

BUDGET NARRATIVE

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 arithmetic accuracy of all numerical information has been verified.

OREGON LIQUOR CONTROL COMMISSION

Agency Name



SIGNATURE

9079 S. E. McLoughlin Blvd, Milwaukie, Oregon

Agency Address

Paul Rosenbaum - Commission Chairman

TITLE

Notice: Requests of those agencies headed by a multiple body must be approved by those bodies of official action and signed by a majority of the members. The requests of other agencies must be approved and signed by the agency administrator. Requests which are not properly signed will be returned.

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80th OREGON LEGISLATIVE ASSEMBLY--2019 Regular Session

Enrolled

Senate Bill 5519

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Oregon Department of Administrative Services)

CHAPTER

AN ACT

Relating to the financial administration of the Oregon Liquor Control Commission; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Notwithstanding any other law limiting expenditures, the following amounts are established for the biennium beginning July 1, 2019, as the maximum limits for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Liquor Control Commission, for the following purposes:

- (1) Administrative expenses \$ 86,213,307
- (2) Marijuana regulation- recreational \$ 19,792,332
- (3) Marijuana regulation- medical \$ 5,643,190
- (4) Agents' compensation- all other..... \$132,444,704
- (5) Agents' compensation- distillery agents..... \$ 2,941,000
- (6) Capital improvements \$ 377,943

SECTION 2. For the biennium beginning July 1, 2019, expenditures by the Oregon Liquor Control Commission for liquor purchases are not limited.

SECTION 3. (1) Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (1), chapter 578, Oregon Laws 2017, for the biennium ending June 30, 2019, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Liquor Control Commission, for administrative expenses, is increased by \$350,000 for expenses related to bank card transactions.

(2) Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (4), chapter 578, Oregon Laws 2017, for the biennium ending June 30, 2019, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Liquor Control Commission, for capital improvements, is increased by \$150,000 for expenses related to sewer repair and replacement.

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SECTION 4. This 2019 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect

July 1, 2019.

Passed by Senate June 29, 2019

.....
Lori L. Brocker, Secretary of Senate

.....
Peter Courtney, President of Senate

Passed by House June 29, 2019

.....
Tina Koteck, Speaker of House

Received by Governor:

.....M....., 2019

Approved:

.....M....., 2019

.....
Kate Brown, Governor

Filed in Office of Secretary of State:

.....M....., 2019

.....
Bev Clarno, Secretary of State

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80th OREGON LEGISLATIVE ASSEMBLY--2019 Regular Session

Enrolled

Senate Bill 247

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor Kate Brown for Oregon Liquor Control Commission)

CHAPTER
AN ACT

Relating to beverage containers; creating new provisions; amending ORS 459A.700, 459A.702, 459A.705, 459A.717, 459A.737 and 459A.738 and section 4, chapter 106, Oregon Laws 2013; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 459A.700 is amended to read:

459A.700. As used in ORS 459.992 (3) and (4) and 459A.700 to 459A.740, unless the context requires otherwise:

(1) "Beverage" means a fluid described in ORS 459A.702.

(2) "Beverage container" means a container described in ORS 459A.702.

(3) "Commission" means the Oregon Liquor Control Commission.

(4) "Consumer" means every person who purchases a beverage in a beverage container for use or consumption.

(5) "Dealer" means every person in this state who engages in the sale of beverages in beverage containers to a consumer, or means a redemption center certified under ORS 459A.735.

(6) "Distributor" means every person who engages in the sale of beverages in beverage containers to a dealer in this state including any manufacturer who engages in such sales.

(7) "Hard seltzer" means any sugar-based alcoholic beverage that contains carbonated water or any malt-based alcoholic beverage that contains carbonated water and is not a malt beverage, as defined in ORS 471.001.

[(7)] (8) "Importer" means any dealer or manufacturer who directly imports beverage containers into this state.

[(8)] (9) "In this state" means within the exterior limits of the State of Oregon and includes all territory within these limits owned by or ceded to the United States of America.

(10) "Kombucha" means a fermented beverage that is made from tea and contains not more than 21 percent of alcohol by volume.

[(9)] (11) "Manufacturer" means every person bottling, canning or otherwise filling beverage containers for sale to distributors, importers or dealers.

[(10)] (12) "Place of business of a dealer" means the location at which a dealer sells or offers for sale beverages in beverage containers to consumers.

[(11)] (13) "Use or consumption" includes the exercise of any right or power over a beverage incident to the ownership thereof, other than the sale or the keeping or retention of a beverage for the purposes of sale.

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[(12)] (14) "Water and flavored water" means any beverage identified through the use of letters, words or symbols on its product label as a type of water.

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(15) “Wine” has the meaning given that term in ORS 471.001, except that “wine” does not mean hard seltzer or kombucha.

SECTION 2. ORS 459A.702 is amended to read:

459A.702. [(1) Except as provided in subsection (2) of this section, ORS 459A.700 to 459A.740 apply to any individual, separate, sealed glass, metal or plastic bottle or can, except for cartons, foil pouches and drink boxes, that contains the following beverages, intended for human consumption and in a quantity less than or equal to three liters:]

[(a) Water and flavored water;]

[(b) Beer or other malt beverages; and]

[(c) Mineral waters, soda water and similar carbonated soft drinks.]

[(2) One year after the date on which the Oregon Liquor Control Commission determines that at least 60 percent of the beverage containers returned for the refund value specified in ORS 459A.705 are returned statewide to redemption centers approved under ORS 459A.735, or on January 1, 2018, whichever comes first,] ORS 459A.700 to 459A.740 apply to:

(1) Any individual, separate, sealed glass, metal or plastic bottle or can, except for [cartons, foil pouches, drink boxes and metal containers that require a tool to be opened] **a carton, foil pouch, drink box or metal container that requires a tool to be opened**, that contains[.]

[(a)] **any one of** the following beverages, intended for human consumption and in a quantity less than or equal to three liters:

[(A) Water and flavored water;]

[(B) Beer or other malt beverages; and]

[(C) Mineral waters, soda water and similar carbonated soft drinks.]

(a) Water or flavored water;

(b) Beer or another malt beverage;

(c) Mineral water, soda water or a similar carbonated soft drink;

(d) Kombucha; or

(e) Hard seltzer.

[(b)] **(2)** Any beverage other than those specified in [paragraph (a) of this] subsection **(1) of this section** that is intended for human consumption and is in a quantity more than or equal to four fluid ounces and less than or equal to one and one-half liters, except distilled liquor, wine, dairy or plant-based milks, infant formula and any other exemptions set forth in rule [of] **by** the Oregon Liquor Control Commission.

