group scenarios and the use of a tabulator system that engages attendees for real time responses and data analysis. The agency biennially updates its training material. The most recent training included a video called, "Micro aggressions in the Workplace" and "The Coworker" (David Schwimmer's sexual harassment video series), followed by discussion of these situations and the impact they can have in the workplace.

Starting in February of 2017, the agency began incorporating Diversity and Inclusion training into the annual mandatory trainings. The training covered cultural differences, how to promote diversity and much more. Human Resources received positive feedback from staff regarding this particular training.

b. Employees

Employees are able to set up an individual development plan (IDP) with their manager or the Human Resources Director. The IDP identifies the employee's career goals and a plan for achieving those goals. Tuition reimbursement, work-out-of-class assignments, job rotations, and career development opportunities may be included in an employee's plan. Employees who do not have an IDP still participate in a variety of training and development opportunities as they relate to their positions. All employees are also encouraged to attend conferences, seminars and other trainings in order to continue developing knowledge and skills related to their current position.

c. Volunteers

The OLCC generally does not employ volunteers other than those who occasionally assist with "minor decoy" operations.

d. Contractors/Vendors

The OLCC's Affirmative Action Policy Statement is posted on the agency Human Resource bulletin board, and is available to contractors, vendors and members of the public via the website and/or upon request.

E. Programs

a. Internship Program

OLCC believes in and supports internship programs and has periodically opportunities when they arise. Over the past biennium, the agency employed one intern to assist with creating a compliance manual for our Recreational Marijuana Program. Our main focus over the past several years has been to provide work-out-of-class, lead work and training opportunities to current employees to help with retention and succession planning. We will continue to look for opportunities to employ interns in the future.

b. Mentorship Program

The agency does not have a formal mentorship program. However, as part of the onboarding process, new employees are assigned a partner to mentor new employees through their trial service. Regulatory Specialists (Inspectors and Investigators) are assigned a Field Training Officer who they work closely with. Newly promoted supervisors work closely with their Division Director and Human Resources Director to learn skills and gain insights into effective management techniques.

c. Diversity Awareness Program

i. Agency-Wide Diversity Council

Bridge Builders is the OLCC's agency-wide diversity council. Bridge Builders' purpose is to lead, develop, and organize strategies to promote an inclusive, respectful, diverse, and culturally competent workplace. In the last biennium, the committee continues to sponsor a variety of employee events that assist in building cross-departmental relationships, promoting

recognition of diversity among employees, and developing cultural awareness. Membership continues to grow and includes employees from various divisions, backgrounds, etc.

ii. Employee Resource Groups (ERGs)

It appears that ERGs have been created at various agencies under DHS (Department of Human Resources) and OHA (Oregon Health Authority), however DAS (Department of Administrative Services) agencies are not familiar with them.

F. Community Engagement

The OLCC recognizes that developing partnerships with community groups creates reciprocal, sustaining relations that benefit the agency, the community groups, and the public. Historically, the agency posts notices and forwards emails about local diversity and inclusion related celebration events and workshops or seminars. Senior staff annually attend community networking events such as the annual Martin Luther King Jr. Day breakfast and the Korean American Grocers Association. The Public Safety Division staff engage with local community groups like neighborhood associations and tribal communities to understand their concerns and explain the agency's role in protecting the public interest.

Since OLCC has been tasked with the oversight of recreational marijuana, the agency has engaged with multiple agencies and associations to develop relationships to ensure we reach out to all of the communities we serve. The Minority Cannabis Business Association (MCBA) has been represented on the Technical Advisory Committee and led OLCC inspectors on a tour of an indoor/outdoor grow site to assist in rule development. OLCC staff members and Commissioners have attended MCBA events. Last biennium OLCC worked closely with the Governor's Office of Diversity and Inclusion and several other state agencies to reach out to local tribal communities, women-owned businesses and minority-owned businesses to streamline regulatory guidance to groups that have difficulty entering into the new market of marijuana.

OLCC has also produced licensee signage and marijuana worker permit educational guides in Spanish. Applicants are also able to take the Marijuana Worker Permit test in Spanish. In 2015, the OLCC launched an information campaign, "Go Legal Oregon", targeted to prospective applicants seeking to acquire an OLCC recreational marijuana license. Videos, posters and various online materials were translated into Spanish.

The retail Expansion for Oregon's retail liquor store locations is a statewide initiative to improve the customer shopping experience, optimize

revenue for the state, and to keep up with Oregon's growing population. The OLCC began this market-driven process in fall of 2015 as a way to improve customer convenience by adding retail liquor locations with a measured, but consistent approach to growth. The open recruitment application process encourages a variety of retail models including traditional stand-alone stores, incorporating distilled spirits within an existing retail space, boutique outlets, and/or grocery and convenience stores. The open recruitment model is market-based, so there are no limits on what location the applicant can select. In 2017, the OLCC launched Phases 3 and 4 of Retail Expansion, which included Central, Northern and Southern Oregon, and Washington County. The open recruitment process consisted of extensive statewide outreach with emphasis on reaching a diverse audience. Outreach and recruitment efforts included town hall meetings, Q&A sessions, and more than 3,900 interested members of the public, 29 women and minority associations, 80 media outlets, and 47 City Council, County Commissioners and Chambers of Commerce. Through Phase 3 & 4, OLCC added 17 new retail liquor locations growing the total number of liquor stores to 280. The OLCC continued these outreach efforts to the Oregon community for Phase 6, which began in August 2018.

The OLCC participated in and provided sponsorship for the 2017 Governor's Marketplace. This event brings opportunities for businesses to meet directly with procurement professionals from state, federal, private and non-profit organizations who share tips, tools, resources and strategies to aid in business growth, more successfully navigate contracting processes and nurture ongoing relationships. The Governor's Marketplace brings together industry professionals and leaders, public and private organizations, diversity and equity practitioners and small businesses for the purpose of connecting small businesses to tools and resources to start, sustain and thrive in business. The OLCC plans to participate in future events.

The OLCC participated in and provided sponsorship for the 30th Annual Oregon Association of Minority Entrepreneurs (OAME) Tradeshow and Luncheon. The tradeshow provides an opportunity for purchasers and buyers from public and private agencies to meet and network with minorities, women, emerging small businesses and veteran-owned businesses. The OLCC plans to continue participation in future OAME events.

The OLCC is a partnering agency of the annual statewide Diversity Conference. The sponsorship of the conference guarantees attendance at the conference for up to 14 staff members. Depending on training funds available, more staff may attend for an additional cost. From September 2013 through September 2017, the Human Resources

Director has been the volunteer committee co-chair, assisting in the coordination and planning the two day event. In 2018, one of OLCC's Human Resource Analysts joined the volunteer committee team.

The OLCC serves a diverse population of Oregonians and continues to produce a multitude of signs, print and online materials in order to meet the needs of all Oregonians. The OLCC's website, which received more than 3.4 million hits in 2017, can be translated into 17 different languages.

With limited budget and staff time to engage in community outreach programs, the agency is developing a strategic approach to develop relationships with local organizations that support economic development for businesses and people of color. The agency is a member of the Oregon Association of Minority Entrepreneurs and Partners in Diversity.

Human Resource staff regularly attend the City of Portland Diversity Career Fair, State of Oregon Annual Diversity Employment Day (through Diversity Recruiters Network), PGE Diversity Summit, Mt. Hood Community College Diversity Career Fair, Incight Career Fair for People with Disabilities, and Say Hey! events.

Human Resource staff invited an associate from a local behavioral health program to tour the warehouse. This associate worked daily with clients that had developmental and physical disabilities. The purpose of the tour was to learn more about warehouse positions in order to determine what positions would be appropriate for their clients.

G. Executive Order 17-11 Updates

a. Respectful Leadership Training (Diversity, Equity and Inclusion)

As mentioned in the section above, all managers and supervisors attend the OLCC Manager Training Academy annually. In 2015 and 2016, the topics included, Understanding the Importance of Working Together Collaboratively; Appreciating and Adapting to Different Behavior Styles; Harassment: Sex, Religion and Beyond; and The Connection Between Different Personalities; Performance Evaluation; Generational Differences; Communication and Generations; and Diversity in the Workplace. The OLCC is aware of the benefit of training its leadership in diversity, equity and inclusion. As noted earlier, we will continue the Manager Training Academy. Additionally, an agency-wide training with the Governor's Office of Diversity and Inclusion will be provided.

b. Statewide Exit Interview Survey

The OLCC is interested in how departing employees view their tenure and what information and suggestions they can provide related to their experience. When a departing employee provides notice of their intent to leave the agency, Human Resources sends them a letter confirming their resignation with information regarding the state exit interview survey.

c. Performance Evaluations of all Management Personnel

OLCC currently uses a performance review process called the "Individual Accomplishment Report" (IAR). The IAR emphasizes employees' accomplishments and strengths while also identifying opportunities for further growth. Human Resources may implement OLCC's new and improved performance evaluation system that was mentioned in the previous report. The agency held off on implementing the new system with the anticipation of the new HRIS system. Workday will automatically generate a performance evaluation template that can be tailored for each agency. The performance reviews will ensure that staff is aware of their strengths, areas of improvement and potential for growth. This will be a great opportunity for staff to work with their manager and/or supervisor to plan and achieve their professional goals.

In both the current and future performance evaluation system, the OLCC incorporates Affirmative Action objectives as a key consideration for the manager's performance evaluation. Specific examples of the managers' Affirmative Action objectives and diversity successes and achievements are described below. Management personnel will receive an annual performance evaluation to assess whether they are meeting its Affirmative Action objectives. Any goals or work plans for future performance will be outlined in the evaluation.

III. Roles for Implementation of Affirmative Action Plan

A. Roles and Responsibilities/Accountability Mechanisms

1. Executive Staff

- Foster and promote to executives, managers, and employees the importance of a diverse workplace, free from discrimination and harassment.
- Review agency Affirmative Action Plan and Diversity and Inclusion Strategic Plan with Executive Committee.
- Meet periodically or as needed with the Human Resource Director to review agency Affirmative Action goals and progress, EEO, and

diversity issues. Support Bridge Builders, OLCC's diversity committee.
- Support and participate in diversity and inclusion training.
- Director's performance, including Affirmative Action accomplishments, subject to annual review by OLCC's Board of Commissioners.

2. Management Staff

- Foster and promote to subordinate managers and employees the importance of a diverse workplace, free from discrimination and harassment.
- Consider subordinate managers' efforts towards meeting Affirmative Action goals when developing performance evaluations.
- Promote retention through training and developmental opportunities (e.g., Career Development program, work-out-of-class assignments) and internal promotions.
- Report department's contributions toward meeting the agency's Diversity and Inclusion Strategic Action Plan goals.
- Foster and promote to employees the importance of a diverse workplace, free from discrimination and harassment.
- Obtain information from Human Resources on the status of meeting Affirmative Action goals.
- Make good faith efforts towards meeting Affirmative Action hiring goals.
- Promote retention through training and developmental opportunities, and internal promotions.

3. Other Staff (i.e. HR and Affirmative Action Representative)

- Develop and publish the agency's Affirmative Action Plan.
- Establish and implement a recruitment strategy, supporting DI/AA/EEO and long-term retention.
- Keep managers apprised as to the agency's Affirmative Action goals and assist in meeting these goals.
- Conduct applicant outreach and advertisement for selected recruitments.
- Assist hiring managers in developing objective, non-discriminatory selection criteria and ensure that diversity is a key consideration when assembling interview panels, questions, etc.
- Monitor Agency's Affirmative Action status and prepare reports.
- Prepare annual status report of the agency's progress toward achieving each goal of the Diversity and Inclusion Strategic Plan.
- Investigate discrimination complaints submitted under the bargaining agreement and make recommendations to the Executive Director for final disposition.

- Promote retention through training and developmental opportunities, internal promotions, and use of information from exit interviews.

IV. 2019-2021 Affirmative Action Plan Progress Report

A. Accomplishments

The OLCC's Diversity and Inclusion Strategic Plan outlines four goals to address diversity and inclusion at the OLCC. Each goal includes a series of strategies or actions that support the realization of the goals. Although these goals continue to be a work in progress, the OLCC accomplished many of the strategies associated with the goals such as:

Goal 1: Recruit a diverse workforce
The OLCC seeks to attract and retain people of diverse gender, age, race, religion, ethnicity, national origin, sexual orientation, and disability spectrums. The OLCC has placed employment advertisements in minority newspapers, professional associations, the statewide Diversity and Inclusion newsletter, and community groups to attract the most diverse candidate pools as possible. The agency has also attended numerous job fairs targeted at historically underrepresented groups. All of the OLCC's job postings include embracing and fostering diversity and multi-culturalism in the workplace as a desired attribute. The OLCC's job interview panels are composed of diverse employees and external stakeholders as often as possible. These panels are briefed about unconscious biases and how to apply the objective interview rating criteria. Diversity and inclusion questions are now included in each step of the recruitment process.

Goal 2: Increase diversity awareness
The OLCC believes an inclusive workforce that values diversity will provide the best customer service to the diverse population that we serve. The staff constructively manages conflict toward creative outcomes; fosters open and honest communication, and builds trust with our customers as well as across the agency. In the last biennium, employees participated in diversity training and events such as the annual statewide Diversity Conference, NWEEO Affirmative Action Association seminars, and Disability Awareness seminars. In addition to training, the OLCC displays two diversity-themed bulletin boards with rotating content and permanently displays diversity themed artwork. The OLCC also makes books and videos available on diversity topics in the employee library.

Bridge Builders is the agency's diversity council that promotes an inclusive, respectful, and diverse workplace. This council holds events in-person and virtually due to the COVID-19 pandemic to promote the building of relationships among employees from diverse backgrounds. To measure if

there is a cultural shift in the direction of greater inclusivity, the agency could monitor attendance and participation at the Bridge Builders' events. Support from managers and leadership would also help support the agency's goals of greater inclusivity. The agency also informs employees of other local diversity and inclusion related events to help foster inclusivity.

Goal 3: Promote and sustain a welcoming, inclusive environment
The OLCC strives to create an inclusive environment where employees will contribute their unique skills and talents to carry out the agency's mission. In addition to some of the ongoing activities listed above in this report, since 2012 the OLCC has held a variety of celebrations and events to promote an inclusive environment like potlucks, contests, service awards, interactive all staff meetings, etc. The OLCC's managers personally fund a holiday celebration and summer barbeque to show appreciation to our staff. The agency also offers career development and tuition reimbursement programs to encourage ongoing employee development.

Goal 4: Enhance public outreach and community partnerships
Engaging with various stakeholders creates opportunities to review programs, processes and policies and make improvements to better serve our customers and promote a positive public image. Since 2012, the OLCC has attended MWESB events and community networking events such as the annual Martin Luther King Jr. Day breakfast and the Korean American Grocers Association events. The OLCC also ensures our services are more accessible by Spanish speakers by publishing public notice posters in Spanish and by hiring bilingual staff for certain positions.

V. Demographic Analysis

The data on the diversity of the OLCC's applicant pools and selection pools seems to be consistent with the diversity in the last biennial report. Additional information about the agency's employee demographics is below.

Gender and Racial Representation in the Workforce (2020)

	Female		Male	
Racial Categories	**Actual**	**Pct.**	**Actual**	**Pct.**
American Indian/Alaska Native	2	1.00%	1	1.00%
Asian	10	7.00%	6	3.00%
Black/African American	4	3.00%	6	3.00%
Hispanic	7	5.00%	14	7.00%
Native Hawaiian/Other Pacific Islander	0	0.00%	2	1.00%
Two Or More Races	1	1.00%	4	2.00%
White	116	83.00%	167	83.00%
Percentage		**100%**		**100%**
Totals	**140**		**200**	

Representation of People with Reported Disabilities (2020)

	Total	
Disability Reporting	**Percent**	**Number**
No Reported Disability	97.9%	327
Reported Disability	2.1%	7
Total	100.0%	334

Representation of Veterans in the Workforce (2020)

	Total	
Veteran Status	**Percent**	**Number**
Not a Veteran	92.2%	308
Veteran	7.8%	26
Total	100.0%	334

VI. 2021 – 2023 Affirmative Action Strategies and Goals

A. Goals for agency Affirmative Action Plan

1. Increase our level of workforce diversity and look for opportunities to eliminate remaining areas of underutilization for women, people of color, and people with disabilities.

2. Continue to look for opportunities to promote women, people of color, and people with disabilities from within the agency.

3. Engage in recruitment activities with additional institutions of higher education and diverse community groups.

4. Actively participate on Affirmative Action committees, additional organizations, and activities to promote the OLCC's Affirmative Action Plan to cultivate a productive and engaging workplace culture to provide a better experience for the public and our business partners.

B. Strategies and timeline for achieving agency goals

- Beginning in January of 2021, the Division Directors will provide the Executive Director with an update of his/her division's contributions toward meeting the four diversity and inclusion goals.
- Also in January of 2021, the OLCC will develop and maintain additional relationships with institutions of higher education and diversity community groups. We gain a better understanding how they and the OLCC will benefit from the relationship. Throughout the biennium,

continuously communicate the OLCC opportunities and ask for their assistance in promoting those opportunities.

- By September of 2021, the OLCC will incorporate the goals of the plan into the agency's strategic plan.
- In October of 2021, Human Resources or its Affirmative Action Representative will provide the Executive Director with an annual report, including the status of each action listed in the plan and any newly identified actions.
- Throughout the biennium, the OLCC will continue supporting each strategy and develop and implement new strategies as opportunities arise.
- Continue to offer and promote opportunities for career development, work-out-of-class assignments, job rotations, tuition reimbursement, and internal and external training and development.
- In 2021, analyze the new performance evaluation system which provides employees and their managers an opportunity to discuss and commit to professional development opportunities.
- The agency will continue to engage with various stakeholders to review programs, processes and policies and make improvements to better serve the public and our business partners.
- The agency will continue to be more transparent with the agency's affirmative action goals to coach, increase knowledge and awareness with managers and interview panelists on recognizing and eliminating unconscious biases.
- To measure the agency's success, the agency will continue its efforts to increase the overall diversity amongst its employees, increase overall diversity in applicant pools/interview pools, and develop a regular practice for reviewing and modifying existing practices and data. The agency will also run reports on a quarterly basis to determine if there has been improvement in diversity in the recruitment and hiring of employees. The agency will continue to implement strategies associated with the four goals listed above.

VII. 2021 - 2023 Affirmative Action Strategies

A. Recruitment

- Create an exceptional onboarding experience that promotes a more inclusive and productive work environment.
- Continue practice of making hiring, transfer and promotional decisions that support agency Affirmative Action, Diversity & Inclusion and Equal Employment Opportunity goals and objectives.
- Promote recruitment efforts designed to reach the agency's Affirmative Action, Diversity & Inclusion and Equal Employment Opportunity goals and objectives.

B. Selection

- Additional review of hiring, transfers, promotional, developmental/rotational or training practices and procedures to identify and remove barriers to attain the agency's Affirmative Action goals and objectives.
- Coach interview panelists on recognizing and eliminating unconscious biases.

C. Retention
- Promote and foster a positive work environment within the agency's Affirmative Action, Diversity & Inclusion and Equal Employment Opportunity programs.

D. Employee Engagement
- Refer to section F. Community Engagement above.

E. Employee Surveys
- The OLCC is interested in how departing employees view their tenure and what information and suggestions they can provide related to their experience. When a departing employee provides notice of their intent to leave the agency, Human Resources sends them a letter confirming their resignation with information regarding the state exit interview survey.

VIII. Management

A. Leadership Evaluation
- Continued attendance at Affirmative Action, Diversity & Inclusion and Equal Employment Opportunity and other diversity-related training to provide guidance to staff by being aware of diversity and cultural issues. This also includes supporting employees to attend such programs for further professional development.

B. Succession Plan
- Identifying future leaders within the agency while keeping OLCC's commitment to diversity at the forefront.

C. Appendix A – State Policy Documentation

A. ADA and Reasonable Accommodation Policy (Statewide Policy 50.020.10)
B. Discrimination and Harassment Free Workplace (Statewide Policy 50.010.01)
C. Employee Development and Implementation of Oregon Benchmarks for Workforce Development (Statewide Policy 50.045.01)
D. Veteran's Preference in Employment (105-040-0015)
E. Equal Opportunity and Affirmative Action Rule (105-040-0001)
F. Executive Order 17-11

D. Appendix B – Federal Documentation

A. Age Discrimination in Employment Act of 1967 (ADEA)

B. Disability Discrimination Title I of the Americans with Disability Act of 1990
C. Equal Pay and Compensation Discrimination Equal Pay Act of 1963, and Title VII of the Civil Rights Act of 1964
D. Genetic Information Discrimination Title II of the Genetic Information and Nondiscrimination Act of 2008 (GINA)
E. National Origin Discrimination Title VII of the Civil Rights Act of 1964
F. Pregnancy Discrimination Title VII of the Civil Rights Act of 1964
G. Race/Color Discrimination Title VII of the Civil Rights Act of 1964
H. Religious Discrimination Title VII of the Civil Rights Act of 1964
I. Retaliation Title VII of the Civil Agency Affirmative Action Policy
J. Sex-Based Discrimination Title VII of the Civil Rights Act of 1964
K. Sexual Harassment Title VII of the Civil Rights Act of 1964

E. Appendix C – Agency documentation in support of its Affirmative Action Plan

F. Appendix D – Additional Federal Documentation
A. Agency-Specific Federal Reporting Requirements
B. Executive Order 11246 (OFCCP Regulations)

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MAXIMUM SUPERVISORY RATIO REPORT

OLCC ratio is within Maximum Supervisory Ratio

Agency Span of Control as of 7/1/2021 @ 12:07 PM

Agency	Agency Max Supervisory ratio	Total # EEs *	Total # Non-supervisory EEs	÷	Total # Supervisory EEs	Total # EEs not assigned a Representation **	1	:	Adjusted Actual Ratio	Actual ratio
Bureau of Labor and Industries	(1:8)	12	107	÷	14	0	1	:	8	7.64
Department of Administrative Services	(1:10)	1026	931	÷	95	0	1	:	10	9.80
Department of Agriculture	(1:8)	816	765	÷	51	0	1	:	15	15.00
Department of Consumer and Business Services	(1:11)	987	903	÷	84	0	1	:	11	10.75
Department of Corrections	(1:10)	5081	4662	÷	418	1	1	:	11	11.15
Department of Environmental Quality	(1:10.25)	870	796	÷	74	0	1	:	11	10.76
Department of Fish and Wildlife	(1:6)	1458	1266	÷	191	1	1	:	7	6.63
Department of Human Services	(1:8.39)	11107	10100	÷	998	9	1	:	10	10.12
Department of Justice	(1:11.88)	1638	1512	÷	124	2	1	:	12	12.19
Department of Public Safety Standards and Training	(1:27)	451	432	÷	16	3	1	:	27	27.00
Department of Revenue	(1:11)	1136	1041	÷	95	0	1	:	11	10.96
Department of State Lands	(1:8)	146	132	÷	14	0	1	:	9	9.43
Department of Transportation	(1:11)	5777	5392	÷	448	0	1	:	12	12.04
Employment Department	(1:11)	3041	2833	÷	208	0	1	:	14	13.62
Forestry Department	(1:7)	1625	1460	÷	165	0	1	:	14	13.62
Higher Education Coordinating Commission	(1:7)	167	148	÷	19	0	1	:	9	8.85
Oregon Business Development Department	(1:9)	170	152	÷	18	0	1	:	8	7.79
Oregon Department of Education	(1:9)	1001	910	÷	84	7	1	:	11	10.83
Oregon Health Authority	(1:8.6)	5389	4953	÷	453	1	1	:	11	10.93
Oregon Housing and Community Services	(1:9)	409	369	÷	40	0	1	:	9	9.23
Oregon Liquor Control Commission	(1:11)	411	384	÷	27	0	1	:	14	14.22
Oregon State Department of Police	1:12	1571	1430	÷	136	5	1	:	11	10.51
Oregon Youth Authority	(1:9)	1086	987	÷	99	0	1	:	10	9.97
Parks and Recreation Department	(1:8)	903	820	÷	83	0	1	:	10	9.88
Public Employees Retirement System	(1:10)	420	385	÷	35	0	1	:	11	11.00
Public Utility Commission of Oregon	(1:5)	132	112	÷	20	0	1	:	6	5.60
State of Oregon Military Department	(1:10)	608	556	÷	52	0	1	:	11	10.69
Water Resources Department	(1:8)	191	173	÷	18	0	1	:	10	9.61
Veteran Affairs		109	92	÷	17	0	1	:	5	5.41

* This total number includes positions which were flagged by Workday as NOT having a Repr code assigned. Each position was reviewed and assigned to a supervisory or non supervisory category.

** These numbers are showing up in Workday as not having a Repr code assigned. They were reallocated to a supervisory or non-supervisory category and folded into the Total on column C.

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
001-00-00-00000	Distilled Spirits Program	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
001-00-00-00000	Distilled Spirits Program	021	0	Phase-in	Essential Packages
001-00-00-00000	Distilled Spirits Program	022	0	Phase-out Pgm & One-time Costs	Essential Packages
001-00-00-00000	Distilled Spirits Program	031	0	Standard Inflation	Essential Packages
001-00-00-00000	Distilled Spirits Program	032	0	Above Standard Inflation	Essential Packages
001-00-00-00000	Distilled Spirits Program	033	0	Exceptional Inflation	Essential Packages
001-00-00-00000	Distilled Spirits Program	060	0	Technical Adjustments	Essential Packages
001-00-00-00000	Distilled Spirits Program	080	0	March 2020 Eboard	Policy Packages
001-00-00-00000	Distilled Spirits Program	081	0	April 2020 Eboard	Policy Packages
001-00-00-00000	Distilled Spirits Program	082	0	May 2020 Eboard	Policy Packages
001-00-00-00000	Distilled Spirits Program	083	0	June 2020 Eboard	Policy Packages
001-00-00-00000	Distilled Spirits Program	087	0	August 2020 Special Session	Policy Packages
001-00-00-00000	Distilled Spirits Program	088	0	September 2020 Emergency Board	Policy Packages
001-00-00-00000	Distilled Spirits Program	090	0	Analyst Adjustments	Policy Packages
001-00-00-00000	Distilled Spirits Program	091	0	Elimination of S&S Inflation	Policy Packages
001-00-00-00000	Distilled Spirits Program	092	0	Personal Services Adjustments	Policy Packages
001-00-00-00000	Distilled Spirits Program	093	0	Transfers to General Fund	Policy Packages
001-00-00-00000	Distilled Spirits Program	094	0	Revenue Solutions	Policy Packages
001-00-00-00000	Distilled Spirits Program	096	0	Statewide Adjustment DAS Chgs	Policy Packages
001-00-00-00000	Distilled Spirits Program	097	0	Statewide AG Adjustment	Policy Packages
001-00-00-00000	Distilled Spirits Program	099	0	Microsoft 365 Consolidation	Policy Packages
001-00-00-00000	Distilled Spirits Program	801	0	LFO Analyst Adjustments	Policy Packages

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
001-00-00-00000	Distilled Spirits Program	810	0	Statewide Adjustments	Policy Packages
001-00-00-00000	Distilled Spirits Program	811	0	Budget Reconciliation Adjustments	Policy Packages
001-00-00-00000	Distilled Spirits Program	813	0	Policy Bills	Policy Packages
001-00-00-00000	Distilled Spirits Program	816	0	Capital Construction	Policy Packages
001-00-00-00000	Distilled Spirits Program	850	0	Program Change Bill	Policy Packages
001-00-00-00000	Distilled Spirits Program	101	1	Warehouse Capital Bonding	Policy Packages
001-00-00-00000	Distilled Spirits Program	107	7	Distribution Center Equipment Replacement	Policy Packages
002-00-00-00000	Public Safety Services Program	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
002-00-00-00000	Public Safety Services Program	021	0	Phase-in	Essential Packages
002-00-00-00000	Public Safety Services Program	022	0	Phase-out Pgm & One-time Costs	Essential Packages
002-00-00-00000	Public Safety Services Program	031	0	Standard Inflation	Essential Packages
002-00-00-00000	Public Safety Services Program	032	0	Above Standard Inflation	Essential Packages
002-00-00-00000	Public Safety Services Program	033	0	Exceptional Inflation	Essential Packages
002-00-00-00000	Public Safety Services Program	060	0	Technical Adjustments	Essential Packages
002-00-00-00000	Public Safety Services Program	080	0	March 2020 Eboard	Policy Packages
002-00-00-00000	Public Safety Services Program	081	0	April 2020 Eboard	Policy Packages
002-00-00-00000	Public Safety Services Program	082	0	May 2020 Eboard	Policy Packages
002-00-00-00000	Public Safety Services Program	083	0	June 2020 Eboard	Policy Packages
002-00-00-00000	Public Safety Services Program	087	0	August 2020 Special Session	Policy Packages
002-00-00-00000	Public Safety Services Program	088	0	September 2020 Emergency Board	Policy Packages
002-00-00-00000	Public Safety Services Program	090	0	Analyst Adjustments	Policy Packages
002-00-00-00000	Public Safety Services Program	091	0	Elimination of S&S Inflation	Policy Packages

Cross Reference Number	*Cross Reference Description*	*Package Number*	Priority	*Package Description*	*Package Group*
002-00-00-00000	Public Safety Services Program	092	0	Personal Services Adjustments	Policy Packages
002-00-00-00000	Public Safety Services Program	093	0	Transfers to General Fund	Policy Packages
002-00-00-00000	Public Safety Services Program	094	0	Revenue Solutions	Policy Packages
002-00-00-00000	Public Safety Services Program	096	0	Statewide Adjustment DAS Chgs	Policy Packages
002-00-00-00000	Public Safety Services Program	097	0	Statewide AG Adjustment	Policy Packages
002-00-00-00000	Public Safety Services Program	099	0	Microsoft 365 Consolidation	Policy Packages
002-00-00-00000	Public Safety Services Program	801	0	LFO Analyst Adjustments	Policy Packages
002-00-00-00000	Public Safety Services Program	810	0	Statewide Adjustments	Policy Packages
002-00-00-00000	Public Safety Services Program	811	0	Budget Reconciliation Adjustments	Policy Packages
002-00-00-00000	Public Safety Services Program	813	0	Policy Bills	Policy Packages
002-00-00-00000	Public Safety Services Program	816	0	Capital Construction	Policy Packages
002-00-00-00000	Public Safety Services Program	850	0	Program Change Bill	Policy Packages
002-00-00-00000	Public Safety Services Program	204	4	Alcohol Compliance & Licensing Staff	Policy Packages
002-00-00-00000	Public Safety Services Program	205	5	Administartive Hearings Case Presenters	Policy Packages
002-00-00-00000	Public Safety Services Program	214	14	Medical Marijuana Grow Site Regulation	Policy Packages
003-00-00-00000	Administration and Support	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
003-00-00-00000	Administration and Support	021	0	Phase-in	Essential Packages
003-00-00-00000	Administration and Support	022	0	Phase-out Pgm & One-time Costs	Essential Packages
003-00-00-00000	Administration and Support	031	0	Standard Inflation	Essential Packages
003-00-00-00000	Administration and Support	032	0	Above Standard Inflation	Essential Packages
003-00-00-00000	Administration and Support	033	0	Exceptional Inflation	Essential Packages
003-00-00-00000	Administration and Support	060	0	Technical Adjustments	Essential Packages

Cross Reference Number	*Cross Reference Description*	*Package Number*	Priority	*Package Description*	*Package Group*
003-00-00-00000	Administration and Support	080	0	March 2020 Eboard	Policy Packages
003-00-00-00000	Administration and Support	081	0	April 2020 Eboard	Policy Packages
003-00-00-00000	Administration and Support	082	0	May 2020 Eboard	Policy Packages
003-00-00-00000	Administration and Support	083	0	June 2020 Eboard	Policy Packages
003-00-00-00000	Administration and Support	087	0	August 2020 Special Session	Policy Packages
003-00-00-00000	Administration and Support	088	0	September 2020 Emergency Board	Policy Packages
003-00-00-00000	Administration and Support	090	0	Analyst Adjustments	Policy Packages
003-00-00-00000	Administration and Support	091	0	Elimination of S&S Inflation	Policy Packages
003-00-00-00000	Administration and Support	092	0	Personal Services Adjustments	Policy Packages
003-00-00-00000	Administration and Support	093	0	Transfers to General Fund	Policy Packages
003-00-00-00000	Administration and Support	094	0	Revenue Solutions	Policy Packages
003-00-00-00000	Administration and Support	096	0	Statewide Adjustment DAS Chgs	Policy Packages
003-00-00-00000	Administration and Support	097	0	Statewide AG Adjustment	Policy Packages
003-00-00-00000	Administration and Support	099	0	Microsoft 365 Consolidation	Policy Packages
003-00-00-00000	Administration and Support	801	0	LFO Analyst Adjustments	Policy Packages
003-00-00-00000	Administration and Support	810	0	Statewide Adjustments	Policy Packages
003-00-00-00000	Administration and Support	811	0	Budget Reconciliation Adjustments	Policy Packages
003-00-00-00000	Administration and Support	813	0	Policy Bills	Policy Packages
003-00-00-00000	Administration and Support	816	0	Capital Construction	Policy Packages
003-00-00-00000	Administration and Support	850	0	Program Change Bill	Policy Packages
003-00-00-00000	Administration and Support	101	1	Warehouse Capital Bonding	Policy Packages
003-00-00-00000	Administration and Support	302	2	Human Resources Staffing	Policy Packages

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
003-00-00-00000	Administration and Support	303	3	Information Services Management & Support	Policy Packages
003-00-00-00000	Administration and Support	306	6	Liquor Auditor & Payroll Contracting	Policy Packages
003-00-00-00000	Administration and Support	311	11	Privilege Tax Subscription Services	Policy Packages
003-00-00-00000	Administration and Support	312	12	Vehicle Replenishment	Policy Packages
004-00-00-00000	Recreational Marijuana Program	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
004-00-00-00000	Recreational Marijuana Program	021	0	Phase-in	Essential Packages
004-00-00-00000	Recreational Marijuana Program	022	0	Phase-out Pgm & One-time Costs	Essential Packages
004-00-00-00000	Recreational Marijuana Program	031	0	Standard Inflation	Essential Packages
004-00-00-00000	Recreational Marijuana Program	032	0	Above Standard Inflation	Essential Packages
004-00-00-00000	Recreational Marijuana Program	033	0	Exceptional Inflation	Essential Packages
004-00-00-00000	Recreational Marijuana Program	060	0	Technical Adjustments	Essential Packages
004-00-00-00000	Recreational Marijuana Program	080	0	March 2020 Eboard	Policy Packages
004-00-00-00000	Recreational Marijuana Program	081	0	April 2020 Eboard	Policy Packages
004-00-00-00000	Recreational Marijuana Program	082	0	May 2020 Eboard	Policy Packages
004-00-00-00000	Recreational Marijuana Program	083	0	June 2020 Eboard	Policy Packages
004-00-00-00000	Recreational Marijuana Program	087	0	August 2020 Special Session	Policy Packages
004-00-00-00000	Recreational Marijuana Program	088	0	September 2020 Emergency Board	Policy Packages
004-00-00-00000	Recreational Marijuana Program	090	0	Analyst Adjustments	Policy Packages
004-00-00-00000	Recreational Marijuana Program	091	0	Elimination of S&S Inflation	Policy Packages
004-00-00-00000	Recreational Marijuana Program	092	0	Personal Services Adjustments	Policy Packages
004-00-00-00000	Recreational Marijuana Program	093	0	Transfers to General Fund	Policy Packages
004-00-00-00000	Recreational Marijuana Program	094	0	Revenue Solutions	Policy Packages

Cross Reference Number	*Cross Reference Description*	*Package Number*	Priority	*Package Description*	*Package Group*
004-00-00-00000	Recreational Marijuana Program	096	0	Statewide Adjustment DAS Chgs	Policy Packages
004-00-00-00000	Recreational Marijuana Program	097	0	Statewide AG Adjustment	Policy Packages
004-00-00-00000	Recreational Marijuana Program	099	0	Microsoft 365 Consolidation	Policy Packages
004-00-00-00000	Recreational Marijuana Program	801	0	LFO Analyst Adjustments	Policy Packages
004-00-00-00000	Recreational Marijuana Program	810	0	Statewide Adjustments	Policy Packages
004-00-00-00000	Recreational Marijuana Program	811	0	Budget Reconciliation Adjustments	Policy Packages
004-00-00-00000	Recreational Marijuana Program	813	0	Policy Bills	Policy Packages
004-00-00-00000	Recreational Marijuana Program	816	0	Capital Construction	Policy Packages
004-00-00-00000	Recreational Marijuana Program	850	0	Program Change Bill	Policy Packages
004-00-00-00000	Recreational Marijuana Program	409	9	Marijuana Licensing Specialists	Policy Packages
004-00-00-00000	Recreational Marijuana Program	413	13	CBD Inhalent Regulation	Policy Packages
005-00-00-00000	Agents Compensation Program	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
005-00-00-00000	Agents Compensation Program	021	0	Phase-in	Essential Packages
005-00-00-00000	Agents Compensation Program	022	0	Phase-out Pgm & One-time Costs	Essential Packages
005-00-00-00000	Agents Compensation Program	031	0	Standard Inflation	Essential Packages
005-00-00-00000	Agents Compensation Program	032	0	Above Standard Inflation	Essential Packages
005-00-00-00000	Agents Compensation Program	033	0	Exceptional Inflation	Essential Packages
005-00-00-00000	Agents Compensation Program	060	0	Technical Adjustments	Essential Packages
005-00-00-00000	Agents Compensation Program	080	0	March 2020 Eboard	Policy Packages
005-00-00-00000	Agents Compensation Program	081	0	April 2020 Eboard	Policy Packages
005-00-00-00000	Agents Compensation Program	082	0	May 2020 Eboard	Policy Packages
005-00-00-00000	Agents Compensation Program	083	0	June 2020 Eboard	Policy Packages

Cross Reference Number	*Cross Reference Description*	*Package Number*	Priority	*Package Description*	*Package Group*
005-00-00-00000	Agents Compensation Program	087	0	August 2020 Special Session	Policy Packages
005-00-00-00000	Agents Compensation Program	088	0	September 2020 Emergency Board	Policy Packages
005-00-00-00000	Agents Compensation Program	090	0	Analyst Adjustments	Policy Packages
005-00-00-00000	Agents Compensation Program	091	0	Elimination of S&S Inflation	Policy Packages
005-00-00-00000	Agents Compensation Program	092	0	Personal Services Adjustments	Policy Packages
005-00-00-00000	Agents Compensation Program	093	0	Transfers to General Fund	Policy Packages
005-00-00-00000	Agents Compensation Program	094	0	Revenue Solutions	Policy Packages
005-00-00-00000	Agents Compensation Program	096	0	Statewide Adjustment DAS Chgs	Policy Packages
005-00-00-00000	Agents Compensation Program	097	0	Statewide AG Adjustment	Policy Packages
005-00-00-00000	Agents Compensation Program	099	0	Microsoft 365 Consolidation	Policy Packages
005-00-00-00000	Agents Compensation Program	801	0	LFO Analyst Adjustments	Policy Packages
005-00-00-00000	Agents Compensation Program	810	0	Statewide Adjustments	Policy Packages
005-00-00-00000	Agents Compensation Program	811	0	Budget Reconciliation Adjustments	Policy Packages
005-00-00-00000	Agents Compensation Program	813	0	Policy Bills	Policy Packages
005-00-00-00000	Agents Compensation Program	816	0	Capital Construction	Policy Packages
005-00-00-00000	Agents Compensation Program	850	0	Program Change Bill	Policy Packages
005-00-00-00000	Agents Compensation Program	108	8	Agent Compensation Formula	Policy Packages
005-00-00-00000	Agents Compensation Program	110	10	Distillery Agent Compensation	Policy Packages
006-00-00-00000	Medical Marijuana Program	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
006-00-00-00000	Medical Marijuana Program	021	0	Phase-in	Essential Packages
006-00-00-00000	Medical Marijuana Program	022	0	Phase-out Pgm & One-time Costs	Essential Packages
006-00-00-00000	Medical Marijuana Program	031	0	Standard Inflation	Essential Packages

Cross Reference Number	*Cross Reference Description*	*Package Number*	Priority	*Package Description*	*Package Group*
006-00-00-00000	Medical Marijuana Program	032	0	Above Standard Inflation	Essential Packages
006-00-00-00000	Medical Marijuana Program	033	0	Exceptional Inflation	Essential Packages
006-00-00-00000	Medical Marijuana Program	060	0	Technical Adjustments	Essential Packages
006-00-00-00000	Medical Marijuana Program	080	0	March 2020 Eboard	Policy Packages
006-00-00-00000	Medical Marijuana Program	081	0	April 2020 Eboard	Policy Packages
006-00-00-00000	Medical Marijuana Program	082	0	May 2020 Eboard	Policy Packages
006-00-00-00000	Medical Marijuana Program	083	0	June 2020 Eboard	Policy Packages
006-00-00-00000	Medical Marijuana Program	087	0	August 2020 Special Session	Policy Packages
006-00-00-00000	Medical Marijuana Program	088	0	September 2020 Emergency Board	Policy Packages
006-00-00-00000	Medical Marijuana Program	090	0	Analyst Adjustments	Policy Packages
006-00-00-00000	Medical Marijuana Program	091	0	Elimination of S&S Inflation	Policy Packages
006-00-00-00000	Medical Marijuana Program	092	0	Personal Services Adjustments	Policy Packages
006-00-00-00000	Medical Marijuana Program	093	0	Transfers to General Fund	Policy Packages
006-00-00-00000	Medical Marijuana Program	094	0	Revenue Solutions	Policy Packages
006-00-00-00000	Medical Marijuana Program	096	0	Statewide Adjustment DAS Chgs	Policy Packages
006-00-00-00000	Medical Marijuana Program	097	0	Statewide AG Adjustment	Policy Packages
006-00-00-00000	Medical Marijuana Program	099	0	Microsoft 365 Consolidation	Policy Packages
006-00-00-00000	Medical Marijuana Program	801	0	LFO Analyst Adjustments	Policy Packages
006-00-00-00000	Medical Marijuana Program	810	0	Statewide Adjustments	Policy Packages
006-00-00-00000	Medical Marijuana Program	811	0	Budget Reconciliation Adjustments	Policy Packages
006-00-00-00000	Medical Marijuana Program	813	0	Policy Bills	Policy Packages
006-00-00-00000	Medical Marijuana Program	816	0	Capital Construction	Policy Packages

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
006-00-00-00000	Medical Marijuana Program	850	0	Program Change Bill	Policy Packages
088-00-00-00000	Capital Improvements	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
088-00-00-00000	Capital Improvements	021	0	Phase-in	Essential Packages
088-00-00-00000	Capital Improvements	022	0	Phase-out Pgm & One-time Costs	Essential Packages
088-00-00-00000	Capital Improvements	031	0	Standard Inflation	Essential Packages
088-00-00-00000	Capital Improvements	032	0	Above Standard Inflation	Essential Packages
088-00-00-00000	Capital Improvements	033	0	Exceptional Inflation	Essential Packages
088-00-00-00000	Capital Improvements	060	0	Technical Adjustments	Essential Packages
088-00-00-00000	Capital Improvements	080	0	March 2020 Eboard	Policy Packages
088-00-00-00000	Capital Improvements	081	0	April 2020 Eboard	Policy Packages
088-00-00-00000	Capital Improvements	082	0	May 2020 Eboard	Policy Packages
088-00-00-00000	Capital Improvements	083	0	June 2020 Eboard	Policy Packages
088-00-00-00000	Capital Improvements	087	0	August 2020 Special Session	Policy Packages
088-00-00-00000	Capital Improvements	088	0	September 2020 Emergency Board	Policy Packages
088-00-00-00000	Capital Improvements	090	0	Analyst Adjustments	Policy Packages
088-00-00-00000	Capital Improvements	091	0	Elimination of S&S Inflation	Policy Packages
088-00-00-00000	Capital Improvements	092	0	Personal Services Adjustments	Policy Packages
088-00-00-00000	Capital Improvements	093	0	Transfers to General Fund	Policy Packages
088-00-00-00000	Capital Improvements	094	0	Revenue Solutions	Policy Packages
088-00-00-00000	Capital Improvements	096	0	Statewide Adjustment DAS Chgs	Policy Packages
088-00-00-00000	Capital Improvements	097	0	Statewide AG Adjustment	Policy Packages
088-00-00-00000	Capital Improvements	099	0	Microsoft 365 Consolidation	Policy Packages

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
088-00-00-00000	Capital Improvements	801	0	LFO Analyst Adjustments	Policy Packages
088-00-00-00000	Capital Improvements	810	0	Statewide Adjustments	Policy Packages
088-00-00-00000	Capital Improvements	811	0	Budget Reconciliation Adjustments	Policy Packages
088-00-00-00000	Capital Improvements	813	0	Policy Bills	Policy Packages
088-00-00-00000	Capital Improvements	816	0	Capital Construction	Policy Packages
088-00-00-00000	Capital Improvements	850	0	Program Change Bill	Policy Packages
089-00-00-00000	Capital Construction	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
089-00-00-00000	Capital Construction	021	0	Phase-in	Essential Packages
089-00-00-00000	Capital Construction	022	0	Phase-out Pgm & One-time Costs	Essential Packages
089-00-00-00000	Capital Construction	031	0	Standard Inflation	Essential Packages
089-00-00-00000	Capital Construction	032	0	Above Standard Inflation	Essential Packages
089-00-00-00000	Capital Construction	033	0	Exceptional Inflation	Essential Packages
089-00-00-00000	Capital Construction	060	0	Technical Adjustments	Essential Packages
089-00-00-00000	Capital Construction	080	0	March 2020 Eboard	Policy Packages
089-00-00-00000	Capital Construction	081	0	April 2020 Eboard	Policy Packages
089-00-00-00000	Capital Construction	082	0	May 2020 Eboard	Policy Packages
089-00-00-00000	Capital Construction	083	0	June 2020 Eboard	Policy Packages
089-00-00-00000	Capital Construction	087	0	August 2020 Special Session	Policy Packages
089-00-00-00000	Capital Construction	088	0	September 2020 Emergency Board	Policy Packages
089-00-00-00000	Capital Construction	090	0	Analyst Adjustments	Policy Packages
089-00-00-00000	Capital Construction	091	0	Elimination of S&S Inflation	Policy Packages
089-00-00-00000	Capital Construction	092	0	Personal Services Adjustments	Policy Packages

Cross Reference Number	*Cross Reference Description*	*Package Number*	Priority	*Package Description*	*Package Group*
089-00-00-00000	Capital Construction	093	0	Transfers to General Fund	Policy Packages
089-00-00-00000	Capital Construction	094	0	Revenue Solutions	Policy Packages
089-00-00-00000	Capital Construction	096	0	Statewide Adjustment DAS Chgs	Policy Packages
089-00-00-00000	Capital Construction	097	0	Statewide AG Adjustment	Policy Packages
089-00-00-00000	Capital Construction	099	0	Microsoft 365 Consolidation	Policy Packages
089-00-00-00000	Capital Construction	801	0	LFO Analyst Adjustments	Policy Packages
089-00-00-00000	Capital Construction	810	0	Statewide Adjustments	Policy Packages
089-00-00-00000	Capital Construction	811	0	Budget Reconciliation Adjustments	Policy Packages
089-00-00-00000	Capital Construction	813	0	Policy Bills	Policy Packages
089-00-00-00000	Capital Construction	816	0	Capital Construction	Policy Packages
089-00-00-00000	Capital Construction	850	0	Program Change Bill	Policy Packages
089-00-00-00000	Capital Construction	101	1	Warehouse Capital Bonding	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
990-00-00-00000	Agency-Wide Consolidation	021	0	Phase-in	Essential Packages
990-00-00-00000	Agency-Wide Consolidation	022	0	Phase-out Pgm & One-time Costs	Essential Packages
990-00-00-00000	Agency-Wide Consolidation	031	0	Standard Inflation	Essential Packages
990-00-00-00000	Agency-Wide Consolidation	032	0	Above Standard Inflation	Essential Packages
990-00-00-00000	Agency-Wide Consolidation	033	0	Exceptional Inflation	Essential Packages
990-00-00-00000	Agency-Wide Consolidation	060	0	Technical Adjustments	Essential Packages
990-00-00-00000	Agency-Wide Consolidation	080	0	March 2020 Eboard	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	081	0	April 2020 Eboard	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	082	0	May 2020 Eboard	Policy Packages

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
990-00-00-00000	Agency-Wide Consolidation	083	0	June 2020 Eboard	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	087	0	August 2020 Special Session	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	088	0	September 2020 Emergency Board	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	090	0	Analyst Adjustments	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	091	0	Elimination of S&S Inflation	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	092	0	Personal Services Adjustments	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	093	0	Transfers to General Fund	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	094	0	Revenue Solutions	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	096	0	Statewide Adjustment DAS Chgs	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	097	0	Statewide AG Adjustment	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	099	0	Microsoft 365 Consolidation	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	801	0	LFO Analyst Adjustments	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	810	0	Statewide Adjustments	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	811	0	Budget Reconciliation Adjustments	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	813	0	Policy Bills	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	816	0	Capital Construction	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	850	0	Program Change Bill	Policy Packages

Policy Package List by Priority

2021-23 Biennium

Agency Number: 84500

BAM Analyst: Brickman, Tamara

Budget Coordinator: Carberry, Patrick - (503)872-5171

Priority	*Policy Pkg Number*	*Policy Pkg Description*	*Summary Cross Reference Number*	*Cross Reference Description*
0	080	March 2020 Eboard	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	081	April 2020 Eboard	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	082	May 2020 Eboard	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program

Priority	*Policy Pkg Number*	*Policy Pkg Description*	*Summary Cross Reference Number*	*Cross Reference Description*
0	082	May 2020 Eboard	006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	083	June 2020 Eboard	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	087	August 2020 Special Session	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	088	September 2020 Emergency Board	001-00-00-00000	Distilled Spirits Program

Priority	*Policy Pkg Number*	*Policy Pkg Description*	*Summary Cross Reference Number*	*Cross Reference Description*
0	088	September 2020 Emergency Board	002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	090	Analyst Adjustments	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	091	Elimination of S&S Inflation	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program

Priority	*Policy Pkg Number*	*Policy Pkg Description*	*Summary Cross Reference Number*	*Cross Reference Description*
0	091	Elimination of S&S Inflation	088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	092	Personal Services Adjustments	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	093	Transfers to General Fund	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	094	Revenue Solutions	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program

Priority	*Policy Pkg Number*	*Policy Pkg Description*	*Summary Cross Reference Number*	*Cross Reference Description*
0	094	Revenue Solutions	003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	096	Statewide Adjustment DAS Chgs	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	097	Statewide AG Adjustment	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements

Priority	*Policy Pkg Number*	*Policy Pkg Description*	*Summary Cross Reference Number*	*Cross Reference Description*
0	097	Statewide AG Adjustment	089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	099	Microsoft 365 Consolidation	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	801	LFO Analyst Adjustments	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	810	Statewide Adjustments	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support

Priority	*Policy Pkg Number*	*Policy Pkg Description*	*Summary Cross Reference Number*	*Cross Reference Description*
0	810	Statewide Adjustments	004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	811	Budget Reconciliation Adjustments	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	813	Policy Bills	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction

Priority	*Policy Pkg Number*	*Policy Pkg Description*	*Summary Cross Reference Number*	*Cross Reference Description*
0	813	Policy Bills	990-00-00-00000	Agency-Wide Consolidation
	816	Capital Construction	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
	850	Program Change Bill	001-00-00-00000	Distilled Spirits Program
			002-00-00-00000	Public Safety Services Program
			003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			089-00-00-00000	Capital Construction
			990-00-00-00000	Agency-Wide Consolidation
1	101	Warehouse Capital Bonding	001-00-00-00000	Distilled Spirits Program
			003-00-00-00000	Administration and Support
			089-00-00-00000	Capital Construction
2	302	Human Resources Staffing	003-00-00-00000	Administration and Support

Policy Package List by Priority

2021-23 Biennium

Agency Number: 84500

BAM Analyst: Brickman, Tamara

Budget Coordinator: Carberry, Patrick - (503)872-5171

Priority	*Policy Pkg Number*	*Policy Pkg Description*	*Summary Cross Reference Number*	*Cross Reference Description*
3	303	Information Services Management & Support	003-00-00-00000	Administration and Support
4	204	Alcohol Compliance & Licensing Staff	002-00-00-00000	Public Safety Services Program
5	205	Administartive Hearings Case Presenters	002-00-00-00000	Public Safety Services Program
6	306	Liquor Auditor & Payroll Contracting	003-00-00-00000	Administration and Support
7	107	Distribution Center Equipment Replacement	001-00-00-00000	Distilled Spirits Program
8	108	Agent Compensation Formula	005-00-00-00000	Agents Compensation Program
9	409	Marijuana Licensing Specialists	004-00-00-00000	Recreational Marijuana Program
10	110	Distillery Agent Compensation	005-00-00-00000	Agents Compensation Program
11	311	Privilege Tax Subscription Services	003-00-00-00000	Administration and Support
12	312	Vehicle Replenishment	003-00-00-00000	Administration and Support
13	413	CBD Inhalent Regulation	004-00-00-00000	Recreational Marijuana Program
14	214	Medical Marijuana Grow Site Regulation	002-00-00-00000	Public Safety Services Program

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Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	4,674,723	1,500,000	1,500,000	7,916,689	7,916,689	7,916,689
0030 Beginning Balance Adjustment						
3400 Other Funds Ltd	1,499,999	6,017,643	6,017,643	5,908,632	5,908,632	5,908,632
BEGINNING BALANCE						
3400 Other Funds Ltd	6,174,722	7,517,643	7,517,643	13,825,321	13,825,321	13,825,321
TOTAL BEGINNING BALANCE	**$6,174,722**	**$7,517,643**	**$7,517,643**	**$13,825,321**	**$13,825,321**	**$13,825,321**
REVENUE CATEGORIES						
TAXES						
0185 Privilege Taxes						
3400 Other Funds Ltd	27,203,116	29,008,456	29,008,456	30,337,665	30,337,665	29,972,692
8800 General Fund Revenue	10,331,785	11,008,544	11,008,544	11,508,203	11,508,203	11,366,270
All Funds	37,534,901	40,017,000	40,017,000	41,845,868	41,845,868	41,338,962
LICENSES AND FEES						
0205 Business Lic and Fees						
3400 Other Funds Ltd	19,071,981	44,005,282	44,005,282	36,147,422	36,147,422	36,147,422
8800 General Fund Revenue	6,337,486	11,713,186	11,713,186	11,624,553	11,624,553	11,624,553
All Funds	25,409,467	55,718,468	55,718,468	47,771,975	47,771,975	47,771,975
CHARGES FOR SERVICES						
0410 Charges for Services						
3400 Other Funds Ltd	6,000	6,000	6,000	2,640	2,640	2,640
8800 General Fund Revenue	-	-	-	3,360	3,360	3,360

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
All Funds	6,000	6,000	6,000	6,000	6,000	6,000
FINES, RENTS AND ROYALTIES						
0505 Fines and Forfeitures						
3400 Other Funds Ltd	955,236	362,626	362,626	357,601	357,601	357,602
8800 General Fund Revenue	541,147	469,160	469,160	455,130	455,130	455,129
All Funds	1,496,383	831,786	831,786	812,731	812,731	812,731
BOND SALES						
0560 Dedicated Fund Oblig Bonds						
3020 Other Funds Cap Construct	-	-	-	89,537,265	62,537,265	62,537,265
3400 Other Funds Ltd	-	-	-	1,197,735	28,197,735	28,197,735
All Funds	-	-	-	90,735,000	90,735,000	90,735,000
SALES INCOME						
0705 Sales Income						
3400 Other Funds Ltd	-	784,000	784,000	344,960	344,960	344,960
8800 General Fund Revenue	-	39,331,575	39,331,575	439,040	439,040	439,040
All Funds	-	40,115,575	40,115,575	784,000	784,000	784,000
0710 Liquor Sales						
3010 Other Funds Cap Improve	361,666	377,943	377,943	237,745	237,745	237,745
3400 Other Funds Ltd	1,032,214,174	1,222,160,393	1,222,160,393	1,310,081,183	1,307,404,459	1,316,456,679
8800 General Fund Revenue	278,561,027	278,533,382	278,533,382	312,527,991	315,204,715	322,806,374
All Funds	1,311,136,867	1,501,071,718	1,501,071,718	1,622,846,919	1,622,846,919	1,639,500,798
SALES INCOME						
3010 Other Funds Cap Improve	361,666	377,943	377,943	237,745	237,745	237,745

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3400 Other Funds Ltd	1,032,214,174	1,222,944,393	1,222,944,393	1,310,426,143	1,307,749,419	1,316,801,639
8800 General Fund Revenue	278,561,027	317,864,957	317,864,957	312,967,031	315,643,755	323,245,414
TOTAL SALES INCOME	**$1,311,136,867**	**$1,541,187,293**	**$1,541,187,293**	**$1,623,630,919**	**$1,623,630,919**	**$1,640,284,798**
COST OF GOODS SOLD						
0755 Liquor Cost of Goods Sold						
3400 Other Funds Ltd	(642,760,810)	(731,021,927)	(731,021,927)	(801,124,028)	(801,356,566)	(811,601,575)
8800 General Fund Revenue	-	-	-	(18,084,000)	43,122,060	(242,034)
All Funds	(642,760,810)	(731,021,927)	(731,021,927)	(819,208,028)	(758,234,506)	(811,843,609)
0760 Cost of Goods Sold						
3400 Other Funds Ltd	(15,301,026)	(18,075,205)	(18,075,205)	(19,474,163)	(19,474,163)	(19,674,010)
COST OF GOODS SOLD						
3400 Other Funds Ltd	(658,061,836)	(749,097,132)	(749,097,132)	(820,598,191)	(820,830,729)	(831,275,585)
8800 General Fund Revenue	-	-	-	(18,084,000)	43,122,060	(242,034)
TOTAL COST OF GOODS SOLD	**($658,061,836)**	**($749,097,132)**	**($749,097,132)**	**($838,682,191)**	**($777,708,669)**	**($831,517,619)**
OTHER						
0975 Other Revenues						
3400 Other Funds Ltd	-	-	-	11,000	11,000	11,000
3430 Other Funds Debt Svc Ltd	-	-	-	7,547,093	7,547,093	7,547,093
8800 General Fund Revenue	-	-	-	14,000	14,000	14,000
All Funds	-	-	-	7,572,093	7,572,093	7,572,093
TRANSFERS IN						
1010 Transfer In - Intrafund						
3010 Other Funds Cap Improve	361,666	377,943	377,943	237,745	237,745	237,745

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3400 Other Funds Ltd	183,494,048	214,900,028	214,900,028	258,174,846	253,651,747	255,372,458
All Funds	183,855,714	215,277,971	215,277,971	258,412,591	253,889,492	255,610,203
1020 Transfer In - Indirect Cost						
3400 Other Funds Ltd	3,926,424	6,472,202	6,472,202	6,925,306	6,315,618	7,517,394
1150 Tsfr From Revenue, Dept of						
3400 Other Funds Ltd	6,723,539	7,000,000	7,000,000	7,000,000	7,153,600	7,000,000
1443 Tsfr From Oregon Health Authority						
3400 Other Funds Ltd	-	-	-	528,000	528,000	528,000
TRANSFERS IN						
3010 Other Funds Cap Improve	361,666	377,943	377,943	237,745	237,745	237,745
3400 Other Funds Ltd	194,144,011	228,372,230	228,372,230	272,628,152	267,648,965	270,417,852
TOTAL TRANSFERS IN	**$194,505,677**	**$228,750,173**	**$228,750,173**	**$272,865,897**	**$267,886,710**	**$270,655,597**
REVENUE CATEGORIES						
3010 Other Funds Cap Improve	723,332	755,886	755,886	475,490	475,490	475,490
3020 Other Funds Cap Construct	-	-	-	89,537,265	62,537,265	62,537,265
3400 Other Funds Ltd	615,532,682	775,601,855	775,601,855	830,510,167	849,621,718	850,632,997
3430 Other Funds Debt Svc Ltd	-	-	-	7,547,093	7,547,093	7,547,093
8800 General Fund Revenue	295,771,445	341,055,847	341,055,847	318,488,277	382,371,061	346,466,692
TOTAL REVENUE CATEGORIES	**$912,027,459**	**$1,117,413,588**	**$1,117,413,588**	**$1,246,558,292**	**$1,302,552,627**	**$1,267,659,537**
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
3010 Other Funds Cap Improve	(361,666)	(377,943)	(377,943)	(237,745)	(237,745)	(237,745)
3400 Other Funds Ltd	(183,494,048)	(214,900,028)	(214,900,028)	(258,174,846)	(253,651,747)	(255,372,458)

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
All Funds	(183,855,714)	(215,277,971)	(215,277,971)	(258,412,591)	(253,889,492)	(255,610,203)
2020 Transfer Out - Indirect Cost						
3400 Other Funds Ltd	(3,926,424)	(6,472,202)	(6,472,202)	(6,925,306)	(6,315,618)	(7,517,394)
2050 Transfer to Other						
3400 Other Funds Ltd	(635,668)	(700,773)	(700,773)	(745,142)	(745,142)	(745,142)
2060 Transfer to General Fund						
8800 General Fund Revenue	(295,771,445)	(341,055,847)	(341,055,847)	(318,488,277)	(382,371,061)	(346,466,692)
2070 Transfer to Cities						
3400 Other Funds Ltd	(92,937,834)	(107,789,736)	(107,789,736)	(113,727,310)	(114,577,585)	(109,041,031)
2080 Transfer to Counties						
3400 Other Funds Ltd	(46,468,917)	(53,879,334)	(53,879,334)	(56,863,628)	(57,214,775)	(54,520,515)
2107 Tsfr To Administrative Svcs						
3400 Other Funds Ltd	(65,056,484)	(75,400,000)	(75,400,000)	(79,609,146)	(80,278,327)	(76,328,722)
2443 Tsfr To Oregon Health Authority						
3400 Other Funds Ltd	(18,436,690)	(19,827,438)	(19,827,438)	(20,550,363)	(20,550,363)	(20,296,910)
2603 Tsfr To Agriculture, Dept of						
3400 Other Funds Ltd	(258,664)	(292,593)	(292,593)	(305,175)	(305,175)	(793,072)
TRANSFERS OUT						
3010 Other Funds Cap Improve	(361,666)	(377,943)	(377,943)	(237,745)	(237,745)	(237,745)
3400 Other Funds Ltd	(411,214,729)	(479,262,104)	(479,262,104)	(536,900,916)	(533,638,732)	(524,615,244)
8800 General Fund Revenue	(295,771,445)	(341,055,847)	(341,055,847)	(318,488,277)	(382,371,061)	(346,466,692)
TOTAL TRANSFERS OUT	**($707,347,840)**	**($820,695,894)**	**($820,695,894)**	**($855,626,938)**	**($916,247,538)**	**($871,319,681)**
AVAILABLE REVENUES						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3010 Other Funds Cap Improve	361,666	377,943	377,943	237,745	237,745	237,745
3020 Other Funds Cap Construct	-	-	-	89,537,265	62,537,265	62,537,265
3400 Other Funds Ltd	210,492,675	303,857,394	303,857,394	307,434,572	329,808,307	339,843,074
3430 Other Funds Debt Svc Ltd	-	-	-	7,547,093	7,547,093	7,547,093
TOTAL AVAILABLE REVENUES	**$210,854,341**	**$304,235,337**	**$304,235,337**	**$404,756,675**	**$400,130,410**	**$410,165,177**
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	33,093,088	44,227,896	44,227,896	54,905,106	53,785,284	52,867,164
3160 Temporary Appointments						
3400 Other Funds Ltd	1,078,200	373,157	373,157	491,362	491,362	475,545
3170 Overtime Payments						
3400 Other Funds Ltd	877,672	355,267	355,267	370,543	370,543	449,971
3180 Shift Differential						
3400 Other Funds Ltd	76,946	65,080	65,080	67,879	67,879	67,879
3190 All Other Differential						
3400 Other Funds Ltd	489,123	60,604	60,604	63,212	63,212	63,212
SALARIES & WAGES						
3400 Other Funds Ltd	35,615,029	45,082,004	45,082,004	55,898,102	54,778,280	53,923,771
TOTAL SALARIES & WAGES	**$35,615,029**	**$45,082,004**	**$45,082,004**	**$55,898,102**	**$54,778,280**	**$53,923,771**
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3400 Other Funds Ltd	14,169	22,143	22,143	23,038	22,561	22,053
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	6,173,379	8,081,788	8,081,788	10,105,591	9,901,225	9,748,167
3221 Pension Obligation Bond						
3400 Other Funds Ltd	1,995,216	2,290,352	2,290,352	2,921,549	2,921,549	2,921,549
3230 Social Security Taxes						
3400 Other Funds Ltd	2,691,893	3,444,856	3,444,856	4,264,734	4,179,067	4,113,701
3240 Unemployment Assessments						
3400 Other Funds Ltd	28,967	30,394	30,394	31,698	31,698	31,698
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	14,284	21,112	21,112	18,271	17,893	17,490
3260 Mass Transit Tax						
3400 Other Funds Ltd	200,322	262,925	262,925	305,085	305,085	305,085
3270 Flexible Benefits						
3400 Other Funds Ltd	9,783,246	12,806,976	12,806,976	15,187,662	14,872,248	14,537,718
3280 Other OPE						
3400 Other Funds Ltd	456	-	-	-	-	-
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	20,901,932	26,960,546	26,960,546	32,857,628	32,251,326	31,697,461
TOTAL OTHER PAYROLL EXPENSES	**$20,901,932**	**$26,960,546**	**$26,960,546**	**$32,857,628**	**$32,251,326**	**$31,697,461**
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
3400 Other Funds Ltd	-	(584,245)	(584,245)	(692,485)	(2,531,671)	(692,485)

Description	*2017-19 Actuals*	*2019-21 Leg Adopted Budget*	*2019-21 Leg Approved Budget*	*2021-23 Agency Request Budget*	*2021-23 Governor's Budget*	*2021-23 Leg. Adopted Budget*
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	(281,779)	(281,779)	-	(14,978)	45,691
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(866,024)	(866,024)	(692,485)	(2,546,649)	(646,794)
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**($866,024)**	**($866,024)**	**($692,485)**	**($2,546,649)**	**($646,794)**
PERSONAL SERVICES						
3400 Other Funds Ltd	56,516,961	71,176,526	71,176,526	88,063,245	84,482,957	84,974,438
TOTAL PERSONAL SERVICES	**$56,516,961**	**$71,176,526**	**$71,176,526**	**$88,063,245**	**$84,482,957**	**$84,974,438**
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	492,718	549,329	549,329	572,949	549,329	572,949
4125 Out of State Travel						
3400 Other Funds Ltd	132,699	61,930	61,930	64,594	61,930	64,594
4150 Employee Training						
3400 Other Funds Ltd	110,070	493,500	493,500	488,400	464,830	434,041
4175 Office Expenses						
3400 Other Funds Ltd	14,829,241	15,787,959	15,787,959	19,038,459	18,436,265	19,026,979
4200 Telecommunications						
3400 Other Funds Ltd	1,441,304	1,828,401	1,828,401	1,916,186	1,906,186	1,888,686
4225 State Gov. Service Charges						
3400 Other Funds Ltd	3,477,420	3,348,982	3,348,982	4,590,580	3,834,533	4,104,743
4250 Data Processing						
3400 Other Funds Ltd	2,578,795	2,214,376	2,214,376	2,490,784	2,377,315	2,383,264

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
4275 Publicity and Publications						
3400 Other Funds Ltd	326,749	94,661	94,661	98,732	94,661	98,732
4300 Professional Services						
3400 Other Funds Ltd	117,824,006	136,245,247	136,245,247	166,292,310	166,292,310	167,854,490
4315 IT Professional Services						
3400 Other Funds Ltd	695,845	7,917,615	7,917,615	4,509,447	4,483,172	4,294,873
4325 Attorney General						
3400 Other Funds Ltd	519,990	922,329	922,329	1,101,538	1,036,437	1,040,182
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	32,403	123,466	123,466	128,774	123,466	128,774
4400 Dues and Subscriptions						
3400 Other Funds Ltd	31,220	28,099	28,099	29,306	28,099	29,306
4425 Facilities Rental and Taxes						
3400 Other Funds Ltd	567,613	1,464,386	1,464,386	2,194,634	2,106,834	1,948,794
4450 Fuels and Utilities						
3400 Other Funds Ltd	611,516	607,771	607,771	633,906	608,768	633,906
4475 Facilities Maintenance						
3010 Other Funds Cap Improve	263,554	-	-	-	-	-
3400 Other Funds Ltd	381,012	1,170,758	1,170,758	1,221,102	1,170,758	1,221,102
All Funds	644,566	1,170,758	1,170,758	1,221,102	1,170,758	1,221,102
4575 Agency Program Related S and S						
3400 Other Funds Ltd	645,831	668,986	668,986	354,313	340,931	439,813
4650 Other Services and Supplies						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3400 Other Funds Ltd	379,056	254,858	254,858	1,497,380	1,484,457	1,564,352
4700 Expendable Prop 250 - 5000						
3400 Other Funds Ltd	5,582	80,000	80,000	83,440	83,440	83,440
4715 IT Expendable Property						
3400 Other Funds Ltd	986,989	567,468	567,468	594,433	561,020	560,633
SERVICES & SUPPLIES						
3010 Other Funds Cap Improve	263,554	-	-	-	-	-
3400 Other Funds Ltd	146,070,059	174,430,121	174,430,121	207,901,267	206,044,741	208,373,653
TOTAL SERVICES & SUPPLIES	**$146,333,613**	**$174,430,121**	**$174,430,121**	**$207,901,267**	**$206,044,741**	**$208,373,653**
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						
3400 Other Funds Ltd	343,516	214,515	214,515	284,921	246,421	169,421
5150 Telecommunications Equipment						
3400 Other Funds Ltd	2,552	-	-	-	-	-
5200 Technical Equipment						
3020 Other Funds Cap Construct	-	-	-	10,000,000	10,000,000	10,000,000
3400 Other Funds Ltd	-	107,418	107,418	18,167	18,167	56,667
All Funds	-	107,418	107,418	10,018,167	10,018,167	10,056,667
5350 Industrial and Heavy Equipment						
3400 Other Funds Ltd	-	143,305	143,305	294,307	294,307	294,307
5400 Automotive and Aircraft						
3400 Other Funds Ltd	823,564	434,757	434,757	615,433	121,433	121,433
5550 Data Processing Software						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3400 Other Funds Ltd	-	15,390	15,390	-	-	27,000,000
5600 Data Processing Hardware						
3400 Other Funds Ltd	-	15,696	15,696	16,371	16,371	16,371
5650 Land Improvements						
3010 Other Funds Cap Improve	22,165	5,342	5,342	5,572	5,572	5,572
5700 Building Structures						
3010 Other Funds Cap Improve	75,947	372,601	372,601	232,173	232,173	232,173
3020 Other Funds Cap Construct	-	-	-	52,537,265	52,537,265	52,537,265
3400 Other Funds Ltd	274,201	131,000	131,000	-	-	-
All Funds	350,148	503,601	503,601	52,769,438	52,769,438	52,769,438
5800 Professional Services						
3020 Other Funds Cap Construct	-	-	-	27,000,000	-	-
3400 Other Funds Ltd	-	-	-	-	27,000,000	-
All Funds	-	-	-	27,000,000	27,000,000	-
5900 Other Capital Outlay						
3400 Other Funds Ltd	469,910	-	-	-	-	-
CAPITAL OUTLAY						
3010 Other Funds Cap Improve	98,112	377,943	377,943	237,745	237,745	237,745
3020 Other Funds Cap Construct	-	-	-	89,537,265	62,537,265	62,537,265
3400 Other Funds Ltd	1,913,743	1,062,081	1,062,081	1,229,199	27,696,699	27,658,199
TOTAL CAPITAL OUTLAY	**$2,011,855**	**$1,440,024**	**$1,440,024**	**$91,004,209**	**$90,471,709**	**$90,433,209**
DEBT SERVICE						
7100 Principal - Bonds						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3430 Other Funds Debt Svc Ltd	-	-	-	4,475,000	4,475,000	4,475,000
7150 Interest - Bonds						
3430 Other Funds Debt Svc Ltd	-	-	-	3,072,093	3,072,093	3,072,093
DEBT SERVICE						
3430 Other Funds Debt Svc Ltd	-	-	-	7,547,093	7,547,093	7,547,093
TOTAL DEBT SERVICE	**-**	**-**	**-**	**$7,547,093**	**$7,547,093**	**$7,547,093**
EXPENDITURES						
3010 Other Funds Cap Improve	361,666	377,943	377,943	237,745	237,745	237,745
3020 Other Funds Cap Construct	-	-	-	89,537,265	62,537,265	62,537,265
3400 Other Funds Ltd	204,500,763	246,668,728	246,668,728	297,193,711	318,224,397	321,006,290
3430 Other Funds Debt Svc Ltd	-	-	-	7,547,093	7,547,093	7,547,093
TOTAL EXPENDITURES	**$204,862,429**	**$247,046,671**	**$247,046,671**	**$394,515,814**	**$388,546,500**	**$391,328,393**
ENDING BALANCE						
3400 Other Funds Ltd	5,991,912	57,188,666	57,188,666	10,240,861	11,583,910	18,836,784
TOTAL ENDING BALANCE	**$5,991,912**	**$57,188,666**	**$57,188,666**	**$10,240,861**	**$11,583,910**	**$18,836,784**
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	326	364	364	401	392	383
8180 Position Reconciliation	-	-	-	-	(1)	1
TOTAL AUTHORIZED POSITIONS	**326**	**364**	**364**	**401**	**391**	**384**
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	312.77	362.00	362.00	397.25	389.00	380.25
8280 FTE Reconciliation	-	-	-	-	(0.29)	1.00
TOTAL AUTHORIZED FTE	**312.77**	**362.00**	**362.00**	**397.25**	**388.71**	**381.25**

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
REVENUE CATEGORIES						
BOND SALES						
0560 Dedicated Fund Oblig Bonds						
3400 Other Funds Ltd	-	-	-	1,197,735	28,197,735	28,197,735
OTHER						
0975 Other Revenues						
3430 Other Funds Debt Svc Ltd	-	-	-	7,547,093	7,547,093	7,547,093
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	26,639,123	29,997,381	29,997,381	33,857,162	32,944,339	33,752,558
REVENUE CATEGORIES						
3400 Other Funds Ltd	26,639,123	29,997,381	29,997,381	35,054,897	61,142,074	61,950,293
3430 Other Funds Debt Svc Ltd	-	-	-	7,547,093	7,547,093	7,547,093
TOTAL REVENUE CATEGORIES	**$26,639,123**	**$29,997,381**	**$29,997,381**	**$42,601,990**	**$68,689,167**	**$69,497,386**
AVAILABLE REVENUES						
3400 Other Funds Ltd	26,639,123	29,997,381	29,997,381	35,054,897	61,142,074	61,950,293
3430 Other Funds Debt Svc Ltd	-	-	-	7,547,093	7,547,093	7,547,093
TOTAL AVAILABLE REVENUES	**$26,639,123**	**$29,997,381**	**$29,997,381**	**$42,601,990**	**$68,689,167**	**$69,497,386**
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	6,026,319	7,894,632	7,894,632	8,270,328	8,270,328	8,223,552

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3160 Temporary Appointments						
3400 Other Funds Ltd	672,143	326,108	326,108	340,131	340,131	340,131
3170 Overtime Payments						
3400 Other Funds Ltd	239,208	205,285	205,285	214,113	214,113	214,113
3180 Shift Differential						
3400 Other Funds Ltd	32,842	2,374	2,374	2,476	2,476	2,476
3190 All Other Differential						
3400 Other Funds Ltd	161,611	8,549	8,549	8,917	8,917	8,917
SALARIES & WAGES						
3400 Other Funds Ltd	7,132,123	8,436,948	8,436,948	8,835,965	8,835,965	8,789,189
TOTAL SALARIES & WAGES	**$7,132,123**	**$8,436,948**	**$8,436,948**	**$8,835,965**	**$8,835,965**	**$8,789,189**
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	3,402	4,819	4,819	4,466	4,466	4,408
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	1,063,173	1,467,259	1,467,259	1,550,492	1,550,492	1,541,955
3221 Pension Obligation Bond						
3400 Other Funds Ltd	385,124	409,177	409,177	520,605	520,605	520,605
3230 Social Security Taxes						
3400 Other Funds Ltd	543,421	645,357	645,357	675,939	675,939	672,361
3240 Unemployment Assessments						
3400 Other Funds Ltd	14,463	6,337	6,337	6,609	6,609	6,609
3250 Worker's Comp. Assess. (WCD)						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3400 Other Funds Ltd	3,740	4,582	4,582	3,542	3,542	3,496
3260 Mass Transit Tax						
3400 Other Funds Ltd	41,948	48,820	48,820	56,023	56,023	56,023
3270 Flexible Benefits						
3400 Other Funds Ltd	2,339,636	2,779,536	2,779,536	2,943,864	2,943,864	2,905,632
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	4,394,907	5,365,887	5,365,887	5,761,540	5,761,540	5,711,089
TOTAL OTHER PAYROLL EXPENSES	**$4,394,907**	**$5,365,887**	**$5,365,887**	**$5,761,540**	**$5,761,540**	**$5,711,089**
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
3400 Other Funds Ltd	-	(121,867)	(121,867)	(151,122)	(431,093)	(151,122)
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	(55,176)	(55,176)	-	-	97,227
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(177,043)	(177,043)	(151,122)	(431,093)	(53,895)
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**($177,043)**	**($177,043)**	**($151,122)**	**($431,093)**	**($53,895)**
PERSONAL SERVICES						
3400 Other Funds Ltd	11,527,030	13,625,792	13,625,792	14,446,383	14,166,412	14,446,383
TOTAL PERSONAL SERVICES	**$11,527,030**	**$13,625,792**	**$13,625,792**	**$14,446,383**	**$14,166,412**	**$14,446,383**
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	105,732	56,541	56,541	58,972	56,541	58,972
4125 Out of State Travel						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3400 Other Funds Ltd	19,391	5,197	5,197	5,421	5,197	5,421
4150 Employee Training						
3400 Other Funds Ltd	8,714	4,996	4,996	5,211	4,996	5,211
4175 Office Expenses						
3400 Other Funds Ltd	13,759,616	14,941,114	14,941,114	18,117,199	17,520,005	18,117,199
4200 Telecommunications						
3400 Other Funds Ltd	55,523	62,937	62,937	65,122	65,122	65,122
4225 State Gov. Service Charges						
3400 Other Funds Ltd	158,686	142,748	142,748	87,324	74,535	67,595
4250 Data Processing						
3400 Other Funds Ltd	31,037	177,788	177,788	160,872	160,872	85,872
4275 Publicity and Publications						
3400 Other Funds Ltd	63,539	17,531	17,531	18,285	17,531	18,285
4300 Professional Services						
3400 Other Funds Ltd	3,673	14,581	14,581	15,412	15,412	15,412
4315 IT Professional Services						
3400 Other Funds Ltd	2,613	14,445	14,445	15,268	15,268	5,268
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	16,560	9,174	9,174	9,569	9,174	9,569
4400 Dues and Subscriptions						
3400 Other Funds Ltd	9,218	2,265	2,265	2,362	2,265	2,362
4425 Facilities Rental and Taxes						
3400 Other Funds Ltd	23,255	80,764	80,764	84,237	84,237	84,237

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
4450 Fuels and Utilities						
3400 Other Funds Ltd	221,502	226,527	226,527	236,268	226,527	236,268
4475 Facilities Maintenance						
3400 Other Funds Ltd	24,353	29,583	29,583	30,855	29,583	30,855
4575 Agency Program Related S and S						
3400 Other Funds Ltd	265,612	130,484	130,484	136,095	130,484	136,095
4650 Other Services and Supplies						
3400 Other Funds Ltd	40,800	17,433	17,433	1,211,746	1,211,168	1,211,871
4700 Expendable Prop 250 - 5000						
3400 Other Funds Ltd	318	-	-	-	-	-
4715 IT Expendable Property						
3400 Other Funds Ltd	59,260	14,785	14,785	37,618	36,067	37,618
SERVICES & SUPPLIES						
3400 Other Funds Ltd	14,869,402	15,948,893	15,948,893	20,297,836	19,664,984	20,193,232
TOTAL SERVICES & SUPPLIES	**$14,869,402**	**$15,948,893**	**$15,948,893**	**$20,297,836**	**$19,664,984**	**$20,193,232**
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						
3400 Other Funds Ltd	1,584	7,695	7,695	-	-	-
5200 Technical Equipment						
3400 Other Funds Ltd	-	90,000	90,000	-	-	-
5350 Industrial and Heavy Equipment						
3400 Other Funds Ltd	-	143,305	143,305	294,307	294,307	294,307
5400 Automotive and Aircraft						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3400 Other Funds Ltd	133,475	35,000	35,000	-	-	-
5550 Data Processing Software						
3400 Other Funds Ltd	-	-	-	-	-	27,000,000
5600 Data Processing Hardware						
3400 Other Funds Ltd	-	15,696	15,696	16,371	16,371	16,371
5700 Building Structures						
3400 Other Funds Ltd	107,632	131,000	131,000	-	-	-
5800 Professional Services						
3400 Other Funds Ltd	-	-	-	-	27,000,000	-
CAPITAL OUTLAY						
3400 Other Funds Ltd	242,691	422,696	422,696	310,678	27,310,678	27,310,678
TOTAL CAPITAL OUTLAY	**$242,691**	**$422,696**	**$422,696**	**$310,678**	**$27,310,678**	**$27,310,678**
DEBT SERVICE						
7100 Principal - Bonds						
3430 Other Funds Debt Svc Ltd	-	-	-	4,475,000	4,475,000	4,475,000
7150 Interest - Bonds						
3430 Other Funds Debt Svc Ltd	-	-	-	3,072,093	3,072,093	3,072,093
DEBT SERVICE						
3430 Other Funds Debt Svc Ltd	-	-	-	7,547,093	7,547,093	7,547,093
TOTAL DEBT SERVICE	**-**	**-**	**-**	**$7,547,093**	**$7,547,093**	**$7,547,093**
EXPENDITURES						
3400 Other Funds Ltd	26,639,123	29,997,381	29,997,381	35,054,897	61,142,074	61,950,293
3430 Other Funds Debt Svc Ltd	-	-	-	7,547,093	7,547,093	7,547,093

Budget Support - Detail Revenues and Expenditures **Cross Reference Number: 84500-001-00-00-00000**
2021-23 Biennium
Distilled Spirits Program

Description	*2017-19 Actuals*	*2019-21 Leg Adopted Budget*	*2019-21 Leg Approved Budget*	*2021-23 Agency Request Budget*	*2021-23 Governor's Budget*	*2021-23 Leg. Adopted Budget*
TOTAL EXPENDITURES	**$26,639,123**	**$29,997,381**	**$29,997,381**	**$42,601,990**	**$68,689,167**	**$69,497,386**
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	68	79	79	77	77	76
8180 Position Reconciliation	-	-	-	-	-	1
TOTAL AUTHORIZED POSITIONS	**68**	**79**	**79**	**77**	**77**	**77**
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	68.00	79.00	79.00	77.00	77.00	76.00
8280 FTE Reconciliation	-	-	-	-	-	1.00
TOTAL AUTHORIZED FTE	**68.00**	**79.00**	**79.00**	**77.00**	**77.00**	**77.00**

Description	*2017-19 Actuals*	*2019-21 Leg Adopted Budget*	*2019-21 Leg Approved Budget*	*2021-23 Agency Request Budget*	*2021-23 Governor's Budget*	*2021-23 Leg. Adopted Budget*
REVENUE CATEGORIES						
LICENSES AND FEES						
0205 Business Lic and Fees						
3400 Other Funds Ltd	-	9,172,403	9,172,403	-	-	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	19,155,734	26,194,966	26,194,966	31,742,209	30,570,688	29,671,976
1020 Transfer In - Indirect Cost						
3400 Other Funds Ltd	1,052,520	1,683,716	1,683,716	-	-	-
TRANSFERS IN						
3400 Other Funds Ltd	20,208,254	27,878,682	27,878,682	31,742,209	30,570,688	29,671,976
TOTAL TRANSFERS IN	**$20,208,254**	**$27,878,682**	**$27,878,682**	**$31,742,209**	**$30,570,688**	**$29,671,976**
REVENUE CATEGORIES						
3400 Other Funds Ltd	20,208,254	37,051,085	37,051,085	31,742,209	30,570,688	29,671,976
TOTAL REVENUE CATEGORIES	**$20,208,254**	**$37,051,085**	**$37,051,085**	**$31,742,209**	**$30,570,688**	**$29,671,976**
AVAILABLE REVENUES						
3400 Other Funds Ltd	20,208,254	37,051,085	37,051,085	31,742,209	30,570,688	29,671,976
TOTAL AVAILABLE REVENUES	**$20,208,254**	**$37,051,085**	**$37,051,085**	**$31,742,209**	**$30,570,688**	**$29,671,976**
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	10,392,879	14,983,488	14,983,488	17,282,262	16,981,248	16,214,520