SECTION 3. ORS 459A.705 is amended to read:

459A.705. (1) Except as provided in subsections (2) and (3) of this section, every beverage container sold or offered for sale in this state shall have a refund value of not less than five cents.

(2)(a) Every beverage container sold or offered for sale in this state shall have a refund value of not less than 10 cents, beginning on the later of:

(A) Eight months after the Oregon Liquor Control Commission determines that, in each of the two previous calendar years, the number of beverage containers returned for the refund value specified in this section was less than 80 percent of the total number of beverage containers that were sold in this state; or

(B) January 1 of the calendar year following the determination by the commission described in subparagraph (A) of this paragraph.

[(b) The commission may not make a determination under this subsection before January 1, 2016.]

[(c)] **(b)** In making a determination under this subsection, the commission may not include the [beverage containers and] beverages described in ORS 459A.702 [(2)(b)] **(2)** before January 1, 2021.

(3) Every beverage container certified as provided in ORS 459A.725, sold or offered for sale in this state, shall have a refund value of not less than two cents.

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SECTION 4. On and after the effective date of this 2019 Act and until January 1, 2021:

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(1) The refund value paid for a beverage container that contained hard seltzer or kombucha, as those terms are defined in ORS 459A.700, shall be not less than 10 cents, regardless of the refund value, or lack of a refund value, indicated on the beverage container.

(2) A beverage container that contains hard seltzer or kombucha, as those terms are defined in ORS 459A.700, may be sold or offered for sale in this state regardless of the refund value, or lack of a refund value, indicated on the beverage container, notwithstanding ORS 459A.720 (1).

SECTION 5. ORS 459A.717 is amended to read:

459A.717. (1) The Oregon Liquor Control Commission may impose a civil penalty of at least \$50, but not more than \$500, for a violation of any provision of ORS 459A.700 to 459A.740. Each day a violation occurs constitutes a separate violation. The authority to impose a civil penalty under this section is in addition to and not in lieu of the revocation and suspension authority under ORS 459.992 (4) and the criminal penalty authorized by ORS 459.992.

(2) Notwithstanding subsection (1) of this section, if a dealer[, as defined in ORS 459A.700,] violates a provision of ORS 459A.738, or if a distributor or importer violates a provision of ORS 459A.718, the commission shall provide the dealer, distributor or importer with written notice informing the dealer, distributor or importer of the violation and stating that the dealer, distributor or importer may avoid civil penalty for the violation by curing the violation within 60 days after issuance of the notice. If the dealer, distributor or importer fails to cure the violation within 60 days after issuance of the notice, the commission shall impose a civil penalty of at least \$200 for the violation. Each day after the 60-day period that the dealer continues to violate a provision of ORS 459A.738, or that the distributor or importer continues to violate a provision of ORS 459A.718, is a separate offense subject to a separate civil penalty. The commission is not required to provide the dealer, distributor or importer with an opportunity to cure a continuing violation before imposing a civil penalty for the continuing violation.

(3) Civil penalties under this section shall be imposed as provided in ORS 183.745.

(4) All penalties recovered under this section shall be paid into the State Treasury and credited to the General Fund and are available for general governmental expenses.

SECTION 6. ORS 459A.737 is amended to read:

459A.737. (1) Pursuant to the provisions of ORS 459A.735, the Oregon Liquor Control Commission:

(a) Shall approve one [beverage container] redemption center in a city having a population of less than 300,000, operated by a distributor cooperative serving a majority of the dealers in this state; and

(b) May approve one or more additional [beverage container] redemption centers.

(2) Notwithstanding any other provision of ORS 459A.700 to 459A.740, a [beverage container] redemption center:

(a) May not refuse to accept and to pay the refund value of up to 350 individual empty beverage containers, as established by ORS 459A.705, returned by any one person during one day;

(b) Must provide hand counting of up to 50 individual empty beverage containers returned by any one person during one day for the refund value established by ORS 459A.705;

(c) May provide drop off service for at least 125 individual empty beverage containers returned by any one person during one day for the refund value established by ORS 459A.705, and may provide an accounting mechanism by which the person may redeem the refund value of the beverage containers at a later date; and

(d) May provide other services as determined necessary by the person responsible for the operation of the [beverage container] redemption center.

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(3)(a) By July 1 of each calendar year, a person responsible for the operation of one or more redemption centers shall register with the commission, for a period to cover the upcoming year, on a form provided by the commission. The registration shall include:

(A) A list of each redemption center that the person is responsible for operating during the upcoming year and the address of each redemption center; and

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(B) Any other information required by the commission to process the registration.

(b)(A) Each person responsible for the operation of one or more redemption centers shall pay an annual registration fee to the commission. The fee shall be paid at the time of registration under paragraph (a) of this subsection. The registration fee shall be \$3,000 for each redemption center that the person is responsible for operating.

(B) The registration fee established by subparagraph (A) of this paragraph does not apply to the operation of a BottleDrop Express or a similar redemption center.

(c) Fees collected by the commission under this subsection shall be deposited in the Bottle Bill Fund established under section 8 of this 2019 Act.

[(3)] (4) The commission may adopt all rules necessary to implement and administer the provisions of this section and ORS 459A.738.

SECTION 6a. If Senate Bill 93 becomes law, ORS 459A.737, as amended by section 7, chapter ____, Oregon Laws 2019 (Enrolled Senate Bill 93), and section 6 of this 2019 Act, is amended to read: 459A.737. (1) Pursuant to the provisions of ORS 459A.735, the Oregon Liquor Control Commission:

(a) Shall approve one full-service redemption center in a city having a population of less than 300,000, operated by a distributor cooperative serving a majority of the dealers in this state; and

(b) May approve one or more additional full-service redemption centers.

(2) Notwithstanding any other provision of ORS 459A.700 to 459A.740, a full-service redemption center:

(a) May not refuse to accept and to pay the refund value of up to 350 individual empty beverage containers, as established by ORS 459A.705, returned by any one person during one day;

(b) Must provide hand counting of up to 50 individual empty beverage containers returned by any one person during one day for the refund value established by ORS 459A.705;

(c) May provide drop off service for at least 125 individual empty beverage containers returned by any one person during one day for the refund value established by ORS 459A.705, and may provide an accounting mechanism by which the person may redeem the refund value of the beverage containers at a later date; and

(d) May provide other services as determined necessary by the person responsible for the operation of the full-service redemption center.

(3)(a) By July 1 of each calendar year, a person responsible for the operation of one or more **full-service** redemption centers shall register with the commission, for a period to cover the upcoming year, on a form provided by the commission. The registration shall include:

(A) A list of each **full-service** redemption center that the person is responsible for operating during the upcoming year and the address of each **full-service** redemption center; and

(B) Any other information required by the commission to process the registration.

(b)(A) Each person responsible for the operation of one or more **full-service** redemption centers shall pay an annual registration fee to the commission. The fee shall be paid at the time of registration under paragraph (a) of this subsection. The registration fee shall be \$3,000 for each **fullservice** redemption center that the person is responsible for operating.

(B) The registration fee established by subparagraph (A) of this paragraph does not apply to the operation of a [BottleDrop Express or a similar] **dealer** redemption center.

(c) Fees collected by the commission under this subsection shall be deposited in the Bottle Bill

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Fund established under section 8 of this 2019 Act.

(4) The commission may adopt all rules necessary to implement and administer the provisions of this section, section 3 [of this 2019 Act], chapter __, Oregon Laws 2019 (Enrolled Senate Bill 93), and ORS 459A.738.

SECTION 6b. The amendments to ORS 459A.737 by section 6a of this 2019 Act become operative on the effective date of chapter __, Oregon Laws 2019 (Enrolled Senate Bill 93).

SECTION 7. Section 8 of this 2019 Act is added to and made a part of ORS 459A.700 to 459A.740.

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SECTION 8. The Bottle Bill Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Bottle Bill Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Oregon Liquor Control Commission and may be used to pay the costs of the commission in carrying out the duties of the commission under ORS 459A.700 to 459A.740.

SECTION 9. ORS 459A.738 is amended to read:

459A.738. (1) For each [beverage container] redemption center, the Oregon Liquor Control Commission shall specify up to two convenience zones. The first convenience zone shall be the sector within a radius of not more than two miles around the [beverage container] redemption center. The second convenience zone shall be the sector beginning at the border of the first convenience zone and continuing to a radius of not more than three and one-half miles around the [beverage container] redemption center. The convenience zones shall be based to the greatest extent practicable upon the proposals submitted as part of the application for approval of the redemption center under ORS 459A.735.

(2) All dealers doing business within the first convenience zone that occupy a space of 5,000 or more square feet in a single area may participate in, be served by and be charged the cost of participation in the [beverage container] redemption center and, if such a dealer participates in, is served by and pays the cost of participation in the redemption center, the dealer may, notwithstanding any other provision of ORS 459A.700 to 459A.740, refuse to accept and to pay the refund value of empty beverage containers.

(3) All dealers doing business within the second convenience zone that occupy a space of 5,000 or more square feet in a single area may participate in, be served by and be charged the cost of participation in the [beverage container] redemption center and, if such a dealer participates in, is served by and pays the cost of participation in the redemption center, the dealer may, notwithstanding any other provision of ORS 459A.700 to 459A.740, refuse to accept and to pay the refund value of more than 24 individual empty beverage containers returned by any one person during one day.

(4) All dealers doing business within either convenience zone that occupy a space of less than 5,000 square feet in a single area may, notwithstanding any other provision of ORS 459A.700 to 459A.740, refuse to accept and to pay the refund value of more than 24 individual empty beverage containers returned by any one person during one day.

(5)(a) Any dealer doing business [in] within either convenience zone that occupies a space of 5,000 or more square feet in a single area that does not participate in, and is not served by, the [beverage container] redemption center may not refuse to accept and to pay the refund value of up to 350 individual empty beverage containers, as established by ORS 459A.705, returned by any one person during one day and must, beginning on the date that the redemption center begins accepting beverage containers, provide services equivalent to those provided by the redemption center under ORS 459A.737 (2), including hand counting and drop off service.

(b) In addition to complying with the requirements specified in paragraph (a) of this subsection,

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a dealer described in paragraph (a) of this subsection must:

(A) Post in each area where beverage containers are received a clearly visible and legible sign that contains the list of services that must be provided by the dealer; and

(B) Provide two automated reverse vending machines capable of processing metal, plastic and glass beverage containers, or one automated reverse vending machine capable of processing metal, plastic and glass beverage containers for each 500,000 beverage containers sold by the dealer in the previous calendar year, whichever is greater.

(c)(A) The provisions of paragraphs (a) and (b) of this subsection do not apply to a dealer described in paragraph (a) of this subsection if the dealer sold fewer than 100,000 beverage containers in the previous calendar year. To be eligible for the exemption under this paragraph, a dealer described in paragraph (a) of this subsection must report to the commission the number of beverage containers sold by the dealer in the previous calendar year.

(B) The report required under this paragraph must be submitted by a dealer:

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(i) Except as provided in subsection (6) of this section, no later than 60 days after issuance of the notice required under ORS 459A.735 (4); and

(ii) No later than January 1 of each calendar year following the year that the notice under ORS 459A.735 (4) was issued and for which the dealer intends to claim the exemption.

(d) The commission shall ensure compliance with this subsection by a dealer described in paragraph

(a) of this subsection that is not subject to an exemption under paragraph (c) of this subsection.

(6) A dealer that plans to begin doing business *[in]* **within** either convenience zone after the date that the *[beverage container]* redemption center associated with the convenience zone begins accepting beverage containers shall, not less than 60 days prior to the date that the dealer begins doing business:

(a) Provide notice to the commission explaining whether the dealer will or will not participate in, be served by and pay the cost of participation in the redemption center; and

(b) If the dealer will not participate in the redemption center and will claim an exemption under subsection (5)(c) of this section, provide documentation of compliance with the requirements for nonparticipating dealers under this section and an estimate of the number of beverage containers that the dealer expects to sell during the first calendar year that the dealer does business *[in]* **within** the convenience zone.

(7) The provisions of subsections (2) to (6) of this section do not apply to any dealer for which the driving distance from the place of business of the dealer to the *[beverage container]* redemption center, calculated using the shortest route, is more than two times the radius specified for the second convenience zone or, if only one convenience zone is specified by the commission, two times the radius specified for that convenience zone.

(8) Not more than 60 days after issuance of notice from the commission under ORS 459A.735 (4), a dealer shall provide the commission with written documentation confirming compliance with each of the requirements of this section that are applicable to the dealer receiving notice.