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3160 Temporary Appointments						
3400 Other Funds Ltd	247,553	39,994	39,994	143,873	143,873	128,056
3170 Overtime Payments						
3400 Other Funds Ltd	324,488	102,874	102,874	107,297	107,297	107,297
3180 Shift Differential						
3400 Other Funds Ltd	39,398	59,789	59,789	62,361	62,361	62,361
3190 All Other Differential						
3400 Other Funds Ltd	143,838	40,189	40,189	41,918	41,918	41,918
SALARIES & WAGES						
3400 Other Funds Ltd	11,148,156	15,226,334	15,226,334	17,637,711	17,336,697	16,554,152
TOTAL SALARIES & WAGES	**$11,148,156**	**$15,226,334**	**$15,226,334**	**$17,637,711**	**$17,336,697**	**$16,554,152**
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	4,452	7,198	7,198	7,118	6,989	6,612
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	2,132,966	2,747,222	2,747,222	3,192,618	3,137,683	2,997,756
3221 Pension Obligation Bond						
3400 Other Funds Ltd	624,688	891,428	891,428	975,282	975,282	975,282
3230 Social Security Taxes						
3400 Other Funds Ltd	842,231	1,164,808	1,164,808	1,349,279	1,326,252	1,266,389
3240 Unemployment Assessments						
3400 Other Funds Ltd	-	9,599	9,599	10,011	10,011	10,011
3250 Worker's Comp. Assess. (WCD)						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3400 Other Funds Ltd	4,192	6,844	6,844	5,645	5,543	5,244
3260 Mass Transit Tax						
3400 Other Funds Ltd	57,046	90,272	90,272	101,325	101,325	101,325
3270 Flexible Benefits						
3400 Other Funds Ltd	2,958,218	4,151,712	4,151,712	4,692,978	4,606,956	4,358,448
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	6,623,793	9,069,083	9,069,083	10,334,256	10,170,041	9,721,067
TOTAL OTHER PAYROLL EXPENSES	**$6,623,793**	**$9,069,083**	**$9,069,083**	**$10,334,256**	**$10,170,041**	**$9,721,067**
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
3400 Other Funds Ltd	-	(193,553)	(193,553)	(221,901)	(776,985)	(221,901)
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	(104,846)	(104,846)	-	-	-
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(298,399)	(298,399)	(221,901)	(776,985)	(221,901)
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**($298,399)**	**($298,399)**	**($221,901)**	**($776,985)**	**($221,901)**
PERSONAL SERVICES						
3400 Other Funds Ltd	17,771,949	23,997,018	23,997,018	27,750,066	26,729,753	26,053,318
TOTAL PERSONAL SERVICES	**$17,771,949**	**$23,997,018**	**$23,997,018**	**$27,750,066**	**$26,729,753**	**$26,053,318**
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	125,564	227,068	227,068	236,831	227,068	236,831
4125 Out of State Travel						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3400 Other Funds Ltd	18,851	13,011	13,011	13,571	13,011	13,571
4150 Employee Training						
3400 Other Funds Ltd	46,174	288,708	288,708	304,258	289,374	253,899
4175 Office Expenses						
3400 Other Funds Ltd	318,665	325,818	325,818	355,828	352,828	345,828
4200 Telecommunications						
3400 Other Funds Ltd	834,438	1,020,296	1,020,296	1,080,420	1,074,420	1,060,920
4225 State Gov. Service Charges						
3400 Other Funds Ltd	218,612	207,482	207,482	127,125	108,510	107,615
4250 Data Processing						
3400 Other Funds Ltd	39,997	44,165	44,165	70,065	65,565	55,065
4275 Publicity and Publications						
3400 Other Funds Ltd	43,496	62,816	62,816	65,517	62,816	65,517
4300 Professional Services						
3400 Other Funds Ltd	140,303	335,911	335,911	355,059	355,059	355,059
4315 IT Professional Services						
3400 Other Funds Ltd	-	73,734	73,734	77,937	77,937	57,937
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	5,325	8,968	8,968	9,353	8,968	9,353
4400 Dues and Subscriptions						
3400 Other Funds Ltd	3,421	9,507	9,507	9,915	9,507	9,915
4425 Facilities Rental and Taxes						
3400 Other Funds Ltd	421,922	663,905	663,905	973,412	920,732	797,812

Description	*2017-19 Actuals*	*2019-21 Leg Adopted Budget*	*2019-21 Leg Approved Budget*	*2021-23 Agency Request Budget*	*2021-23 Governor's Budget*	*2021-23 Leg. Adopted Budget*
4450 Fuels and Utilities						
3400 Other Funds Ltd	15,757	23,183	23,183	24,180	24,180	24,180
4475 Facilities Maintenance						
3400 Other Funds Ltd	23,778	18,576	18,576	19,375	18,576	19,375
4575 Agency Program Related S and S						
3400 Other Funds Ltd	76,160	350,505	350,505	44,566	43,787	44,566
4650 Other Services and Supplies						
3400 Other Funds Ltd	6,254	20,057	20,057	36,919	33,057	27,603
4715 IT Expendable Property						
3400 Other Funds Ltd	78,840	54,589	54,589	72,291	63,119	48,891
SERVICES & SUPPLIES						
3400 Other Funds Ltd	2,417,557	3,748,299	3,748,299	3,876,622	3,748,514	3,533,937
TOTAL SERVICES & SUPPLIES	**$2,417,557**	**$3,748,299**	**$3,748,299**	**$3,876,622**	**$3,748,514**	**$3,533,937**
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						
3400 Other Funds Ltd	18,748	76,700	76,700	115,521	92,421	46,221
5200 Technical Equipment						
3400 Other Funds Ltd	-	-	-	-	-	38,500
5400 Automotive and Aircraft						
3400 Other Funds Ltd	-	56,666	56,666	-	-	-
CAPITAL OUTLAY						
3400 Other Funds Ltd	18,748	133,366	133,366	115,521	92,421	84,721
TOTAL CAPITAL OUTLAY	**$18,748**	**$133,366**	**$133,366**	**$115,521**	**$92,421**	**$84,721**

Description	*2017-19 Actuals*	*2019-21 Leg Adopted Budget*	*2019-21 Leg Approved Budget*	*2021-23 Agency Request Budget*	*2021-23 Governor's Budget*	*2021-23 Leg. Adopted Budget*
EXPENDITURES						
3400 Other Funds Ltd	20,208,254	27,878,683	27,878,683	31,742,209	30,570,688	29,671,976
TOTAL EXPENDITURES	**$20,208,254**	**$27,878,683**	**$27,878,683**	**$31,742,209**	**$30,570,688**	**$29,671,976**
ENDING BALANCE						
3400 Other Funds Ltd	-	9,172,402	9,172,402	-	-	-
TOTAL ENDING BALANCE	**-**	**$9,172,402**	**$9,172,402**	**-**	**-**	**-**
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	96	118	118	126	123	116
TOTAL AUTHORIZED POSITIONS	**96**	**118**	**118**	**126**	**123**	**116**
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	93.76	116.00	116.00	122.75	120.50	114.00
TOTAL AUTHORIZED FTE	**93.76**	**116.00**	**116.00**	**122.75**	**120.50**	**114.00**

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
REVENUE CATEGORIES						
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	20,839,259	23,321,977	23,321,977	27,191,703	24,752,948	25,061,972
1020 Transfer In - Indirect Cost						
3400 Other Funds Ltd	2,873,904	4,788,486	4,788,486	6,925,306	6,315,618	7,517,394
TRANSFERS IN						
3400 Other Funds Ltd	23,713,163	28,110,463	28,110,463	34,117,009	31,068,566	32,579,366
TOTAL TRANSFERS IN	**$23,713,163**	**$28,110,463**	**$28,110,463**	**$34,117,009**	**$31,068,566**	**$32,579,366**
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
3400 Other Funds Ltd	-	-	-	-	(256,766)	-
AVAILABLE REVENUES						
3400 Other Funds Ltd	23,713,163	28,110,463	28,110,463	34,117,009	30,811,800	32,579,366
TOTAL AVAILABLE REVENUES	**$23,713,163**	**$28,110,463**	**$28,110,463**	**$34,117,009**	**$30,811,800**	**$32,579,366**
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	10,235,572	10,718,520	10,718,520	15,179,136	14,463,984	14,918,064
3160 Temporary Appointments						
3400 Other Funds Ltd	137,445	7,055	7,055	7,358	7,358	7,358
3170 Overtime Payments						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3400 Other Funds Ltd	84,739	47,108	47,108	49,133	49,133	49,133
3180 Shift Differential						
3400 Other Funds Ltd	709	2,917	2,917	3,042	3,042	3,042
3190 All Other Differential						
3400 Other Funds Ltd	105,565	11,866	11,866	12,377	12,377	12,377
SALARIES & WAGES						
3400 Other Funds Ltd	10,564,030	10,787,466	10,787,466	15,251,046	14,535,894	14,989,974
TOTAL SALARIES & WAGES	**$10,564,030**	**$10,787,466**	**$10,787,466**	**$15,251,046**	**$14,535,894**	**$14,989,974**
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	3,451	4,575	4,575	5,336	5,046	5,220
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	1,797,567	1,944,099	1,944,099	2,775,843	2,645,329	2,728,200
3221 Pension Obligation Bond						
3400 Other Funds Ltd	606,306	452,579	452,579	711,376	711,376	711,376
3230 Social Security Taxes						
3400 Other Funds Ltd	792,885	821,408	821,408	1,155,260	1,100,550	1,135,287
3240 Unemployment Assessments						
3400 Other Funds Ltd	9,071	13,553	13,553	14,135	14,135	14,135
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	3,687	4,408	4,408	4,232	4,002	4,140
3260 Mass Transit Tax						
3400 Other Funds Ltd	62,659	59,019	59,019	73,748	73,748	73,748

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3270 Flexible Benefits						
3400 Other Funds Ltd	2,547,736	2,673,984	2,673,984	3,517,344	3,326,184	3,440,880
3280 Other OPE						
3400 Other Funds Ltd	456	-	-	-	-	-
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	5,823,818	5,973,625	5,973,625	8,257,274	7,880,370	8,112,986
TOTAL OTHER PAYROLL EXPENSES	**$5,823,818**	**$5,973,625**	**$5,973,625**	**$8,257,274**	**$7,880,370**	**$8,112,986**
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
3400 Other Funds Ltd	-	(121,867)	(121,867)	(145,384)	(707,021)	(145,384)
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	(61,560)	(61,560)	-	-	(50,331)
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(183,427)	(183,427)	(145,384)	(707,021)	(195,715)
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**($183,427)**	**($183,427)**	**($145,384)**	**($707,021)**	**($195,715)**
PERSONAL SERVICES						
3400 Other Funds Ltd	16,387,848	16,577,664	16,577,664	23,362,936	21,709,243	22,907,245
TOTAL PERSONAL SERVICES	**$16,387,848**	**$16,577,664**	**$16,577,664**	**$23,362,936**	**$21,709,243**	**$22,907,245**
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	144,140	104,469	104,469	108,961	104,469	108,961
4125 Out of State Travel						
3400 Other Funds Ltd	80,865	27,871	27,871	29,069	27,871	29,069

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
4150 Employee Training						
3400 Other Funds Ltd	31,077	65,103	65,103	74,903	70,103	74,903
4175 Office Expenses						
3400 Other Funds Ltd	305,905	304,641	304,641	324,741	322,741	327,261
4200 Telecommunications						
3400 Other Funds Ltd	149,167	120,005	120,005	133,428	129,428	133,428
4225 State Gov. Service Charges						
3400 Other Funds Ltd	3,008,272	2,838,235	2,838,235	4,275,530	3,561,895	3,843,660
4250 Data Processing						
3400 Other Funds Ltd	643,609	930,365	930,365	1,129,620	869,854	1,119,600
4275 Publicity and Publications						
3400 Other Funds Ltd	29,608	11,203	11,203	11,684	11,203	11,684
4300 Professional Services						
3400 Other Funds Ltd	589,394	141,835	141,835	149,920	149,920	149,920
4315 IT Professional Services						
3400 Other Funds Ltd	217,232	4,982,784	4,982,784	1,803,840	1,777,565	1,606,017
4325 Attorney General						
3400 Other Funds Ltd	299,218	490,684	490,684	586,024	551,390	553,382
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	5,778	7,948	7,948	8,289	7,948	8,289
4400 Dues and Subscriptions						
3400 Other Funds Ltd	17,521	13,216	13,216	13,783	13,216	13,783
4425 Facilities Rental and Taxes						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3400 Other Funds Ltd	1,560	105,371	105,371	232,822	197,702	232,822
4450 Fuels and Utilities						
3400 Other Funds Ltd	366,021	358,061	358,061	373,458	358,061	373,458
4475 Facilities Maintenance						
3400 Other Funds Ltd	324,622	220,076	220,076	229,540	220,076	229,540
4575 Agency Program Related S and S						
3400 Other Funds Ltd	5,183	13,515	13,515	14,097	13,682	14,097
4650 Other Services and Supplies						
3400 Other Funds Ltd	269,138	112,586	112,586	124,427	117,586	206,310
4700 Expendable Prop 250 - 5000						
3400 Other Funds Ltd	5,264	-	-	-	-	-
4715 IT Expendable Property						
3400 Other Funds Ltd	745,152	474,731	474,731	442,437	419,747	442,437
SERVICES & SUPPLIES						
3400 Other Funds Ltd	7,238,726	11,322,699	11,322,699	10,066,573	8,924,457	9,478,621
TOTAL SERVICES & SUPPLIES	**$7,238,726**	**$11,322,699**	**$11,322,699**	**$10,066,573**	**$8,924,457**	**$9,478,621**
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						
3400 Other Funds Ltd	29,201	60,865	60,865	53,900	38,500	53,900
5150 Telecommunications Equipment						
3400 Other Funds Ltd	2,552	-	-	-	-	-
5200 Technical Equipment						
3400 Other Funds Ltd	-	17,418	17,418	18,167	18,167	18,167

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
5400 Automotive and Aircraft						
3400 Other Funds Ltd	22,907	116,427	116,427	615,433	121,433	121,433
5550 Data Processing Software						
3400 Other Funds Ltd	-	15,390	15,390	-	-	-
5700 Building Structures						
3400 Other Funds Ltd	31,929	-	-	-	-	-
CAPITAL OUTLAY						
3400 Other Funds Ltd	86,589	210,100	210,100	687,500	178,100	193,500
TOTAL CAPITAL OUTLAY	**$86,589**	**$210,100**	**$210,100**	**$687,500**	**$178,100**	**$193,500**
EXPENDITURES						
3400 Other Funds Ltd	23,713,163	28,110,463	28,110,463	34,117,009	30,811,800	32,579,366
TOTAL EXPENDITURES	**$23,713,163**	**$28,110,463**	**$28,110,463**	**$34,117,009**	**$30,811,800**	**$32,579,366**
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	80	76	76	92	87	90
TOTAL AUTHORIZED POSITIONS	**80**	**76**	**76**	**92**	**87**	**90**
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	79.51	76.00	76.00	92.00	87.00	90.00
TOTAL AUTHORIZED FTE	**79.51**	**76.00**	**76.00**	**92.00**	**87.00**	**90.00**

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	4,674,722	-	-	6,197,559	6,197,559	6,197,559
0030 Beginning Balance Adjustment						
3400 Other Funds Ltd	-	6,017,643	6,017,643	1,400,333	1,400,333	1,400,333
BEGINNING BALANCE						
3400 Other Funds Ltd	4,674,722	6,017,643	6,017,643	7,597,892	7,597,892	7,597,892
TOTAL BEGINNING BALANCE	**$4,674,722**	**$6,017,643**	**$6,017,643**	**$7,597,892**	**$7,597,892**	**$7,597,892**
REVENUE CATEGORIES						
LICENSES AND FEES						
0205 Business Lic and Fees						
3400 Other Funds Ltd	14,092,527	25,000,000	25,000,000	27,013,845	27,013,845	27,013,845
FINES, RENTS AND ROYALTIES						
0505 Fines and Forfeitures						
3400 Other Funds Ltd	266,503	-	-	-	-	-
REVENUE CATEGORIES						
3400 Other Funds Ltd	14,359,030	25,000,000	25,000,000	27,013,845	27,013,845	27,013,845
TOTAL REVENUE CATEGORIES	**$14,359,030**	**$25,000,000**	**$25,000,000**	**$27,013,845**	**$27,013,845**	**$27,013,845**
TRANSFERS OUT						
2020 Transfer Out - Indirect Cost						
3400 Other Funds Ltd	(3,926,424)	(4,671,784)	(4,671,784)	(5,174,954)	(4,717,688)	(5,889,918)
2443 Tsfr To Oregon Health Authority						
3400 Other Funds Ltd	-	(169,324)	(169,324)	-	-	-

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
2603 Tsfr To Agriculture, Dept of						
3400 Other Funds Ltd	(258,664)	(292,593)	(292,593)	(305,175)	(305,175)	(793,072)
TRANSFERS OUT						
3400 Other Funds Ltd	(4,185,088)	(5,133,701)	(5,133,701)	(5,480,129)	(5,022,863)	(6,682,990)
TOTAL TRANSFERS OUT	**($4,185,088)**	**($5,133,701)**	**($5,133,701)**	**($5,480,129)**	**($5,022,863)**	**($6,682,990)**
AVAILABLE REVENUES						
3400 Other Funds Ltd	14,848,664	25,883,942	25,883,942	29,131,608	29,588,874	27,928,747
TOTAL AVAILABLE REVENUES	**$14,848,664**	**$25,883,942**	**$25,883,942**	**$29,131,608**	**$29,588,874**	**$27,928,747**
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	5,486,056	8,059,728	8,059,728	11,059,212	11,194,164	10,635,468
3160 Temporary Appointments						
3400 Other Funds Ltd	21,059	-	-	-	-	-
3170 Overtime Payments						
3400 Other Funds Ltd	216,799	-	-	-	-	79,428
3180 Shift Differential						
3400 Other Funds Ltd	3,294	-	-	-	-	-
3190 All Other Differential						
3400 Other Funds Ltd	73,403	-	-	-	-	-
SALARIES & WAGES						
3400 Other Funds Ltd	5,800,611	8,059,728	8,059,728	11,059,212	11,194,164	10,714,896

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
TOTAL SALARIES & WAGES	**$5,800,611**	**$8,059,728**	**$8,059,728**	**$11,059,212**	**$11,194,164**	**$10,714,896**
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	2,451	4,148	4,148	4,784	4,842	4,595
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	1,030,267	1,458,014	1,458,014	2,018,301	2,042,930	1,955,465
3221 Pension Obligation Bond						
3400 Other Funds Ltd	330,541	392,598	392,598	533,901	533,901	533,901
3230 Social Security Taxes						
3400 Other Funds Ltd	438,925	616,564	616,564	846,024	856,348	819,686
3240 Unemployment Assessments						
3400 Other Funds Ltd	5,433	196	196	204	204	204
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	2,304	3,944	3,944	3,794	3,840	3,644
3260 Mass Transit Tax						
3400 Other Funds Ltd	33,284	49,423	49,423	55,304	55,304	55,304
3270 Flexible Benefits						
3400 Other Funds Ltd	1,695,870	2,392,512	2,392,512	3,154,140	3,192,372	3,029,886
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	3,539,075	4,917,399	4,917,399	6,616,452	6,689,741	6,402,685
TOTAL OTHER PAYROLL EXPENSES	**$3,539,075**	**$4,917,399**	**$4,917,399**	**$6,616,452**	**$6,689,741**	**$6,402,685**
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						

Description	*2017-19 Actuals*	*2019-21 Leg Adopted Budget*	*2019-21 Leg Approved Budget*	*2021-23 Agency Request Budget*	*2021-23 Governor's Budget*	*2021-23 Leg. Adopted Budget*
3400 Other Funds Ltd	-	(105,738)	(105,738)	(130,080)	(460,864)	(130,080)
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	(42,112)	(42,112)	-	(14,978)	(1,205)
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(147,850)	(147,850)	(130,080)	(475,842)	(131,285)
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**($147,850)**	**($147,850)**	**($130,080)**	**($475,842)**	**($131,285)**
PERSONAL SERVICES						
3400 Other Funds Ltd	9,339,686	12,829,277	12,829,277	17,545,584	17,408,063	16,986,296
TOTAL PERSONAL SERVICES	**$9,339,686**	**$12,829,277**	**$12,829,277**	**$17,545,584**	**$17,408,063**	**$16,986,296**
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	74,154	112,812	112,812	117,663	112,812	117,663
4125 Out of State Travel						
3400 Other Funds Ltd	10,647	15,851	15,851	16,533	15,851	16,533
4150 Employee Training						
3400 Other Funds Ltd	21,437	134,693	134,693	104,028	100,357	100,028
4175 Office Expenses						
3400 Other Funds Ltd	418,197	192,512	192,512	215,790	215,790	211,790
4200 Telecommunications						
3400 Other Funds Ltd	338,580	416,597	416,597	419,682	419,682	411,682
4225 State Gov. Service Charges						
3400 Other Funds Ltd	84,150	115,485	115,485	75,169	64,161	64,163
4250 Data Processing						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3400 Other Funds Ltd	1,863,639	109,500	109,500	136,709	136,709	129,209
4275 Publicity and Publications						
3400 Other Funds Ltd	164,019	3,111	3,111	3,246	3,111	3,246
4300 Professional Services						
3400 Other Funds Ltd	238,404	366,642	366,642	387,540	387,540	447,540
4315 IT Professional Services						
3400 Other Funds Ltd	476,000	2,846,652	2,846,652	2,612,402	2,612,402	2,625,651
4325 Attorney General						
3400 Other Funds Ltd	214,857	431,645	431,645	515,514	485,047	486,800
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	1,792	95,923	95,923	100,048	95,923	100,048
4400 Dues and Subscriptions						
3400 Other Funds Ltd	545	3,111	3,111	3,246	3,111	3,246
4425 Facilities Rental and Taxes						
3400 Other Funds Ltd	75,832	460,704	460,704	743,914	743,914	673,674
4450 Fuels and Utilities						
3400 Other Funds Ltd	5,845	-	-	-	-	-
4475 Facilities Maintenance						
3400 Other Funds Ltd	4,913	902,523	902,523	941,332	902,523	941,332
4575 Agency Program Related S and S						
3400 Other Funds Ltd	178,727	174,482	174,482	159,555	152,978	245,055
4650 Other Services and Supplies						
3400 Other Funds Ltd	50,850	75,581	75,581	93,831	93,445	88,111

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
4700 Expendable Prop 250 - 5000						
3400 Other Funds Ltd	-	80,000	80,000	83,440	83,440	83,440
4715 IT Expendable Property						
3400 Other Funds Ltd	87,092	23,363	23,363	42,087	42,087	31,687
SERVICES & SUPPLIES						
3400 Other Funds Ltd	4,309,680	6,561,187	6,561,187	6,771,729	6,670,883	6,780,898
TOTAL SERVICES & SUPPLIES	**$4,309,680**	**$6,561,187**	**$6,561,187**	**$6,771,729**	**$6,670,883**	**$6,780,898**
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						
3400 Other Funds Ltd	173,224	69,255	69,255	115,500	115,500	69,300
5400 Automotive and Aircraft						
3400 Other Funds Ltd	342,546	226,664	226,664	-	-	-
5900 Other Capital Outlay						
3400 Other Funds Ltd	251,309	-	-	-	-	-
CAPITAL OUTLAY						
3400 Other Funds Ltd	767,079	295,919	295,919	115,500	115,500	69,300
TOTAL CAPITAL OUTLAY	**$767,079**	**$295,919**	**$295,919**	**$115,500**	**$115,500**	**$69,300**
EXPENDITURES						
3400 Other Funds Ltd	14,416,445	19,686,383	19,686,383	24,432,813	24,194,446	23,836,494
TOTAL EXPENDITURES	**$14,416,445**	**$19,686,383**	**$19,686,383**	**$24,432,813**	**$24,194,446**	**$23,836,494**
ENDING BALANCE						
3400 Other Funds Ltd	432,219	6,197,559	6,197,559	4,698,795	5,394,428	4,092,253
TOTAL ENDING BALANCE	**$432,219**	**$6,197,559**	**$6,197,559**	**$4,698,795**	**$5,394,428**	**$4,092,253**

Description	*2017-19 Actuals*	*2019-21 Leg Adopted Budget*	*2019-21 Leg Approved Budget*	*2021-23 Agency Request Budget*	*2021-23 Governor's Budget*	*2021-23 Leg. Adopted Budget*
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	59	68	68	83	84	80
8180 Position Reconciliation	-	-	-	-	(1)	-
TOTAL AUTHORIZED POSITIONS	**59**	**68**	**68**	**83**	**83**	**80**
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	54.73	68.00	68.00	82.50	83.50	79.25
8280 FTE Reconciliation	-	-	-	-	(0.29)	-
TOTAL AUTHORIZED FTE	**54.73**	**68.00**	**68.00**	**82.50**	**83.21**	**79.25**

Description	*2017-19 Actuals*	*2019-21 Leg Adopted Budget*	*2019-21 Leg Approved Budget*	*2021-23 Agency Request Budget*	*2021-23 Governor's Budget*	*2021-23 Leg. Adopted Budget*
REVENUE CATEGORIES						
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	116,859,932	135,385,704	135,385,704	165,383,772	165,383,772	166,885,952
AVAILABLE REVENUES						
3400 Other Funds Ltd	116,859,932	135,385,704	135,385,704	165,383,772	165,383,772	166,885,952
TOTAL AVAILABLE REVENUES	**$116,859,932**	**$135,385,704**	**$135,385,704**	**$165,383,772**	**$165,383,772**	**$166,885,952**
EXPENDITURES						
SERVICES & SUPPLIES						
4225 State Gov. Service Charges						
3400 Other Funds Ltd	7,700	-	-	-	-	-
4300 Professional Services						
3400 Other Funds Ltd	116,852,232	135,385,704	135,385,704	165,383,772	165,383,772	166,885,952
SERVICES & SUPPLIES						
3400 Other Funds Ltd	116,859,932	135,385,704	135,385,704	165,383,772	165,383,772	166,885,952
TOTAL SERVICES & SUPPLIES	**$116,859,932**	**$135,385,704**	**$135,385,704**	**$165,383,772**	**$165,383,772**	**$166,885,952**

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	-	-	-	219,130	219,130	219,130
0030 Beginning Balance Adjustment						
3400 Other Funds Ltd	-	-	-	4,508,299	4,508,299	4,508,299
BEGINNING BALANCE						
3400 Other Funds Ltd	-	-	-	4,727,429	4,727,429	4,727,429
TOTAL BEGINNING BALANCE	**-**	**-**	**-**	**$4,727,429**	**$4,727,429**	**$4,727,429**
REVENUE CATEGORIES						
LICENSES AND FEES						
0205 Business Lic and Fees						
3400 Other Funds Ltd	-	629,662	629,662	-	-	-
TRANSFERS IN						
1150 Tsfr From Revenue, Dept of						
3400 Other Funds Ltd	6,723,539	7,000,000	7,000,000	7,000,000	7,153,600	7,000,000
1443 Tsfr From Oregon Health Authority						
3400 Other Funds Ltd	-	-	-	528,000	528,000	528,000
TRANSFERS IN						
3400 Other Funds Ltd	6,723,539	7,000,000	7,000,000	7,528,000	7,681,600	7,528,000
TOTAL TRANSFERS IN	**$6,723,539**	**$7,000,000**	**$7,000,000**	**$7,528,000**	**$7,681,600**	**$7,528,000**
REVENUE CATEGORIES						
3400 Other Funds Ltd	6,723,539	7,629,662	7,629,662	7,528,000	7,681,600	7,528,000
TOTAL REVENUE CATEGORIES	**$6,723,539**	**$7,629,662**	**$7,629,662**	**$7,528,000**	**$7,681,600**	**$7,528,000**

Description	*2017-19 Actuals*	*2019-21 Leg Adopted Budget*	*2019-21 Leg Approved Budget*	*2021-23 Agency Request Budget*	*2021-23 Governor's Budget*	*2021-23 Leg. Adopted Budget*
TRANSFERS OUT						
2020 Transfer Out - Indirect Cost						
3400 Other Funds Ltd	-	(1,800,418)	(1,800,418)	(1,750,352)	(1,597,930)	(1,627,476)
AVAILABLE REVENUES						
3400 Other Funds Ltd	6,723,539	5,829,244	5,829,244	10,505,077	10,811,099	10,627,953
TOTAL AVAILABLE REVENUES	**$6,723,539**	**$5,829,244**	**$5,829,244**	**$10,505,077**	**$10,811,099**	**$10,627,953**
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	952,262	2,571,528	2,571,528	3,114,168	2,875,560	2,875,560
3170 Overtime Payments						
3400 Other Funds Ltd	12,438	-	-	-	-	-
3180 Shift Differential						
3400 Other Funds Ltd	703	-	-	-	-	-
3190 All Other Differential						
3400 Other Funds Ltd	4,706	-	-	-	-	-
SALARIES & WAGES						
3400 Other Funds Ltd	970,109	2,571,528	2,571,528	3,114,168	2,875,560	2,875,560
TOTAL SALARIES & WAGES	**$970,109**	**$2,571,528**	**$2,571,528**	**$3,114,168**	**$2,875,560**	**$2,875,560**
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	413	1,403	1,403	1,334	1,218	1,218

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	149,406	465,194	465,194	568,337	524,791	524,791
3221 Pension Obligation Bond						
3400 Other Funds Ltd	48,557	144,570	144,570	180,385	180,385	180,385
3230 Social Security Taxes						
3400 Other Funds Ltd	74,431	196,719	196,719	238,232	219,978	219,978
3240 Unemployment Assessments						
3400 Other Funds Ltd	-	709	709	739	739	739
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	361	1,334	1,334	1,058	966	966
3260 Mass Transit Tax						
3400 Other Funds Ltd	5,385	15,391	15,391	18,685	18,685	18,685
3270 Flexible Benefits						
3400 Other Funds Ltd	241,786	809,232	809,232	879,336	802,872	802,872
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	520,339	1,634,552	1,634,552	1,888,106	1,749,634	1,749,634
TOTAL OTHER PAYROLL EXPENSES	**$520,339**	**$1,634,552**	**$1,634,552**	**$1,888,106**	**$1,749,634**	**$1,749,634**
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
3400 Other Funds Ltd	-	(41,220)	(41,220)	(43,998)	(155,708)	(43,998)
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	(18,085)	(18,085)	-	-	-
P.S. BUDGET ADJUSTMENTS						

Description	*2017-19 Actuals*	*2019-21 Leg Adopted Budget*	*2019-21 Leg Approved Budget*	*2021-23 Agency Request Budget*	*2021-23 Governor's Budget*	*2021-23 Leg. Adopted Budget*
3400 Other Funds Ltd	-	(59,305)	(59,305)	(43,998)	(155,708)	(43,998)
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**($59,305)**	**($59,305)**	**($43,998)**	**($155,708)**	**($43,998)**
PERSONAL SERVICES						
3400 Other Funds Ltd	1,490,448	4,146,775	4,146,775	4,958,276	4,469,486	4,581,196
TOTAL PERSONAL SERVICES	**$1,490,448**	**$4,146,775**	**$4,146,775**	**$4,958,276**	**$4,469,486**	**$4,581,196**
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	43,128	48,439	48,439	50,522	48,439	50,522
4125 Out of State Travel						
3400 Other Funds Ltd	2,945	-	-	-	-	-
4150 Employee Training						
3400 Other Funds Ltd	2,668	-	-	-	-	-
4175 Office Expenses						
3400 Other Funds Ltd	26,858	23,874	23,874	24,901	24,901	24,901
4200 Telecommunications						
3400 Other Funds Ltd	63,596	208,566	208,566	217,534	217,534	217,534
4225 State Gov. Service Charges						
3400 Other Funds Ltd	-	45,032	45,032	25,432	25,432	21,710
4250 Data Processing						
3400 Other Funds Ltd	513	952,558	952,558	993,518	1,144,315	993,518
4275 Publicity and Publications						
3400 Other Funds Ltd	26,087	-	-	-	-	-
4300 Professional Services						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3400 Other Funds Ltd	-	574	574	607	607	607
4325 Attorney General						
3400 Other Funds Ltd	5,915	-	-	-	-	-
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	2,948	1,453	1,453	1,515	1,453	1,515
4400 Dues and Subscriptions						
3400 Other Funds Ltd	515	-	-	-	-	-
4425 Facilities Rental and Taxes						
3400 Other Funds Ltd	45,044	153,642	153,642	160,249	160,249	160,249
4450 Fuels and Utilities						
3400 Other Funds Ltd	2,391	-	-	-	-	-
4475 Facilities Maintenance						
3400 Other Funds Ltd	3,346	-	-	-	-	-
4575 Agency Program Related S and S						
3400 Other Funds Ltd	120,149	-	-	-	-	-
4650 Other Services and Supplies						
3400 Other Funds Ltd	12,014	29,201	29,201	30,457	29,201	30,457
4715 IT Expendable Property						
3400 Other Funds Ltd	16,645	-	-	-	-	-
SERVICES & SUPPLIES						
3400 Other Funds Ltd	374,762	1,463,339	1,463,339	1,504,735	1,652,131	1,501,013
TOTAL SERVICES & SUPPLIES	**$374,762**	**$1,463,339**	**$1,463,339**	**$1,504,735**	**$1,652,131**	**$1,501,013**
CAPITAL OUTLAY						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
5100 Office Furniture and Fixtures						
3400 Other Funds Ltd	120,759	-	-	-	-	-
5400 Automotive and Aircraft						
3400 Other Funds Ltd	324,636	-	-	-	-	-
5700 Building Structures						
3400 Other Funds Ltd	134,640	-	-	-	-	-
5900 Other Capital Outlay						
3400 Other Funds Ltd	218,601	-	-	-	-	-
CAPITAL OUTLAY						
3400 Other Funds Ltd	798,636	-	-	-	-	-
TOTAL CAPITAL OUTLAY	**$798,636**	**-**	**-**	**-**	**-**	**-**
EXPENDITURES						
3400 Other Funds Ltd	2,663,846	5,610,114	5,610,114	6,463,011	6,121,617	6,082,209
TOTAL EXPENDITURES	**$2,663,846**	**$5,610,114**	**$5,610,114**	**$6,463,011**	**$6,121,617**	**$6,082,209**
ENDING BALANCE						
3400 Other Funds Ltd	4,059,693	219,130	219,130	4,042,066	4,689,482	4,545,744
TOTAL ENDING BALANCE	**$4,059,693**	**$219,130**	**$219,130**	**$4,042,066**	**$4,689,482**	**$4,545,744**
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	23	23	23	23	21	21
TOTAL AUTHORIZED POSITIONS	**23**	**23**	**23**	**23**	**21**	**21**
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	16.77	23.00	23.00	23.00	21.00	21.00
TOTAL AUTHORIZED FTE	**16.77**	**23.00**	**23.00**	**23.00**	**21.00**	**21.00**

Description	*2017-19 Actuals*	*2019-21 Leg Adopted Budget*	*2019-21 Leg Approved Budget*	*2021-23 Agency Request Budget*	*2021-23 Governor's Budget*	*2021-23 Leg. Adopted Budget*
REVENUE CATEGORIES						
TRANSFERS IN						
1010 Transfer In - Intrafund						
3010 Other Funds Cap Improve	361,666	377,943	377,943	237,745	237,745	237,745
AVAILABLE REVENUES						
3010 Other Funds Cap Improve	361,666	377,943	377,943	237,745	237,745	237,745
TOTAL AVAILABLE REVENUES	**$361,666**	**$377,943**	**$377,943**	**$237,745**	**$237,745**	**$237,745**
EXPENDITURES						
SERVICES & SUPPLIES						
4475 Facilities Maintenance						
3010 Other Funds Cap Improve	263,554	-	-	-	-	-
CAPITAL OUTLAY						
5650 Land Improvements						
3010 Other Funds Cap Improve	22,165	5,342	5,342	5,572	5,572	5,572
5700 Building Structures						
3010 Other Funds Cap Improve	75,947	372,601	372,601	232,173	232,173	232,173
CAPITAL OUTLAY						
3010 Other Funds Cap Improve	98,112	377,943	377,943	237,745	237,745	237,745
TOTAL CAPITAL OUTLAY	**$98,112**	**$377,943**	**$377,943**	**$237,745**	**$237,745**	**$237,745**
EXPENDITURES						
3010 Other Funds Cap Improve	361,666	377,943	377,943	237,745	237,745	237,745
TOTAL EXPENDITURES	**$361,666**	**$377,943**	**$377,943**	**$237,745**	**$237,745**	**$237,745**

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
REVENUE CATEGORIES						
BOND SALES						
0560 Dedicated Fund Oblig Bonds						
3020 Other Funds Cap Construct	-	-	-	89,537,265	62,537,265	62,537,265
AVAILABLE REVENUES						
3020 Other Funds Cap Construct	-	-	-	89,537,265	62,537,265	62,537,265
TOTAL AVAILABLE REVENUES	**-**	**-**	**-**	**$89,537,265**	**$62,537,265**	**$62,537,265**
EXPENDITURES						
CAPITAL OUTLAY						
5200 Technical Equipment						
3020 Other Funds Cap Construct	-	-	-	10,000,000	10,000,000	10,000,000
5700 Building Structures						
3020 Other Funds Cap Construct	-	-	-	52,537,265	52,537,265	52,537,265
5800 Professional Services						
3020 Other Funds Cap Construct	-	-	-	27,000,000	-	-
CAPITAL OUTLAY						
3020 Other Funds Cap Construct	-	-	-	89,537,265	62,537,265	62,537,265
TOTAL CAPITAL OUTLAY	**-**	**-**	**-**	**$89,537,265**	**$62,537,265**	**$62,537,265**

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	1	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
0030 Beginning Balance Adjustment						
3400 Other Funds Ltd	1,499,999	-	-	-	-	-
BEGINNING BALANCE						
3400 Other Funds Ltd	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
TOTAL BEGINNING BALANCE	**$1,500,000**	**$1,500,000**	**$1,500,000**	**$1,500,000**	**$1,500,000**	**$1,500,000**
REVENUE CATEGORIES						
TAXES						
0185 Privilege Taxes						
3400 Other Funds Ltd	27,203,116	29,008,456	29,008,456	30,337,665	30,337,665	29,972,692
8800 General Fund Revenue	10,331,785	11,008,544	11,008,544	11,508,203	11,508,203	11,366,270
All Funds	37,534,901	40,017,000	40,017,000	41,845,868	41,845,868	41,338,962
LICENSES AND FEES						
0205 Business Lic and Fees						
3400 Other Funds Ltd	4,979,454	9,203,217	9,203,217	9,133,577	9,133,577	9,133,577
8800 General Fund Revenue	6,337,486	11,713,186	11,713,186	11,624,553	11,624,553	11,624,553
All Funds	11,316,940	20,916,403	20,916,403	20,758,130	20,758,130	20,758,130
CHARGES FOR SERVICES						
0410 Charges for Services						
3400 Other Funds Ltd	6,000	6,000	6,000	2,640	2,640	2,640
8800 General Fund Revenue	-	-	-	3,360	3,360	3,360

Description	*2017-19 Actuals*	*2019-21 Leg Adopted Budget*	*2019-21 Leg Approved Budget*	*2021-23 Agency Request Budget*	*2021-23 Governor's Budget*	*2021-23 Leg. Adopted Budget*
All Funds	6,000	6,000	6,000	6,000	6,000	6,000
FINES, RENTS AND ROYALTIES						
0505 Fines and Forfeitures						
3400 Other Funds Ltd	688,733	362,626	362,626	357,601	357,601	357,602
8800 General Fund Revenue	541,147	469,160	469,160	455,130	455,130	455,129
All Funds	1,229,880	831,786	831,786	812,731	812,731	812,731
SALES INCOME						
0705 Sales Income						
3400 Other Funds Ltd	-	784,000	784,000	344,960	344,960	344,960
8800 General Fund Revenue	-	39,331,575	39,331,575	439,040	439,040	439,040
All Funds	-	40,115,575	40,115,575	784,000	784,000	784,000
0710 Liquor Sales						
3010 Other Funds Cap Improve	361,666	377,943	377,943	237,745	237,745	237,745
3400 Other Funds Ltd	1,032,214,174	1,222,160,393	1,222,160,393	1,310,081,183	1,307,404,459	1,316,456,679
8800 General Fund Revenue	278,561,027	278,533,382	278,533,382	312,527,991	315,204,715	322,806,374
All Funds	1,311,136,867	1,501,071,718	1,501,071,718	1,622,846,919	1,622,846,919	1,639,500,798
SALES INCOME						
3010 Other Funds Cap Improve	361,666	377,943	377,943	237,745	237,745	237,745
3400 Other Funds Ltd	1,032,214,174	1,222,944,393	1,222,944,393	1,310,426,143	1,307,749,419	1,316,801,639
8800 General Fund Revenue	278,561,027	317,864,957	317,864,957	312,967,031	315,643,755	323,245,414
TOTAL SALES INCOME	**$1,311,136,867**	**$1,541,187,293**	**$1,541,187,293**	**$1,623,630,919**	**$1,623,630,919**	**$1,640,284,798**
COST OF GOODS SOLD						
0755 Liquor Cost of Goods Sold						

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
3400 Other Funds Ltd	(642,760,810)	(731,021,927)	(731,021,927)	(801,124,028)	(801,356,566)	(811,601,575)
8800 General Fund Revenue	-	-	-	(18,084,000)	43,122,060	(242,034)
All Funds	(642,760,810)	(731,021,927)	(731,021,927)	(819,208,028)	(758,234,506)	(811,843,609)
0760 Cost of Goods Sold						
3400 Other Funds Ltd	(15,301,026)	(18,075,205)	(18,075,205)	(19,474,163)	(19,474,163)	(19,674,010)
COST OF GOODS SOLD						
3400 Other Funds Ltd	(658,061,836)	(749,097,132)	(749,097,132)	(820,598,191)	(820,830,729)	(831,275,585)
8800 General Fund Revenue	-	-	-	(18,084,000)	43,122,060	(242,034)
TOTAL COST OF GOODS SOLD	**($658,061,836)**	**($749,097,132)**	**($749,097,132)**	**($838,682,191)**	**($777,708,669)**	**($831,517,619)**
OTHER						
0975 Other Revenues						
3400 Other Funds Ltd	-	-	-	11,000	11,000	11,000
8800 General Fund Revenue	-	-	-	14,000	14,000	14,000
All Funds	-	-	-	25,000	25,000	25,000
REVENUE CATEGORIES						
3010 Other Funds Cap Improve	361,666	377,943	377,943	237,745	237,745	237,745
3400 Other Funds Ltd	407,029,641	512,427,560	512,427,560	529,670,435	526,761,173	525,003,565
8800 General Fund Revenue	295,771,445	341,055,847	341,055,847	318,488,277	382,371,061	346,466,692
TOTAL REVENUE CATEGORIES	**$703,162,752**	**$853,861,350**	**$853,861,350**	**$848,396,457**	**$909,369,979**	**$871,708,002**
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
3010 Other Funds Cap Improve	(361,666)	(377,943)	(377,943)	(237,745)	(237,745)	(237,745)
3400 Other Funds Ltd	(183,494,048)	(214,900,028)	(214,900,028)	(258,174,846)	(253,394,981)	(255,372,458)