SECTION 10. Section 4, chapter 106, Oregon Laws 2013, is amended to read:

Sec. 4. No later than March 1 of each odd-numbered year, the Oregon Liquor Control Commission shall submit a report to the Legislative Assembly regarding *[beverage container]* redemption centers approved pursuant to the provisions of ORS 459A.737. The report must include, for the two previous calendar years:

(1) The number of beverage containers that are returned for refund value as a percentage of the total number of beverage containers sold in this state.

(2) The number of *[beverage container]* redemption centers operating in this state and the number of redemption centers for which applications are pending with the commission.

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(3) The number of beverage containers that are returned for refund value in areas designated by the commission and the number of beverage containers returned for refund value in each area in the year before the [beverage container] redemption center began operation.

(4) The number of beverage containers that are returned for refund value to [beverage container] redemption centers in this state and the number of beverage containers that are returned for refund value to dealers in this state.

SECTION 11. This 2019 Act takes effect on the 91st day after the date on which the 2019 regular session of the Eightieth Legislative Assembly adjourns sine die.

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Passed by Senate April 23, 2019

Repassed by Senate June 5, 2019

.....
Lori L. Bocker, Secretary of Senate

.....
Peter Courtney, President of Senate
Passed by House May 30, 2019

.....
Tina Kotek, Speaker of House

Received by Governor:

.....M.,....., 2019

Approved:

.....M.,....., 2019

.....
Kate Brown, Governor

Filed in Office of Secretary of State:

.....M.,....., 2019

.....
Bev Clarno, Secretary of State

Enrolled

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BUDGET NARRATIVE

80th OREGON LEGISLATIVE ASSEMBLY--2019 Regular Session

Enrolled

Senate Bill 248

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor Kate Brown for Oregon Liquor Control Commission)

CHAPTER

AN ACT

Relating to Oregon Liquor Control Commission fees; creating new provisions; amending ORS 471.282 and 471.311; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 471.282 is amended to read:

471.282. (1) Notwithstanding any other provision of this chapter and except as provided by ORS 471.186 (6), a person may sell and ship malt beverages, wine or cider directly to a resident of Oregon only if the person holds a direct shipper permit. The Oregon Liquor Control Commission shall issue a direct shipper permit only to:

(a) A person that holds a license issued by this state or another state that authorizes the manufacture of malt beverages, wine or cider;

(b) A person that holds a license issued by this state or another state that authorizes the sale of wine or cider produced only from grapes or other fruit grown under the control of the person;

(c) A person that holds a license authorizing the sale of malt beverages, wine or cider at retail; or

(d) A nonprofit trade association that holds a temporary sales license under ORS 471.190 and that has a membership primarily composed of persons holding winery licenses issued under ORS 471.223 or grower sales privilege licenses issued under ORS 471.227.

(2) The holder of a direct shipper permit that is a licensee of another state may deliver malt beverages under the permit only if that other state makes direct shipper permits, or the equivalent, available for the delivery of malt beverages by persons holding a license issued by the commission authorizing the manufacture or retail sale of malt beverages.

(3)(a) A person may apply for a direct shipper permit by filing an application with the commission. The application must be made in such form as may be prescribed by the commission.

(b) If the application is based on a license issued by this state, the person must include in the application the number of the license issued to the person.

(c) If the application is based on a license issued by another state, the person must include in the application a true copy of the license issued to the person by the other state or include sufficient information to allow verification of the license by electronic means or other means acceptable to the commission.

(d) If the application is based on a license issued by another state, or the application is by a nonprofit trade association described in subsection (1)(d) of this section, the person or association must pay a [\$50] **\$100** registration fee and maintain a bond or other security described in ORS 471.155 in the minimum amount of \$1,000.

(4) Sales and shipments under a direct shipper permit:

(a) May be made only to a person who is at least 21 years of age;

(b) May be made only for personal use and not for the purpose of resale; and

(c) May not exceed two cases, containing not more than nine liters per case, to any resident

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per month.

(5) Sales and shipments under a direct shipper permit must be made directly to a resident of this state in containers that are conspicuously labeled with the words: "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 YEARS OR OLDER REQUIRED FOR DELIVERY."

(6) A person holding a direct shipper permit must take all actions necessary to ensure that a carrier used by the permit holder does not deliver any malt beverages, wine or cider unless the carrier:

(a) Obtains the signature of the recipient of the malt beverages, wine or cider upon delivery;

(b) Verifies by inspecting government-issued photo identification that the recipient is at least 21 years of age; and

(c) Determines that the recipient is not visibly intoxicated at the time of delivery.

(7)(a) A person holding a direct shipper permit must report to the commission on a quarterly basis all shipments of malt beverages, wine or cider made to Oregon residents under the permit. The report must be made in a form prescribed by the commission.

(b) A person holding a direct shipper permit must allow the commission to audit the permit holder's records upon request and shall make those records available to the commission in this state.

(c) A person holding a direct shipper permit consents to the jurisdiction of the commission and the courts of this state for the purpose of enforcing the provisions of this section and any related laws or rules.

(8)(a) A person holding a direct shipper permit must timely pay to the commission all taxes imposed under ORS chapter 473 on malt beverages, wine and cider sold and shipped under the permit. For the purpose of the privilege tax imposed under ORS chapter 473, all malt beverages, wine or cider sold and shipped pursuant to a direct shipper permit is sold in this state.

(b) A person holding a direct shipper permit based on a license issued by another state must timely pay to the commission all taxes imposed under ORS chapter 473 on all malt beverages, wine or cider sold and shipped directly to Oregon residents under the permit. The permit holder, not the purchaser, is responsible for the tax.

(9) A direct shipper permit must be renewed annually. If the person holds the permit based on an annual license issued by another state, the person may renew the permit by paying a [\$50] **\$100** renewal fee and providing the commission with a true copy of a current license issued to the person by the other state or with sufficient information to allow verification of the license by electronic means or other means acceptable to the commission. If the person holds the permit based on an annual license issued by this state, the person may renew the permit at the same time that the person renews the license.

(10) The commission may refuse to issue or may suspend or revoke a direct shipper permit if the permit holder fails to comply with the provisions of this section. A person may sell and ship malt beverages, wine or cider under a direct shipper permit only for as long as the person has the license issued by this state or another state that authorizes the person to hold a direct shipper permit. A direct shipper permit does not authorize the shipment of malt beverages by a permit holder described in subsection (1)(b) of this section or lacking authority as provided under subsection (2) of this section.