Description	2017-19 Actuals	2019-21 Leg Adopted Budget	2019-21 Leg Approved Budget	2021-23 Agency Request Budget	2021-23 Governor's Budget	2021-23 Leg. Adopted Budget
All Funds	(183,855,714)	(215,277,971)	(215,277,971)	(258,412,591)	(253,632,726)	(255,610,203)
2050 Transfer to Other						
3400 Other Funds Ltd	(635,668)	(700,773)	(700,773)	(745,142)	(745,142)	(745,142)
2060 Transfer to General Fund						
8800 General Fund Revenue	(295,771,445)	(341,055,847)	(341,055,847)	(318,488,277)	(382,371,061)	(346,466,692)
2070 Transfer to Cities						
3400 Other Funds Ltd	(92,937,834)	(107,789,736)	(107,789,736)	(113,727,310)	(114,577,585)	(109,041,031)
2080 Transfer to Counties						
3400 Other Funds Ltd	(46,468,917)	(53,879,334)	(53,879,334)	(56,863,628)	(57,214,775)	(54,520,515)
2107 Tsfr To Administrative Svcs						
3400 Other Funds Ltd	(65,056,484)	(75,400,000)	(75,400,000)	(79,609,146)	(80,278,327)	(76,328,722)
2443 Tsfr To Oregon Health Authority						
3400 Other Funds Ltd	(18,436,690)	(19,658,114)	(19,658,114)	(20,550,363)	(20,550,363)	(20,296,910)
TRANSFERS OUT						
3010 Other Funds Cap Improve	(361,666)	(377,943)	(377,943)	(237,745)	(237,745)	(237,745)
3400 Other Funds Ltd	(407,029,641)	(472,327,985)	(472,327,985)	(529,670,435)	(526,761,173)	(516,304,778)
8800 General Fund Revenue	(295,771,445)	(341,055,847)	(341,055,847)	(318,488,277)	(382,371,061)	(346,466,692)
TOTAL TRANSFERS OUT	**($703,162,752)**	**($813,761,775)**	**($813,761,775)**	**($848,396,457)**	**($909,369,979)**	**($863,009,215)**
AVAILABLE REVENUES						
3400 Other Funds Ltd	1,500,000	41,599,575	41,599,575	1,500,000	1,500,000	10,198,787
TOTAL AVAILABLE REVENUES	**$1,500,000**	**$41,599,575**	**$41,599,575**	**$1,500,000**	**$1,500,000**	**$10,198,787**
ENDING BALANCE						
3400 Other Funds Ltd	1,500,000	41,599,575	41,599,575	1,500,000	1,500,000	10,198,787

Description	*2017-19 Actuals*	*2019-21 Leg Adopted Budget*	*2019-21 Leg Approved Budget*	*2021-23 Agency Request Budget*	*2021-23 Governor's Budget*	*2021-23 Leg. Adopted Budget*
TOTAL ENDING BALANCE	**$1,500,000**	**$41,599,575**	**$41,599,575**	**$1,500,000**	**$1,500,000**	**$10,198,787**

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
BEGINNING BALANCE				
0025 Beginning Balance				
3400 Other Funds Ltd	7,916,689	7,916,689	0	-
0030 Beginning Balance Adjustment				
3400 Other Funds Ltd	5,908,632	5,908,632	0	-
TOTAL BEGINNING BALANCE				
3400 Other Funds Ltd	13,825,321	13,825,321	0	-
REVENUE CATEGORIES				
TAXES				
0185 Privilege Taxes				
3400 Other Funds Ltd	30,337,665	29,972,692	(364,973)	-1.20%
8800 General Fund Revenue	11,508,203	11,366,270	(141,933)	-1.23%
All Funds	41,845,868	41,338,962	(506,906)	-1.21%
LICENSES AND FEES				
0205 Business Lic and Fees				
3400 Other Funds Ltd	36,147,422	36,147,422	0	-
8800 General Fund Revenue	11,624,553	11,624,553	0	-
All Funds	47,771,975	47,771,975	0	-
CHARGES FOR SERVICES				
0410 Charges for Services				
3400 Other Funds Ltd	2,640	2,640	0	-
8800 General Fund Revenue	3,360	3,360	0	-
All Funds	6,000	6,000	0	-
FINES, RENTS AND ROYALTIES				

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
0505 Fines and Forfeitures				
3400 Other Funds Ltd	357,601	357,602	1	0.00%
8800 General Fund Revenue	455,130	455,129	(1)	-0.00%
All Funds	812,731	812,731	0	-
SALES INCOME				
0705 Sales Income				
3400 Other Funds Ltd	344,960	344,960	0	-
8800 General Fund Revenue	439,040	439,040	0	-
All Funds	784,000	784,000	0	-
0710 Liquor Sales				
3010 Other Funds Cap Improve	237,745	237,745	0	-
3400 Other Funds Ltd	1,307,404,459	1,316,456,679	9,052,220	0.69%
8800 General Fund Revenue	315,204,715	322,806,374	7,601,659	2.41%
All Funds	1,622,846,919	1,639,500,798	16,653,879	1.03%
TOTAL SALES INCOME				
3010 Other Funds Cap Improve	237,745	237,745	0	-
3400 Other Funds Ltd	1,307,749,419	1,316,801,639	9,052,220	0.69%
8800 General Fund Revenue	315,643,755	323,245,414	7,601,659	2.41%
TOTAL SALES INCOME	**$1,623,630,919**	**$1,640,284,798**	**$16,653,879**	**1.03%**
COST OF GOODS SOLD				
0755 Liquor Cost of Goods Sold				
3400 Other Funds Ltd	(801,356,566)	(811,601,575)	(10,245,009)	-1.28%
8800 General Fund Revenue	43,122,060	(242,034)	(43,364,094)	-100.56%
All Funds	(758,234,506)	(811,843,609)	(53,609,103)	-7.07%

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
0760 Cost of Goods Sold				
3400 Other Funds Ltd	(19,474,163)	(19,674,010)	(199,847)	-1.03%
TOTAL COST OF GOODS SOLD				
3400 Other Funds Ltd	(820,830,729)	(831,275,585)	(10,444,856)	-1.27%
8800 General Fund Revenue	43,122,060	(242,034)	(43,364,094)	-100.56%
TOTAL COST OF GOODS SOLD	**($777,708,669)**	**($831,517,619)**	**($53,808,950)**	**-6.92%**
OTHER				
0975 Other Revenues				
3400 Other Funds Ltd	11,000	11,000	0	-
8800 General Fund Revenue	14,000	14,000	0	-
All Funds	25,000	25,000	0	-
TRANSFERS IN				
1010 Transfer In - Intrafund				
3010 Other Funds Cap Improve	237,745	237,745	0	-
3400 Other Funds Ltd	253,651,747	255,372,458	1,720,711	0.68%
All Funds	253,889,492	255,610,203	1,720,711	0.68%
1020 Transfer In - Indirect Cost				
3400 Other Funds Ltd	6,315,618	7,517,394	1,201,776	19.03%
1150 Tsfr From Revenue, Dept of				
3400 Other Funds Ltd	7,000,000	7,000,000	0	-
1443 Tsfr From Oregon Health Authority				
3400 Other Funds Ltd	528,000	528,000	0	-
TOTAL TRANSFERS IN				
3010 Other Funds Cap Improve	237,745	237,745	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	267,495,365	270,417,852	2,922,487	1.09%
TOTAL TRANSFERS IN	**$267,733,110**	**$270,655,597**	**$2,922,487**	**1.09%**
TOTAL REVENUES				
3010 Other Funds Cap Improve	475,490	475,490	0	-
3400 Other Funds Ltd	821,270,383	822,435,262	1,164,879	0.14%
8800 General Fund Revenue	382,371,061	346,466,692	(35,904,369)	-9.39%
TOTAL REVENUES	**$1,204,116,934**	**$1,169,377,444**	**($34,739,490)**	**-2.89%**
TRANSFERS OUT				
2010 Transfer Out - Intrafund				
3010 Other Funds Cap Improve	(237,745)	(237,745)	0	-
3400 Other Funds Ltd	(253,651,747)	(255,372,458)	(1,720,711)	-0.68%
All Funds	(253,889,492)	(255,610,203)	(1,720,711)	-0.68%
2020 Transfer Out - Indirect Cost				
3400 Other Funds Ltd	(6,315,618)	(7,517,394)	(1,201,776)	-19.03%
2050 Transfer to Other				
3400 Other Funds Ltd	(745,142)	(745,142)	0	-
2060 Transfer to General Fund				
8800 General Fund Revenue	(361,969,041)	(346,466,692)	15,502,349	4.28%
2070 Transfer to Cities				
3400 Other Funds Ltd	(114,577,585)	(109,041,031)	5,536,554	4.83%
2080 Transfer to Counties				
3400 Other Funds Ltd	(57,214,775)	(54,520,515)	2,694,260	4.71%
2107 Tsfr To Administrative Svcs				
3400 Other Funds Ltd	(80,278,327)	(76,328,722)	3,949,605	4.92%

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
2443 Tsfr To Oregon Health Authority				
3400 Other Funds Ltd	(20,550,363)	(20,296,910)	253,453	1.23%
2603 Tsfr To Agriculture, Dept of				
3400 Other Funds Ltd	(305,175)	(793,072)	(487,897)	-159.87%
TOTAL TRANSFERS OUT				
3010 Other Funds Cap Improve	(237,745)	(237,745)	0	-
3400 Other Funds Ltd	(533,638,732)	(524,615,244)	9,023,488	1.69%
8800 General Fund Revenue	(361,969,041)	(346,466,692)	15,502,349	4.28%
TOTAL TRANSFERS OUT	**($895,845,518)**	**($871,319,681)**	**$24,525,837**	**2.74%**
AVAILABLE REVENUES				
3010 Other Funds Cap Improve	237,745	237,745	0	-
3400 Other Funds Ltd	301,456,972	311,645,339	10,188,367	3.38%
8800 General Fund Revenue	20,402,020	-	(20,402,020)	-100.00%
TOTAL AVAILABLE REVENUES	**$322,096,737**	**$311,883,084**	**($10,213,653)**	**-3.17%**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	49,956,696	49,950,576	(6,120)	-0.01%
3160 Temporary Appointments				
3400 Other Funds Ltd	373,157	373,157	0	-
3170 Overtime Payments				
3400 Other Funds Ltd	355,267	355,267	0	-
3180 Shift Differential				

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	65,080	65,080	0	-
3190 All Other Differential				
3400 Other Funds Ltd	60,604	60,604	0	-
TOTAL SALARIES & WAGES				
3400 Other Funds Ltd	50,810,804	50,804,684	(6,120)	-0.01%
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	20,938	20,880	(58)	-0.28%
3220 Public Employees' Retire Cont				
3400 Other Funds Ltd	9,198,738	9,197,621	(1,117)	-0.01%
3221 Pension Obligation Bond				
3400 Other Funds Ltd	2,290,352	2,290,352	0	-
3230 Social Security Taxes				
3400 Other Funds Ltd	3,875,557	3,875,089	(468)	-0.01%
3240 Unemployment Assessments				
3400 Other Funds Ltd	30,394	30,394	0	-
3250 Worker's Comp. Assess. (WCD)				
3400 Other Funds Ltd	16,606	16,560	(46)	-0.28%
3260 Mass Transit Tax				
3400 Other Funds Ltd	262,925	262,925	0	-
3270 Flexible Benefits				
3400 Other Funds Ltd	13,801,752	13,763,520	(38,232)	-0.28%
TOTAL OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	29,497,262	29,457,341	(39,921)	-0.14%

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(584,245)	(584,245)	0	-
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	46,041	46,041	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(584,245)	(538,204)	46,041	7.88%
TOTAL PERSONAL SERVICES				
3400 Other Funds Ltd	79,723,821	79,723,821	0	-
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	549,329	549,329	0	-
4125 Out of State Travel				
3400 Other Funds Ltd	61,930	61,930	0	-
4150 Employee Training				
3400 Other Funds Ltd	493,500	493,500	0	-
4175 Office Expenses				
3400 Other Funds Ltd	15,787,959	15,787,959	0	-
4200 Telecommunications				
3400 Other Funds Ltd	1,828,401	1,828,401	0	-
4225 State Gov. Service Charges				
3400 Other Funds Ltd	3,348,982	3,348,982	0	-
4250 Data Processing				
3400 Other Funds Ltd	2,190,827	2,190,827	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4275 Publicity and Publications				
3400 Other Funds Ltd	94,661	94,661	0	-
4300 Professional Services				
3400 Other Funds Ltd	136,245,247	136,245,247	0	-
4315 IT Professional Services				
3400 Other Funds Ltd	7,917,615	7,917,615	0	-
4325 Attorney General				
3400 Other Funds Ltd	922,329	922,329	0	-
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	123,466	123,466	0	-
4400 Dues and Subscriptions				
3400 Other Funds Ltd	28,099	28,099	0	-
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	1,464,386	1,464,386	0	-
4450 Fuels and Utilities				
3400 Other Funds Ltd	607,771	607,771	0	-
4475 Facilities Maintenance				
3400 Other Funds Ltd	1,170,758	1,170,758	0	-
4575 Agency Program Related S and S				
3400 Other Funds Ltd	668,986	668,986	0	-
4650 Other Services and Supplies				
3400 Other Funds Ltd	254,858	254,858	0	-
4700 Expendable Prop 250 - 5000				
3400 Other Funds Ltd	80,000	80,000	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4715 IT Expendable Property				
3400 Other Funds Ltd	591,017	591,017	0	-
TOTAL SERVICES & SUPPLIES				
3400 Other Funds Ltd	174,430,121	174,430,121	0	-
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	214,515	214,515	0	-
5200 Technical Equipment				
3400 Other Funds Ltd	107,418	107,418	0	-
5350 Industrial and Heavy Equipment				
3400 Other Funds Ltd	143,305	143,305	0	-
5400 Automotive and Aircraft				
3400 Other Funds Ltd	434,757	434,757	0	-
5550 Data Processing Software				
3400 Other Funds Ltd	15,390	15,390	0	-
5600 Data Processing Hardware				
3400 Other Funds Ltd	15,696	15,696	0	-
5650 Land Improvements				
3010 Other Funds Cap Improve	5,342	5,342	0	-
5700 Building Structures				
3010 Other Funds Cap Improve	372,601	372,601	0	-
3400 Other Funds Ltd	131,000	131,000	0	-
All Funds	503,601	503,601	0	-
TOTAL CAPITAL OUTLAY				

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3010 Other Funds Cap Improve	377,943	377,943	0	-
3400 Other Funds Ltd	1,062,081	1,062,081	0	-
TOTAL CAPITAL OUTLAY	**$1,440,024**	**$1,440,024**	**0**	**-**
TOTAL EXPENDITURES				
3010 Other Funds Cap Improve	377,943	377,943	0	-
3400 Other Funds Ltd	255,216,023	255,216,023	0	-
TOTAL EXPENDITURES	**$255,593,966**	**$255,593,966**	**0**	**-**
ENDING BALANCE				
3010 Other Funds Cap Improve	(140,198)	(140,198)	0	-
3400 Other Funds Ltd	46,240,949	56,429,316	10,188,367	22.03%
8800 General Fund Revenue	20,402,020	-	(20,402,020)	-100.00%
TOTAL ENDING BALANCE	**$66,502,771**	**$56,289,118**	**($10,213,653)**	**-15.36%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	363	362	(1)	-0.28%
8180 Position Reconciliation	-	1	1	100.00%
TOTAL AUTHORIZED POSITIONS	**363**	**363**	**0**	**-**
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	361.00	360.00	(1.00)	-0.28%
8280 FTE Reconciliation	-	1.00	1.00	100.00%
TOTAL AUTHORIZED FTE	**361.00**	**361.00**	**0**	**-**

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
TRANSFERS IN				
1010 Transfer In - Intrafund				
3400 Other Funds Ltd	32,944,339	33,752,558	808,219	2.45%
AVAILABLE REVENUES				
3400 Other Funds Ltd	32,944,339	33,752,558	808,219	2.45%
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	8,771,520	8,724,744	(46,776)	-0.53%
3160 Temporary Appointments				
3400 Other Funds Ltd	326,108	326,108	0	-
3170 Overtime Payments				
3400 Other Funds Ltd	205,285	205,285	0	-
3180 Shift Differential				
3400 Other Funds Ltd	2,374	2,374	0	-
3190 All Other Differential				
3400 Other Funds Ltd	8,549	8,549	0	-
TOTAL SALARIES & WAGES				
3400 Other Funds Ltd	9,313,836	9,267,060	(46,776)	-0.50%
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	4,582	4,524	(58)	-1.27%

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3220 Public Employees' Retire Cont				
3400 Other Funds Ltd	1,640,262	1,631,725	(8,537)	-0.52%
3221 Pension Obligation Bond				
3400 Other Funds Ltd	409,177	409,177	0	-
3230 Social Security Taxes				
3400 Other Funds Ltd	710,335	706,757	(3,578)	-0.50%
3240 Unemployment Assessments				
3400 Other Funds Ltd	6,337	6,337	0	-
3250 Worker's Comp. Assess. (WCD)				
3400 Other Funds Ltd	3,634	3,588	(46)	-1.27%
3260 Mass Transit Tax				
3400 Other Funds Ltd	48,820	48,820	0	-
3270 Flexible Benefits				
3400 Other Funds Ltd	3,020,328	2,982,096	(38,232)	-1.27%
TOTAL OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	5,843,475	5,793,024	(50,451)	-0.86%
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(121,867)	(121,867)	0	-
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	97,227	97,227	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(121,867)	(24,640)	97,227	79.78%
TOTAL PERSONAL SERVICES				

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	15,035,444	15,035,444	0	-
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	56,541	56,541	0	-
4125 Out of State Travel				
3400 Other Funds Ltd	5,197	5,197	0	-
4150 Employee Training				
3400 Other Funds Ltd	4,996	4,996	0	-
4175 Office Expenses				
3400 Other Funds Ltd	14,941,114	14,941,114	0	-
4200 Telecommunications				
3400 Other Funds Ltd	62,937	62,937	0	-
4225 State Gov. Service Charges				
3400 Other Funds Ltd	142,748	142,748	0	-
4250 Data Processing				
3400 Other Funds Ltd	154,239	154,239	0	-
4275 Publicity and Publications				
3400 Other Funds Ltd	17,531	17,531	0	-
4300 Professional Services				
3400 Other Funds Ltd	14,581	14,581	0	-
4315 IT Professional Services				
3400 Other Funds Ltd	14,445	14,445	0	-
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	9,174	9,174	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4400 Dues and Subscriptions				
3400 Other Funds Ltd	2,265	2,265	0	-
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	80,764	80,764	0	-
4450 Fuels and Utilities				
3400 Other Funds Ltd	226,527	226,527	0	-
4475 Facilities Maintenance				
3400 Other Funds Ltd	29,583	29,583	0	-
4575 Agency Program Related S and S				
3400 Other Funds Ltd	130,484	130,484	0	-
4650 Other Services and Supplies				
3400 Other Funds Ltd	17,433	17,433	0	-
4715 IT Expendable Property				
3400 Other Funds Ltd	38,334	38,334	0	-
TOTAL SERVICES & SUPPLIES				
3400 Other Funds Ltd	15,948,893	15,948,893	0	-
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	7,695	7,695	0	-
5200 Technical Equipment				
3400 Other Funds Ltd	90,000	90,000	0	-
5350 Industrial and Heavy Equipment				
3400 Other Funds Ltd	143,305	143,305	0	-
5400 Automotive and Aircraft				

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	35,000	35,000	0	-
5600 Data Processing Hardware				
3400 Other Funds Ltd	15,696	15,696	0	-
5700 Building Structures				
3400 Other Funds Ltd	131,000	131,000	0	-
TOTAL CAPITAL OUTLAY				
3400 Other Funds Ltd	422,696	422,696	0	-
TOTAL EXPENDITURES				
3400 Other Funds Ltd	31,407,033	31,407,033	0	-
ENDING BALANCE				
3400 Other Funds Ltd	1,537,306	2,345,525	808,219	52.57%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	79	78	(1)	-1.27%
8180 Position Reconciliation	-	1	1	100.00%
TOTAL AUTHORIZED POSITIONS	**79**	**79**	**0**	**-**
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	79.00	78.00	(1.00)	-1.27%
8280 FTE Reconciliation	-	1.00	1.00	100.00%
TOTAL AUTHORIZED FTE	**79.00**	**79.00**	**0**	**-**

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
TRANSFERS IN				
1010 Transfer In - Intrafund				
3400 Other Funds Ltd	30,570,688	29,671,976	(898,712)	-2.94%
AVAILABLE REVENUES				
3400 Other Funds Ltd	30,570,688	29,671,976	(898,712)	-2.94%
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	16,634,424	16,634,424	0	-
3160 Temporary Appointments				
3400 Other Funds Ltd	39,994	39,994	0	-
3170 Overtime Payments				
3400 Other Funds Ltd	102,874	102,874	0	-
3180 Shift Differential				
3400 Other Funds Ltd	59,789	59,789	0	-
3190 All Other Differential				
3400 Other Funds Ltd	40,189	40,189	0	-
TOTAL SALARIES & WAGES				
3400 Other Funds Ltd	16,877,270	16,877,270	0	-
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	6,670	6,670	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3220 Public Employees' Retire Cont				
3400 Other Funds Ltd	3,072,797	3,072,797	0	-
3221 Pension Obligation Bond				
3400 Other Funds Ltd	891,428	891,428	0	-
3230 Social Security Taxes				
3400 Other Funds Ltd	1,289,873	1,289,873	0	-
3240 Unemployment Assessments				
3400 Other Funds Ltd	9,599	9,599	0	-
3250 Worker's Comp. Assess. (WCD)				
3400 Other Funds Ltd	5,290	5,290	0	-
3260 Mass Transit Tax				
3400 Other Funds Ltd	90,272	90,272	0	-
3270 Flexible Benefits				
3400 Other Funds Ltd	4,396,680	4,396,680	0	-
TOTAL OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	9,762,609	9,762,609	0	-
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(193,553)	(193,553)	0	-
TOTAL PERSONAL SERVICES				
3400 Other Funds Ltd	26,446,326	26,446,326	0	-
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	227,068	227,068	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4125 Out of State Travel				
3400 Other Funds Ltd	13,011	13,011	0	-
4150 Employee Training				
3400 Other Funds Ltd	288,708	288,708	0	-
4175 Office Expenses				
3400 Other Funds Ltd	325,818	325,818	0	-
4200 Telecommunications				
3400 Other Funds Ltd	1,020,296	1,020,296	0	-
4225 State Gov. Service Charges				
3400 Other Funds Ltd	207,482	207,482	0	-
4250 Data Processing				
3400 Other Funds Ltd	44,165	44,165	0	-
4275 Publicity and Publications				
3400 Other Funds Ltd	62,816	62,816	0	-
4300 Professional Services				
3400 Other Funds Ltd	335,911	335,911	0	-
4315 IT Professional Services				
3400 Other Funds Ltd	73,734	73,734	0	-
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	8,968	8,968	0	-
4400 Dues and Subscriptions				
3400 Other Funds Ltd	9,507	9,507	0	-
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	663,905	663,905	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4450 Fuels and Utilities				
3400 Other Funds Ltd	23,183	23,183	0	-
4475 Facilities Maintenance				
3400 Other Funds Ltd	18,576	18,576	0	-
4575 Agency Program Related S and S				
3400 Other Funds Ltd	350,505	350,505	0	-
4650 Other Services and Supplies				
3400 Other Funds Ltd	20,057	20,057	0	-
4715 IT Expendable Property				
3400 Other Funds Ltd	54,589	54,589	0	-
TOTAL SERVICES & SUPPLIES				
3400 Other Funds Ltd	3,748,299	3,748,299	0	-
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	76,700	76,700	0	-
5400 Automotive and Aircraft				
3400 Other Funds Ltd	56,666	56,666	0	-
TOTAL CAPITAL OUTLAY				
3400 Other Funds Ltd	133,366	133,366	0	-
TOTAL EXPENDITURES				
3400 Other Funds Ltd	30,327,991	30,327,991	0	-
ENDING BALANCE				
3400 Other Funds Ltd	242,697	(656,015)	(898,712)	-370.30%
AUTHORIZED POSITIONS				

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8150 Class/Unclass Positions	117	117	0	-
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	115.00	115.00	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
TRANSFERS IN				
1010 Transfer In - Intrafund				
3400 Other Funds Ltd	24,752,948	25,061,972	309,024	1.25%
1020 Transfer In - Indirect Cost				
3400 Other Funds Ltd	6,315,618	7,517,394	1,201,776	19.03%
TOTAL TRANSFERS IN				
3400 Other Funds Ltd	31,068,566	32,579,366	1,510,800	4.86%
TRANSFERS OUT				
2010 Transfer Out - Intrafund				
3400 Other Funds Ltd	(256,766)	-	256,766	100.00%
AVAILABLE REVENUES				
3400 Other Funds Ltd	30,811,800	32,579,366	1,767,566	5.74%
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	12,219,312	12,259,968	40,656	0.33%
3160 Temporary Appointments				
3400 Other Funds Ltd	7,055	7,055	0	-
3170 Overtime Payments				
3400 Other Funds Ltd	47,108	47,108	0	-
3180 Shift Differential				
3400 Other Funds Ltd	2,917	2,917	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3190 All Other Differential				
3400 Other Funds Ltd	11,866	11,866	0	-
TOTAL SALARIES & WAGES				
3400 Other Funds Ltd	12,288,258	12,328,914	40,656	0.33%
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	4,408	4,408	0	-
3220 Public Employees' Retire Cont				
3400 Other Funds Ltd	2,235,191	2,242,611	7,420	0.33%
3221 Pension Obligation Bond				
3400 Other Funds Ltd	452,579	452,579	0	-
3230 Social Security Taxes				
3400 Other Funds Ltd	931,999	935,109	3,110	0.33%
3240 Unemployment Assessments				
3400 Other Funds Ltd	13,553	13,553	0	-
3250 Worker's Comp. Assess. (WCD)				
3400 Other Funds Ltd	3,496	3,496	0	-
3260 Mass Transit Tax				
3400 Other Funds Ltd	59,019	59,019	0	-
3270 Flexible Benefits				
3400 Other Funds Ltd	2,905,632	2,905,632	0	-
TOTAL OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	6,605,877	6,616,407	10,530	0.16%
P.S. BUDGET ADJUSTMENTS				

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3455 Vacancy Savings				
3400 Other Funds Ltd	(121,867)	(121,867)	0	-
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	(51,186)	(51,186)	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(121,867)	(173,053)	(51,186)	-42.00%
TOTAL PERSONAL SERVICES				
3400 Other Funds Ltd	18,772,268	18,772,268	0	-
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	104,469	104,469	0	-
4125 Out of State Travel				
3400 Other Funds Ltd	27,871	27,871	0	-
4150 Employee Training				
3400 Other Funds Ltd	65,103	65,103	0	-
4175 Office Expenses				
3400 Other Funds Ltd	304,641	304,641	0	-
4200 Telecommunications				
3400 Other Funds Ltd	120,005	120,005	0	-
4225 State Gov. Service Charges				
3400 Other Funds Ltd	2,838,235	2,838,235	0	-
4250 Data Processing				
3400 Other Funds Ltd	930,365	930,365	0	-
4275 Publicity and Publications				

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	11,203	11,203	0	-
4300 Professional Services				
3400 Other Funds Ltd	141,835	141,835	0	-
4315 IT Professional Services				
3400 Other Funds Ltd	4,982,784	4,982,784	0	-
4325 Attorney General				
3400 Other Funds Ltd	490,684	490,684	0	-
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	7,948	7,948	0	-
4400 Dues and Subscriptions				
3400 Other Funds Ltd	13,216	13,216	0	-
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	105,371	105,371	0	-
4450 Fuels and Utilities				
3400 Other Funds Ltd	358,061	358,061	0	-
4475 Facilities Maintenance				
3400 Other Funds Ltd	220,076	220,076	0	-
4575 Agency Program Related S and S				
3400 Other Funds Ltd	13,515	13,515	0	-
4650 Other Services and Supplies				
3400 Other Funds Ltd	112,586	112,586	0	-
4715 IT Expendable Property				
3400 Other Funds Ltd	474,731	474,731	0	-
TOTAL SERVICES & SUPPLIES				

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	11,322,699	11,322,699	0	-
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	60,865	60,865	0	-
5200 Technical Equipment				
3400 Other Funds Ltd	17,418	17,418	0	-
5400 Automotive and Aircraft				
3400 Other Funds Ltd	116,427	116,427	0	-
5550 Data Processing Software				
3400 Other Funds Ltd	15,390	15,390	0	-
TOTAL CAPITAL OUTLAY				
3400 Other Funds Ltd	210,100	210,100	0	-
TOTAL EXPENDITURES				
3400 Other Funds Ltd	30,305,067	30,305,067	0	-
ENDING BALANCE				
3400 Other Funds Ltd	506,733	2,274,299	1,767,566	348.82%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	76	76	0	-
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	76.00	76.00	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
BEGINNING BALANCE				
0025 Beginning Balance				
3400 Other Funds Ltd	6,197,559	6,197,559	0	-
0030 Beginning Balance Adjustment				
3400 Other Funds Ltd	1,400,333	1,400,333	0	-
TOTAL BEGINNING BALANCE				
3400 Other Funds Ltd	7,597,892	7,597,892	0	-
REVENUE CATEGORIES				
LICENSES AND FEES				
0205 Business Lic and Fees				
3400 Other Funds Ltd	27,013,845	27,013,845	0	-
TRANSFERS OUT				
2020 Transfer Out - Indirect Cost				
3400 Other Funds Ltd	(4,717,688)	(5,889,918)	(1,172,230)	-24.85%
2603 Tsfr To Agriculture, Dept of				
3400 Other Funds Ltd	(305,175)	(793,072)	(487,897)	-159.87%
TOTAL TRANSFERS OUT				
3400 Other Funds Ltd	(5,022,863)	(6,682,990)	(1,660,127)	-33.05%
AVAILABLE REVENUES				
3400 Other Funds Ltd	29,588,874	27,928,747	(1,660,127)	-5.61%
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	9,217,272	9,217,272	0	-
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	3,944	3,944	0	-
3220 Public Employees' Retire Cont				
3400 Other Funds Ltd	1,682,151	1,682,151	0	-
3221 Pension Obligation Bond				
3400 Other Funds Ltd	392,598	392,598	0	-
3230 Social Security Taxes				
3400 Other Funds Ltd	705,118	705,118	0	-
3240 Unemployment Assessments				
3400 Other Funds Ltd	196	196	0	-
3250 Worker's Comp. Assess. (WCD)				
3400 Other Funds Ltd	3,128	3,128	0	-
3260 Mass Transit Tax				
3400 Other Funds Ltd	49,423	49,423	0	-
3270 Flexible Benefits				
3400 Other Funds Ltd	2,599,776	2,599,776	0	-
TOTAL OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	5,436,334	5,436,334	0	-
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(105,738)	(105,738)	0	-
TOTAL PERSONAL SERVICES				

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	14,547,868	14,547,868	0	-
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	112,812	112,812	0	-
4125 Out of State Travel				
3400 Other Funds Ltd	15,851	15,851	0	-
4150 Employee Training				
3400 Other Funds Ltd	134,693	134,693	0	-
4175 Office Expenses				
3400 Other Funds Ltd	192,512	192,512	0	-
4200 Telecommunications				
3400 Other Funds Ltd	416,597	416,597	0	-
4225 State Gov. Service Charges				
3400 Other Funds Ltd	115,485	115,485	0	-
4250 Data Processing				
3400 Other Funds Ltd	109,500	109,500	0	-
4275 Publicity and Publications				
3400 Other Funds Ltd	3,111	3,111	0	-
4300 Professional Services				
3400 Other Funds Ltd	366,642	366,642	0	-
4315 IT Professional Services				
3400 Other Funds Ltd	2,846,652	2,846,652	0	-
4325 Attorney General				
3400 Other Funds Ltd	431,645	431,645	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	95,923	95,923	0	-
4400 Dues and Subscriptions				
3400 Other Funds Ltd	3,111	3,111	0	-
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	460,704	460,704	0	-
4475 Facilities Maintenance				
3400 Other Funds Ltd	902,523	902,523	0	-
4575 Agency Program Related S and S				
3400 Other Funds Ltd	174,482	174,482	0	-
4650 Other Services and Supplies				
3400 Other Funds Ltd	75,581	75,581	0	-
4700 Expendable Prop 250 - 5000				
3400 Other Funds Ltd	80,000	80,000	0	-
4715 IT Expendable Property				
3400 Other Funds Ltd	23,363	23,363	0	-
TOTAL SERVICES & SUPPLIES				
3400 Other Funds Ltd	6,561,187	6,561,187	0	-
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	69,255	69,255	0	-
5400 Automotive and Aircraft				
3400 Other Funds Ltd	226,664	226,664	0	-
TOTAL CAPITAL OUTLAY				

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	295,919	295,919	0	-
TOTAL EXPENDITURES				
3400 Other Funds Ltd	21,404,974	21,404,974	0	-
ENDING BALANCE				
3400 Other Funds Ltd	8,183,900	6,523,773	(1,660,127)	-20.29%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	68	68	0	-
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	68.00	68.00	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
TRANSFERS IN				
1010 Transfer In - Intrafund				
3400 Other Funds Ltd	165,383,772	166,885,952	1,502,180	0.91%
AVAILABLE REVENUES				
3400 Other Funds Ltd	165,383,772	166,885,952	1,502,180	0.91%
EXPENDITURES				
SERVICES & SUPPLIES				
4300 Professional Services				
3400 Other Funds Ltd	135,385,704	135,385,704	0	-
ENDING BALANCE				
3400 Other Funds Ltd	29,998,068	31,500,248	1,502,180	5.01%

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
BEGINNING BALANCE				
0025 Beginning Balance				
3400 Other Funds Ltd	219,130	219,130	0	-
0030 Beginning Balance Adjustment				
3400 Other Funds Ltd	4,508,299	4,508,299	0	-
TOTAL BEGINNING BALANCE				
3400 Other Funds Ltd	4,727,429	4,727,429	0	-
REVENUE CATEGORIES				
TRANSFERS IN				
1150 Tsfr From Revenue, Dept of				
3400 Other Funds Ltd	7,000,000	7,000,000	0	-
1443 Tsfr From Oregon Health Authority				
3400 Other Funds Ltd	528,000	528,000	0	-
TOTAL TRANSFERS IN				
3400 Other Funds Ltd	7,528,000	7,528,000	0	-
TRANSFERS OUT				
2020 Transfer Out - Indirect Cost				
3400 Other Funds Ltd	(1,597,930)	(1,627,476)	(29,546)	-1.85%
AVAILABLE REVENUES				
3400 Other Funds Ltd	10,657,499	10,627,953	(29,546)	-0.28%
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	3,114,168	3,114,168	0	-
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	1,334	1,334	0	-
3220 Public Employees' Retire Cont				
3400 Other Funds Ltd	568,337	568,337	0	-
3221 Pension Obligation Bond				
3400 Other Funds Ltd	144,570	144,570	0	-
3230 Social Security Taxes				
3400 Other Funds Ltd	238,232	238,232	0	-
3240 Unemployment Assessments				
3400 Other Funds Ltd	709	709	0	-
3250 Worker's Comp. Assess. (WCD)				
3400 Other Funds Ltd	1,058	1,058	0	-
3260 Mass Transit Tax				
3400 Other Funds Ltd	15,391	15,391	0	-
3270 Flexible Benefits				
3400 Other Funds Ltd	879,336	879,336	0	-
TOTAL OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	1,848,967	1,848,967	0	-
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(41,220)	(41,220)	0	-
TOTAL PERSONAL SERVICES				

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	4,921,915	4,921,915	0	-
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	48,439	48,439	0	-
4175 Office Expenses				
3400 Other Funds Ltd	23,874	23,874	0	-
4200 Telecommunications				
3400 Other Funds Ltd	208,566	208,566	0	-
4225 State Gov. Service Charges				
3400 Other Funds Ltd	45,032	45,032	0	-
4250 Data Processing				
3400 Other Funds Ltd	952,558	952,558	0	-
4300 Professional Services				
3400 Other Funds Ltd	574	574	0	-
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	1,453	1,453	0	-
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	153,642	153,642	0	-
4650 Other Services and Supplies				
3400 Other Funds Ltd	29,201	29,201	0	-
TOTAL SERVICES & SUPPLIES				
3400 Other Funds Ltd	1,463,339	1,463,339	0	-
TOTAL EXPENDITURES				
3400 Other Funds Ltd	6,385,254	6,385,254	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
ENDING BALANCE				
3400 Other Funds Ltd	4,272,245	4,242,699	(29,546)	-0.69%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	23	23	0	-
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	23.00	23.00	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
TRANSFERS IN				
1010 Transfer In - Intrafund				
3010 Other Funds Cap Improve	237,745	237,745	0	-
AVAILABLE REVENUES				
3010 Other Funds Cap Improve	237,745	237,745	0	-
EXPENDITURES				
CAPITAL OUTLAY				
5650 Land Improvements				
3010 Other Funds Cap Improve	5,342	5,342	0	-
5700 Building Structures				
3010 Other Funds Cap Improve	372,601	372,601	0	-
TOTAL CAPITAL OUTLAY				
3010 Other Funds Cap Improve	377,943	377,943	0	-
ENDING BALANCE				
3010 Other Funds Cap Improve	(140,198)	(140,198)	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
BEGINNING BALANCE				
0025 Beginning Balance				
3400 Other Funds Ltd	1,500,000	1,500,000	0	-
REVENUE CATEGORIES				
TAXES				
0185 Privilege Taxes				
3400 Other Funds Ltd	30,337,665	29,972,692	(364,973)	-1.20%
8800 General Fund Revenue	11,508,203	11,366,270	(141,933)	-1.23%
All Funds	41,845,868	41,338,962	(506,906)	-1.21%
LICENSES AND FEES				
0205 Business Lic and Fees				
3400 Other Funds Ltd	9,133,577	9,133,577	0	-
8800 General Fund Revenue	11,624,553	11,624,553	0	-
All Funds	20,758,130	20,758,130	0	-
CHARGES FOR SERVICES				
0410 Charges for Services				
3400 Other Funds Ltd	2,640	2,640	0	-
8800 General Fund Revenue	3,360	3,360	0	-
All Funds	6,000	6,000	0	-
FINES, RENTS AND ROYALTIES				
0505 Fines and Forfeitures				
3400 Other Funds Ltd	357,601	357,602	1	0.00%
8800 General Fund Revenue	455,130	455,129	(1)	-0.00%
All Funds	812,731	812,731	0	-

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
SALES INCOME				
0705 Sales Income				
3400 Other Funds Ltd	344,960	344,960	0	-
8800 General Fund Revenue	439,040	439,040	0	-
All Funds	784,000	784,000	0	-
0710 Liquor Sales				
3010 Other Funds Cap Improve	237,745	237,745	0	-
3400 Other Funds Ltd	1,307,404,459	1,316,456,679	9,052,220	0.69%
8800 General Fund Revenue	315,204,715	322,806,374	7,601,659	2.41%
All Funds	1,622,846,919	1,639,500,798	16,653,879	1.03%
TOTAL SALES INCOME				
3010 Other Funds Cap Improve	237,745	237,745	0	-
3400 Other Funds Ltd	1,307,749,419	1,316,801,639	9,052,220	0.69%
8800 General Fund Revenue	315,643,755	323,245,414	7,601,659	2.41%
TOTAL SALES INCOME	**$1,623,630,919**	**$1,640,284,798**	**$16,653,879**	**1.03%**
COST OF GOODS SOLD				
0755 Liquor Cost of Goods Sold				
3400 Other Funds Ltd	(801,356,566)	(811,601,575)	(10,245,009)	-1.28%
8800 General Fund Revenue	43,122,060	(242,034)	(43,364,094)	-100.56%
All Funds	(758,234,506)	(811,843,609)	(53,609,103)	-7.07%
0760 Cost of Goods Sold				
3400 Other Funds Ltd	(19,474,163)	(19,674,010)	(199,847)	-1.03%
TOTAL COST OF GOODS SOLD				
3400 Other Funds Ltd	(820,830,729)	(831,275,585)	(10,444,856)	-1.27%

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8800 General Fund Revenue	43,122,060	(242,034)	(43,364,094)	-100.56%
TOTAL COST OF GOODS SOLD	**($777,708,669)**	**($831,517,619)**	**($53,808,950)**	**-6.92%**
OTHER				
0975 Other Revenues				
3400 Other Funds Ltd	11,000	11,000	0	-
8800 General Fund Revenue	14,000	14,000	0	-
All Funds	25,000	25,000	0	-
TOTAL REVENUES				
3010 Other Funds Cap Improve	237,745	237,745	0	-
3400 Other Funds Ltd	526,761,173	525,003,565	(1,757,608)	-0.33%
8800 General Fund Revenue	382,371,061	346,466,692	(35,904,369)	-9.39%
TOTAL REVENUES	**$909,369,979**	**$871,708,002**	**($37,661,977)**	**-4.14%**
TRANSFERS OUT				
2010 Transfer Out - Intrafund				
3010 Other Funds Cap Improve	(237,745)	(237,745)	0	-
3400 Other Funds Ltd	(253,394,981)	(255,372,458)	(1,977,477)	-0.78%
All Funds	(253,632,726)	(255,610,203)	(1,977,477)	-0.78%
2050 Transfer to Other				
3400 Other Funds Ltd	(745,142)	(745,142)	0	-
2060 Transfer to General Fund				
8800 General Fund Revenue	(361,969,041)	(346,466,692)	15,502,349	4.28%
2070 Transfer to Cities				
3400 Other Funds Ltd	(114,577,585)	(109,041,031)	5,536,554	4.83%
2080 Transfer to Counties				