(11) Any person who knowingly or negligently delivers malt beverages, wine or cider under the provisions of this section to a person under 21 years of age, or who knowingly or negligently delivers malt beverages, wine or cider under the provisions of this section to a visibly intoxicated person, violates ORS 471.410.

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(12) A person may not make sales and shipments of malt beverages, wine or cider directly to Oregon residents unless the person holds a direct shipper permit issued under this section. Any person who knowingly makes, participates in, transports, imports or receives a shipment of malt beverages, wine or cider that is in violation of this section commits a misdemeanor as provided in ORS 471.990 (1).

SECTION 2. ORS 471.311 is amended to read:

471.311. (1) Any person desiring a license or renewal of a license under this chapter shall make application to the Oregon Liquor Control Commission upon forms to be furnished by the commission showing the name and address of the applicant, location of the place of business that is to be operated under the license, and such other pertinent information as the commission may require. A license may not be granted or renewed until the applicant has complied with the provisions of this chapter and the rules of the commission.

(2) The commission may reject any application that is not submitted in the form required by rule. The commission shall give applicants an opportunity to be heard if an application is rejected. A hearing under this subsection is not subject to the requirements for contested case proceedings under ORS chapter 183.

(3) The commission shall charge an application fee, not to exceed \$150, to process an application for the issuance of a new license under this chapter or a license following a change in ownership. The application fee applies only to an application for a class of license having an annual license fee. The application fee is nonrefundable, except that the commission shall refund the fee if the applicant completes, submits and maintains an application and the commission does not, on or before 75 days following receipt of the completed application, propose that the license be granted, granted with conditions or refused. The commission shall adopt rules to:

(a) Establish application fees by class of license; and

(b) Define a completed application for purposes of this subsection.

(4) Subject to subsection (5) of this section, the commission shall assess a nonrefundable fee for processing a renewal application for any license authorized by this chapter only if the renewal application is received by the commission less than 20 days before expiration of the license. If the renewal application is received prior to expiration of the license but less than 20 days prior to expiration, the fee shall be 25 percent of the annual license fee. If a renewal application is received by the commission after expiration of the license but no more than 30 days after expiration, the fee shall be 40 percent of the annual license fee. This subsection does not apply to a certificate of approval, a brewery-public house license or any license that is issued for a period of less than 30 days.

(5) The commission may waive the fee imposed under subsection (4) of this section if the commission finds that failure to submit a timely application was due to unforeseen circumstances or to a delay in processing the application by the local governing authority that is no fault of the licensee.

(6) The license fee is nonrefundable and must be paid by each applicant upon the granting or committing of a license. Subject to ORS 471.155 and 473.065, the annual or daily license fee and the minimum bond required of each class of license under this chapter are as follows:

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License	Fee	Minimum Bond
Brewery, including Certificate of Approval	[\$500] \$ 1,000	\$ 1,000
Winery	[\$250] \$ 500	\$ 1,000
Distillery	[\$100] \$ 200	None
Wholesale Malt Beverage and Wine	[\$275] \$ 550	\$ 1,000
Warehouse	[\$100] \$ 200	\$ 1,000
Brewery-Public House, including Certificate of Approval	[\$250] \$ 500	\$ 1,000
Limited On-Premises Sales	[\$200] \$ 400	None
Off-Premises Sales	[\$100] \$ 200	None
Temporary Sales	\$ 50 per day	
Grower sales privilege license	[\$250] \$ 500	1,000
Special events brewery license	\$ 10 per day	
Special events winery license	\$ 10 per day	
Special events grower sales privilege license	\$ 10 per day	
Special events brewery-public house license	\$ 10 per day	
Special events distillery license	\$ 10 per day	

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(7) The fee for a certificate of approval or special certificate of approval granted under ORS 471.244 is nonrefundable and must be paid by each applicant upon the granting or committing of a certificate of approval or special certificate of approval. No bond is required for the granting of a certificate of approval or special certificate of approval. Certificates of approval are valid for a period commencing on the date of issuance and ending on December 31 of the fifth calendar year following the calendar year of issuance. The fee for a certificate of approval is [~~\$175~~] **\$350**. Special certificates of approval are valid for a period of 30 days. The fee for a special certificate of approval is \$10.

(8) Except as provided in subsection (9) of this section, the annual license fee for a full onpremises sales license is [~~\$400~~] **\$800**. No bond is required for any full on-premises sales license.

(9) The annual license fee for a full on-premises sales license held by a nonprofit private club as described in ORS 471.175 (8), or held by a nonprofit or charitable organization that is registered with the state, is [~~\$200~~] **\$400**.

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(10) The fee for temporary use of an annual license is \$10 per day.

[(10)] (11) The annual fee for a wine self-distribution permit is [\$100] \$200, and the minimum bond is \$1,000.

SECTION 3. If this 2019 Act becomes law after July 1, 2019, the amendments to ORS 471.282 and 471.311 by sections 1 and 2 of this 2019 Act apply retroactively to July 1, 2019, for fees charged by the Oregon Liquor Control Commission under ORS 471.282 and 471.311 for periods that begin on or after July 1, 2019.

SECTION 4. This 2019 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect July 1, 2019.

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Passed by Senate May 23, 2019

.....
Lori L. Bocker, Secretary of Senate

.....
Peter Courtney, President of Senate

Passed by House June 6, 2019

.....
Tina Kotek, Speaker of House

Received by Governor:

.....M., 2019

Approved:

.....M., 2019

.....
Kate Brown, Governor

Filed in Office of Secretary of State:

.....M., 2019

.....
Bev Clarno, Secretary of State

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80th OREGON LEGISLATIVE ASSEMBLY--2019 Regular Session

Enrolled

House Bill 5050

Introduced and printed pursuant to House Rule 12.00. Presession filed (at the request of Oregon
Department of Administrative Services)
CHAPTER

AN ACT

Relating to state financial administration; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 23. Notwithstanding any other law limiting expenditures, the amount established by section 1 (1), chapter ___, Oregon Laws 2019 (Enrolled Senate Bill 5519), for the biennium beginning July 1, 2019, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Liquor Control Commission, for administrative expenses, is increased by \$233,400 for an internal auditor position.

SECTION 161. Notwithstanding any other provision of law, the authorized appropriations and expenditure limitations for the biennium beginning July 1, 2019, for the following agencies and programs are changed by the amounts specified:

(1) ADMINISTRATION.

2019

Oregon Laws

Chapter/ \$

Agency/Program/Funds	Section	Adjustment
Oregon Liquor Control Commission:		
Administrative Expenses		
Other funds	SB 5519 1(1)	-460,180
Marijuana Regulation		
- Recreational		
Other funds	SB 5519 1(2)	-105,949
Marijuana Regulation		
- Medical		
Other funds	SB 5519 1(3)	-33,076

SECTION 162. This 2019 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect on its passage.

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Passed by House June 30, 2019

.....
Timothy G. Sekerak, Chief Clerk of House

.....
Tina Kotek, Speaker of House

Passed by Senate June 30, 2019

.....
Peter Courtney, President of Senate

Received by Governor:

.....M....., 2019

Approved:

.....M....., 2019

.....
Kate Brown, Governor

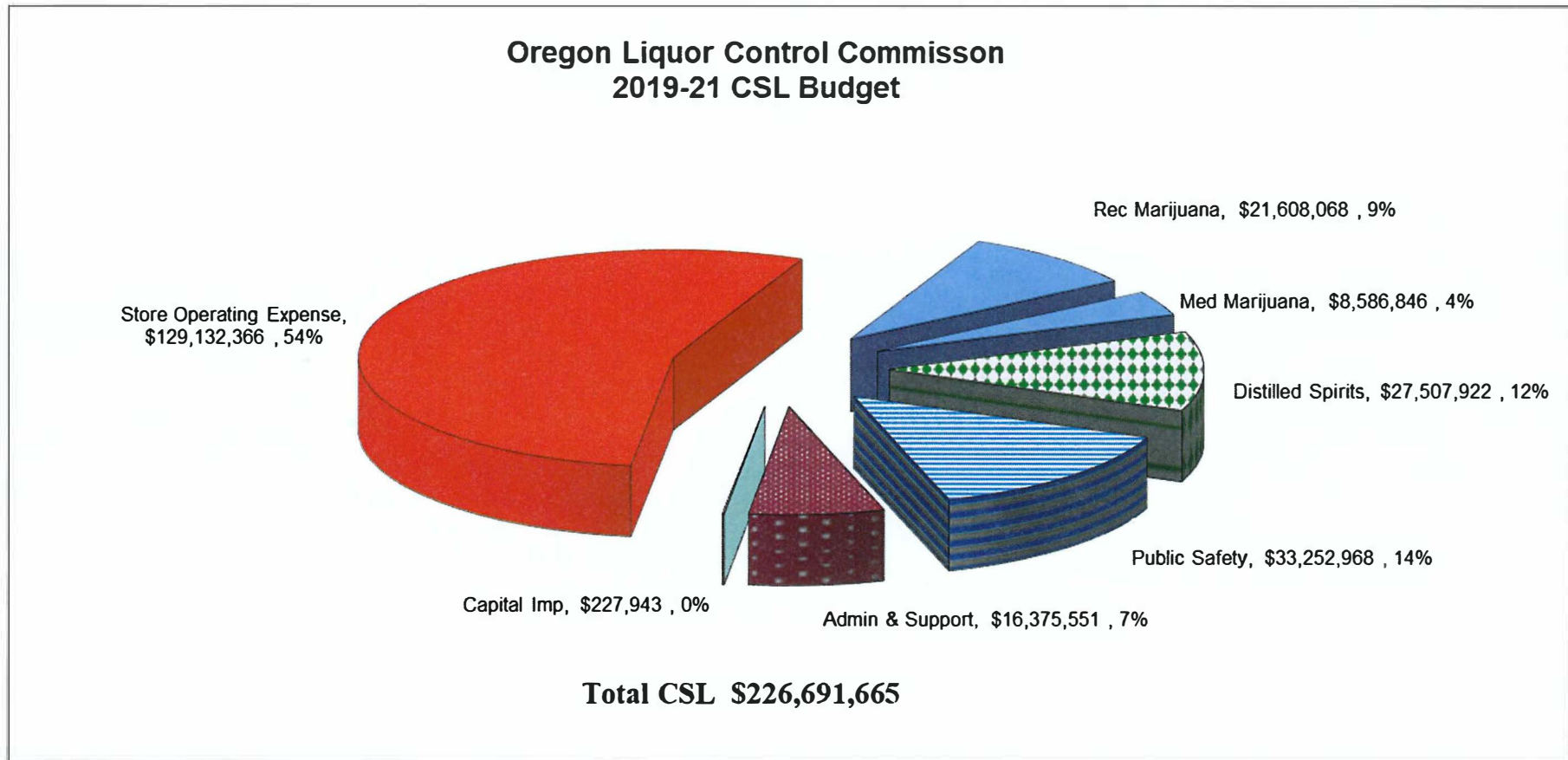
Filed in Office of Secretary of State:

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OREGON LIQUOR CONTROL COMMISSION AGENCY SUMMARY 2019-21 BUDGET

A. BUDGET SUMMARY GRAPHICS

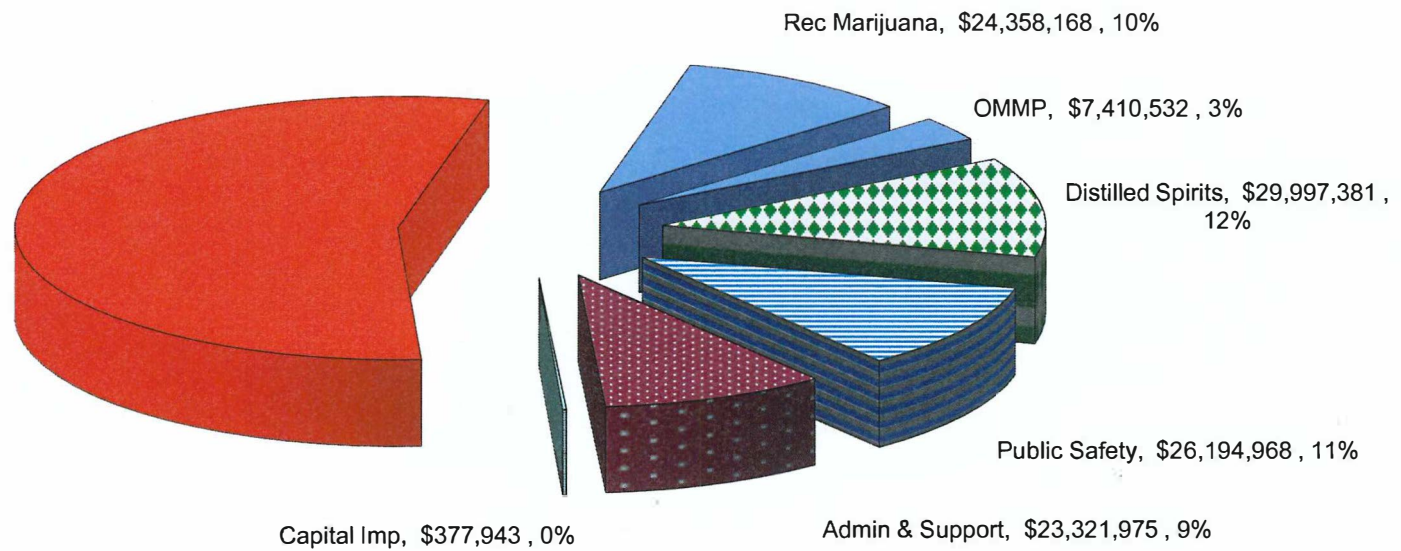


BUDGET NARRATIVE

BUDGET SUMMARY GRAPHICS Continued:

Oregon Liquor Control Commission 2019-21 Legislatively Approved Budget

Store Operating Expense, \$135,385,704 , 55%

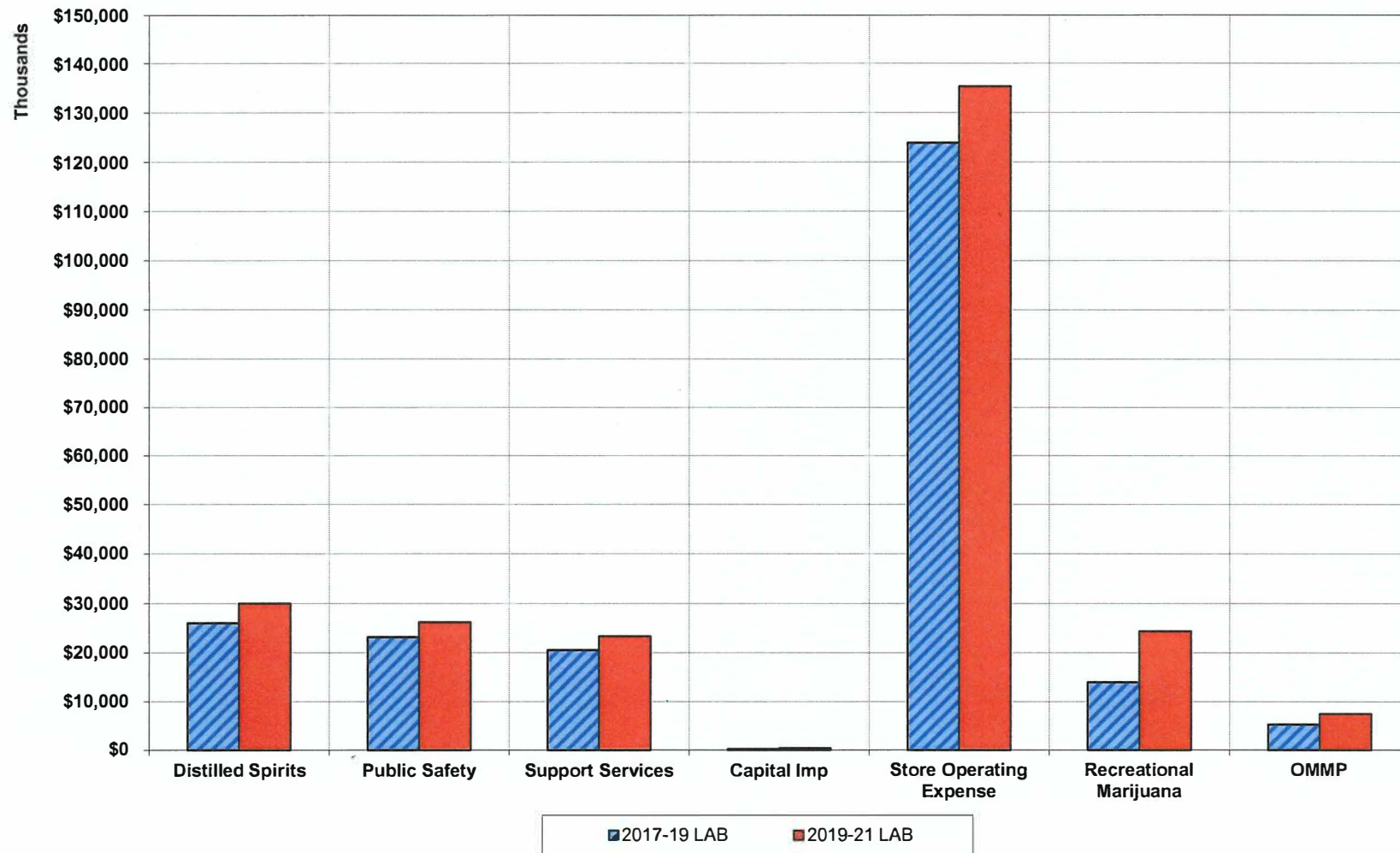


Total LAB \$ 247,046,671

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BUDGET SUMMARY GRAPHICS Continued:

2017-19 LAB and 2019-21 LAB Compared



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B. MISSION STATEMENT AND STATUTORY AUTHORITY

The mission of the Oregon Liquor Control Commission (OLCC) is to support businesses, public safety, and community livability through education and the enforcement of liquor and marijuana laws. This mission has been adapted to incorporate the addition of recreational marijuana licensing, tracking, and compliance, OMMP tracking and inspections, and hemp tracking to the agency's portfolio. The OLCC values managing the alcoholic beverage and marijuana control systems intelligently, ensuring that any growth or change is socially responsible, responsive to citizens' needs, and encourages the development of all Oregon industry.

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.

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 – House-keeping clean up
- SB 914 – Requires Appellation of Origin on Wine labels
- HJM 8 – Encourages stringent laws on Wine Labeling
- HB 2509 – Prohibits single use checkout bags
- HB 2334 – Reduces Service Permit Violation to misdemeanor.
- HB 3239 – Removes Limits on certain on premise sales licenses
- HB 3113 – Increases Winery licensee premises allowed

Recreational, Medical Marijuana, and Hemp Legislation

- SB 218 – Authorizing production license refusal
- SB 365 – Prohibits local Gov't from imposing fees
- SB 420 – Procedures for setting aside marijuana conviction

BUDGET NARRATIVE

- HB 3067 – Requires annual certification of eligible for distribution of Marijuana monies
- SB 522 – Prohibits return of non-Oregon products
- SB 582 – Authorizes Governor to enter into inter-state regulatory agreements
- HB 2098 – Policy and Technical fixes for Marijuana statutes
- HB 3200 – Requires consent of owner for Marijuana production

Bottle Bill Policy Legislation

- SB 93 – Redemption Center Requirements
- SB 247 – Fee for Redemption Centers

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, 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 the alcohol licensing and enforcement program while building and implementing marijuana licensing and enforcement programs, creating a seamless, streamlined organization. Key initiatives include evolving Oregon's recreational marijuana program, implementing medical marijuana and hemp tracking, providing support for the Oregon Bottle Bill, and modernizing Oregon's alcohol program.