Description	Governor's Budget (Y-01) 2021-23 Base Budget	Leg. Adopted Budget (Z-01) 2021-23 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(57,214,775)	(54,520,515)	2,694,260	4.71%
2107 Tsfr To Administrative Svcs				
3400 Other Funds Ltd	(80,278,327)	(76,328,722)	3,949,605	4.92%
2443 Tsfr To Oregon Health Authority				
3400 Other Funds Ltd	(20,550,363)	(20,296,910)	253,453	1.23%
TOTAL TRANSFERS OUT				
3010 Other Funds Cap Improve	(237,745)	(237,745)	0	-
3400 Other Funds Ltd	(526,761,173)	(516,304,778)	10,456,395	1.99%
8800 General Fund Revenue	(361,969,041)	(346,466,692)	15,502,349	4.28%
TOTAL TRANSFERS OUT	**($888,967,959)**	**($863,009,215)**	**$25,958,744**	**2.92%**
AVAILABLE REVENUES				
3400 Other Funds Ltd	1,500,000	10,198,787	8,698,787	579.92%
8800 General Fund Revenue	20,402,020	-	(20,402,020)	-100.00%
TOTAL AVAILABLE REVENUES	**$21,902,020**	**$10,198,787**	**($11,703,233)**	**-53.43%**
ENDING BALANCE				
3400 Other Funds Ltd	1,500,000	10,198,787	8,698,787	579.92%
8800 General Fund Revenue	20,402,020	-	(20,402,020)	-100.00%
TOTAL ENDING BALANCE	**$21,902,020**	**$10,198,787**	**($11,703,233)**	**-53.43%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3160 Temporary Appointments				
3400 Other Funds Ltd	16,046	16,046	0	0.00%
3170 Overtime Payments				
3400 Other Funds Ltd	15,276	15,276	0	0.00%
3180 Shift Differential				
3400 Other Funds Ltd	2,799	2,799	0	0.00%
3190 All Other Differential				
3400 Other Funds Ltd	2,608	2,608	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	36,729	36,729	0	0.00%
TOTAL SALARIES & WAGES	**$36,729**	**$36,729**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	3,774	3,774	0	0.00%
3221 Pension Obligation Bond				
3400 Other Funds Ltd	631,197	631,197	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3230 Social Security Taxes				
3400 Other Funds Ltd	2,811	2,811	0	0.00%
3240 Unemployment Assessments				
3400 Other Funds Ltd	1,304	1,304	0	0.00%
3260 Mass Transit Tax				
3400 Other Funds Ltd	42,160	42,160	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	681,246	681,246	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$681,246**	**$681,246**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(108,240)	(108,240)	0	0.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(108,240)	(108,240)	0	0.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**($108,240)**	**($108,240)**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	609,735	609,735	0	0.00%
TOTAL PERSONAL SERVICES	**$609,735**	**$609,735**	**$0**	**0.00%**
EXPENDITURES				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	609,735	609,735	0	0.00%
TOTAL EXPENDITURES	**$609,735**	**$609,735**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(609,735)	(609,735)	0	0.00%
TOTAL ENDING BALANCE	**($609,735)**	**($609,735)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	(61,670)	(61,670)	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	(63,600)	(63,600)	0	0.00%
4250 Data Processing				
3400 Other Funds Ltd	(15,000)	(15,000)	0	0.00%
4315 IT Professional Services				
3400 Other Funds Ltd	(5,082,610)	(5,082,610)	0	0.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	(329,280)	(329,280)	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	(4,000)	(4,000)	0	0.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	(113,324)	(113,324)	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(5,669,484)	(5,669,484)	0	0.00%
TOTAL SERVICES & SUPPLIES	**($5,669,484)**	**($5,669,484)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	(214,495)	(214,495)	0	0.00%
5200 Technical Equipment				
3400 Other Funds Ltd	(90,000)	(90,000)	0	0.00%
5350 Industrial and Heavy Equipment				
3400 Other Funds Ltd	(120,000)	(120,000)	0	0.00%
5400 Automotive and Aircraft				
3400 Other Funds Ltd	(318,330)	(318,330)	0	0.00%
5550 Data Processing Software				
3400 Other Funds Ltd	(15,390)	(15,390)	0	0.00%
5700 Building Structures				
3010 Other Funds Cap Improve	(150,000)	(150,000)	0	0.00%
3400 Other Funds Ltd	(131,000)	(131,000)	0	0.00%
All Funds	(281,000)	(281,000)	0	0.00%
CAPITAL OUTLAY				
3010 Other Funds Cap Improve	(150,000)	(150,000)	0	0.00%
3400 Other Funds Ltd	(889,215)	(889,215)	0	0.00%
TOTAL CAPITAL OUTLAY	**($1,039,215)**	**($1,039,215)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
3010 Other Funds Cap Improve	(150,000)	(150,000)	0	0.00%
3400 Other Funds Ltd	(6,558,699)	(6,558,699)	0	0.00%
TOTAL EXPENDITURES	**($6,708,699)**	**($6,708,699)**	**$0**	**0.00%**
ENDING BALANCE				
3010 Other Funds Cap Improve	150,000	150,000	0	0.00%
3400 Other Funds Ltd	6,558,699	6,558,699	0	0.00%
TOTAL ENDING BALANCE	**$6,708,699**	**$6,708,699**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	23,620	23,620	0	0.00%
4125 Out of State Travel				
3400 Other Funds Ltd	2,664	2,664	0	0.00%
4150 Employee Training				
3400 Other Funds Ltd	18,570	18,570	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	678,884	678,884	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	75,885	75,885	0	0.00%
4225 State Gov. Service Charges				
3400 Other Funds Ltd	1,241,598	1,241,598	0	0.00%
4250 Data Processing				
3400 Other Funds Ltd	93,562	93,562	0	0.00%
4275 Publicity and Publications				
3400 Other Funds Ltd	4,071	4,071	0	0.00%
4300 Professional Services				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	7,765,980	7,765,980	0	0.00%
4315 IT Professional Services				
3400 Other Funds Ltd	161,595	161,595	0	0.00%
4325 Attorney General				
3400 Other Funds Ltd	179,209	179,209	0	0.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	5,308	5,308	0	0.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	1,207	1,207	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	62,968	62,968	0	0.00%
4450 Fuels and Utilities				
3400 Other Funds Ltd	26,135	26,135	0	0.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	50,344	50,344	0	0.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	14,607	14,607	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	10,787	10,787	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4700 Expendable Prop 250 - 5000				
3400 Other Funds Ltd	3,440	3,440	0	0.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	20,540	20,540	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	10,440,974	10,440,974	0	0.00%
TOTAL SERVICES & SUPPLIES	**$10,440,974**	**$10,440,974**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	1	1	0	0.00%
5200 Technical Equipment				
3400 Other Funds Ltd	749	749	0	0.00%
5350 Industrial and Heavy Equipment				
3400 Other Funds Ltd	1,002	1,002	0	0.00%
5400 Automotive and Aircraft				
3400 Other Funds Ltd	5,006	5,006	0	0.00%
5600 Data Processing Hardware				
3400 Other Funds Ltd	675	675	0	0.00%
5650 Land Improvements				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3010 Other Funds Cap Improve	230	230	0	0.00%
5700 Building Structures				
3010 Other Funds Cap Improve	9,572	9,572	0	0.00%
CAPITAL OUTLAY				
3010 Other Funds Cap Improve	9,802	9,802	0	0.00%
3400 Other Funds Ltd	7,433	7,433	0	0.00%
TOTAL CAPITAL OUTLAY	**$17,235**	**$17,235**	**$0**	**0.00%**
EXPENDITURES				
3010 Other Funds Cap Improve	9,802	9,802	0	0.00%
3400 Other Funds Ltd	10,448,407	10,448,407	0	0.00%
TOTAL EXPENDITURES	**$10,458,209**	**$10,458,209**	**$0**	**0.00%**
ENDING BALANCE				
3010 Other Funds Cap Improve	(9,802)	(9,802)	0	0.00%
3400 Other Funds Ltd	(10,448,407)	(10,448,407)	0	0.00%
TOTAL ENDING BALANCE	**($10,458,209)**	**($10,458,209)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4175 Office Expenses				
3400 Other Funds Ltd	2,533,616	2,533,616	0	0.00%
4300 Professional Services				
3400 Other Funds Ltd	5,281,083	5,281,083	0	0.00%
4315 IT Professional Services				
3400 Other Funds Ltd	402,847	402,847	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	8,217,546	8,217,546	0	0.00%
TOTAL SERVICES & SUPPLIES	**$8,217,546**	**$8,217,546**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	8,217,546	8,217,546	0	0.00%
TOTAL EXPENDITURES	**$8,217,546**	**$8,217,546**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(8,217,546)	(8,217,546)	0	0.00%
TOTAL ENDING BALANCE	**($8,217,546)**	**($8,217,546)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	134,952	134,952	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	134,952	134,952	0	0.00%
TOTAL SALARIES & WAGES	**$134,952**	**$134,952**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	58	58	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	24,629	24,629	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	10,324	10,324	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	46	46	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	38,232	38,232	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	73,289	73,289	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$73,289**	**$73,289**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	(14,978)	-	14,978	100.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(14,978)	-	14,978	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**($14,978)**	**-**	**$14,978**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	193,263	208,241	14,978	7.75%
TOTAL PERSONAL SERVICES	**$193,263**	**$208,241**	**$14,978**	**7.75%**
EXPENDITURES				
3400 Other Funds Ltd	193,263	208,241	14,978	7.75%
TOTAL EXPENDITURES	**$193,263**	**$208,241**	**$14,978**	**7.75%**
ENDING BALANCE				
3400 Other Funds Ltd	(193,263)	(208,241)	(14,978)	(7.75%)
TOTAL ENDING BALANCE	**($193,263)**	**($208,241)**	**($14,978)**	**(7.75%)**
AUTHORIZED POSITIONS				

Description	Governor's Budget (Y-01) Column 1	Leg. Adopted Budget (Z-01) Column 2	Column 2 Minus Column 1	% Change from Column 1 to Column 2
8150 Class/Unclass Positions	1	1	0	0.00%
8180 Position Reconciliation	(1)	-	1	100.00%
TOTAL AUTHORIZED POSITIONS	**-**	**1**	**1**	**100.00%**
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	1.00	1.00	0.00	0.00%
8280 FTE Reconciliation	(0.29)	-	0.29	100.00%
TOTAL AUTHORIZED FTE	**0.71**	**1.00**	**0.29**	**40.85%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
TRANSFERS IN				
1150 Tsfr From Revenue, Dept of				
3400 Other Funds Ltd	153,600	-	(153,600)	(100.00%)
REVENUE CATEGORIES				
3400 Other Funds Ltd	153,600	-	(153,600)	(100.00%)
TOTAL REVENUE CATEGORIES	**$153,600**	**-**	**($153,600)**	**(100.00%)**
2000				
2060 Transfer to General Fund				
8800 General Fund Revenue	(20,402,020)	-	20,402,020	100.00%
AVAILABLE REVENUES				
3400 Other Funds Ltd	153,600	-	(153,600)	(100.00%)
8800 General Fund Revenue	(20,402,020)	-	20,402,020	100.00%
TOTAL AVAILABLE REVENUES	**($20,248,420)**	**-**	**$20,248,420**	**100.00%**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	(552,672)	(466,752)	85,920	15.55%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
SALARIES & WAGES				
3400 Other Funds Ltd	(552,672)	(466,752)	85,920	15.55%
TOTAL SALARIES & WAGES	**($552,672)**	**($466,752)**	**$85,920**	**15.55%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	(290)	(232)	58	20.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	(100,862)	(85,182)	15,680	15.55%
3230 Social Security Taxes				
3400 Other Funds Ltd	(42,280)	(35,707)	6,573	15.55%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	(230)	(184)	46	20.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	(191,160)	(152,928)	38,232	20.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	(334,822)	(274,233)	60,589	18.10%
TOTAL OTHER PAYROLL EXPENSES	**($334,822)**	**($274,233)**	**$60,589**	**18.10%**
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				

Description	Governor's Budget (Y-01) Column 1	Leg. Adopted Budget (Z-01) Column 2	Column 2 Minus Column 1	% Change from Column 1 to Column 2
3400 Other Funds Ltd	-	3,000	3,000	100.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	-	3,000	3,000	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**$3,000**	**$3,000**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	(887,494)	(737,985)	149,509	16.85%
TOTAL PERSONAL SERVICES	**($887,494)**	**($737,985)**	**$149,509**	**16.85%**
SERVICES & SUPPLIES				
4250 Data Processing				
3400 Other Funds Ltd	153,600	-	(153,600)	(100.00%)
SERVICES & SUPPLIES				
3400 Other Funds Ltd	153,600	-	(153,600)	(100.00%)
TOTAL SERVICES & SUPPLIES	**$153,600**	**-**	**($153,600)**	**(100.00%)**
EXPENDITURES				
3400 Other Funds Ltd	(733,894)	(737,985)	(4,091)	(0.56%)
TOTAL EXPENDITURES	**($733,894)**	**($737,985)**	**($4,091)**	**(0.56%)**
ENDING BALANCE				
3400 Other Funds Ltd	887,494	737,985	(149,509)	(16.85%)
8800 General Fund Revenue	(20,402,020)	-	20,402,020	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL ENDING BALANCE	**($19,514,526)**	**$737,985**	**$20,252,511**	**103.78%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	(5)	(4)	1	20.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	(5.00)	(4.00)	1.00	20.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	(23,620)	-	23,620	100.00%
4125 Out of State Travel				
3400 Other Funds Ltd	(2,664)	-	2,664	100.00%
4150 Employee Training				
3400 Other Funds Ltd	(18,570)	-	18,570	100.00%
4175 Office Expenses				
3400 Other Funds Ltd	(597,194)	-	597,194	100.00%
4250 Data Processing				
3400 Other Funds Ltd	(2,803)	-	2,803	100.00%
4275 Publicity and Publications				
3400 Other Funds Ltd	(4,071)	-	4,071	100.00%
4315 IT Professional Services				
3400 Other Funds Ltd	(26,275)	-	26,275	100.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	(5,308)	-	5,308	100.00%
4400 Dues and Subscriptions				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(1,207)	-	1,207	100.00%
4450 Fuels and Utilities				
3400 Other Funds Ltd	(25,138)	-	25,138	100.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	(50,344)	-	50,344	100.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	(13,382)	-	13,382	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	(7,923)	-	7,923	100.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	(20,413)	-	20,413	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(798,912)	-	798,912	100.00%
TOTAL SERVICES & SUPPLIES	**($798,912)**	**-**	**$798,912**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(798,912)	-	798,912	100.00%
TOTAL EXPENDITURES	**($798,912)**	**-**	**$798,912**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	798,912	-	(798,912)	(100.00%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL ENDING BALANCE	**$798,912**	**-**	**($798,912)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(1,839,186)	-	1,839,186	100.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(1,839,186)	-	1,839,186	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**($1,839,186)**	**-**	**$1,839,186**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	(1,839,186)	-	1,839,186	100.00%
TOTAL PERSONAL SERVICES	**($1,839,186)**	**-**	**$1,839,186**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(1,839,186)	-	1,839,186	100.00%
TOTAL EXPENDITURES	**($1,839,186)**	**-**	**$1,839,186**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	1,839,186	-	(1,839,186)	(100.00%)
TOTAL ENDING BALANCE	**$1,839,186**	**-**	**($1,839,186)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4225 State Gov. Service Charges				
3400 Other Funds Ltd	(756,047)	-	756,047	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(756,047)	-	756,047	100.00%
TOTAL SERVICES & SUPPLIES	**($756,047)**	**-**	**$756,047**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(756,047)	-	756,047	100.00%
TOTAL EXPENDITURES	**($756,047)**	**-**	**$756,047**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	756,047	-	(756,047)	(100.00%)
TOTAL ENDING BALANCE	**$756,047**	**-**	**($756,047)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4325 Attorney General				
3400 Other Funds Ltd	(65,101)	-	65,101	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(65,101)	-	65,101	100.00%
TOTAL SERVICES & SUPPLIES	**($65,101)**	**-**	**$65,101**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(65,101)	-	65,101	100.00%
TOTAL EXPENDITURES	**($65,101)**	**-**	**$65,101**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	65,101	-	(65,101)	(100.00%)
TOTAL ENDING BALANCE	**$65,101**	**-**	**($65,101)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4250 Data Processing				
3400 Other Funds Ltd	(256,766)	(256,766)	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(256,766)	(256,766)	0	0.00%
TOTAL SERVICES & SUPPLIES	**($256,766)**	**($256,766)**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	(256,766)	(256,766)	0	0.00%
TOTAL EXPENDITURES	**($256,766)**	**($256,766)**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	256,766	256,766	0	0.00%
TOTAL ENDING BALANCE	**$256,766**	**$256,766**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
BOND SALES				
0560 Dedicated Fund Oblig Bonds				
3020 Other Funds Cap Construct	62,537,265	-	(62,537,265)	(100.00%)
3400 Other Funds Ltd	28,197,735	-	(28,197,735)	(100.00%)
All Funds	90,735,000	-	(90,735,000)	(100.00%)
OTHER				
0975 Other Revenues				
3430 Other Funds Debt Svc Ltd	7,547,093	-	(7,547,093)	(100.00%)
REVENUE CATEGORIES				
3020 Other Funds Cap Construct	62,537,265	-	(62,537,265)	(100.00%)
3400 Other Funds Ltd	28,197,735	-	(28,197,735)	(100.00%)
3430 Other Funds Debt Svc Ltd	7,547,093	-	(7,547,093)	(100.00%)
TOTAL REVENUE CATEGORIES	**$98,282,093**	**-**	**($98,282,093)**	**(100.00%)**
AVAILABLE REVENUES				
3020 Other Funds Cap Construct	62,537,265	-	(62,537,265)	(100.00%)
3400 Other Funds Ltd	28,197,735	-	(28,197,735)	(100.00%)
3430 Other Funds Debt Svc Ltd	7,547,093	-	(7,547,093)	(100.00%)
TOTAL AVAILABLE REVENUES	**$98,282,093**	**-**	**($98,282,093)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4650 Other Services and Supplies				
3400 Other Funds Ltd	1,197,735	-	(1,197,735)	(100.00%)
SERVICES & SUPPLIES				
3400 Other Funds Ltd	1,197,735	-	(1,197,735)	(100.00%)
TOTAL SERVICES & SUPPLIES	**$1,197,735**	**-**	**($1,197,735)**	**(100.00%)**
CAPITAL OUTLAY				
5200 Technical Equipment				
3020 Other Funds Cap Construct	10,000,000	-	(10,000,000)	(100.00%)
5700 Building Structures				
3020 Other Funds Cap Construct	52,537,265	-	(52,537,265)	(100.00%)
5800 Professional Services				
3400 Other Funds Ltd	27,000,000	-	(27,000,000)	(100.00%)
CAPITAL OUTLAY				
3020 Other Funds Cap Construct	62,537,265	-	(62,537,265)	(100.00%)
3400 Other Funds Ltd	27,000,000	-	(27,000,000)	(100.00%)
TOTAL CAPITAL OUTLAY	**$89,537,265**	**-**	**($89,537,265)**	**(100.00%)**
DEBT SERVICE				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
7100 Principal - Bonds				
3430 Other Funds Debt Svc Ltd	4,475,000	-	(4,475,000)	(100.00%)
7150 Interest - Bonds				
3430 Other Funds Debt Svc Ltd	3,072,093	-	(3,072,093)	(100.00%)
DEBT SERVICE				
3430 Other Funds Debt Svc Ltd	7,547,093	-	(7,547,093)	(100.00%)
TOTAL DEBT SERVICE	**$7,547,093**	**-**	**($7,547,093)**	**(100.00%)**
EXPENDITURES				
3020 Other Funds Cap Construct	62,537,265	-	(62,537,265)	(100.00%)
3400 Other Funds Ltd	28,197,735	-	(28,197,735)	(100.00%)
3430 Other Funds Debt Svc Ltd	7,547,093	-	(7,547,093)	(100.00%)
TOTAL EXPENDITURES	**$98,282,093**	**-**	**($98,282,093)**	**(100.00%)**
ENDING BALANCE				
3020 Other Funds Cap Construct	-	-	0	0.00%
3400 Other Funds Ltd	-	-	0	0.00%
3430 Other Funds Debt Svc Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
CAPITAL OUTLAY				
5350 Industrial and Heavy Equipment				
3400 Other Funds Ltd	270,000	270,000	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	270,000	270,000	0	0.00%
TOTAL CAPITAL OUTLAY	**$270,000**	**$270,000**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	270,000	270,000	0	0.00%
TOTAL EXPENDITURES	**$270,000**	**$270,000**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(270,000)	(270,000)	0	0.00%
TOTAL ENDING BALANCE	**($270,000)**	**($270,000)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4300 Professional Services				
3400 Other Funds Ltd	13,500,000	13,500,000	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	13,500,000	13,500,000	0	0.00%
TOTAL SERVICES & SUPPLIES	**$13,500,000**	**$13,500,000**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	13,500,000	13,500,000	0	0.00%
TOTAL EXPENDITURES	**$13,500,000**	**$13,500,000**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(13,500,000)	(13,500,000)	0	0.00%
TOTAL ENDING BALANCE	**($13,500,000)**	**($13,500,000)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4300 Professional Services				
3400 Other Funds Ltd	3,500,000	3,500,000	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	3,500,000	3,500,000	0	0.00%
TOTAL SERVICES & SUPPLIES	**$3,500,000**	**$3,500,000**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	3,500,000	3,500,000	0	0.00%
TOTAL EXPENDITURES	**$3,500,000**	**$3,500,000**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(3,500,000)	(3,500,000)	0	0.00%
TOTAL ENDING BALANCE	**($3,500,000)**	**($3,500,000)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	1,089,936	323,208	(766,728)	(70.35%)
3160 Temporary Appointments				
3400 Other Funds Ltd	102,159	86,342	(15,817)	(15.48%)
SALARIES & WAGES				
3400 Other Funds Ltd	1,192,095	409,550	(782,545)	(65.64%)
TOTAL SALARIES & WAGES	**$1,192,095**	**$409,550**	**($782,545)**	**(65.64%)**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	493	116	(377)	(76.47%)
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	198,913	58,986	(139,927)	(70.35%)
3230 Social Security Taxes				
3400 Other Funds Ltd	91,193	31,330	(59,863)	(65.64%)
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	391	92	(299)	(76.47%)

Description	Governor's Budget (Y-01) Column 1	Leg. Adopted Budget (Z-01) Column 2	Column 2 Minus Column 1	% Change from Column 1 to Column 2
3270 Flexible Benefits				
3400 Other Funds Ltd	324,972	76,464	(248,508)	(76.47%)
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	615,962	166,988	(448,974)	(72.89%)
TOTAL OTHER PAYROLL EXPENSES	**$615,962**	**$166,988**	**($448,974)**	**(72.89%)**
PERSONAL SERVICES				
3400 Other Funds Ltd	1,808,057	576,538	(1,231,519)	(68.11%)
TOTAL PERSONAL SERVICES	**$1,808,057**	**$576,538**	**($1,231,519)**	**(68.11%)**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	9,000	2,000	(7,000)	(77.78%)
4175 Office Expenses				
3400 Other Funds Ltd	9,000	2,000	(7,000)	(77.78%)
4200 Telecommunications				
3400 Other Funds Ltd	17,500	4,000	(13,500)	(77.14%)
4250 Data Processing				
3400 Other Funds Ltd	13,500	3,000	(10,500)	(77.78%)
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	158,040	35,120	(122,920)	(77.78%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4650 Other Services and Supplies				
3400 Other Funds Ltd	9,000	2,000	(7,000)	(77.78%)
4715 IT Expendable Property				
3400 Other Funds Ltd	20,800	5,200	(15,600)	(75.00%)
SERVICES & SUPPLIES				
3400 Other Funds Ltd	236,840	53,320	(183,520)	(77.49%)
TOTAL SERVICES & SUPPLIES	**$236,840**	**$53,320**	**($183,520)**	**(77.49%)**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	61,600	15,400	(46,200)	(75.00%)
5200 Technical Equipment				
3400 Other Funds Ltd	-	38,500	38,500	100.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	61,600	53,900	(7,700)	(12.50%)
TOTAL CAPITAL OUTLAY	**$61,600**	**$53,900**	**($7,700)**	**(12.50%)**
EXPENDITURES				
3400 Other Funds Ltd	2,106,497	683,758	(1,422,739)	(67.54%)
TOTAL EXPENDITURES	**$2,106,497**	**$683,758**	**($1,422,739)**	**(67.54%)**
ENDING BALANCE				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(2,106,497)	(683,758)	1,422,739	67.54%
TOTAL ENDING BALANCE	**($2,106,497)**	**($683,758)**	**$1,422,739**	**67.54%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	9	2	(7)	(77.78%)
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	8.50	2.00	(6.50)	(76.47%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	604,896	604,896	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	604,896	604,896	0	0.00%
TOTAL SALARIES & WAGES	**$604,896**	**$604,896**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	232	232	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	110,392	110,392	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	46,276	46,276	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	184	184	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	152,928	152,928	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	310,012	310,012	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$310,012**	**$310,012**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	914,908	914,908	0	0.00%
TOTAL PERSONAL SERVICES	**$914,908**	**$914,908**	**$0**	**0.00%**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	4,000	4,000	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	4,000	4,000	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	8,000	8,000	0	0.00%
4250 Data Processing				
3400 Other Funds Ltd	6,000	6,000	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	70,240	70,240	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	4,000	4,000	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4715 IT Expendable Property				
3400 Other Funds Ltd	10,400	10,400	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	106,640	106,640	0	0.00%
TOTAL SERVICES & SUPPLIES	**$106,640**	**$106,640**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	30,800	30,800	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	30,800	30,800	0	0.00%
TOTAL CAPITAL OUTLAY	**$30,800**	**$30,800**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	1,052,348	1,052,348	0	0.00%
TOTAL EXPENDITURES	**$1,052,348**	**$1,052,348**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(1,052,348)	(1,052,348)	0	0.00%
TOTAL ENDING BALANCE	**($1,052,348)**	**($1,052,348)**	**$0**	**0.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	4	4	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	4.00	4.00	0.00	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	285,312	570,624	285,312	100.00%
SALARIES & WAGES				
3400 Other Funds Ltd	285,312	570,624	285,312	100.00%
TOTAL SALARIES & WAGES	**$285,312**	**$570,624**	**$285,312**	**100.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	116	232	116	100.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	52,070	104,140	52,070	100.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	21,826	43,652	21,826	100.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	92	184	92	100.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	76,464	152,928	76,464	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	150,568	301,136	150,568	100.00%
TOTAL OTHER PAYROLL EXPENSES	**$150,568**	**$301,136**	**$150,568**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	435,880	871,760	435,880	100.00%
TOTAL PERSONAL SERVICES	**$435,880**	**$871,760**	**$435,880**	**100.00%**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	2,000	4,000	2,000	100.00%
4175 Office Expenses				
3400 Other Funds Ltd	2,000	4,000	2,000	100.00%
4200 Telecommunications				
3400 Other Funds Ltd	4,000	8,000	4,000	100.00%
4250 Data Processing				
3400 Other Funds Ltd	3,000	6,000	3,000	100.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	35,120	70,240	35,120	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	2,000	4,000	2,000	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4715 IT Expendable Property				
3400 Other Funds Ltd	5,200	10,400	5,200	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	53,320	106,640	53,320	100.00%
TOTAL SERVICES & SUPPLIES	**$53,320**	**$106,640**	**$53,320**	**100.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	15,400	30,800	15,400	100.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	15,400	30,800	15,400	100.00%
TOTAL CAPITAL OUTLAY	**$15,400**	**$30,800**	**$15,400**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	504,600	1,009,200	504,600	100.00%
TOTAL EXPENDITURES	**$504,600**	**$1,009,200**	**$504,600**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(504,600)	(1,009,200)	(504,600)	(100.00%)
TOTAL ENDING BALANCE	**($504,600)**	**($1,009,200)**	**($504,600)**	**(100.00%)**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	2	4	2	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	2.00	4.00	2.00	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	299,448	299,448	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	299,448	299,448	0	0.00%
TOTAL SALARIES & WAGES	**$299,448**	**$299,448**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	116	116	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	54,649	54,649	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	22,908	22,908	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	92	92	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	76,464	76,464	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	154,229	154,229	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$154,229**	**$154,229**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	453,677	453,677	0	0.00%
TOTAL PERSONAL SERVICES	**$453,677**	**$453,677**	**$0**	**0.00%**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	2,000	2,000	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	2,000	2,000	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	4,000	4,000	0	0.00%
4250 Data Processing				
3400 Other Funds Ltd	3,000	3,000	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	35,120	35,120	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	2,000	2,000	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4715 IT Expendable Property				
3400 Other Funds Ltd	5,200	5,200	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	53,320	53,320	0	0.00%
TOTAL SERVICES & SUPPLIES	**$53,320**	**$53,320**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	15,400	15,400	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	15,400	15,400	0	0.00%
TOTAL CAPITAL OUTLAY	**$15,400**	**$15,400**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	522,397	522,397	0	0.00%
TOTAL EXPENDITURES	**$522,397**	**$522,397**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(522,397)	(522,397)	0	0.00%
TOTAL ENDING BALANCE	**($522,397)**	**($522,397)**	**$0**	**0.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	2	2	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	2.00	2.00	0.00	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	124,776	124,776	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	124,776	124,776	0	0.00%
TOTAL SALARIES & WAGES	**$124,776**	**$124,776**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	58	58	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	22,772	22,772	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	9,546	9,546	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	46	46	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	38,232	38,232	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	70,654	70,654	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$70,654**	**$70,654**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	195,430	195,430	0	0.00%
TOTAL PERSONAL SERVICES	**$195,430**	**$195,430**	**$0**	**0.00%**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	1,000	1,000	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	1,000	1,000	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	2,000	2,000	0	0.00%
4250 Data Processing				
3400 Other Funds Ltd	165,895	165,895	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	17,560	17,560	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	1,000	1,000	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4715 IT Expendable Property				
3400 Other Funds Ltd	2,600	2,600	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	191,055	191,055	0	0.00%
TOTAL SERVICES & SUPPLIES	**$191,055**	**$191,055**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	7,700	7,700	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	7,700	7,700	0	0.00%
TOTAL CAPITAL OUTLAY	**$7,700**	**$7,700**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	394,185	394,185	0	0.00%
TOTAL EXPENDITURES	**$394,185**	**$394,185**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(394,185)	(394,185)	0	0.00%
TOTAL ENDING BALANCE	**($394,185)**	**($394,185)**	**$0**	**0.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	1	1	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	1.00	1.00	0.00	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4315 IT Professional Services				
3400 Other Funds Ltd	1,110,000	1,110,000	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	1,110,000	1,110,000	0	0.00%
TOTAL SERVICES & SUPPLIES	**$1,110,000**	**$1,110,000**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	1,110,000	1,110,000	0	0.00%
TOTAL EXPENDITURES	**$1,110,000**	**$1,110,000**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(1,110,000)	(1,110,000)	0	0.00%
TOTAL ENDING BALANCE	**($1,110,000)**	**($1,110,000)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	1,654,344	999,552	(654,792)	(39.58%)
SALARIES & WAGES				
3400 Other Funds Ltd	1,654,344	999,552	(654,792)	(39.58%)
TOTAL SALARIES & WAGES	**$1,654,344**	**$999,552**	**($654,792)**	**(39.58%)**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	754	464	(290)	(38.46%)
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	301,914	182,416	(119,498)	(39.58%)
3230 Social Security Taxes				
3400 Other Funds Ltd	126,555	76,464	(50,091)	(39.58%)
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	598	368	(230)	(38.46%)
3270 Flexible Benefits				
3400 Other Funds Ltd	497,016	305,856	(191,160)	(38.46%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	926,837	565,568	(361,269)	(38.98%)
TOTAL OTHER PAYROLL EXPENSES	**$926,837**	**$565,568**	**($361,269)**	**(38.98%)**
PERSONAL SERVICES				
3400 Other Funds Ltd	2,581,181	1,565,120	(1,016,061)	(39.36%)
TOTAL PERSONAL SERVICES	**$2,581,181**	**$1,565,120**	**($1,016,061)**	**(39.36%)**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	13,000	8,000	(5,000)	(38.46%)
4175 Office Expenses				
3400 Other Funds Ltd	13,000	8,000	(5,000)	(38.46%)
4200 Telecommunications				
3400 Other Funds Ltd	26,000	16,000	(10,000)	(38.46%)
4250 Data Processing				
3400 Other Funds Ltd	19,500	12,000	(7,500)	(38.46%)
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	228,280	140,480	(87,800)	(38.46%)
4650 Other Services and Supplies				
3400 Other Funds Ltd	13,000	8,000	(5,000)	(38.46%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4715 IT Expendable Property				
3400 Other Funds Ltd	33,800	20,800	(13,000)	(38.46%)
SERVICES & SUPPLIES				
3400 Other Funds Ltd	346,580	213,280	(133,300)	(38.46%)
TOTAL SERVICES & SUPPLIES	**$346,580**	**$213,280**	**($133,300)**	**(38.46%)**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	100,100	61,600	(38,500)	(38.46%)
CAPITAL OUTLAY				
3400 Other Funds Ltd	100,100	61,600	(38,500)	(38.46%)
TOTAL CAPITAL OUTLAY	**$100,100**	**$61,600**	**($38,500)**	**(38.46%)**
EXPENDITURES				
3400 Other Funds Ltd	3,027,861	1,840,000	(1,187,861)	(39.23%)
TOTAL EXPENDITURES	**$3,027,861**	**$1,840,000**	**($1,187,861)**	**(39.23%)**
ENDING BALANCE				
3400 Other Funds Ltd	(3,027,861)	(1,840,000)	1,187,861	39.23%
TOTAL ENDING BALANCE	**($3,027,861)**	**($1,840,000)**	**$1,187,861**	**39.23%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	13	8	(5)	(38.46%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	13.00	8.00	(5.00)	(38.46%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	187,596	187,596	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	187,596	187,596	0	0.00%
TOTAL SALARIES & WAGES	**$187,596**	**$187,596**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	86	86	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	34,236	34,236	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	14,351	14,351	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	68	68	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	57,348	57,348	0	0.00%

Description	Governor's Budget (Y-01) Column 1	Leg. Adopted Budget (Z-01) Column 2	Column 2 Minus Column 1	% Change from Column 1 to Column 2
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	106,089	106,089	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$106,089**	**$106,089**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	862	862	100.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	-	862	862	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**$862**	**$862**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	293,685	294,547	862	0.29%
TOTAL PERSONAL SERVICES	**$293,685**	**$294,547**	**$862**	**0.29%**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	2,000	2,000	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	2,000	2,000	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	4,000	4,000	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4250 Data Processing				
3400 Other Funds Ltd	3,000	3,000	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	35,120	35,120	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	2,000	280	(1,720)	(86.00%)
4715 IT Expendable Property				
3400 Other Funds Ltd	5,200	5,200	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	53,320	51,600	(1,720)	(3.23%)
TOTAL SERVICES & SUPPLIES	**$53,320**	**$51,600**	**($1,720)**	**(3.23%)**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	15,400	-	(15,400)	(100.00%)
CAPITAL OUTLAY				
3400 Other Funds Ltd	15,400	-	(15,400)	(100.00%)
TOTAL CAPITAL OUTLAY	**$15,400**	**-**	**($15,400)**	**(100.00%)**
EXPENDITURES				
3400 Other Funds Ltd	362,405	346,147	(16,258)	(4.49%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL EXPENDITURES	**$362,405**	**$346,147**	**($16,258)**	**(4.49%)**
ENDING BALANCE				
3400 Other Funds Ltd	(362,405)	(346,147)	16,258	4.49%
TOTAL ENDING BALANCE	**($362,405)**	**($346,147)**	**$16,258**	**4.49%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	2	2	0	0.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	1.50	1.50	0.00	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	-	73,848	73,848	100.00%
SALARIES & WAGES				
3400 Other Funds Ltd	-	73,848	73,848	100.00%
TOTAL SALARIES & WAGES	**-**	**$73,848**	**$73,848**	**100.00%**
OTHER PAYROLL EXPENSES				
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	-	13,478	13,478	100.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	-	5,651	5,651	100.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	-	19,129	19,129	100.00%
TOTAL OTHER PAYROLL EXPENSES	**-**	**$19,129**	**$19,129**	**100.00%**
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	(1,729)	(1,729)	100.00%

Description	Governor's Budget (Y-01) Column 1	Leg. Adopted Budget (Z-01) Column 2	Column 2 Minus Column 1	% Change from Column 1 to Column 2
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	-	(1,729)	(1,729)	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**($1,729)**	**($1,729)**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	-	91,248	91,248	100.00%
TOTAL PERSONAL SERVICES	**-**	**$91,248**	**$91,248**	**100.00%**
SERVICES & SUPPLIES				
4300 Professional Services				
3400 Other Funds Ltd	-	1,502,180	1,502,180	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	1,502,180	1,502,180	100.00%
TOTAL SERVICES & SUPPLIES	**-**	**$1,502,180**	**$1,502,180**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	-	1,593,428	1,593,428	100.00%
TOTAL EXPENDITURES	**-**	**$1,593,428**	**$1,593,428**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	(1,593,428)	(1,593,428)	100.00%
TOTAL ENDING BALANCE	**-**	**($1,593,428)**	**($1,593,428)**	**100.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	-	(40,359)	(40,359)	100.00%
4175 Office Expenses				
3400 Other Funds Ltd	-	2,520	2,520	100.00%
4225 State Gov. Service Charges				
3400 Other Funds Ltd	-	(485,837)	(485,837)	100.00%
4250 Data Processing				
3400 Other Funds Ltd	-	171,746	171,746	100.00%
4315 IT Professional Services				
3400 Other Funds Ltd	-	(227,823)	(227,823)	100.00%
4325 Attorney General				
3400 Other Funds Ltd	-	(61,356)	(61,356)	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	-	82,692	82,692	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	(558,417)	(558,417)	100.00%
TOTAL SERVICES & SUPPLIES	**-**	**($558,417)**	**($558,417)**	**100.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
3400 Other Funds Ltd	-	(558,417)	(558,417)	100.00%
TOTAL EXPENDITURES	**-**	**($558,417)**	**($558,417)**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	558,417	558,417	100.00%
TOTAL ENDING BALANCE	**-**	**$558,417**	**$558,417**	**100.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
BOND SALES				
0560 Dedicated Fund Oblig Bonds				
3400 Other Funds Ltd	-	28,197,735	28,197,735	100.00%
OTHER				
0975 Other Revenues				
3430 Other Funds Debt Svc Ltd	-	7,547,093	7,547,093	100.00%
REVENUE CATEGORIES				
3400 Other Funds Ltd	-	28,197,735	28,197,735	100.00%
3430 Other Funds Debt Svc Ltd	-	7,547,093	7,547,093	100.00%
TOTAL REVENUE CATEGORIES	**-**	**$35,744,828**	**$35,744,828**	**100.00%**
AVAILABLE REVENUES				
3400 Other Funds Ltd	-	28,197,735	28,197,735	100.00%
3430 Other Funds Debt Svc Ltd	-	7,547,093	7,547,093	100.00%
TOTAL AVAILABLE REVENUES	**-**	**$35,744,828**	**$35,744,828**	**100.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4650 Other Services and Supplies				
3400 Other Funds Ltd	-	1,197,735	1,197,735	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	1,197,735	1,197,735	100.00%
TOTAL SERVICES & SUPPLIES	**-**	**$1,197,735**	**$1,197,735**	**100.00%**
CAPITAL OUTLAY				
5550 Data Processing Software				
3400 Other Funds Ltd	-	27,000,000	27,000,000	100.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	-	27,000,000	27,000,000	100.00%
TOTAL CAPITAL OUTLAY	**-**	**$27,000,000**	**$27,000,000**	**100.00%**
DEBT SERVICE				
7100 Principal - Bonds				
3430 Other Funds Debt Svc Ltd	-	4,475,000	4,475,000	100.00%
7150 Interest - Bonds				
3430 Other Funds Debt Svc Ltd	-	3,072,093	3,072,093	100.00%
DEBT SERVICE				
3430 Other Funds Debt Svc Ltd	-	7,547,093	7,547,093	100.00%
TOTAL DEBT SERVICE	**-**	**$7,547,093**	**$7,547,093**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	-	28,197,735	28,197,735	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3430 Other Funds Debt Svc Ltd	-	7,547,093	7,547,093	100.00%
TOTAL EXPENDITURES	**-**	**$35,744,828**	**$35,744,828**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	-	0	0.00%
3430 Other Funds Debt Svc Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	-	64,440	64,440	100.00%
3170 Overtime Payments				
3400 Other Funds Ltd	-	79,428	79,428	100.00%
SALARIES & WAGES				
3400 Other Funds Ltd	-	143,868	143,868	100.00%
TOTAL SALARIES & WAGES	**-**	**$143,868**	**$143,868**	**100.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	-	43	43	100.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	-	26,256	26,256	100.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	-	11,006	11,006	100.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	-	34	34	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3270 Flexible Benefits				
3400 Other Funds Ltd	-	28,674	28,674	100.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	-	66,013	66,013	100.00%
TOTAL OTHER PAYROLL EXPENSES	**-**	**$66,013**	**$66,013**	**100.00%**
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	(2,483)	(2,483)	100.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	-	(2,483)	(2,483)	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**($2,483)**	**($2,483)**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	-	207,398	207,398	100.00%
TOTAL PERSONAL SERVICES	**-**	**$207,398**	**$207,398**	**100.00%**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	-	1,000	1,000	100.00%
4175 Office Expenses				
3400 Other Funds Ltd	-	1,000	1,000	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4200 Telecommunications				
3400 Other Funds Ltd	-	2,000	2,000	100.00%
4300 Professional Services				
3400 Other Funds Ltd	-	60,000	60,000	100.00%
4315 IT Professional Services				
3400 Other Funds Ltd	-	13,249	13,249	100.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	-	17,560	17,560	100.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	-	85,500	85,500	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	-	1,000	1,000	100.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	-	2,600	2,600	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	183,909	183,909	100.00%
TOTAL SERVICES & SUPPLIES	**-**	**$183,909**	**$183,909**	**100.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	-	7,700	7,700	100.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	-	7,700	7,700	100.00%
TOTAL CAPITAL OUTLAY	**-**	**$7,700**	**$7,700**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	-	399,007	399,007	100.00%
TOTAL EXPENDITURES	**-**	**$399,007**	**$399,007**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	(399,007)	(399,007)	100.00%
TOTAL ENDING BALANCE	**-**	**($399,007)**	**($399,007)**	**100.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	-	1	1	100.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	-	0.75	0.75	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
BOND SALES				
0560 Dedicated Fund Oblig Bonds				
3020 Other Funds Cap Construct	-	62,537,265	62,537,265	100.00%
REVENUE CATEGORIES				
3020 Other Funds Cap Construct	-	62,537,265	62,537,265	100.00%
TOTAL REVENUE CATEGORIES	**-**	**$62,537,265**	**$62,537,265**	**100.00%**
AVAILABLE REVENUES				
3020 Other Funds Cap Construct	-	62,537,265	62,537,265	100.00%
TOTAL AVAILABLE REVENUES	**-**	**$62,537,265**	**$62,537,265**	**100.00%**
EXPENDITURES				
CAPITAL OUTLAY				
5200 Technical Equipment				
3020 Other Funds Cap Construct	-	10,000,000	10,000,000	100.00%
5700 Building Structures				
3020 Other Funds Cap Construct	-	52,537,265	52,537,265	100.00%
CAPITAL OUTLAY				
3020 Other Funds Cap Construct	-	62,537,265	62,537,265	100.00%
TOTAL CAPITAL OUTLAY	**-**	**$62,537,265**	**$62,537,265**	**100.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
3020 Other Funds Cap Construct	-	62,537,265	62,537,265	100.00%
TOTAL EXPENDITURES	**-**	**$62,537,265**	**$62,537,265**	**100.00%**
ENDING BALANCE				
3020 Other Funds Cap Construct	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3160 Temporary Appointments				
3400 Other Funds Ltd	14,023	14,023	0	0.00%
3170 Overtime Payments				
3400 Other Funds Ltd	8,828	8,828	0	0.00%
3180 Shift Differential				
3400 Other Funds Ltd	102	102	0	0.00%
3190 All Other Differential				
3400 Other Funds Ltd	368	368	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	23,321	23,321	0	0.00%
TOTAL SALARIES & WAGES	**$23,321**	**$23,321**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	1,697	1,697	0	0.00%
3221 Pension Obligation Bond				
3400 Other Funds Ltd	111,428	111,428	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3230 Social Security Taxes				
3400 Other Funds Ltd	1,784	1,784	0	0.00%
3240 Unemployment Assessments				
3400 Other Funds Ltd	272	272	0	0.00%
3260 Mass Transit Tax				
3400 Other Funds Ltd	7,203	7,203	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	122,384	122,384	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$122,384**	**$122,384**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(29,255)	(29,255)	0	0.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	116,450	116,450	0	0.00%
TOTAL PERSONAL SERVICES	**$116,450**	**$116,450**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	116,450	116,450	0	0.00%
TOTAL EXPENDITURES	**$116,450**	**$116,450**	**$0**	**0.00%**
ENDING BALANCE				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(116,450)	(116,450)	0	0.00%
TOTAL ENDING BALANCE	**($116,450)**	**($116,450)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4200 Telecommunications				
3400 Other Funds Ltd	(500)	(500)	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	(4,000)	(4,000)	0	0.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	(2,267)	(2,267)	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(6,767)	(6,767)	0	0.00%
TOTAL SERVICES & SUPPLIES	**($6,767)**	**($6,767)**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	(7,695)	(7,695)	0	0.00%
5200 Technical Equipment				
3400 Other Funds Ltd	(90,000)	(90,000)	0	0.00%
5350 Industrial and Heavy Equipment				
3400 Other Funds Ltd	(120,000)	(120,000)	0	0.00%
5400 Automotive and Aircraft				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(35,000)	(35,000)	0	0.00%
5700 Building Structures				
3400 Other Funds Ltd	(131,000)	(131,000)	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	(383,695)	(383,695)	0	0.00%
TOTAL CAPITAL OUTLAY	**($383,695)**	**($383,695)**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	(390,462)	(390,462)	0	0.00%
TOTAL EXPENDITURES	**($390,462)**	**($390,462)**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	390,462	390,462	0	0.00%
TOTAL ENDING BALANCE	**$390,462**	**$390,462**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	2,431	2,431	0	0.00%
4125 Out of State Travel				
3400 Other Funds Ltd	224	224	0	0.00%
4150 Employee Training				
3400 Other Funds Ltd	215	215	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	642,469	642,469	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	2,685	2,685	0	0.00%
4225 State Gov. Service Charges				
3400 Other Funds Ltd	(55,424)	(55,424)	0	0.00%
4250 Data Processing				
3400 Other Funds Ltd	6,633	6,633	0	0.00%
4275 Publicity and Publications				
3400 Other Funds Ltd	754	754	0	0.00%
4300 Professional Services				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	831	831	0	0.00%
4315 IT Professional Services				
3400 Other Funds Ltd	823	823	0	0.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	395	395	0	0.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	97	97	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	3,473	3,473	0	0.00%
4450 Fuels and Utilities				
3400 Other Funds Ltd	9,741	9,741	0	0.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	1,272	1,272	0	0.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	5,611	5,611	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	578	578	0	0.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	1,551	1,551	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
SERVICES & SUPPLIES				
3400 Other Funds Ltd	624,359	624,359	0	0.00%
TOTAL SERVICES & SUPPLIES	**$624,359**	**$624,359**	**$0**	**0.00%**
CAPITAL OUTLAY				
5350 Industrial and Heavy Equipment				
3400 Other Funds Ltd	1,002	1,002	0	0.00%
5600 Data Processing Hardware				
3400 Other Funds Ltd	675	675	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	1,677	1,677	0	0.00%
TOTAL CAPITAL OUTLAY	**$1,677**	**$1,677**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	626,036	626,036	0	0.00%
TOTAL EXPENDITURES	**$626,036**	**$626,036**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(626,036)	(626,036)	0	0.00%
TOTAL ENDING BALANCE	**($626,036)**	**($626,036)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4175 Office Expenses				
3400 Other Funds Ltd	2,533,616	2,533,616	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	2,533,616	2,533,616	0	0.00%
TOTAL SERVICES & SUPPLIES	**$2,533,616**	**$2,533,616**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	2,533,616	2,533,616	0	0.00%
TOTAL EXPENDITURES	**$2,533,616**	**$2,533,616**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(2,533,616)	(2,533,616)	0	0.00%
TOTAL ENDING BALANCE	**($2,533,616)**	**($2,533,616)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	(501,192)	(501,192)	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	(501,192)	(501,192)	0	0.00%
TOTAL SALARIES & WAGES	**($501,192)**	**($501,192)**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	(116)	(116)	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	(91,467)	(91,467)	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	(36,180)	(36,180)	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	(92)	(92)	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	(76,464)	(76,464)	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	(204,319)	(204,319)	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**($204,319)**	**($204,319)**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	(705,511)	(705,511)	0	0.00%
TOTAL PERSONAL SERVICES	**($705,511)**	**($705,511)**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	(705,511)	(705,511)	0	0.00%
TOTAL EXPENDITURES	**($705,511)**	**($705,511)**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	705,511	705,511	0	0.00%
TOTAL ENDING BALANCE	**$705,511**	**$705,511**	**$0**	**0.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	(2)	(2)	0	0.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	(2.00)	(2.00)	0.00	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	(2,431)	-	2,431	100.00%
4125 Out of State Travel				
3400 Other Funds Ltd	(224)	-	224	100.00%
4150 Employee Training				
3400 Other Funds Ltd	(215)	-	215	100.00%
4175 Office Expenses				
3400 Other Funds Ltd	(597,194)	-	597,194	100.00%
4275 Publicity and Publications				
3400 Other Funds Ltd	(754)	-	754	100.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	(395)	-	395	100.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	(97)	-	97	100.00%
4450 Fuels and Utilities				
3400 Other Funds Ltd	(9,741)	-	9,741	100.00%
4475 Facilities Maintenance				

Description	Governor's Budget (Y-01) Column 1	Leg. Adopted Budget (Z-01) Column 2	Column 2 Minus Column 1	% Change from Column 1 to Column 2
3400 Other Funds Ltd	(1,272)	-	1,272	100.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	(5,611)	-	5,611	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	(578)	-	578	100.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	(1,551)	-	1,551	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(620,063)	-	620,063	100.00%
TOTAL SERVICES & SUPPLIES	**($620,063)**	**-**	**$620,063**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(620,063)	-	620,063	100.00%
TOTAL EXPENDITURES	**($620,063)**	**-**	**$620,063**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	620,063	-	(620,063)	(100.00%)
TOTAL ENDING BALANCE	**$620,063**	**-**	**($620,063)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(279,971)	-	279,971	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	(279,971)	-	279,971	100.00%
TOTAL PERSONAL SERVICES	**($279,971)**	**-**	**$279,971**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(279,971)	-	279,971	100.00%
TOTAL EXPENDITURES	**($279,971)**	**-**	**$279,971**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	279,971	-	(279,971)	(100.00%)
TOTAL ENDING BALANCE	**$279,971**	**-**	**($279,971)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4225 State Gov. Service Charges				
3400 Other Funds Ltd	(12,789)	-	12,789	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(12,789)	-	12,789	100.00%
TOTAL SERVICES & SUPPLIES	**($12,789)**	**-**	**$12,789**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(12,789)	-	12,789	100.00%
TOTAL EXPENDITURES	**($12,789)**	**-**	**$12,789**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	12,789	-	(12,789)	(100.00%)
TOTAL ENDING BALANCE	**$12,789**	**-**	**($12,789)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
BOND SALES				
0560 Dedicated Fund Oblig Bonds				
3400 Other Funds Ltd	28,197,735	-	(28,197,735)	(100.00%)
OTHER				
0975 Other Revenues				
3430 Other Funds Debt Svc Ltd	7,547,093	-	(7,547,093)	(100.00%)
REVENUE CATEGORIES				
3400 Other Funds Ltd	28,197,735	-	(28,197,735)	(100.00%)
3430 Other Funds Debt Svc Ltd	7,547,093	-	(7,547,093)	(100.00%)
TOTAL REVENUE CATEGORIES	**$35,744,828**	**-**	**($35,744,828)**	**(100.00%)**
AVAILABLE REVENUES				
3400 Other Funds Ltd	28,197,735	-	(28,197,735)	(100.00%)
3430 Other Funds Debt Svc Ltd	7,547,093	-	(7,547,093)	(100.00%)
TOTAL AVAILABLE REVENUES	**$35,744,828**	**-**	**($35,744,828)**	**(100.00%)**
EXPENDITURES				
SERVICES & SUPPLIES				
4650 Other Services and Supplies				
3400 Other Funds Ltd	1,197,735	-	(1,197,735)	(100.00%)

Description	Governor's Budget (Y-01) Column 1	Leg. Adopted Budget (Z-01) Column 2	Column 2 Minus Column 1	% Change from Column 1 to Column 2
SERVICES & SUPPLIES				
3400 Other Funds Ltd	1,197,735	-	(1,197,735)	(100.00%)
TOTAL SERVICES & SUPPLIES	**$1,197,735**	**-**	**($1,197,735)**	**(100.00%)**
CAPITAL OUTLAY				
5800 Professional Services				
3400 Other Funds Ltd	27,000,000	-	(27,000,000)	(100.00%)
CAPITAL OUTLAY				
3400 Other Funds Ltd	27,000,000	-	(27,000,000)	(100.00%)
TOTAL CAPITAL OUTLAY	**$27,000,000**	**-**	**($27,000,000)**	**(100.00%)**
DEBT SERVICE				
7100 Principal - Bonds				
3430 Other Funds Debt Svc Ltd	4,475,000	-	(4,475,000)	(100.00%)
7150 Interest - Bonds				
3430 Other Funds Debt Svc Ltd	3,072,093	-	(3,072,093)	(100.00%)
DEBT SERVICE				
3430 Other Funds Debt Svc Ltd	7,547,093	-	(7,547,093)	(100.00%)
TOTAL DEBT SERVICE	**$7,547,093**	**-**	**($7,547,093)**	**(100.00%)**
EXPENDITURES				
3400 Other Funds Ltd	28,197,735	-	(28,197,735)	(100.00%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3430 Other Funds Debt Svc Ltd	7,547,093	-	(7,547,093)	(100.00%)
TOTAL EXPENDITURES	**$35,744,828**	**-**	**($35,744,828)**	**(100.00%)**
ENDING BALANCE				
3400 Other Funds Ltd	-	-	0	0.00%
3430 Other Funds Debt Svc Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
CAPITAL OUTLAY				
5350 Industrial and Heavy Equipment				
3400 Other Funds Ltd	270,000	270,000	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	270,000	270,000	0	0.00%
TOTAL CAPITAL OUTLAY	**$270,000**	**$270,000**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	270,000	270,000	0	0.00%
TOTAL EXPENDITURES	**$270,000**	**$270,000**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(270,000)	(270,000)	0	0.00%
TOTAL ENDING BALANCE	**($270,000)**	**($270,000)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4225 State Gov. Service Charges				
3400 Other Funds Ltd	-	(19,729)	(19,729)	100.00%
4250 Data Processing				
3400 Other Funds Ltd	-	(75,000)	(75,000)	100.00%
4315 IT Professional Services				
3400 Other Funds Ltd	-	(10,000)	(10,000)	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	-	125	125	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	(104,604)	(104,604)	100.00%
TOTAL SERVICES & SUPPLIES	**-**	**($104,604)**	**($104,604)**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	-	(104,604)	(104,604)	100.00%
TOTAL EXPENDITURES	**-**	**($104,604)**	**($104,604)**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	104,604	104,604	100.00%
TOTAL ENDING BALANCE	**-**	**$104,604**	**$104,604**	**100.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
BOND SALES				
0560 Dedicated Fund Oblig Bonds				
3400 Other Funds Ltd	-	28,197,735	28,197,735	100.00%
OTHER				
0975 Other Revenues				
3430 Other Funds Debt Svc Ltd	-	7,547,093	7,547,093	100.00%
REVENUE CATEGORIES				
3400 Other Funds Ltd	-	28,197,735	28,197,735	100.00%
3430 Other Funds Debt Svc Ltd	-	7,547,093	7,547,093	100.00%
TOTAL REVENUE CATEGORIES	**-**	**$35,744,828**	**$35,744,828**	**100.00%**
AVAILABLE REVENUES				
3400 Other Funds Ltd	-	28,197,735	28,197,735	100.00%
3430 Other Funds Debt Svc Ltd	-	7,547,093	7,547,093	100.00%
TOTAL AVAILABLE REVENUES	**-**	**$35,744,828**	**$35,744,828**	**100.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4650 Other Services and Supplies				
3400 Other Funds Ltd	-	1,197,735	1,197,735	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	1,197,735	1,197,735	100.00%
TOTAL SERVICES & SUPPLIES	**-**	**$1,197,735**	**$1,197,735**	**100.00%**
CAPITAL OUTLAY				
5550 Data Processing Software				
3400 Other Funds Ltd	-	27,000,000	27,000,000	100.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	-	27,000,000	27,000,000	100.00%
TOTAL CAPITAL OUTLAY	**-**	**$27,000,000**	**$27,000,000**	**100.00%**
DEBT SERVICE				
7100 Principal - Bonds				
3430 Other Funds Debt Svc Ltd	-	4,475,000	4,475,000	100.00%
7150 Interest - Bonds				
3430 Other Funds Debt Svc Ltd	-	3,072,093	3,072,093	100.00%
DEBT SERVICE				
3430 Other Funds Debt Svc Ltd	-	7,547,093	7,547,093	100.00%
TOTAL DEBT SERVICE	**-**	**$7,547,093**	**$7,547,093**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	-	28,197,735	28,197,735	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3430 Other Funds Debt Svc Ltd	-	7,547,093	7,547,093	100.00%
TOTAL EXPENDITURES	**-**	**$35,744,828**	**$35,744,828**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	-	0	0.00%
3430 Other Funds Debt Svc Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3160 Temporary Appointments				
3400 Other Funds Ltd	1,720	1,720	0	0.00%
3170 Overtime Payments				
3400 Other Funds Ltd	4,423	4,423	0	0.00%
3180 Shift Differential				
3400 Other Funds Ltd	2,572	2,572	0	0.00%
3190 All Other Differential				
3400 Other Funds Ltd	1,729	1,729	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	10,444	10,444	0	0.00%
TOTAL SALARIES & WAGES	**$10,444**	**$10,444**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	1,592	1,592	0	0.00%
3221 Pension Obligation Bond				
3400 Other Funds Ltd	83,854	83,854	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3230 Social Security Taxes				
3400 Other Funds Ltd	799	799	0	0.00%
3240 Unemployment Assessments				
3400 Other Funds Ltd	412	412	0	0.00%
3260 Mass Transit Tax				
3400 Other Funds Ltd	11,053	11,053	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	97,710	97,710	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$97,710**	**$97,710**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(28,348)	(28,348)	0	0.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	79,806	79,806	0	0.00%
TOTAL PERSONAL SERVICES	**$79,806**	**$79,806**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	79,806	79,806	0	0.00%
TOTAL EXPENDITURES	**$79,806**	**$79,806**	**$0**	**0.00%**
ENDING BALANCE				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(79,806)	(79,806)	0	0.00%
TOTAL ENDING BALANCE	**($79,806)**	**($79,806)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	(12,334)	(12,334)	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	(14,620)	(14,620)	0	0.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	(307,776)	(307,776)	0	0.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	(22,670)	(22,670)	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(357,400)	(357,400)	0	0.00%
TOTAL SERVICES & SUPPLIES	**($357,400)**	**($357,400)**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	(76,680)	(76,680)	0	0.00%
5400 Automotive and Aircraft				
3400 Other Funds Ltd	(56,666)	(56,666)	0	0.00%
CAPITAL OUTLAY				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(133,346)	(133,346)	0	0.00%
TOTAL CAPITAL OUTLAY	**($133,346)**	**($133,346)**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	(490,746)	(490,746)	0	0.00%
TOTAL EXPENDITURES	**($490,746)**	**($490,746)**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	490,746	490,746	0	0.00%
TOTAL ENDING BALANCE	**$490,746**	**$490,746**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	9,763	9,763	0	0.00%
4125 Out of State Travel				
3400 Other Funds Ltd	560	560	0	0.00%
4150 Employee Training				
3400 Other Funds Ltd	11,884	11,884	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	14,010	14,010	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	43,244	43,244	0	0.00%
4225 State Gov. Service Charges				
3400 Other Funds Ltd	(80,357)	(80,357)	0	0.00%
4250 Data Processing				
3400 Other Funds Ltd	1,900	1,900	0	0.00%
4275 Publicity and Publications				
3400 Other Funds Ltd	2,701	2,701	0	0.00%
4300 Professional Services				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	19,148	19,148	0	0.00%
4315 IT Professional Services				
3400 Other Funds Ltd	4,203	4,203	0	0.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	385	385	0	0.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	408	408	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	28,547	28,547	0	0.00%
4450 Fuels and Utilities				
3400 Other Funds Ltd	997	997	0	0.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	799	799	0	0.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	1,837	1,837	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	862	862	0	0.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	1,372	1,372	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
SERVICES & SUPPLIES				
3400 Other Funds Ltd	62,263	62,263	0	0.00%
TOTAL SERVICES & SUPPLIES	**$62,263**	**$62,263**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	1	1	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	1	1	0	0.00%
TOTAL CAPITAL OUTLAY	**$1**	**$1**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	62,264	62,264	0	0.00%
TOTAL EXPENDITURES	**$62,264**	**$62,264**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(62,264)	(62,264)	0	0.00%
TOTAL ENDING BALANCE	**($62,264)**	**($62,264)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	(1,348,008)	(1,348,008)	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	(1,348,008)	(1,348,008)	0	0.00%
TOTAL SALARIES & WAGES	**($1,348,008)**	**($1,348,008)**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	(406)	(406)	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	(246,011)	(246,011)	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	(101,889)	(101,889)	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	(322)	(322)	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	(267,624)	(267,624)	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	(616,252)	(616,252)	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**($616,252)**	**($616,252)**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	(1,964,260)	(1,964,260)	0	0.00%
TOTAL PERSONAL SERVICES	**($1,964,260)**	**($1,964,260)**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	(1,964,260)	(1,964,260)	0	0.00%
TOTAL EXPENDITURES	**($1,964,260)**	**($1,964,260)**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	1,964,260	1,964,260	0	0.00%
TOTAL ENDING BALANCE	**$1,964,260**	**$1,964,260**	**$0**	**0.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	(7)	(7)	0	0.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	(7.00)	(7.00)	0.00	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	(9,763)	-	9,763	100.00%
4125 Out of State Travel				
3400 Other Funds Ltd	(560)	-	560	100.00%
4150 Employee Training				
3400 Other Funds Ltd	(11,884)	-	11,884	100.00%
4275 Publicity and Publications				
3400 Other Funds Ltd	(2,701)	-	2,701	100.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	(385)	-	385	100.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	(408)	-	408	100.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	(799)	-	799	100.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	(779)	-	779	100.00%
4650 Other Services and Supplies				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(862)	-	862	100.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	(1,372)	-	1,372	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(29,513)	-	29,513	100.00%
TOTAL SERVICES & SUPPLIES	**($29,513)**	**-**	**$29,513**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(29,513)	-	29,513	100.00%
TOTAL EXPENDITURES	**($29,513)**	**-**	**$29,513**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	29,513	-	(29,513)	(100.00%)
TOTAL ENDING BALANCE	**$29,513**	**-**	**($29,513)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(555,084)	-	555,084	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	(555,084)	-	555,084	100.00%
TOTAL PERSONAL SERVICES	**($555,084)**	**-**	**$555,084**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(555,084)	-	555,084	100.00%
TOTAL EXPENDITURES	**($555,084)**	**-**	**$555,084**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	555,084	-	(555,084)	(100.00%)
TOTAL ENDING BALANCE	**$555,084**	**-**	**($555,084)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4225 State Gov. Service Charges				
3400 Other Funds Ltd	(18,615)	-	18,615	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(18,615)	-	18,615	100.00%
TOTAL SERVICES & SUPPLIES	**($18,615)**	**-**	**$18,615**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(18,615)	-	18,615	100.00%
TOTAL EXPENDITURES	**($18,615)**	**-**	**$18,615**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	18,615	-	(18,615)	(100.00%)
TOTAL ENDING BALANCE	**$18,615**	**-**	**($18,615)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	1,089,936	323,208	(766,728)	(70.35%)
3160 Temporary Appointments				
3400 Other Funds Ltd	102,159	86,342	(15,817)	(15.48%)
SALARIES & WAGES				
3400 Other Funds Ltd	1,192,095	409,550	(782,545)	(65.64%)
TOTAL SALARIES & WAGES	**$1,192,095**	**$409,550**	**($782,545)**	**(65.64%)**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	493	116	(377)	(76.47%)
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	198,913	58,986	(139,927)	(70.35%)
3230 Social Security Taxes				
3400 Other Funds Ltd	91,193	31,330	(59,863)	(65.64%)
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	391	92	(299)	(76.47%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3270 Flexible Benefits				
3400 Other Funds Ltd	324,972	76,464	(248,508)	(76.47%)
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	615,962	166,988	(448,974)	(72.89%)
TOTAL OTHER PAYROLL EXPENSES	**$615,962**	**$166,988**	**($448,974)**	**(72.89%)**
PERSONAL SERVICES				
3400 Other Funds Ltd	1,808,057	576,538	(1,231,519)	(68.11%)
TOTAL PERSONAL SERVICES	**$1,808,057**	**$576,538**	**($1,231,519)**	**(68.11%)**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	9,000	2,000	(7,000)	(77.78%)
4175 Office Expenses				
3400 Other Funds Ltd	9,000	2,000	(7,000)	(77.78%)
4200 Telecommunications				
3400 Other Funds Ltd	17,500	4,000	(13,500)	(77.14%)
4250 Data Processing				
3400 Other Funds Ltd	13,500	3,000	(10,500)	(77.78%)
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	158,040	35,120	(122,920)	(77.78%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4650 Other Services and Supplies				
3400 Other Funds Ltd	9,000	2,000	(7,000)	(77.78%)
4715 IT Expendable Property				
3400 Other Funds Ltd	20,800	5,200	(15,600)	(75.00%)
SERVICES & SUPPLIES				
3400 Other Funds Ltd	236,840	53,320	(183,520)	(77.49%)
TOTAL SERVICES & SUPPLIES	**$236,840**	**$53,320**	**($183,520)**	**(77.49%)**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	61,600	15,400	(46,200)	(75.00%)
5200 Technical Equipment				
3400 Other Funds Ltd	-	38,500	38,500	100.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	61,600	53,900	(7,700)	(12.50%)
TOTAL CAPITAL OUTLAY	**$61,600**	**$53,900**	**($7,700)**	**(12.50%)**
EXPENDITURES				
3400 Other Funds Ltd	2,106,497	683,758	(1,422,739)	(67.54%)
TOTAL EXPENDITURES	**$2,106,497**	**$683,758**	**($1,422,739)**	**(67.54%)**
ENDING BALANCE				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(2,106,497)	(683,758)	1,422,739	67.54%
TOTAL ENDING BALANCE	**($2,106,497)**	**($683,758)**	**$1,422,739**	**67.54%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	9	2	(7)	(77.78%)
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	8.50	2.00	(6.50)	(76.47%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	604,896	604,896	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	604,896	604,896	0	0.00%
TOTAL SALARIES & WAGES	**$604,896**	**$604,896**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	232	232	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	110,392	110,392	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	46,276	46,276	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	184	184	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	152,928	152,928	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	310,012	310,012	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$310,012**	**$310,012**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	914,908	914,908	0	0.00%
TOTAL PERSONAL SERVICES	**$914,908**	**$914,908**	**$0**	**0.00%**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	4,000	4,000	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	4,000	4,000	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	8,000	8,000	0	0.00%
4250 Data Processing				
3400 Other Funds Ltd	6,000	6,000	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	70,240	70,240	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	4,000	4,000	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4715 IT Expendable Property				
3400 Other Funds Ltd	10,400	10,400	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	106,640	106,640	0	0.00%
TOTAL SERVICES & SUPPLIES	**$106,640**	**$106,640**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	30,800	30,800	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	30,800	30,800	0	0.00%
TOTAL CAPITAL OUTLAY	**$30,800**	**$30,800**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	1,052,348	1,052,348	0	0.00%
TOTAL EXPENDITURES	**$1,052,348**	**$1,052,348**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(1,052,348)	(1,052,348)	0	0.00%
TOTAL ENDING BALANCE	**($1,052,348)**	**($1,052,348)**	**$0**	**0.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	4	4	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	4.00	4.00	0.00	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	-	(40,359)	(40,359)	100.00%
4225 State Gov. Service Charges				
3400 Other Funds Ltd	-	(19,510)	(19,510)	100.00%
4315 IT Professional Services				
3400 Other Funds Ltd	-	(20,000)	(20,000)	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	-	684	684	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	(79,185)	(79,185)	100.00%
TOTAL SERVICES & SUPPLIES	**-**	**($79,185)**	**($79,185)**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	-	(79,185)	(79,185)	100.00%
TOTAL EXPENDITURES	**-**	**($79,185)**	**($79,185)**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	79,185	79,185	100.00%
TOTAL ENDING BALANCE	**-**	**$79,185**	**$79,185**	**100.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3160 Temporary Appointments				
3400 Other Funds Ltd	303	303	0	0.00%
3170 Overtime Payments				
3400 Other Funds Ltd	2,025	2,025	0	0.00%
3180 Shift Differential				
3400 Other Funds Ltd	125	125	0	0.00%
3190 All Other Differential				
3400 Other Funds Ltd	511	511	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	2,964	2,964	0	0.00%
TOTAL SALARIES & WAGES	**$2,964**	**$2,964**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	485	485	0	0.00%
3221 Pension Obligation Bond				
3400 Other Funds Ltd	258,797	258,797	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3230 Social Security Taxes				
3400 Other Funds Ltd	228	228	0	0.00%
3240 Unemployment Assessments				
3400 Other Funds Ltd	582	582	0	0.00%
3260 Mass Transit Tax				
3400 Other Funds Ltd	14,729	14,729	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	274,821	274,821	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$274,821**	**$274,821**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(23,517)	(23,517)	0	0.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(23,517)	(23,517)	0	0.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**($23,517)**	**($23,517)**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	254,268	254,268	0	0.00%
TOTAL PERSONAL SERVICES	**$254,268**	**$254,268**	**$0**	**0.00%**

EXPENDITURES

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	254,268	254,268	0	0.00%
TOTAL EXPENDITURES	**$254,268**	**$254,268**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(254,268)	(254,268)	0	0.00%
TOTAL ENDING BALANCE	**($254,268)**	**($254,268)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4200 Telecommunications				
3400 Other Funds Ltd	(5,500)	(5,500)	0	0.00%
4250 Data Processing				
3400 Other Funds Ltd	(15,000)	(15,000)	0	0.00%
4315 IT Professional Services				
3400 Other Funds Ltd	(4,326,360)	(4,326,360)	0	0.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	(67,984)	(67,984)	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(4,414,844)	(4,414,844)	0	0.00%
TOTAL SERVICES & SUPPLIES	**($4,414,844)**	**($4,414,844)**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	(60,865)	(60,865)	0	0.00%
5550 Data Processing Software				
3400 Other Funds Ltd	(15,390)	(15,390)	0	0.00%
CAPITAL OUTLAY				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(76,255)	(76,255)	0	0.00%
TOTAL CAPITAL OUTLAY	**($76,255)**	**($76,255)**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	(4,491,099)	(4,491,099)	0	0.00%
TOTAL EXPENDITURES	**($4,491,099)**	**($4,491,099)**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	4,491,099	4,491,099	0	0.00%
TOTAL ENDING BALANCE	**$4,491,099**	**$4,491,099**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	4,492	4,492	0	0.00%
4125 Out of State Travel				
3400 Other Funds Ltd	1,198	1,198	0	0.00%
4150 Employee Training				
3400 Other Funds Ltd	2,800	2,800	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	13,100	13,100	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	4,923	4,923	0	0.00%
4225 State Gov. Service Charges				
3400 Other Funds Ltd	1,437,295	1,437,295	0	0.00%
4250 Data Processing				
3400 Other Funds Ltd	39,360	39,360	0	0.00%
4275 Publicity and Publications				
3400 Other Funds Ltd	481	481	0	0.00%
4300 Professional Services				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	8,085	8,085	0	0.00%
4315 IT Professional Services				
3400 Other Funds Ltd	37,416	37,416	0	0.00%
4325 Attorney General				
3400 Other Funds Ltd	95,340	95,340	0	0.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	341	341	0	0.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	567	567	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	4,531	4,531	0	0.00%
4450 Fuels and Utilities				
3400 Other Funds Ltd	15,397	15,397	0	0.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	9,464	9,464	0	0.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	582	582	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	4,841	4,841	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4715 IT Expendable Property				
3400 Other Funds Ltd	17,490	17,490	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	1,697,703	1,697,703	0	0.00%
TOTAL SERVICES & SUPPLIES	**$1,697,703**	**$1,697,703**	**$0**	**0.00%**
CAPITAL OUTLAY				
5200 Technical Equipment				
3400 Other Funds Ltd	749	749	0	0.00%
5400 Automotive and Aircraft				
3400 Other Funds Ltd	5,006	5,006	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	5,755	5,755	0	0.00%
TOTAL CAPITAL OUTLAY	**$5,755**	**$5,755**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	1,703,458	1,703,458	0	0.00%
TOTAL EXPENDITURES	**$1,703,458**	**$1,703,458**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(1,703,458)	(1,703,458)	0	0.00%
TOTAL ENDING BALANCE	**($1,703,458)**	**($1,703,458)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	1,849,200	1,849,200	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	1,849,200	1,849,200	0	0.00%
TOTAL SALARIES & WAGES	**$1,849,200**	**$1,849,200**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	522	522	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	337,478	337,478	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	138,069	138,069	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	414	414	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	344,088	344,088	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	820,571	820,571	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$820,571**	**$820,571**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	2,669,771	2,669,771	0	0.00%
TOTAL PERSONAL SERVICES	**$2,669,771**	**$2,669,771**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	2,669,771	2,669,771	0	0.00%
TOTAL EXPENDITURES	**$2,669,771**	**$2,669,771**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(2,669,771)	(2,669,771)	0	0.00%
TOTAL ENDING BALANCE	**($2,669,771)**	**($2,669,771)**	**$0**	**0.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	9	9	0	0.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	9.00	9.00	0.00	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	(314,064)	(228,144)	85,920	27.36%
SALARIES & WAGES				
3400 Other Funds Ltd	(314,064)	(228,144)	85,920	27.36%
TOTAL SALARIES & WAGES	**($314,064)**	**($228,144)**	**$85,920**	**27.36%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	(174)	(116)	58	33.33%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	(57,316)	(41,636)	15,680	27.36%
3230 Social Security Taxes				
3400 Other Funds Ltd	(24,026)	(17,453)	6,573	27.36%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	(138)	(92)	46	33.33%
3270 Flexible Benefits				
3400 Other Funds Ltd	(114,696)	(76,464)	38,232	33.33%

Description	Governor's Budget (Y-01) Column 1	Leg. Adopted Budget (Z-01) Column 2	Column 2 Minus Column 1	% Change from Column 1 to Column 2
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	(196,350)	(135,761)	60,589	30.86%
TOTAL OTHER PAYROLL EXPENSES	**($196,350)**	**($135,761)**	**$60,589**	**30.86%**
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	3,000	3,000	100.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	-	3,000	3,000	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**$3,000**	**$3,000**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	(510,414)	(360,905)	149,509	29.29%
TOTAL PERSONAL SERVICES	**($510,414)**	**($360,905)**	**$149,509**	**29.29%**
EXPENDITURES				
3400 Other Funds Ltd	(510,414)	(360,905)	149,509	29.29%
TOTAL EXPENDITURES	**($510,414)**	**($360,905)**	**$149,509**	**29.29%**
ENDING BALANCE				
3400 Other Funds Ltd	510,414	360,905	(149,509)	(29.29%)
TOTAL ENDING BALANCE	**$510,414**	**$360,905**	**($149,509)**	**(29.29%)**
AUTHORIZED POSITIONS				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8150 Class/Unclass Positions	(3)	(2)	1	33.33%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	(3.00)	(2.00)	1.00	33.33%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	(4,492)	-	4,492	100.00%
4125 Out of State Travel				
3400 Other Funds Ltd	(1,198)	-	1,198	100.00%
4150 Employee Training				
3400 Other Funds Ltd	(2,800)	-	2,800	100.00%
4275 Publicity and Publications				
3400 Other Funds Ltd	(481)	-	481	100.00%
4315 IT Professional Services				
3400 Other Funds Ltd	(26,275)	-	26,275	100.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	(341)	-	341	100.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	(567)	-	567	100.00%
4450 Fuels and Utilities				
3400 Other Funds Ltd	(15,397)	-	15,397	100.00%
4475 Facilities Maintenance				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(9,464)	-	9,464	100.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	(415)	-	415	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	(4,841)	-	4,841	100.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	(17,490)	-	17,490	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(83,761)	-	83,761	100.00%
TOTAL SERVICES & SUPPLIES	**($83,761)**	**-**	**$83,761**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(83,761)	-	83,761	100.00%
TOTAL EXPENDITURES	**($83,761)**	**-**	**$83,761**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	83,761	-	(83,761)	(100.00%)
TOTAL ENDING BALANCE	**$83,761**	**-**	**($83,761)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(561,637)	-	561,637	100.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(561,637)	-	561,637	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**($561,637)**	**-**	**$561,637**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	(561,637)	-	561,637	100.00%
TOTAL PERSONAL SERVICES	**($561,637)**	**-**	**$561,637**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(561,637)	-	561,637	100.00%
TOTAL EXPENDITURES	**($561,637)**	**-**	**$561,637**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	561,637	-	(561,637)	(100.00%)
TOTAL ENDING BALANCE	**$561,637**	**-**	**($561,637)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4225 State Gov. Service Charges				
3400 Other Funds Ltd	(713,635)	-	713,635	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(713,635)	-	713,635	100.00%
TOTAL SERVICES & SUPPLIES	**($713,635)**	**-**	**$713,635**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(713,635)	-	713,635	100.00%
TOTAL EXPENDITURES	**($713,635)**	**-**	**$713,635**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	713,635	-	(713,635)	(100.00%)
TOTAL ENDING BALANCE	**$713,635**	**-**	**($713,635)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4325 Attorney General				
3400 Other Funds Ltd	(34,634)	-	34,634	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(34,634)	-	34,634	100.00%
TOTAL SERVICES & SUPPLIES	**($34,634)**	**-**	**$34,634**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(34,634)	-	34,634	100.00%
TOTAL EXPENDITURES	**($34,634)**	**-**	**$34,634**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	34,634	-	(34,634)	(100.00%)
TOTAL ENDING BALANCE	**$34,634**	**-**	**($34,634)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4250 Data Processing				
3400 Other Funds Ltd	(256,766)	(256,766)	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(256,766)	(256,766)	0	0.00%
TOTAL SERVICES & SUPPLIES	**($256,766)**	**($256,766)**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	(256,766)	(256,766)	0	0.00%
TOTAL EXPENDITURES	**($256,766)**	**($256,766)**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	256,766	256,766	0	0.00%
TOTAL ENDING BALANCE	**$256,766**	**$256,766**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	285,312	570,624	285,312	100.00%
SALARIES & WAGES				
3400 Other Funds Ltd	285,312	570,624	285,312	100.00%
TOTAL SALARIES & WAGES	**$285,312**	**$570,624**	**$285,312**	**100.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	116	232	116	100.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	52,070	104,140	52,070	100.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	21,826	43,652	21,826	100.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	92	184	92	100.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	76,464	152,928	76,464	100.00%

Description	Governor's Budget (Y-01) Column 1	Leg. Adopted Budget (Z-01) Column 2	Column 2 Minus Column 1	% Change from Column 1 to Column 2
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	150,568	301,136	150,568	100.00%
TOTAL OTHER PAYROLL EXPENSES	**$150,568**	**$301,136**	**$150,568**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	435,880	871,760	435,880	100.00%
TOTAL PERSONAL SERVICES	**$435,880**	**$871,760**	**$435,880**	**100.00%**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	2,000	4,000	2,000	100.00%
4175 Office Expenses				
3400 Other Funds Ltd	2,000	4,000	2,000	100.00%
4200 Telecommunications				
3400 Other Funds Ltd	4,000	8,000	4,000	100.00%
4250 Data Processing				
3400 Other Funds Ltd	3,000	6,000	3,000	100.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	35,120	70,240	35,120	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	2,000	4,000	2,000	100.00%

Description	Governor's Budget (Y-01) Column 1	Leg. Adopted Budget (Z-01) Column 2	Column 2 Minus Column 1	% Change from Column 1 to Column 2
4715 IT Expendable Property				
3400 Other Funds Ltd	5,200	10,400	5,200	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	53,320	106,640	53,320	100.00%
TOTAL SERVICES & SUPPLIES	**$53,320**	**$106,640**	**$53,320**	**100.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	15,400	30,800	15,400	100.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	15,400	30,800	15,400	100.00%
TOTAL CAPITAL OUTLAY	**$15,400**	**$30,800**	**$15,400**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	504,600	1,009,200	504,600	100.00%
TOTAL EXPENDITURES	**$504,600**	**$1,009,200**	**$504,600**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(504,600)	(1,009,200)	(504,600)	(100.00%)
TOTAL ENDING BALANCE	**($504,600)**	**($1,009,200)**	**($504,600)**	**(100.00%)**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	2	4	2	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	2.00	4.00	2.00	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	299,448	299,448	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	299,448	299,448	0	0.00%
TOTAL SALARIES & WAGES	**$299,448**	**$299,448**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	116	116	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	54,649	54,649	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	22,908	22,908	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	92	92	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	76,464	76,464	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	154,229	154,229	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$154,229**	**$154,229**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	453,677	453,677	0	0.00%
TOTAL PERSONAL SERVICES	**$453,677**	**$453,677**	**$0**	**0.00%**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	2,000	2,000	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	2,000	2,000	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	4,000	4,000	0	0.00%
4250 Data Processing				
3400 Other Funds Ltd	3,000	3,000	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	35,120	35,120	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	2,000	2,000	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4715 IT Expendable Property				
3400 Other Funds Ltd	5,200	5,200	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	53,320	53,320	0	0.00%
TOTAL SERVICES & SUPPLIES	**$53,320**	**$53,320**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	15,400	15,400	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	15,400	15,400	0	0.00%
TOTAL CAPITAL OUTLAY	**$15,400**	**$15,400**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	522,397	522,397	0	0.00%
TOTAL EXPENDITURES	**$522,397**	**$522,397**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(522,397)	(522,397)	0	0.00%
TOTAL ENDING BALANCE	**($522,397)**	**($522,397)**	**$0**	**0.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	2	2	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	2.00	2.00	0.00	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	124,776	124,776	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	124,776	124,776	0	0.00%
TOTAL SALARIES & WAGES	**$124,776**	**$124,776**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	58	58	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	22,772	22,772	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	9,546	9,546	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	46	46	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	38,232	38,232	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	70,654	70,654	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$70,654**	**$70,654**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	195,430	195,430	0	0.00%
TOTAL PERSONAL SERVICES	**$195,430**	**$195,430**	**$0**	**0.00%**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	1,000	1,000	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	1,000	1,000	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	2,000	2,000	0	0.00%
4250 Data Processing				
3400 Other Funds Ltd	165,895	165,895	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	17,560	17,560	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	1,000	1,000	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4715 IT Expendable Property				
3400 Other Funds Ltd	2,600	2,600	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	191,055	191,055	0	0.00%
TOTAL SERVICES & SUPPLIES	**$191,055**	**$191,055**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	7,700	7,700	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	7,700	7,700	0	0.00%
TOTAL CAPITAL OUTLAY	**$7,700**	**$7,700**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	394,185	394,185	0	0.00%
TOTAL EXPENDITURES	**$394,185**	**$394,185**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(394,185)	(394,185)	0	0.00%
TOTAL ENDING BALANCE	**($394,185)**	**($394,185)**	**$0**	**0.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	1	1	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	1.00	1.00	0.00	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4315 IT Professional Services				
3400 Other Funds Ltd	1,110,000	1,110,000	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	1,110,000	1,110,000	0	0.00%
TOTAL SERVICES & SUPPLIES	**$1,110,000**	**$1,110,000**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	1,110,000	1,110,000	0	0.00%
TOTAL EXPENDITURES	**$1,110,000**	**$1,110,000**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(1,110,000)	(1,110,000)	0	0.00%
TOTAL ENDING BALANCE	**($1,110,000)**	**($1,110,000)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	-	42,192	42,192	100.00%
SALARIES & WAGES				
3400 Other Funds Ltd	-	42,192	42,192	100.00%
TOTAL SALARIES & WAGES	**-**	**$42,192**	**$42,192**	**100.00%**
OTHER PAYROLL EXPENSES				
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	-	7,701	7,701	100.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	-	3,228	3,228	100.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	-	10,929	10,929	100.00%
TOTAL OTHER PAYROLL EXPENSES	**-**	**$10,929**	**$10,929**	**100.00%**
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	(2,145)	(2,145)	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	-	(2,145)	(2,145)	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**($2,145)**	**($2,145)**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	-	50,976	50,976	100.00%
TOTAL PERSONAL SERVICES	**-**	**$50,976**	**$50,976**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	-	50,976	50,976	100.00%
TOTAL EXPENDITURES	**-**	**$50,976**	**$50,976**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	(50,976)	(50,976)	100.00%
TOTAL ENDING BALANCE	**-**	**($50,976)**	**($50,976)**	**100.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4175 Office Expenses				
3400 Other Funds Ltd	-	2,520	2,520	100.00%
4225 State Gov. Service Charges				
3400 Other Funds Ltd	-	(431,870)	(431,870)	100.00%
4250 Data Processing				
3400 Other Funds Ltd	-	246,746	246,746	100.00%
4315 IT Professional Services				
3400 Other Funds Ltd	-	(197,823)	(197,823)	100.00%
4325 Attorney General				
3400 Other Funds Ltd	-	(32,642)	(32,642)	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	-	81,883	81,883	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	(331,186)	(331,186)	100.00%
TOTAL SERVICES & SUPPLIES	**-**	**($331,186)**	**($331,186)**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	-	(331,186)	(331,186)	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL EXPENDITURES	**-**	**($331,186)**	**($331,186)**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	331,186	331,186	100.00%
TOTAL ENDING BALANCE	**-**	**$331,186**	**$331,186**	**100.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
OTHER PAYROLL EXPENSES				
3221 Pension Obligation Bond				
3400 Other Funds Ltd	141,303	141,303	0	0.00%
3240 Unemployment Assessments				
3400 Other Funds Ltd	8	8	0	0.00%
3260 Mass Transit Tax				
3400 Other Funds Ltd	5,881	5,881	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	147,192	147,192	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$147,192**	**$147,192**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(24,342)	(24,342)	0	0.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(24,342)	(24,342)	0	0.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**($24,342)**	**($24,342)**	**$0**	**0.00%**
PERSONAL SERVICES				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	122,850	122,850	0	0.00%
TOTAL PERSONAL SERVICES	**$122,850**	**$122,850**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	122,850	122,850	0	0.00%
TOTAL EXPENDITURES	**$122,850**	**$122,850**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(122,850)	(122,850)	0	0.00%
TOTAL ENDING BALANCE	**($122,850)**	**($122,850)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	(49,336)	(49,336)	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	(42,980)	(42,980)	0	0.00%
4315 IT Professional Services				
3400 Other Funds Ltd	(756,250)	(756,250)	0	0.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	(21,504)	(21,504)	0	0.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	(20,403)	(20,403)	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(890,473)	(890,473)	0	0.00%
TOTAL SERVICES & SUPPLIES	**($890,473)**	**($890,473)**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	(69,255)	(69,255)	0	0.00%
5400 Automotive and Aircraft				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(226,664)	(226,664)	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	(295,919)	(295,919)	0	0.00%
TOTAL CAPITAL OUTLAY	**($295,919)**	**($295,919)**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	(1,186,392)	(1,186,392)	0	0.00%
TOTAL EXPENDITURES	**($1,186,392)**	**($1,186,392)**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	1,186,392	1,186,392	0	0.00%
TOTAL ENDING BALANCE	**$1,186,392**	**$1,186,392**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	4,851	4,851	0	0.00%
4125 Out of State Travel				
3400 Other Funds Ltd	682	682	0	0.00%
4150 Employee Training				
3400 Other Funds Ltd	3,671	3,671	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	8,278	8,278	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	16,065	16,065	0	0.00%
4225 State Gov. Service Charges				
3400 Other Funds Ltd	(40,316)	(40,316)	0	0.00%
4250 Data Processing				
3400 Other Funds Ltd	4,709	4,709	0	0.00%
4275 Publicity and Publications				
3400 Other Funds Ltd	135	135	0	0.00%
4300 Professional Services				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	20,898	20,898	0	0.00%
4315 IT Professional Services				
3400 Other Funds Ltd	119,153	119,153	0	0.00%
4325 Attorney General				
3400 Other Funds Ltd	83,869	83,869	0	0.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	4,125	4,125	0	0.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	135	135	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	19,810	19,810	0	0.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	38,809	38,809	0	0.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	6,577	6,577	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	3,250	3,250	0	0.00%
4700 Expendable Prop 250 - 5000				
3400 Other Funds Ltd	3,440	3,440	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4715 IT Expendable Property				
3400 Other Funds Ltd	127	127	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	298,268	298,268	0	0.00%
TOTAL SERVICES & SUPPLIES	**$298,268**	**$298,268**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	298,268	298,268	0	0.00%
TOTAL EXPENDITURES	**$298,268**	**$298,268**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(298,268)	(298,268)	0	0.00%
TOTAL ENDING BALANCE	**($298,268)**	**($298,268)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4315 IT Professional Services				
3400 Other Funds Ltd	402,847	402,847	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	402,847	402,847	0	0.00%
TOTAL SERVICES & SUPPLIES	**$402,847**	**$402,847**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	402,847	402,847	0	0.00%
TOTAL EXPENDITURES	**$402,847**	**$402,847**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(402,847)	(402,847)	0	0.00%
TOTAL ENDING BALANCE	**($402,847)**	**($402,847)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	134,952	134,952	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	134,952	134,952	0	0.00%
TOTAL SALARIES & WAGES	**$134,952**	**$134,952**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	58	58	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	24,629	24,629	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	10,324	10,324	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	46	46	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	38,232	38,232	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	73,289	73,289	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$73,289**	**$73,289**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	(14,978)	-	14,978	100.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(14,978)	-	14,978	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**($14,978)**	**-**	**$14,978**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	193,263	208,241	14,978	7.75%
TOTAL PERSONAL SERVICES	**$193,263**	**$208,241**	**$14,978**	**7.75%**
EXPENDITURES				
3400 Other Funds Ltd	193,263	208,241	14,978	7.75%
TOTAL EXPENDITURES	**$193,263**	**$208,241**	**$14,978**	**7.75%**
ENDING BALANCE				
3400 Other Funds Ltd	(193,263)	(208,241)	(14,978)	(7.75%)
TOTAL ENDING BALANCE	**($193,263)**	**($208,241)**	**($14,978)**	**(7.75%)**
AUTHORIZED POSITIONS				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8150 Class/Unclass Positions	1	1	0	0.00%
8180 Position Reconciliation	(1)	-	1	100.00%
TOTAL AUTHORIZED POSITIONS	**-**	**1**	**1**	**100.00%**
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	1.00	1.00	0.00	0.00%
8280 FTE Reconciliation	(0.29)	-	0.29	100.00%
TOTAL AUTHORIZED FTE	**0.71**	**1.00**	**0.29**	**40.85%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	(4,851)	-	4,851	100.00%
4125 Out of State Travel				
3400 Other Funds Ltd	(682)	-	682	100.00%
4150 Employee Training				
3400 Other Funds Ltd	(3,671)	-	3,671	100.00%
4275 Publicity and Publications				
3400 Other Funds Ltd	(135)	-	135	100.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	(4,125)	-	4,125	100.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	(135)	-	135	100.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	(38,809)	-	38,809	100.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	(6,577)	-	6,577	100.00%
4650 Other Services and Supplies				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(386)	-	386	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(59,371)	-	59,371	100.00%
TOTAL SERVICES & SUPPLIES	**($59,371)**	**-**	**$59,371**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(59,371)	-	59,371	100.00%
TOTAL EXPENDITURES	**($59,371)**	**-**	**$59,371**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	59,371	-	(59,371)	(100.00%)
TOTAL ENDING BALANCE	**$59,371**	**-**	**($59,371)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(330,784)	-	330,784	100.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(330,784)	-	330,784	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**($330,784)**	**-**	**$330,784**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	(330,784)	-	330,784	100.00%
TOTAL PERSONAL SERVICES	**($330,784)**	**-**	**$330,784**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(330,784)	-	330,784	100.00%
TOTAL EXPENDITURES	**($330,784)**	**-**	**$330,784**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	330,784	-	(330,784)	(100.00%)
TOTAL ENDING BALANCE	**$330,784**	**-**	**($330,784)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4225 State Gov. Service Charges				
3400 Other Funds Ltd	(11,008)	-	11,008	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(11,008)	-	11,008	100.00%
TOTAL SERVICES & SUPPLIES	**($11,008)**	**-**	**$11,008**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(11,008)	-	11,008	100.00%
TOTAL EXPENDITURES	**($11,008)**	**-**	**$11,008**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	11,008	-	(11,008)	(100.00%)
TOTAL ENDING BALANCE	**$11,008**	**-**	**($11,008)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4325 Attorney General				
3400 Other Funds Ltd	(30,467)	-	30,467	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(30,467)	-	30,467	100.00%
TOTAL SERVICES & SUPPLIES	**($30,467)**	**-**	**$30,467**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(30,467)	-	30,467	100.00%
TOTAL EXPENDITURES	**($30,467)**	**-**	**$30,467**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	30,467	-	(30,467)	(100.00%)
TOTAL ENDING BALANCE	**$30,467**	**-**	**($30,467)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	1,654,344	999,552	(654,792)	(39.58%)
SALARIES & WAGES				
3400 Other Funds Ltd	1,654,344	999,552	(654,792)	(39.58%)
TOTAL SALARIES & WAGES	**$1,654,344**	**$999,552**	**($654,792)**	**(39.58%)**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	754	464	(290)	(38.46%)
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	301,914	182,416	(119,498)	(39.58%)
3230 Social Security Taxes				
3400 Other Funds Ltd	126,555	76,464	(50,091)	(39.58%)
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	598	368	(230)	(38.46%)
3270 Flexible Benefits				
3400 Other Funds Ltd	497,016	305,856	(191,160)	(38.46%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	926,837	565,568	(361,269)	(38.98%)
TOTAL OTHER PAYROLL EXPENSES	**$926,837**	**$565,568**	**($361,269)**	**(38.98%)**
PERSONAL SERVICES				
3400 Other Funds Ltd	2,581,181	1,565,120	(1,016,061)	(39.36%)
TOTAL PERSONAL SERVICES	**$2,581,181**	**$1,565,120**	**($1,016,061)**	**(39.36%)**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	13,000	8,000	(5,000)	(38.46%)
4175 Office Expenses				
3400 Other Funds Ltd	13,000	8,000	(5,000)	(38.46%)
4200 Telecommunications				
3400 Other Funds Ltd	26,000	16,000	(10,000)	(38.46%)
4250 Data Processing				
3400 Other Funds Ltd	19,500	12,000	(7,500)	(38.46%)
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	228,280	140,480	(87,800)	(38.46%)
4650 Other Services and Supplies				
3400 Other Funds Ltd	13,000	8,000	(5,000)	(38.46%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4715 IT Expendable Property				
3400 Other Funds Ltd	33,800	20,800	(13,000)	(38.46%)
SERVICES & SUPPLIES				
3400 Other Funds Ltd	346,580	213,280	(133,300)	(38.46%)
TOTAL SERVICES & SUPPLIES	**$346,580**	**$213,280**	**($133,300)**	**(38.46%)**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	100,100	61,600	(38,500)	(38.46%)
CAPITAL OUTLAY				
3400 Other Funds Ltd	100,100	61,600	(38,500)	(38.46%)
TOTAL CAPITAL OUTLAY	**$100,100**	**$61,600**	**($38,500)**	**(38.46%)**
EXPENDITURES				
3400 Other Funds Ltd	3,027,861	1,840,000	(1,187,861)	(39.23%)
TOTAL EXPENDITURES	**$3,027,861**	**$1,840,000**	**($1,187,861)**	**(39.23%)**
ENDING BALANCE				
3400 Other Funds Ltd	(3,027,861)	(1,840,000)	1,187,861	39.23%
TOTAL ENDING BALANCE	**($3,027,861)**	**($1,840,000)**	**$1,187,861**	**39.23%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	13	8	(5)	(38.46%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	13.00	8.00	(5.00)	(38.46%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	187,596	187,596	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	187,596	187,596	0	0.00%
TOTAL SALARIES & WAGES	**$187,596**	**$187,596**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	86	86	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	34,236	34,236	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	14,351	14,351	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	68	68	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	57,348	57,348	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	106,089	106,089	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$106,089**	**$106,089**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	862	862	100.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	-	862	862	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**$862**	**$862**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	293,685	294,547	862	0.29%
TOTAL PERSONAL SERVICES	**$293,685**	**$294,547**	**$862**	**0.29%**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	2,000	2,000	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	2,000	2,000	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	4,000	4,000	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4250 Data Processing				
3400 Other Funds Ltd	3,000	3,000	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	35,120	35,120	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	2,000	280	(1,720)	(86.00%)
4715 IT Expendable Property				
3400 Other Funds Ltd	5,200	5,200	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	53,320	51,600	(1,720)	(3.23%)
TOTAL SERVICES & SUPPLIES	**$53,320**	**$51,600**	**($1,720)**	**(3.23%)**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	15,400	-	(15,400)	(100.00%)
CAPITAL OUTLAY				
3400 Other Funds Ltd	15,400	-	(15,400)	(100.00%)
TOTAL CAPITAL OUTLAY	**$15,400**	**-**	**($15,400)**	**(100.00%)**
EXPENDITURES				
3400 Other Funds Ltd	362,405	346,147	(16,258)	(4.49%)

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL EXPENDITURES	**$362,405**	**$346,147**	**($16,258)**	**(4.49%)**
ENDING BALANCE				
3400 Other Funds Ltd	(362,405)	(346,147)	16,258	4.49%
TOTAL ENDING BALANCE	**($362,405)**	**($346,147)**	**$16,258**	**4.49%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	2	2	0	0.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	1.50	1.50	0.00	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	-	31,656	31,656	100.00%
SALARIES & WAGES				
3400 Other Funds Ltd	-	31,656	31,656	100.00%
TOTAL SALARIES & WAGES	**-**	**$31,656**	**$31,656**	**100.00%**
OTHER PAYROLL EXPENSES				
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	-	5,777	5,777	100.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	-	2,423	2,423	100.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	-	8,200	8,200	100.00%
TOTAL OTHER PAYROLL EXPENSES	**-**	**$8,200**	**$8,200**	**100.00%**
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	416	416	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	-	416	416	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**$416**	**$416**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	-	40,272	40,272	100.00%
TOTAL PERSONAL SERVICES	**-**	**$40,272**	**$40,272**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	-	40,272	40,272	100.00%
TOTAL EXPENDITURES	**-**	**$40,272**	**$40,272**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	(40,272)	(40,272)	100.00%
TOTAL ENDING BALANCE	**-**	**($40,272)**	**($40,272)**	**100.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4225 State Gov. Service Charges				
3400 Other Funds Ltd	-	(11,006)	(11,006)	100.00%
4325 Attorney General				
3400 Other Funds Ltd	-	(28,714)	(28,714)	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	(39,720)	(39,720)	100.00%
TOTAL SERVICES & SUPPLIES	**-**	**($39,720)**	**($39,720)**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	-	(39,720)	(39,720)	100.00%
TOTAL EXPENDITURES	**-**	**($39,720)**	**($39,720)**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	39,720	39,720	100.00%
TOTAL ENDING BALANCE	**-**	**$39,720**	**$39,720**	**100.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	-	64,440	64,440	100.00%
3170 Overtime Payments				
3400 Other Funds Ltd	-	79,428	79,428	100.00%
SALARIES & WAGES				
3400 Other Funds Ltd	-	143,868	143,868	100.00%
TOTAL SALARIES & WAGES	**-**	**$143,868**	**$143,868**	**100.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	-	43	43	100.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	-	26,256	26,256	100.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	-	11,006	11,006	100.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	-	34	34	100.00%

Description	Governor's Budget (Y-01) Column 1	Leg. Adopted Budget (Z-01) Column 2	Column 2 Minus Column 1	% Change from Column 1 to Column 2
3270 Flexible Benefits				
3400 Other Funds Ltd	-	28,674	28,674	100.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	-	66,013	66,013	100.00%
TOTAL OTHER PAYROLL EXPENSES	**-**	**$66,013**	**$66,013**	**100.00%**
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	(2,483)	(2,483)	100.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	-	(2,483)	(2,483)	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**($2,483)**	**($2,483)**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	-	207,398	207,398	100.00%
TOTAL PERSONAL SERVICES	**-**	**$207,398**	**$207,398**	**100.00%**
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	-	1,000	1,000	100.00%
4175 Office Expenses				
3400 Other Funds Ltd	-	1,000	1,000	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4200 Telecommunications				
3400 Other Funds Ltd	-	2,000	2,000	100.00%
4300 Professional Services				
3400 Other Funds Ltd	-	60,000	60,000	100.00%
4315 IT Professional Services				
3400 Other Funds Ltd	-	13,249	13,249	100.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	-	17,560	17,560	100.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	-	85,500	85,500	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	-	1,000	1,000	100.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	-	2,600	2,600	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	183,909	183,909	100.00%
TOTAL SERVICES & SUPPLIES	**-**	**$183,909**	**$183,909**	**100.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	-	7,700	7,700	100.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	-	7,700	7,700	100.00%
TOTAL CAPITAL OUTLAY	**-**	**$7,700**	**$7,700**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	-	399,007	399,007	100.00%
TOTAL EXPENDITURES	**-**	**$399,007**	**$399,007**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	(399,007)	(399,007)	100.00%
TOTAL ENDING BALANCE	**-**	**($399,007)**	**($399,007)**	**100.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	-	1	1	100.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	-	0.75	0.75	100.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4300 Professional Services				
3400 Other Funds Ltd	7,716,985	7,716,985	0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	(7,716,985)	(7,716,985)	0	0.00%
TOTAL ENDING BALANCE	**($7,716,985)**	**($7,716,985)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4300 Professional Services				
3400 Other Funds Ltd	5,281,083	5,281,083	0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	(5,281,083)	(5,281,083)	0	0.00%
TOTAL ENDING BALANCE	**($5,281,083)**	**($5,281,083)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4300 Professional Services				
3400 Other Funds Ltd	13,500,000	13,500,000	0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	(13,500,000)	(13,500,000)	0	0.00%
TOTAL ENDING BALANCE	**($13,500,000)**	**($13,500,000)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4300 Professional Services				
3400 Other Funds Ltd	3,500,000	3,500,000	0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	(3,500,000)	(3,500,000)	0	0.00%
TOTAL ENDING BALANCE	**($3,500,000)**	**($3,500,000)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4300 Professional Services				
3400 Other Funds Ltd	-	1,502,180	1,502,180	100.00%
ENDING BALANCE				
3400 Other Funds Ltd	-	(1,502,180)	(1,502,180)	100.00%
TOTAL ENDING BALANCE	**-**	**($1,502,180)**	**($1,502,180)**	**100.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
OTHER PAYROLL EXPENSES				
3221 Pension Obligation Bond				
3400 Other Funds Ltd	35,815	35,815	0	0.00%
3240 Unemployment Assessments				
3400 Other Funds Ltd	30	30	0	0.00%
3260 Mass Transit Tax				
3400 Other Funds Ltd	3,294	3,294	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	39,139	39,139	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$39,139**	**$39,139**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(2,778)	(2,778)	0	0.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	36,361	36,361	0	0.00%
TOTAL PERSONAL SERVICES	**$36,361**	**$36,361**	**$0**	**0.00%**
EXPENDITURES				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	36,361	36,361	0	0.00%
TOTAL EXPENDITURES	**$36,361**	**$36,361**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(36,361)	(36,361)	0	0.00%
TOTAL ENDING BALANCE	**($36,361)**	**($36,361)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	2,083	2,083	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	1,027	1,027	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	8,968	8,968	0	0.00%
4225 State Gov. Service Charges				
3400 Other Funds Ltd	(19,600)	(19,600)	0	0.00%
4250 Data Processing				
3400 Other Funds Ltd	40,960	40,960	0	0.00%
4300 Professional Services				
3400 Other Funds Ltd	33	33	0	0.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	62	62	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	6,607	6,607	0	0.00%
4650 Other Services and Supplies				

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	1,256	1,256	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	41,396	41,396	0	0.00%
TOTAL SERVICES & SUPPLIES	**$41,396**	**$41,396**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	41,396	41,396	0	0.00%
TOTAL EXPENDITURES	**$41,396**	**$41,396**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	(41,396)	(41,396)	0	0.00%
TOTAL ENDING BALANCE	**($41,396)**	**($41,396)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
TRANSFERS IN				
1150 Tsfr From Revenue, Dept of				
3400 Other Funds Ltd	153,600	-	(153,600)	(100.00%)
AVAILABLE REVENUES				
3400 Other Funds Ltd	153,600	-	(153,600)	(100.00%)
TOTAL AVAILABLE REVENUES	**$153,600**	**-**	**($153,600)**	**(100.00%)**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	(238,608)	(238,608)	0	0.00%
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	(116)	(116)	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	(43,546)	(43,546)	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	(18,254)	(18,254)	0	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	(92)	(92)	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	(76,464)	(76,464)	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	(138,472)	(138,472)	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**($138,472)**	**($138,472)**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	(377,080)	(377,080)	0	0.00%
TOTAL PERSONAL SERVICES	**($377,080)**	**($377,080)**	**$0**	**0.00%**
SERVICES & SUPPLIES				
4250 Data Processing				
3400 Other Funds Ltd	153,600	-	(153,600)	(100.00%)
SERVICES & SUPPLIES				
3400 Other Funds Ltd	153,600	-	(153,600)	(100.00%)
TOTAL SERVICES & SUPPLIES	**$153,600**	**-**	**($153,600)**	**(100.00%)**
EXPENDITURES				
3400 Other Funds Ltd	(223,480)	(377,080)	(153,600)	(68.73%)
TOTAL EXPENDITURES	**($223,480)**	**($377,080)**	**($153,600)**	**(68.73%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
ENDING BALANCE				
3400 Other Funds Ltd	377,080	377,080	0	0.00%
TOTAL ENDING BALANCE	**$377,080**	**$377,080**	**$0**	**0.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	(2)	(2)	0	0.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	(2.00)	(2.00)	0.00	0.00%

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	(2,083)	-	2,083	100.00%
4250 Data Processing				
3400 Other Funds Ltd	(2,803)	-	2,803	100.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	(62)	-	62	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	(1,256)	-	1,256	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(6,204)	-	6,204	100.00%
TOTAL SERVICES & SUPPLIES	**($6,204)**	**-**	**$6,204**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(6,204)	-	6,204	100.00%
TOTAL EXPENDITURES	**($6,204)**	**-**	**$6,204**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	6,204	-	(6,204)	(100.00%)
TOTAL ENDING BALANCE	**$6,204**	**-**	**($6,204)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(111,710)	-	111,710	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	(111,710)	-	111,710	100.00%
TOTAL PERSONAL SERVICES	**($111,710)**	**-**	**$111,710**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	(111,710)	-	111,710	100.00%
TOTAL EXPENDITURES	**($111,710)**	**-**	**$111,710**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	111,710	-	(111,710)	(100.00%)
TOTAL ENDING BALANCE	**$111,710**	**-**	**($111,710)**	**(100.00%)**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4225 State Gov. Service Charges				
3400 Other Funds Ltd	-	(3,722)	(3,722)	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	(3,722)	(3,722)	100.00%
TOTAL SERVICES & SUPPLIES	**-**	**($3,722)**	**($3,722)**	**100.00%**
EXPENDITURES				
3400 Other Funds Ltd	-	(3,722)	(3,722)	100.00%
TOTAL EXPENDITURES	**-**	**($3,722)**	**($3,722)**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	3,722	3,722	100.00%
TOTAL ENDING BALANCE	**-**	**$3,722**	**$3,722**	**100.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
CAPITAL OUTLAY				
5700 Building Structures				
3010 Other Funds Cap Improve	(150,000)	(150,000)	0	0.00%
CAPITAL OUTLAY				
3010 Other Funds Cap Improve	(150,000)	(150,000)	0	0.00%
TOTAL CAPITAL OUTLAY	**($150,000)**	**($150,000)**	**$0**	**0.00%**
ENDING BALANCE				
3010 Other Funds Cap Improve	150,000	150,000	0	0.00%
TOTAL ENDING BALANCE	**$150,000**	**$150,000**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
CAPITAL OUTLAY				
5650 Land Improvements				
3010 Other Funds Cap Improve	230	230	0	0.00%
5700 Building Structures				
3010 Other Funds Cap Improve	9,572	9,572	0	0.00%
CAPITAL OUTLAY				
3010 Other Funds Cap Improve	9,802	9,802	0	0.00%
TOTAL CAPITAL OUTLAY	**$9,802**	**$9,802**	**$0**	**0.00%**
ENDING BALANCE				
3010 Other Funds Cap Improve	(9,802)	(9,802)	0	0.00%
TOTAL ENDING BALANCE	**($9,802)**	**($9,802)**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
BOND SALES				
0560 Dedicated Fund Oblig Bonds				
3020 Other Funds Cap Construct	62,537,265	-	(62,537,265)	(100.00%)
AVAILABLE REVENUES				
3020 Other Funds Cap Construct	62,537,265	-	(62,537,265)	(100.00%)
TOTAL AVAILABLE REVENUES	**$62,537,265**	**-**	**($62,537,265)**	**(100.00%)**
EXPENDITURES				
CAPITAL OUTLAY				
5200 Technical Equipment				
3020 Other Funds Cap Construct	10,000,000	-	(10,000,000)	(100.00%)
5700 Building Structures				
3020 Other Funds Cap Construct	52,537,265	-	(52,537,265)	(100.00%)
CAPITAL OUTLAY				
3020 Other Funds Cap Construct	62,537,265	-	(62,537,265)	(100.00%)
TOTAL CAPITAL OUTLAY	**$62,537,265**	**-**	**($62,537,265)**	**(100.00%)**
ENDING BALANCE				
3020 Other Funds Cap Construct	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
BOND SALES				
0560 Dedicated Fund Oblig Bonds				
3020 Other Funds Cap Construct	-	62,537,265	62,537,265	100.00%
AVAILABLE REVENUES				
3020 Other Funds Cap Construct	-	62,537,265	62,537,265	100.00%
TOTAL AVAILABLE REVENUES	**-**	**$62,537,265**	**$62,537,265**	**100.00%**
EXPENDITURES				
CAPITAL OUTLAY				
5200 Technical Equipment				
3020 Other Funds Cap Construct	-	10,000,000	10,000,000	100.00%
5700 Building Structures				
3020 Other Funds Cap Construct	-	52,537,265	52,537,265	100.00%
CAPITAL OUTLAY				
3020 Other Funds Cap Construct	-	62,537,265	62,537,265	100.00%
TOTAL CAPITAL OUTLAY	**-**	**$62,537,265**	**$62,537,265**	**100.00%**
ENDING BALANCE				
3020 Other Funds Cap Construct	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Governor's Budget (Y-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
2000				
2060 Transfer to General Fund				
8800 General Fund Revenue	(20,402,020)	-	20,402,020	100.00%
AVAILABLE REVENUES				
8800 General Fund Revenue	(20,402,020)	-	20,402,020	100.00%
TOTAL AVAILABLE REVENUES	**($20,402,020)**	**-**	**$20,402,020**	**100.00%**
ENDING BALANCE				
8800 General Fund Revenue	(20,402,020)	-	20,402,020	100.00%
TOTAL ENDING BALANCE	**($20,402,020)**	**-**	**$20,402,020**	**100.00%**

ESSENTIAL PACKAGES NARRATIVE

OREGON LIQUOR & CANNABIS COMMISSION
ESSENTIAL PACKAGES

AGENCY-WIDE (84500-000) = $12,576,791 in total expense increases from the Base budget to the Current Service Level (CSL).

010 Vacancy Savings, POB, MTT, & Non-PICS Personal Services Adjustments = $609,735
021 Phase-In Costs = zero
022 Phase-Out Costs = ($6,708,699)
031 Standard Inflation = $10,458,709
032 Above-standard inflation = zero
033 Exceptional Inflation = $8,217,546 for four CSL exception requests.
060 Technical Adjustments = zero $ impact from moving 11 positions across SCRs

See details below by Program for each Essential Package adjustment category.

DISTILLED SPIRITS PROGRAM (84500-001)
Distilled Spirits Essential Packages = $2,180,129 in total expense increases from Base to the CSL.

010 Vacancy Savings, POB, MTT, & Non-PICS Personal Services Adjustments = $116,450 primarily from POB adjustments of $111,428.
021 Phase-Ins = zero
022 Phase-Outs = ($390,462) was deducted from the Base budget, primarily for the one-time equipment purchases and building improvement costs incurred in the 2019-21 biennium related to the Distilled Spirits Shipping Capacity & Services package (POP#102).

031 Standard Inflation = $626,036 driven by $635,050 for standard inflation related to bank card fees.
032 Above-Standard Inflation = zero
033 Exceptional Inflation = $2,533,616 was added to the Base budget reflecting increased Bank Card Fees driven by increased sales and bank card utilization.

060 Technical Adjustments = ($705,511) in reductions from moving 2 positions to the Support Services program.

ESSENTIAL PACKAGES:

PUBLIC SAFETY SERVICES (84500-002)
Public Safety Support Essential Packages = ($2,312,936) in total expense decreases from Base to the CSL.

010 Vacancy Savings, POB, MTT, & Non-PICS Personal Services Adjustments = $79,806 primarily from POB adjustments = $83,854.
021 Phase-Ins = zero
022 Phase-Outs = ($490,746) reflecting non-recurring costs from 3 POPs implemented in the 2019-21 biennium:
>POP#206 phased-out $52,040 in computer & furniture setup costs for 5 new Licensing positions;
>POP#207 phased-out $428,244 in setup costs for 4 new Public Safety positions, plus training, equipment & vehicle purchases;
>POP#215 phased out $10,462 in setup costs for 1 new position to help administer the Bottle Bill.
031 Standard Inflation = $62,264 with the largest component = $43,244 for Telecommunications.
032 Above-Standard Inflation = zero
033 Exceptional Inflation = zero
060 Technical Adjustments = ($1,964,260) reflecting moving 7 (net) positions to the Support Services program.

SUPPORT SERVICES (84500-003)
Support Services Essential Packages = $136,398 in total expense increases from Base to the CSL.

010 Vacancy Savings, POB, MTT, & Non-PICS Personal Services Adjustments = $254,268 primarily from POB adjustments = $258,797.
021 Phase-Ins = zero
022 Phase-Outs = ($4,491,099) reflecting non-recurring cost from 4 packages implemented in the 2019-21 biennium:

>POP#301 phased-out $5,097,628 in one-time telecom, equipment, furniture, and application development expenses,
*Note: POP#301 phase-outs exclude $500,000 which are expenses to be incurred in the 21-23 biennium per the current contract;
>POP#310 phased-out $67,721 in one-time purchases of computer, furniture, and scanner equipment;
>POP#311 phased-out $73,000 for non-recurring application maintenance and network software for the new intranet; and
>Package #811 phased-out $9,000 in furniture and computer equipment setup for one new internal audit position.

031 Standard Inflation = $1,674,958 with the largest component being State Government Service Charge increases of $1,437,295.
032 Above-Standard Inflation = zero
033 Exceptional Inflation = zero
060 Technical Adjustments = $2,669,771 reflecting 9 positions transferred from the Distilled Spirits and Public Safety programs.

ESSENTIAL PACKAGES:

RECREATIONAL MARIJUANA PROGRAM (84500-004)
Recreational Marijuana Program Essential Packages = ($362,427) in total expense reductions from Base to the CSL.

010 Vacancy Savings, POB, MTT, & Non-PICS Personal Services Adjustments = $122,850 primarily from POB adjustments = $141,303.
021 Phase-Ins = zero
022 Phase-Outs = ($1,186,392) reflecting non-recurring cost from two packages implemented in the 2019-21 biennium:
>POP#301 phased-out ($756,250) related to application development costs for updating the Recreational Marijuana licensing system, and
>POP#408 phased-out ($430,142) in setup costs for 9 Regulatory Specialist positions, including training and motor vehicles.

031 Standard Inflation = $298,268 with the largest increases in IT Professional Services ($119,153) and Attorney General fees (83,869).
032 Above-Standard Inflation = zero
033 Exceptional Inflation = ($402,847) for Cannabis Tracking System (CTS) user support charges.
060 Technical Adjustments = zero

MEDICAL MARIJUANA PROGRAM (84500-006)
Medical Marijuana Program Essential Packages = $77,757 in total expense increases from Base to the CSL.

010 Vacancy Savings, POB, MTT, & Non-PICS Personal Services Adjustments = $33,361 primarily from POB adjustments = $35,815.
021 Phase-Ins = zero
022 Phase-Outs = zero
031 Standard Inflation = $41,396 with the largest increase in Data Processing at $40,960.
032 Above-Standard Inflation = zero
033 Exceptional Inflation = zero
060 Technical Adjustments = zero

ESSENTIAL PACKAGES:

AGENTS COMPENSATION PROGRAM (84500-005)
Agents' Compensation Essential Packages = $12,998,068 in total expense increases from Base to the CSL.

010 Vacancy Savings, POB, MTT, & Non-PICS Personal Services adjustments = zero (No personnel in this DCR).
021 Phase-Ins = zero
022 Phase-Outs = zero
031 Standard Inflation = $7,716,985 was added to the Base budget of $135,385,704 in Professional Services.
032 Above-Standard Inflation = zero
033 Exceptional Inflation = $5,281,083 was added to the Base budget reflecting increased agents' compensation driven by a higher sales forecast.
060 Technical Adjustments = zero

CAPITAL IMPROVEMENTS (84500-088)
Capital Improvements Essential Packages = ($140,198) in total expense reductions from Base to the CSL.

010 Vacancy Savings, POB, MTT, & Non-PICS Personal Services adjustments = zero (No personnel in this DCR).
021 Phase-Ins = zero
022 Phase-Outs = ($150,000) was deducted from the Base budget for one-time roof repairs funded by 2019-21 POP#304.
031 Standard Inflation = $8,133
032 Above-Standard Inflation = zero
033 Exceptional Inflation = zero
060 Technical Adjustments = zero

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Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
Total Salary											-	-	52,867,164	-	52,867,164
Total OPE											-	-	28,252,259	-	28,252,259
Total Personal Services											**-**	**-**	**81,119,423**	**-**	**81,119,423**

2021-23 Biennium **Cross Reference Number: 84500-001-20-00-00000**
Budget Preparation **Legislatively Adopted Budget**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE				
											GF	LF	OF	FF	AF
2000074	MESN Z7010 AF	PRINCIPAL EXECUTIVE/MANAGER F	35X	PF	1	1.00	24	10	11168	SAL	-	-	268,032	-	268,032
										OPE	-	-	107,756	-	107,756
2000180	AL C0871 AP	OPERATIONS & POLICY ANALYST 2	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
Total Salary											-	-	387,336	-	387,336
Total OPE											-	-	176,992	-	176,992
Total Personal Services											**-**	**-**	**564,328**	**-**	**564,328**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
3000001	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	9	4317	SAL	-	-	103,608	-	103,608
										OPE	-	-	65,170	-	65,170
3000002	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	1.00	24	10	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
3000003	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	5	3292	SAL	-	-	79,008	-	79,008
										OPE	-	-	58,799	-	58,799
3000005	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	7	3749	SAL	-	-	89,976	-	89,976
										OPE	-	-	61,640	-	61,640
3000006	AL C4138 AP	LIQUOR DISTRIBUTION WORKER 2	17T	PF	1	1.00	24	10	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
3000008	AL C4138 AP	LIQUOR DISTRIBUTION WORKER 2	17T	PF	1	1.00	24	10	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
3000009	AL C4138 AP	LIQUOR DISTRIBUTION WORKER 2	17T	PF	1	1.00	24	6	3749	SAL	-	-	89,976	-	89,976
										OPE	-	-	61,640	-	61,640
3000011	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	10	4317	SAL	-	-	103,608	-	103,608
										OPE	-	-	65,170	-	65,170
3000012	AL C4138 AP	LIQUOR DISTRIBUTION WORKER 2	17T	PF	1	1.00	24	10	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
3000013	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	2	2931	SAL	-	-	70,344	-	70,344
										OPE	-	-	56,555	-	56,555
3000014	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	10	4121	SAL	-	-	98,904	-	98,904
										OPE	-	-	63,952	-	63,952
3000015	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	8	3749	SAL	-	-	89,976	-	89,976
										OPE	-	-	61,640	-	61,640
3000016	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	2	2931	SAL	-	-	70,344	-	70,344
										OPE	-	-	56,555	-	56,555
3000017	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	10	4121	SAL	-	-	98,904	-	98,904
										OPE	-	-	63,952	-	63,952
3000018	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	5	3292	SAL	-	-	79,008	-	79,008
										OPE	-	-	58,799	-	58,799
3000020	AL C4138 AP	LIQUOR DISTRIBUTION WORKER 2	17T	PF	1	1.00	24	10	4516	SAL	-	-	108,384	-	108,384

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
										OPE	-	-	66,407	-	66,407
3000021	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	10	4317	SAL	-	-	103,608	-	103,608
										OPE	-	-	65,170	-	65,170
3000022	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	8	3749	SAL	-	-	89,976	-	89,976
										OPE	-	-	61,640	-	61,640
3000023	AL C4138 AP	LIQUOR DISTRIBUTION WORKER 2	17T	PF	1	1.00	24	10	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
3000024	MESN Z7008 AF	PRINCIPAL EXECUTIVE/MANAGER E	33X	PF	1	1.00	24	5	7956	SAL	-	-	190,944	-	190,944
										OPE	-	-	87,790	-	87,790
3000025	MMS X7002 AP	PRINCIPAL EXECUTIVE/MANAGER B	26X	PF	1	1.00	24	6	5944	SAL	-	-	142,656	-	142,656
										OPE	-	-	75,284	-	75,284
3000027	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	9	4121	SAL	-	-	98,904	-	98,904
										OPE	-	-	63,952	-	63,952
3000028	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	7	3580	SAL	-	-	85,920	-	85,920
										OPE	-	-	60,589	-	60,589
3000029	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	10	4121	SAL	-	-	98,904	-	98,904
										OPE	-	-	63,952	-	63,952
3000030	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	5	3292	SAL	-	-	79,008	-	79,008
										OPE	-	-	58,799	-	58,799
3000031	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	7	3580	SAL	-	-	85,920	-	85,920
										OPE	-	-	60,589	-	60,589
3000032	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	5	3432	SAL	-	-	82,368	-	82,368
										OPE	-	-	59,669	-	59,669
3000034	AL C4409 AP	GENERAL MAINTENANCE MECHANIC	17T	PF	1	1.00	24	10	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
3000075	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	2	3031	SAL	-	-	72,744	-	72,744
										OPE	-	-	57,177	-	57,177
3000077	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	2	3031	SAL	-	-	72,744	-	72,744
										OPE	-	-	57,177	-	57,177
3000079	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	2	3031	SAL	-	-	72,744	-	72,744
										OPE	-	-	57,177	-	57,177

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
3000080	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	2	3031	SAL	-	-	72,744	-	72,744
										OPE	-	-	57,177	-	57,177
3000081	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	4	3157	SAL	-	-	75,768	-	75,768
										OPE	-	-	57,960	-	57,960
3000082	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	4	3157	SAL	-	-	75,768	-	75,768
										OPE	-	-	57,960	-	57,960
3000083	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	5	3292	SAL	-	-	79,008	-	79,008
										OPE	-	-	58,799	-	58,799
3000086	AL C0861 AP	PROGRAM ANALYST 2	27	PF	1	1.00	24	9	6929	SAL	-	-	166,296	-	166,296
										OPE	-	-	81,407	-	81,407
3000088	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	3	3031	SAL	-	-	72,744	-	72,744
										OPE	-	-	57,177	-	57,177
3000123	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	5	3292	SAL	-	-	79,008	-	79,008
										OPE	-	-	58,799	-	58,799
3000124	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	4	3157	SAL	-	-	75,768	-	75,768
										OPE	-	-	57,960	-	57,960
3000150	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	7	3749	SAL	-	-	89,976	-	89,976
										OPE	-	-	61,640	-	61,640
3000151	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	2	2931	SAL	-	-	70,344	-	70,344
										OPE	-	-	56,555	-	56,555
3000152	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	6	3432	SAL	-	-	82,368	-	82,368
										OPE	-	-	59,669	-	59,669
3000153	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	10	4121	SAL	-	-	98,904	-	98,904
										OPE	-	-	63,952	-	63,952
3000154	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	5	3292	SAL	-	-	79,008	-	79,008
										OPE	-	-	58,799	-	58,799
3000155	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	5	3292	SAL	-	-	79,008	-	79,008
										OPE	-	-	58,799	-	58,799
3000205	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	8	3932	SAL	-	-	94,368	-	94,368
										OPE	-	-	62,777	-	62,777
3000206	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	10	4317	SAL	-	-	103,608	-	103,608

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
										OPE	-	-	65,170	-	65,170
3000207	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	10	4317	SAL	-	-	103,608	-	103,608
										OPE	-	-	65,170	-	65,170
3000208	AL C4138 AP	LIQUOR DISTRIBUTION WORKER 2	17T	PF	1	1.00	24	10	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
3000241	MMS X7002 AP	PRINCIPAL EXECUTIVE/MANAGER B	26X	PF	1	1.00	24	10	7220	SAL	-	-	173,280	-	173,280
										OPE	-	-	83,216	-	83,216
3000242	AL C4138 AP	LIQUOR DISTRIBUTION WORKER 2	17T	PF	1	1.00	24	6	3749	SAL	-	-	89,976	-	89,976
										OPE	-	-	61,640	-	61,640
3000243	AL C4138 AP	LIQUOR DISTRIBUTION WORKER 2	17T	PF	1	1.00	24	7	3932	SAL	-	-	94,368	-	94,368
										OPE	-	-	62,777	-	62,777
3000244	AL C4138 AP	LIQUOR DISTRIBUTION WORKER 2	17T	PF	1	1.00	24	6	3749	SAL	-	-	89,976	-	89,976
										OPE	-	-	61,640	-	61,640
3000245	AL C4138 AP	LIQUOR DISTRIBUTION WORKER 2	17T	PF	1	1.00	24	9	4317	SAL	-	-	103,608	-	103,608
										OPE	-	-	65,170	-	65,170
3000246	AL C4138 AP	LIQUOR DISTRIBUTION WORKER 2	17T	PF	1	1.00	24	10	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
3000247	AL C4138 AP	LIQUOR DISTRIBUTION WORKER 2	17T	PF	1	1.00	24	10	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
3000250	MMN X0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	1.00	24	2	3849	SAL	-	-	92,376	-	92,376
										OPE	-	-	62,262	-	62,262
3000261	AL C4138 AP	LIQUOR DISTRIBUTION WORKER 2	17T	PF	1	1.00	24	10	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
3000262	AL C4138 AP	LIQUOR DISTRIBUTION WORKER 2	17T	PF	1	1.00	24	5	3583	SAL	-	-	85,992	-	85,992
										OPE	-	-	60,608	-	60,608
3000263	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	10	4317	SAL	-	-	103,608	-	103,608
										OPE	-	-	65,170	-	65,170
3000264	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	8	3932	SAL	-	-	94,368	-	94,368
										OPE	-	-	62,777	-	62,777
3000265	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	8	3932	SAL	-	-	94,368	-	94,368
										OPE	-	-	62,777	-	62,777

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
3000266	AL C4409 AP	GENERAL MAINTENANCE MECHANIC	17T	PF	1	1.00	24	10	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
3000267	AL C4139 AP	LIQUOR DISTRIBUTION EQUIP OPER	16T	PF	1	1.00	24	9	4121	SAL	-	-	98,904	-	98,904
										OPE	-	-	63,952	-	63,952
3000268	AL C4137 AP	LIQUOR DISTRIBUTION WORKER 1	15T	PF	1	1.00	24	10	4121	SAL	-	-	98,904	-	98,904
										OPE	-	-	63,952	-	63,952
Total Salary											-	-	6,330,552	-	6,330,552
Total OPE											-	-	4,131,445	-	4,131,445
Total Personal Services											**-**	**-**	**10,461,997**	**-**	**10,461,997**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
4000001	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	10	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
4000003	AL C0861 AP	PROGRAM ANALYST 2	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
4000004	AL C0861 AP	PROGRAM ANALYST 2	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
4000012	AL C0861 AP	PROGRAM ANALYST 2	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
4000085	AL C0861 AP	PROGRAM ANALYST 2	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
4000170	AL C0861 AP	PROGRAM ANALYST 2	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
4000171	AL C0861 AP	PROGRAM ANALYST 2	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
4000173	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	10	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
4000508	MESN Z7008 AF	PRINCIPAL EXECUTIVE/MANAGER E	33X	PF	1	1.00	24	10	10144	SAL	-	-	243,456	-	243,456
										OPE	-	-	101,391	-	101,391
Total Salary											-	-	1,505,664	-	1,505,664
Total OPE											-	-	734,989	-	734,989
Total Personal Services											**-**	**-**	**2,240,653**	**-**	**2,240,653**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE				
											GF	LF	OF	FF	AF
1100516	AL C0104 AP	OFFICE SPECIALIST 2	15C	PF	1	1.00	24	4	3224	SAL	-	-	77,376	-	77,376
										OPE	-	-	58,376	-	58,376
4500052	MMS X7006 AP	PRINCIPAL EXECUTIVE/MANAGER D	31X	PF	1	1.00	24	9	8766	SAL	-	-	210,384	-	210,384
										OPE	-	-	92,825	-	92,825
4500054	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	7	3932	SAL	-	-	94,368	-	94,368
										OPE	-	-	62,777	-	62,777
4500058	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	7	3932	SAL	-	-	94,368	-	94,368
										OPE	-	-	62,777	-	62,777
4500091	AL C0104 AP	OFFICE SPECIALIST 2	15C	PF	1	1.00	24	6	3507	SAL	-	-	84,168	-	84,168
										OPE	-	-	60,136	-	60,136
4500116	AL C0104 AP	OFFICE SPECIALIST 2	15C	PF	1	1.00	24	7	3664	SAL	-	-	87,936	-	87,936
										OPE	-	-	61,111	-	61,111
4500126	MMS X7002 AP	PRINCIPAL EXECUTIVE/MANAGER B	26X	PF	1	1.00	24	2	4909	SAL	-	-	117,816	-	117,816
										OPE	-	-	68,850	-	68,850
4500128	AL C0104 AP	OFFICE SPECIALIST 2	15C	PF	1	1.00	24	3	3093	SAL	-	-	74,232	-	74,232
										OPE	-	-	57,562	-	57,562
4500156	AL C0104 AP	OFFICE SPECIALIST 2	15C	PF	1	1.00	24	8	3840	SAL	-	-	92,160	-	92,160
										OPE	-	-	62,205	-	62,205
4500157	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	1.00	24	2	3580	SAL	-	-	85,920	-	85,920
										OPE	-	-	60,589	-	60,589
4500158	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	8	4121	SAL	-	-	98,904	-	98,904
										OPE	-	-	63,952	-	63,952
4500178	MMS X7006 AP	PRINCIPAL EXECUTIVE/MANAGER D	31X	PF	1	1.00	24	8	8356	SAL	-	-	200,544	-	200,544
										OPE	-	-	90,277	-	90,277
4500194	MMS X7004 AP	PRINCIPAL EXECUTIVE/MANAGER C	28X	PF	1	1.00	24	5	6247	SAL	-	-	149,928	-	149,928
										OPE	-	-	77,167	-	77,167
4500507	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	1.00	24	9	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
4500511	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	10	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
4500512	AL C0103 AP	OFFICE SPECIALIST 1	13C	PF	1	1.00	24	7	3432	SAL	-	-	82,368	-	82,368

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
										OPE	-	-	59,669	-	59,669
4500517	MESN Z7010 AF	PRINCIPAL EXECUTIVE/MANAGER F	35X	PF	1	1.00	24	2	7584	SAL	-	-	182,016	-	182,016
										OPE	-	-	85,478	-	85,478
4500519	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	8	6004	SAL	-	-	144,096	-	144,096
										OPE	-	-	75,657	-	75,657
4500525	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	2	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
4500531	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	7	5721	SAL	-	-	137,304	-	137,304
										OPE	-	-	73,898	-	73,898
4500602	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	1.00	24	9	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
4500606	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	6	3749	SAL	-	-	89,976	-	89,976
										OPE	-	-	61,640	-	61,640
4500624	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	2	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
4500631	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	2	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
4500651	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	10	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
4500685	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	7	6929	SAL	-	-	166,296	-	166,296
										OPE	-	-	81,407	-	81,407
4500734	MMS X7006 AP	PRINCIPAL EXECUTIVE/MANAGER D	31X	PF	1	1.00	24	10	9196	SAL	-	-	220,704	-	220,704
										OPE	-	-	95,498	-	95,498
4500906	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	4	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
4600117	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	10	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
4600611	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	10	7995	SAL	-	-	191,880	-	191,880
										OPE	-	-	88,033	-	88,033
4700047	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	2	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
4700504	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	10	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
4700532	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	10	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
4700536	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	6	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
4700542	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	10	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
4700549	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	10	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
4700553	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	6	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
4700554	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	10	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
4700621	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	10	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
4700634	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	10	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
Total Salary											-	-	5,270,640	-	5,270,640
Total OPE											-	-	2,898,531	-	2,898,531
Total Personal Services											**-**	**-**	**8,169,171**	**-**	**8,169,171**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
4700035	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	6	6005	SAL	-	-	144,120	-	144,120
										OPE	-	-	75,663	-	75,663
4700036	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
4700037	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	6	3749	SAL	-	-	89,976	-	89,976
										OPE	-	-	61,640	-	61,640
4700040	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	9	6929	SAL	-	-	166,296	-	166,296
										OPE	-	-	81,407	-	81,407
4700041	MMS X7006 AP	PRINCIPAL EXECUTIVE/MANAGER D	31X	PF	1	1.00	24	10	9196	SAL	-	-	220,704	-	220,704
										OPE	-	-	95,498	-	95,498
4700042	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	8	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
4700043	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	9	6929	SAL	-	-	166,296	-	166,296
										OPE	-	-	81,407	-	81,407
4700045	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	9	6929	SAL	-	-	166,296	-	166,296
										OPE	-	-	81,407	-	81,407
4700048	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
4700049	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	3	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
4700054	MMS X7006 AP	PRINCIPAL EXECUTIVE/MANAGER D	31X	PF	1	1.00	24	7	7956	SAL	-	-	190,944	-	190,944
										OPE	-	-	87,790	-	87,790
4700055	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	9	4317	SAL	-	-	103,608	-	103,608
										OPE	-	-	65,170	-	65,170
4700060	MMS X7006 AP	PRINCIPAL EXECUTIVE/MANAGER D	31X	PF	1	1.00	24	8	8356	SAL	-	-	200,544	-	200,544
										OPE	-	-	90,277	-	90,277
4700072	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
4700073	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	6	3749	SAL	-	-	89,976	-	89,976
										OPE	-	-	61,640	-	61,640
4700076	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
										OPE	-	-	83,464	-	83,464
4700078	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	3	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
4700089	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	5	5721	SAL	-	-	137,304	-	137,304
										OPE	-	-	73,898	-	73,898
4700131	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
4700132	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
4700161	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	10	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
4700195	MMS X7006 AP	PRINCIPAL EXECUTIVE/MANAGER D	31X	PF	1	1.00	24	5	7220	SAL	-	-	173,280	-	173,280
										OPE	-	-	83,216	-	83,216
4700509	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	1.00	24	6	4311	SAL	-	-	103,464	-	103,464
										OPE	-	-	65,133	-	65,133
4700520	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	8	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
4700521	MMS X7006 AP	PRINCIPAL EXECUTIVE/MANAGER D	31X	PF	1	1.00	24	10	9196	SAL	-	-	220,704	-	220,704
										OPE	-	-	95,498	-	95,498
4700522	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	5	5721	SAL	-	-	137,304	-	137,304
										OPE	-	-	73,898	-	73,898
4700524	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	2	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
4700526	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
4700527	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	7	6301	SAL	-	-	151,224	-	151,224
										OPE	-	-	77,503	-	77,503
4700529	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	8	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
4700530	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
4700544	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
4700545	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	4	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
4700547	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	7	6301	SAL	-	-	151,224	-	151,224
										OPE	-	-	77,503	-	77,503
4700550	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
4700551	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	5	5721	SAL	-	-	137,304	-	137,304
										OPE	-	-	73,898	-	73,898
4700552	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	9	6929	SAL	-	-	166,296	-	166,296
										OPE	-	-	81,407	-	81,407
4700556	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
4700560	AL C0104 AP	OFFICE SPECIALIST 2	15C	PF	1	1.00	24	2	2979	SAL	-	-	71,496	-	71,496
										OPE	-	-	56,853	-	56,853
4700585	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	9	6929	SAL	-	-	166,296	-	166,296
										OPE	-	-	81,407	-	81,407
4700607	MESN Z7010 AF	PRINCIPAL EXECUTIVE/MANAGER F	35X	PF	1	1.00	24	10	11168	SAL	-	-	268,032	-	268,032
										OPE	-	-	107,756	-	107,756
4700627	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
4700629	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	4	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
4700652	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	5	5721	SAL	-	-	137,304	-	137,304
										OPE	-	-	73,898	-	73,898
4700653	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
4700654	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	1.00	24	9	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
4700660	MMS X7006 AP	PRINCIPAL EXECUTIVE/MANAGER D	31X	PF	1	1.00	24	2	6247	SAL	-	-	149,928	-	149,928

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
										OPE	-	-	77,167	-	77,167
4700750	MMS X7006 AP	PRINCIPAL EXECUTIVE/MANAGER D	31X	PF	1	1.00	24	8	8356	SAL	-	-	200,544	-	200,544
										OPE	-	-	90,277	-	90,277
4700752	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	6	6005	SAL	-	-	144,120	-	144,120
										OPE	-	-	75,663	-	75,663
4700785	AL C0104 AP	OFFICE SPECIALIST 2	15C	PF	1	1.00	24	5	3363	SAL	-	-	80,712	-	80,712
										OPE	-	-	59,240	-	59,240
4700876	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	9	6929	SAL	-	-	166,296	-	166,296
										OPE	-	-	81,407	-	81,407
4700877	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
4700878	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
4700879	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	4	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
4700880	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	2	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
4700903	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
4700904	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	4	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
4700905	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
4700935	AL C0104 AP	OFFICE SPECIALIST 2	15C	PP	1	0.50	12	2	2979	SAL	-	-	35,748	-	35,748
										OPE	-	-	28,427	-	28,427
4700936	AL C0104 AP	OFFICE SPECIALIST 2	15C	PP	1	0.50	12	10	4222	SAL	-	-	50,664	-	50,664
										OPE	-	-	32,290	-	32,290
4700937	AL C0104 AP	OFFICE SPECIALIST 2	15C	PP	1	0.50	12	5	3363	SAL	-	-	40,356	-	40,356
										OPE	-	-	29,620	-	29,620
4700938	AL C0104 AP	OFFICE SPECIALIST 2	15C	PP	1	0.50	12	10	4222	SAL	-	-	50,664	-	50,664
										OPE	-	-	32,290	-	32,290

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
Total Salary											-	-	8,850,504	-	8,850,504
Total OPE											-	-	4,592,439	-	4,592,439
Total Personal Services											**-**	**-**	**13,442,943**	**-**	**13,442,943**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
5500069	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	1.00	24	2	3580	SAL	-	-	85,920	-	85,920
										OPE	-	-	60,589	-	60,589
5500070	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	2	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
5500087	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	8	4121	SAL	-	-	98,904	-	98,904
										OPE	-	-	63,952	-	63,952
5500093	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	2	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
5500150	MESN Z7008 AF	PRINCIPAL EXECUTIVE/MANAGER E	33X	PF	1	1.00	24	10	10144	SAL	-	-	243,456	-	243,456
										OPE	-	-	101,391	-	101,391
5500197	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	5	6301	SAL	-	-	151,224	-	151,224
										OPE	-	-	77,503	-	77,503
5500198	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	5	6301	SAL	-	-	151,224	-	151,224
										OPE	-	-	77,503	-	77,503
5500199	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	5	6301	SAL	-	-	151,224	-	151,224
										OPE	-	-	77,503	-	77,503
5500200	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	5	6301	SAL	-	-	151,224	-	151,224
										OPE	-	-	77,503	-	77,503
5500403	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	8	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
5500404	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	7	6929	SAL	-	-	166,296	-	166,296
										OPE	-	-	81,407	-	81,407
5500506	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	1.00	24	10	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
5500625	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	8	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
5500650	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	6	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
Total Salary											-	-	2,093,376	-	2,093,376
Total OPE											-	-	1,078,887	-	1,078,887
Total Personal Services											**-**	**-**	**3,172,263**	**-**	**3,172,263**

2021-23 Biennium **Cross Reference Number: 84500-003-10-00-00000**
Budget Preparation **Legislatively Adopted Budget**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
1000001	MEAH Z7014 HF	PRINCIPAL EXECUTIVE/MANAGER H	40X	PF	1	1.00	24	10	15175	SAL	-	-	364,200	-	364,200
										OPE	-	-	127,159	-	127,159
1000002	MENN Z0830 AF	EXECUTIVE ASSISTANT	25	PF	1	1.00	24	9	6883	SAL	-	-	165,192	-	165,192
										OPE	-	-	81,121	-	81,121
2000003	MESN Z7012 AF	PRINCIPAL EXECUTIVE/MANAGER G	38X	PF	1	1.00	24	10	12927	SAL	-	-	310,248	-	310,248
										OPE	-	-	116,529	-	116,529
Total Salary											-	-	839,640	-	839,640
Total OPE											-	-	324,809	-	324,809
Total Personal Services											**-**	**-**	**1,164,449**	**-**	**1,164,449**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
1000021	MMC X1319 AP	HUMAN RESOURCE ASSISTANT	18	PF	1	1.00	24	7	4439	SAL	-	-	106,536	-	106,536
										OPE	-	-	65,929	-	65,929
1000028	MESN Z7008 AF	PRINCIPAL EXECUTIVE/MANAGER E	33X	PF	1	1.00	24	10	10144	SAL	-	-	243,456	-	243,456
										OPE	-	-	101,391	-	101,391
1000038	MMN X1322 AP	HUMAN RESOURCE ANALYST 3	29	PF	1	1.00	24	9	8356	SAL	-	-	200,544	-	200,544
										OPE	-	-	90,277	-	90,277
1000402	MMN X1320 AP	HUMAN RESOURCE ANALYST 1	23	PF	1	1.00	24	2	4439	SAL	-	-	106,536	-	106,536
										OPE	-	-	65,929	-	65,929
1000749	MMN X1321 AP	HUMAN RESOURCE ANALYST 2	26	PF	1	1.00	24	9	7220	SAL	-	-	173,280	-	173,280
										OPE	-	-	83,216	-	83,216
1200071	MMN X1322 AP	HUMAN RESOURCE ANALYST 3	29	PF	1	1.00	24	7	7584	SAL	-	-	182,016	-	182,016
										OPE	-	-	85,478	-	85,478
1200179	MMN X1321 AP	HUMAN RESOURCE ANALYST 2	26	PF	1	1.00	24	5	5944	SAL	-	-	142,656	-	142,656
										OPE	-	-	75,284	-	75,284
1200181	MMN X1321 AP	HUMAN RESOURCE ANALYST 2	26	PF	1	1.00	24	5	5944	SAL	-	-	142,656	-	142,656
										OPE	-	-	75,284	-	75,284
1200221	MMN X1321 AP	HUMAN RESOURCE ANALYST 2	26	PF	1	1.00	24	5	5944	SAL	-	-	142,656	-	142,656
										OPE	-	-	75,284	-	75,284
1200222	MMN X1321 AP	HUMAN RESOURCE ANALYST 2	26	PF	1	1.00	24	5	5944	SAL	-	-	142,656	-	142,656
										OPE	-	-	75,284	-	75,284
Total Salary											-	-	1,582,992	-	1,582,992
Total OPE											-	-	793,356	-	793,356
Total Personal Services											**-**	**-**	**2,376,348**	**-**	**2,376,348**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
8450001	B Y7500 AE	BOARD AND COMMISSION MEMBER	0	PP	0	0.00	0	0	0	SAL	-	-	4,800	-	4,800
										OPE	-	-	367	-	367
8450002	B Y7500 AE	BOARD AND COMMISSION MEMBER	0	PP	0	0.00	0	0	0	SAL	-	-	4,800	-	4,800
										OPE	-	-	367	-	367
8450003	B Y7500 AE	BOARD AND COMMISSION MEMBER	0	PP	0	0.00	0	0	0	SAL	-	-	4,800	-	4,800
										OPE	-	-	367	-	367
8450004	B Y7500 AE	BOARD AND COMMISSION MEMBER	0	PP	0	0.00	0	0	0	SAL	-	-	4,800	-	4,800
										OPE	-	-	367	-	367
8450005	B Y7500 AE	BOARD AND COMMISSION MEMBER	0	PP	0	0.00	0	0	0	SAL	-	-	4,800	-	4,800
										OPE	-	-	367	-	367
8450006	B Y7500 AE	BOARD AND COMMISSION MEMBER	0	PP	0	0.00	0	0	0	SAL	-	-	4,800	-	4,800
										OPE	-	-	367	-	367
8450007	B Y7500 AE	BOARD AND COMMISSION MEMBER	0	PP	0	0.00	0	0	0	SAL	-	-	4,800	-	4,800
										OPE	-	-	367	-	367
Total Salary											-	-	33,600	-	33,600
Total OPE											-	-	2,569	-	2,569
Total Personal Services											**-**	**-**	**36,169**	**-**	**36,169**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
1500004	AL C0759 AP	SUPPLY SPECIALIST 2	20	PF	1	1.00	24	6	4311	SAL	-	-	103,464	-	103,464
										OPE	-	-	65,133	-	65,133
1500005	AL C4033 AP	FACILITY ENERGY TECHNICIAN 2	20	PF	1	1.00	24	7	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
1500006	AL C4033 AP	FACILITY ENERGY TECHNICIAN 2	20	PF	1	1.00	24	10	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
1500014	AL C3267 AP	CONSTRUCTION PROJECT MANAGER 1	27	PF	1	1.00	24	6	6005	SAL	-	-	144,120	-	144,120
										OPE	-	-	75,663	-	75,663
1500019	AL C0759 AP	SUPPLY SPECIALIST 2	20	PF	1	1.00	24	7	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
1500026	MESN Z7008 AF	PRINCIPAL EXECUTIVE/MANAGER E	33X	PF	1	1.00	24	10	10144	SAL	-	-	243,456	-	243,456
										OPE	-	-	101,391	-	101,391
1500603	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	1.00	24	2	3580	SAL	-	-	85,920	-	85,920
										OPE	-	-	60,589	-	60,589
Total Salary											-	-	918,672	-	918,672
Total OPE											-	-	506,286	-	506,286
Total Personal Services											**-**	**-**	**1,424,958**	**-**	**1,424,958**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
1100007	MMN X0866 AP	PUBLIC AFFAIRS SPECIALIST 3	31	PF	1	1.00	24	9	9196	SAL	-	-	220,704	-	220,704
										OPE	-	-	95,498	-	95,498
1100010	MENN Z7008 AF	PRINCIPAL EXECUTIVE/MANAGER E	33X	PF	1	1.00	24	10	10144	SAL	-	-	243,456	-	243,456
										OPE	-	-	101,391	-	101,391
1100017	AL C0864 AP	PUBLIC AFFAIRS SPECIALIST 1	25	PF	1	1.00	24	10	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
1600179	MMN X5618 AP	INTERNAL AUDITOR 3	31	PF	1	1.00	24	2	6558	SAL	-	-	157,392	-	157,392
										OPE	-	-	79,100	-	79,100
1600707	MMN X1118 AP	RESEARCH ANALYST 4	30	PF	1	1.00	24	9	8766	SAL	-	-	210,384	-	210,384
										OPE	-	-	92,825	-	92,825
1600802	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	1.00	24	9	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
2000686	MMN X0872 AP	OPERATIONS & POLICY ANALYST 3	30	PF	1	1.00	24	9	8766	SAL	-	-	210,384	-	210,384
										OPE	-	-	92,825	-	92,825
4000024	MMN X1118 AP	RESEARCH ANALYST 4	30	PF	1	1.00	24	7	7956	SAL	-	-	190,944	-	190,944
										OPE	-	-	87,790	-	87,790
4500127	AL C0871 AP	OPERATIONS & POLICY ANALYST 2	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
4600850	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	10	7995	SAL	-	-	191,880	-	191,880
										OPE	-	-	88,033	-	88,033
5500053	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	1.00	24	2	3580	SAL	-	-	85,920	-	85,920
										OPE	-	-	60,589	-	60,589
5500059	AL C0871 AP	OPERATIONS & POLICY ANALYST 2	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
5500064	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	7	6929	SAL	-	-	166,296	-	166,296
										OPE	-	-	81,407	-	81,407
5500561	MMN X0872 AP	OPERATIONS & POLICY ANALYST 3	30	PF	1	1.00	24	8	8356	SAL	-	-	200,544	-	200,544
										OPE	-	-	90,277	-	90,277
5500604	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	10	7995	SAL	-	-	191,880	-	191,880
										OPE	-	-	88,033	-	88,033
8000401	MESN Z7012 AF	PRINCIPAL EXECUTIVE/MANAGER G	38X	PF	1	1.00	24	9	12305	SAL	-	-	295,320	-	295,320

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
										OPE	-	-	113,589	-	113,589
8000408	MMN X7008 AP	PRINCIPAL EXECUTIVE/MANAGER E	33X	PF	1	1.00	24	9	9655	SAL	-	-	231,720	-	231,720
										OPE	-	-	98,352	-	98,352
Total Salary											-	-	3,168,120	-	3,168,120
Total OPE											-	-	1,471,019	-	1,471,019
Total Personal Services											**-**	**-**	**4,639,139**	**-**	**4,639,139**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE				
											GF	LF	OF	FF	AF
1500056	AL C0436 AP	PROCUREMENT & CONTRACT SPEC 1	23	PF	1	1.00	24	10	6004	SAL	-	-	144,096	-	144,096
										OPE	-	-	75,657	-	75,657
2500002	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	1.00	24	8	4744	SAL	-	-	113,856	-	113,856
										OPE	-	-	67,825	-	67,825
2500003	AL C0212 AP	ACCOUNTING TECHNICIAN 3	19	PF	1	1.00	24	5	3932	SAL	-	-	94,368	-	94,368
										OPE	-	-	62,777	-	62,777
2500004	AL C0211 AP	ACCOUNTING TECHNICIAN 2	18	PF	1	1.00	24	7	4121	SAL	-	-	98,904	-	98,904
										OPE	-	-	63,952	-	63,952
2500006	AL C1215 AP	ACCOUNTANT 1	21	PF	1	1.00	24	8	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
2500007	AL C0211 AP	ACCOUNTING TECHNICIAN 2	18	PF	1	1.00	24	5	3749	SAL	-	-	89,976	-	89,976
										OPE	-	-	61,640	-	61,640
2500008	AL C0212 AP	ACCOUNTING TECHNICIAN 3	19	PF	1	1.00	24	10	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
2500009	AL C1217 AP	ACCOUNTANT 3	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
2500010	AL C1217 AP	ACCOUNTANT 3	27	PF	1	1.00	24	5	5721	SAL	-	-	137,304	-	137,304
										OPE	-	-	73,898	-	73,898
2500011	AL C0860 AP	PROGRAM ANALYST 1	23	PF	1	1.00	24	10	6004	SAL	-	-	144,096	-	144,096
										OPE	-	-	75,657	-	75,657
2500013	AL C0860 AP	PROGRAM ANALYST 1	23	PF	1	1.00	24	10	6004	SAL	-	-	144,096	-	144,096
										OPE	-	-	75,657	-	75,657
2500014	AL C0860 AP	PROGRAM ANALYST 1	23	PF	1	1.00	24	10	6004	SAL	-	-	144,096	-	144,096
										OPE	-	-	75,657	-	75,657
2500015	AL C0860 AP	PROGRAM ANALYST 1	23	PF	1	1.00	24	7	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
2500018	AL C0211 AP	ACCOUNTING TECHNICIAN 2	18	PF	1	1.00	24	10	4744	SAL	-	-	113,856	-	113,856
										OPE	-	-	67,825	-	67,825
2500020	MMS X7006 AP	PRINCIPAL EXECUTIVE/MANAGER D	31X	PF	1	1.00	24	10	9196	SAL	-	-	220,704	-	220,704
										OPE	-	-	95,498	-	95,498
2500021	AL C1217 AP	ACCOUNTANT 3	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
										OPE	-	-	83,464	-	83,464
2500022	MESN Z7010 AF	PRINCIPAL EXECUTIVE/MANAGER F	35X	PF	1	1.00	24	10	11168	SAL	-	-	268,032	-	268,032
										OPE	-	-	107,756	-	107,756
2500057	AL C0211 AP	ACCOUNTING TECHNICIAN 2	18	PF	1	1.00	24	7	4121	SAL	-	-	98,904	-	98,904
										OPE	-	-	63,952	-	63,952
2500063	MMS X7008 AP	PRINCIPAL EXECUTIVE/MANAGER E	33X	PF	1	1.00	24	9	9655	SAL	-	-	231,720	-	231,720
										OPE	-	-	98,352	-	98,352
2500087	AL C1215 AP	ACCOUNTANT 1	21	PF	1	1.00	24	9	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
2500145	AL C1216 AP	ACCOUNTANT 2	23	PF	1	1.00	24	4	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
2500147	AL C0211 AP	ACCOUNTING TECHNICIAN 2	18	PF	1	1.00	24	2	3292	SAL	-	-	79,008	-	79,008
										OPE	-	-	58,799	-	58,799
2500186	AL C1215 AP	ACCOUNTANT 1	21	PF	1	1.00	24	7	4744	SAL	-	-	113,856	-	113,856
										OPE	-	-	67,825	-	67,825
2500201	AL C0860 AP	PROGRAM ANALYST 1	23	PF	1	1.00	24	5	4744	SAL	-	-	113,856	-	113,856
										OPE	-	-	67,825	-	67,825
2500803	AL C0860 AP	PROGRAM ANALYST 1	23	PF	1	1.00	24	10	6004	SAL	-	-	144,096	-	144,096
										OPE	-	-	75,657	-	75,657
2500804	MMS X7006 AP	PRINCIPAL EXECUTIVE/MANAGER D	31X	PF	1	1.00	24	10	9196	SAL	-	-	220,704	-	220,704
										OPE	-	-	95,498	-	95,498
2500950	AL C1216 AP	ACCOUNTANT 2	23	PF	1	1.00	24	10	6004	SAL	-	-	144,096	-	144,096
										OPE	-	-	75,657	-	75,657
8000412	AL C0437 AP	PROCUREMENT & CONTRACT SPEC 2	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
8000413	AL C1217 AP	ACCOUNTANT 3	27	PF	1	1.00	24	8	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
8000414	AL C1216 AP	ACCOUNTANT 2	23	PF	1	1.00	24	6	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
8000415	AL C0211 AP	ACCOUNTING TECHNICIAN 2	18	PF	1	1.00	24	3	3432	SAL	-	-	82,368	-	82,368
										OPE	-	-	59,669	-	59,669

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Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
8000433	AL C1216 AP	ACCOUNTANT 2	23	PF	1	1.00	24	5	4744	SAL	-	-	113,856	-	113,856
										OPE	-	-	67,825	-	67,825
Total Salary											-	-	4,398,264	-	4,398,264
Total OPE											-	-	2,365,903	-	2,365,903
Total Personal Services											**-**	**-**	**6,764,167**	**-**	**6,764,167**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
2600008	AL C1487 IP	INFO SYSTEMS SPECIALIST 7	31	PF	1	1.00	24	10	8992	SAL	-	-	215,808	-	215,808
										OPE	-	-	94,230	-	94,230
2600010	AL C1487 IP	INFO SYSTEMS SPECIALIST 7	31	PF	1	1.00	24	10	8992	SAL	-	-	215,808	-	215,808
										OPE	-	-	94,230	-	94,230
2600016	AL C1486 IP	INFO SYSTEMS SPECIALIST 6	29	PF	1	1.00	24	10	8124	SAL	-	-	194,976	-	194,976
										OPE	-	-	88,835	-	88,835
2600062	MESN Z7010 IP	PRINCIPAL EXECUTIVE/MANAGER F	35X	PF	1	1.00	24	10	12927	SAL	-	-	310,248	-	310,248
										OPE	-	-	116,529	-	116,529
2600065	AL C1488 IP	INFO SYSTEMS SPECIALIST 8	33	PF	1	1.00	24	2	6786	SAL	-	-	162,864	-	162,864
										OPE	-	-	80,518	-	80,518
2600066	AL C1487 IP	INFO SYSTEMS SPECIALIST 7	31	PF	1	1.00	24	9	8591	SAL	-	-	206,184	-	206,184
										OPE	-	-	91,738	-	91,738
2600067	AL C1487 IP	INFO SYSTEMS SPECIALIST 7	31	PF	1	1.00	24	2	6229	SAL	-	-	149,496	-	149,496
										OPE	-	-	77,055	-	77,055
2600068	AL C1487 IP	INFO SYSTEMS SPECIALIST 7	31	PF	1	1.00	24	2	6229	SAL	-	-	149,496	-	149,496
										OPE	-	-	77,055	-	77,055
2600086	AL C1488 IP	INFO SYSTEMS SPECIALIST 8	33	PF	1	1.00	24	10	9825	SAL	-	-	235,800	-	235,800
										OPE	-	-	99,409	-	99,409
2600087	AL C1486 IP	INFO SYSTEMS SPECIALIST 6	29	PF	1	1.00	24	10	8124	SAL	-	-	194,976	-	194,976
										OPE	-	-	88,835	-	88,835
2600183	MMS X7006 IP	PRINCIPAL EXECUTIVE/MANAGER D	31X	PF	1	1.00	24	5	8356	SAL	-	-	200,544	-	200,544
										OPE	-	-	90,277	-	90,277
2600187	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	1.00	24	5	4121	SAL	-	-	98,904	-	98,904
										OPE	-	-	63,952	-	63,952
2600405	AL C1486 IP	INFO SYSTEMS SPECIALIST 6	29	PF	1	1.00	24	2	5623	SAL	-	-	134,952	-	134,952
										OPE	-	-	73,289	-	73,289
2600406	AL C1486 IP	INFO SYSTEMS SPECIALIST 6	29	PF	1	1.00	24	9	7761	SAL	-	-	186,264	-	186,264
										OPE	-	-	86,578	-	86,578
2600407	AL C1484 IP	INFO SYSTEMS SPECIALIST 4	25	PF	1	1.00	24	10	6803	SAL	-	-	163,272	-	163,272
										OPE	-	-	80,623	-	80,623
2600510	AL C1486 IP	INFO SYSTEMS SPECIALIST 6	29	PF	1	1.00	24	10	8124	SAL	-	-	194,976	-	194,976

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
										OPE	-	-	88,835	-	88,835
2600537	AL C1488 IP	INFO SYSTEMS SPECIALIST 8	33	PF	1	1.00	24	10	9825	SAL	-	-	235,800	-	235,800
										OPE	-	-	99,409	-	99,409
2600617	AL C1483 IP	INFO SYSTEMS SPECIALIST 3	24	PF	1	1.00	24	8	5720	SAL	-	-	137,280	-	137,280
										OPE	-	-	73,892	-	73,892
2600751	AL C1485 IP	INFO SYSTEMS SPECIALIST 5	28	PF	1	1.00	24	10	7600	SAL	-	-	182,400	-	182,400
										OPE	-	-	85,578	-	85,578
2600826	MMS X7008 IP	PRINCIPAL EXECUTIVE/MANAGER E	33X	PF	1	1.00	24	10	11728	SAL	-	-	281,472	-	281,472
										OPE	-	-	110,861	-	110,861
8000420	AL C1483 IP	INFO SYSTEMS SPECIALIST 3	24	PF	1	1.00	24	6	5219	SAL	-	-	125,256	-	125,256
										OPE	-	-	70,777	-	70,777
Total Salary											-	-	3,976,776	-	3,976,776
Total OPE											-	-	1,832,505	-	1,832,505
Total Personal Services											**-**	**-**	**5,809,281**	**-**	**5,809,281**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
8000090	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	7	3932	SAL	-	-	94,368	-	94,368
										OPE	-	-	62,777	-	62,777
8000091	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	2	3157	SAL	-	-	75,768	-	75,768
										OPE	-	-	57,960	-	57,960
8000092	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	6	3749	SAL	-	-	89,976	-	89,976
										OPE	-	-	61,640	-	61,640
8000118	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	5	6301	SAL	-	-	151,224	-	151,224
										OPE	-	-	77,503	-	77,503
8000119	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	1.00	24	6	4311	SAL	-	-	103,464	-	103,464
										OPE	-	-	65,133	-	65,133
8000215	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	0.75	18	5	6301	SAL	-	-	113,418	-	113,418
										OPE	-	-	58,126	-	58,126
8000216	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	0.75	18	5	4121	SAL	-	-	74,178	-	74,178
										OPE	-	-	47,963	-	47,963
8000229	AL C0108 AP	ADMINISTRATIVE SPECIALIST 2	20	PF	1	0.75	18	2	3580	SAL	-	-	64,440	-	64,440
										OPE	-	-	45,441	-	45,441
8000405	MMN X0873 AP	OPERATIONS & POLICY ANALYST 4	32	PF	1	1.00	24	9	9655	SAL	-	-	231,720	-	231,720
										OPE	-	-	98,352	-	98,352
8000406	MMN X0873 AP	OPERATIONS & POLICY ANALYST 4	32	PF	1	1.00	24	8	9196	SAL	-	-	220,704	-	220,704
										OPE	-	-	95,498	-	95,498
8000407	AL C0870 AP	OPERATIONS & POLICY ANALYST 1	23	PF	1	1.00	24	5	4744	SAL	-	-	113,856	-	113,856
										OPE	-	-	67,825	-	67,825
8000416	MMS X7008 AP	PRINCIPAL EXECUTIVE/MANAGER E	33X	PF	1	1.00	24	9	9655	SAL	-	-	231,720	-	231,720
										OPE	-	-	98,352	-	98,352
8000417	AL C0870 AP	OPERATIONS & POLICY ANALYST 1	23	PF	1	1.00	24	2	4121	SAL	-	-	98,904	-	98,904
										OPE	-	-	63,952	-	63,952
8000418	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	6	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
8000430	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	7	3932	SAL	-	-	94,368	-	94,368
										OPE	-	-	62,777	-	62,777
8000431	AL C0104 AP	OFFICE SPECIALIST 2	15C	PF	1	1.00	24	5	3363	SAL	-	-	80,712	-	80,712

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
										OPE	-	-	59,240	-	59,240
8000437	AL C0211 AP	ACCOUNTING TECHNICIAN 2	18	PF	1	1.00	24	6	3932	SAL	-	-	94,368	-	94,368
										OPE	-	-	62,777	-	62,777
Total Salary											-	-	2,091,636	-	2,091,636
Total OPE											-	-	1,164,690	-	1,164,690
Total Personal Services											**-**	**-**	**3,256,326**	**-**	**3,256,326**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
8000120	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	2	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
8000121	AL C5246 AP	COMPLIANCE SPECIALIST 1	21	PF	1	1.00	24	2	3749	SAL	-	-	89,976	-	89,976
										OPE	-	-	61,640	-	61,640
8000122	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	7	3932	SAL	-	-	94,368	-	94,368
										OPE	-	-	62,777	-	62,777
8000434	AL C0104 AP	OFFICE SPECIALIST 2	15C	PF	1	1.00	24	5	3363	SAL	-	-	80,712	-	80,712
										OPE	-	-	59,240	-	59,240
8000435	AL C0104 AP	OFFICE SPECIALIST 2	15C	PF	1	1.00	24	4	3224	SAL	-	-	77,376	-	77,376
										OPE	-	-	58,376	-	58,376
8000436	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	8	4121	SAL	-	-	98,904	-	98,904
										OPE	-	-	63,952	-	63,952
8000451	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	5	6301	SAL	-	-	151,224	-	151,224
										OPE	-	-	77,503	-	77,503
8000459	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	10	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
8000460	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	10	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
8000461	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	10	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
8500096	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	5	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
8500097	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	5	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
8500098	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	4	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
8500099	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	10	6602	SAL	-	-	158,448	-	158,448
										OPE	-	-	79,374	-	79,374
8500100	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	2	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
8500101	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	5	5206	SAL	-	-	124,944	-	124,944

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Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
										OPE	-	-	70,696	-	70,696
8500102	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	6	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
8500103	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	5	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
8500104	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	5	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
8500105	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	4	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
8500202	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	5	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
8500203	AL C5732 AP	LICENSING SPECIALIST	25	PF	1	1.00	24	5	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
8500220	AL C1486 IP	INFO SYSTEMS SPECIALIST 6	29	PF	1	1.00	24	2	5623	SAL	-	-	134,952	-	134,952
										OPE	-	-	73,289	-	73,289
Total Salary											-	-	2,844,936	-	2,844,936
Total OPE											-	-	1,618,562	-	1,618,562
Total Personal Services											**-**	**-**	**4,463,498**	**-**	**4,463,498**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
8000050	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	6	6005	SAL	-	-	144,120	-	144,120
										OPE	-	-	75,663	-	75,663
8000452	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
8000453	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	7	6301	SAL	-	-	151,224	-	151,224
										OPE	-	-	77,503	-	77,503
8000454	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	9	6929	SAL	-	-	166,296	-	166,296
										OPE	-	-	81,407	-	81,407
8000455	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
8000456	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
8000457	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	5	5721	SAL	-	-	137,304	-	137,304
										OPE	-	-	73,898	-	73,898
8000458	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	7	6301	SAL	-	-	151,224	-	151,224
										OPE	-	-	77,503	-	77,503
8000471	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
8000472	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
8000473	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	4	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
8000474	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	4	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
8500106	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
8500107	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
8500108	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	7	6301	SAL	-	-	151,224	-	151,224
										OPE	-	-	77,503	-	77,503
8500109	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
										OPE	-	-	83,464	-	83,464
8500110	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	6	6005	SAL	-	-	144,120	-	144,120
										OPE	-	-	75,663	-	75,663
8500111	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
8500112	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
8500113	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	5	5721	SAL	-	-	137,304	-	137,304
										OPE	-	-	73,898	-	73,898
8500114	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
8500115	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	5	5721	SAL	-	-	137,304	-	137,304
										OPE	-	-	73,898	-	73,898
8500116	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	5	5721	SAL	-	-	137,304	-	137,304
										OPE	-	-	73,898	-	73,898
8700094	AL C5246 AP	COMPLIANCE SPECIALIST 1	21	PF	1	1.00	24	6	4516	SAL	-	-	108,384	-	108,384
										OPE	-	-	66,407	-	66,407
8700095	AL C5246 AP	COMPLIANCE SPECIALIST 1	21	PF	1	1.00	24	8	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
8700133	AL C5248 AP	COMPLIANCE SPECIALIST 3	29	PF	1	1.00	24	2	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
8700134	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
8700135	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
8700136	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
8700137	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
8700138	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
8700139	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
8700140	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
8700141	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
8700223	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	3	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
8700224	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	3	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
8700225	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	3	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
8700226	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	3	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
8700227	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	3	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
8700228	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	3	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
Total Salary											-	-	5,698,896	-	5,698,896
Total OPE											-	-	3,009,452	-	3,009,452
Total Personal Services											**-**	**-**	**8,708,348**	**-**	**8,708,348**

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
6000151	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	6	3749	SAL	-	-	89,976	-	89,976
										OPE	-	-	61,640	-	61,640
6000152	AL C0107 AP	ADMINISTRATIVE SPECIALIST 1	17	PF	1	1.00	24	2	3157	SAL	-	-	75,768	-	75,768
										OPE	-	-	57,960	-	57,960
6000153	AL C5246 AP	COMPLIANCE SPECIALIST 1	21	PF	1	1.00	24	7	4744	SAL	-	-	113,856	-	113,856
										OPE	-	-	67,825	-	67,825
6000154	AL C5246 AP	COMPLIANCE SPECIALIST 1	21	PF	1	1.00	24	7	4744	SAL	-	-	113,856	-	113,856
										OPE	-	-	67,825	-	67,825
6000155	AL C5246 AP	COMPLIANCE SPECIALIST 1	21	PF	1	1.00	24	5	4311	SAL	-	-	103,464	-	103,464
										OPE	-	-	65,133	-	65,133
6000156	MMN X0872 AP	OPERATIONS & POLICY ANALYST 3	30	PF	1	1.00	24	2	6247	SAL	-	-	149,928	-	149,928
										OPE	-	-	77,167	-	77,167
6000157	MMS X7006 AP	PRINCIPAL EXECUTIVE/MANAGER D	31X	PF	1	1.00	24	9	8766	SAL	-	-	210,384	-	210,384
										OPE	-	-	92,825	-	92,825
6000158	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
6000159	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
6000160	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	6	6005	SAL	-	-	144,120	-	144,120
										OPE	-	-	75,663	-	75,663
6000162	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
6000164	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	6	6005	SAL	-	-	144,120	-	144,120
										OPE	-	-	75,663	-	75,663
6000165	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
6000166	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	10	7260	SAL	-	-	174,240	-	174,240
										OPE	-	-	83,464	-	83,464
6000167	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	4	5459	SAL	-	-	131,016	-	131,016
										OPE	-	-	72,269	-	72,269
6000168	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	4	5459	SAL	-	-	131,016	-	131,016

Position Number	Classification	Classification Name	Sal Rng	Pos Type	Pos Cnt	FTE	Mos	Step	Rate	SAL/ OPE	Salary/OPE GF	LF	OF	FF	AF
										OPE	-	-	72,269	-	72,269
6000169	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
6000172	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	6	6005	SAL	-	-	144,120	-	144,120
										OPE	-	-	75,663	-	75,663
6000174	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	6	6005	SAL	-	-	144,120	-	144,120
										OPE	-	-	75,663	-	75,663
6000175	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	3	5206	SAL	-	-	124,944	-	124,944
										OPE	-	-	70,696	-	70,696
6000177	AL C5733 AP	REGULATORY SPECIALIST	27	PF	1	1.00	24	2	4971	SAL	-	-	119,304	-	119,304
										OPE	-	-	69,236	-	69,236
Total Salary											-	-	2,875,560	-	2,875,560
Total OPE											-	-	1,549,825	-	1,549,825
Total Personal Services											**-**	**-**	**4,425,385**	**-**	**4,425,385**

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