BUDGET NARRATIVE

Agency Overview

Core Functions

- Centrally purchase, warehouse and distribute bottled distilled spirits to OLCC-appointed retail agents
- License and regulate alcohol licensees and alcohol server permittees
- Administer Bottle Bill
- *New* License and regulate OLCC marijuana licensees and marijuana worker permittees
- *New* Track and inspect OHA medical growers who grow for more than two cardholders, OHA processors and dispensaries
- *New* Track hemp processed and sold to OLCC licensees

Third largest generator of public funds

- 2019-21 estimates \$598.3 million in liquor revenue distributed to general fund, cities and counties
- *New* 2019-21 estimates \$202.1 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
- 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

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 4 Years of Growth and Change

Staff and Leadership Changes

- 230 positions prior to legalization of recreational marijuana, in 2019-21 reaches 364 positions in the Legislatively Adopted Budget.
- Of the 304 employees prior to the 2018 session, 94 were new to the agency and 81 moved to a new position within the agency
- Recruiting and onboarding, existing employees have added roles and responsibilities, continual training required for both marijuana and alcohol

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Implementing 2015, 2016, 2017 and 2018 Statutory Changes

- *New* license types, new privileges
- *New* Rulemaking (draft, rules advisory committee, board approval)
- *New* Online Marijuana License system, Online Worker Permit System, Cannabis Tracking System, Alcohol Permit System,
- *New* Electronic Privilege Tax System
- *New* process and procedure development

Marijuana license and enforcement activity exceeds estimates

- Initial estimate 1,200 applications, now 4,422
- Initial estimate 800 licensees, now 1,986
- Initial estimate 4,000 marijuana worker permits, now 31,000
- *New* Applicant and licensee training and education
- *New* 5.7 million visits to marijuana website, 91,000 subscribers to GovDelivery

Retail Alcohol Expansion

- Marketing and outreach completed in four of five regions
- 37 retail stores appointed, 18 opened, 13 in process of opening, and 6 withdrawn; new stores generated \$27 million in sales
- 89 retail distillery tasting rooms opened after 2009 legislation which allowed sales
- Sales are expected to increase by \$134 million from 2017-19 biennium; volume of cases distributed in 2019-21 are expected to increase by 2.5% per year.

Strategic Approach to Challenges

Creating a culture of accountability for change

The leadership of OLCC continues to work on updating the agency's strategies for the future. As commissioners, the executive director and division directors are in key positions 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 change.

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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.

It is a key agency objective to harness the richness of its considerable human capital talent and knowledge to advance a culture of accountability for change and productivity. The agency believes it has strong competencies within its staff and throughout its divisions that will enable it to accomplish this result.

Facilitating the contribution of businesses to sustain community growth throughout Oregon

The business of the OLCC takes place in 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. In addition, the OLCC's management of liquor sales and beer and wine privilege taxes produces the third largest source of revenue for the State of Oregon; its revenue stream is directly and indirectly returned to services within communities through allocations to the general fund, cities, counties and mental health programs. The OLCC's marijuana program is self-funded through license fees. OLCC licensees grow, process, and sell useable marijuana and processed products in retail outlets throughout the state. Tax revenue from retail sales are expected to grow as this industry becomes established in Oregon. 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. With these two programs, the OLCC makes a positive contribution to Oregon's economic development and community livability by developing rules and regulations that support business growth and protect public safety.

Creating new means to advance public health and safety through prevention and community engagement

The OLCC has duties to oversee the safe operations of its licensed alcohol and marijuana facilities and to ensure compliance. A continuing major focus of the agency for the long-term includes its fundamental work to prevent sales to minors. The OLCC is not satisfied by the rate of non-sales to minors; the rate of minor decoy compliance (percent of operations that did not result in a sale) for alcohol reached a high of 84% in 2013 but went down to 81% in 2015. The rate of successful minor decoy operations at alcohol licensees is lower than at marijuana licensees'. The agency will take steps in 2019-21 to address this discrepancy and improve overall compliance rates. Minor decoy operations were one of the first proactive compliance actions the agency conducted at recreationally licensed marijuana retailers in December 2017 and due to the concerning amount of sales to state sanctioned minor decoys, in January

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2018, the Commission escalated the penalty schedule for marijuana sales to a minor. After the first couple of visits, the word getting out in the industry, and the increase in penalties, the sale rate decreased to 10% with a successful no sale rate of 90%. Bend has visited all but one of their licensed retailers and has maintained a 100% no sale rate. 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 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) Consider the implementation of heightened fines for violations if the rate of non-sales to minors fails to improve over time.

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 and worker permit holders, and servers, to reduce the incidents of sales and service to visibly intoxicated people. Such incidents are considered when a community identifies concerns and the agency is approving or renewing license applications for the sale of alcohol or marijuana.

Opening communications as a means to place the agency closer to Oregon customers and to advance all other agency strategies

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 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 coming years the OLCC will work to establish renewed and new regular communication channels with a host of its constituencies. There is both a critical need for improvement and considerable opportunity to effectively move forward in opening lines of communication. As the organization grows, internal communications have become more critical in the agency's efforts to integrate, train, and onboard new employees and those new to their positions. Both alcohol and marijuana rules, processes, and procedures are shifting to streamline processes and reflect new learning.

The OLCC has a strong commitment to education and transparency. The OLCC has a broad scope of communication needs within Oregon. This begins with establishing the means to communicate with licensees, permittees, agents, and employees on a regular basis. The 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 strategies for the future include bolstering responsiveness and capability to engage local communities and employees at the policy, process and operational levels.

Agency Process Improvement Efforts

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Process improvements have been a high priority for OLCC for several biennia, including streamlining and technological and automation improvements for the Public Safety Services Program and Distilled Spirits Programs. The focus on system improvement is particularly prevalent as the agency works 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 now 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. The changes, focus on interdepartmental project teams, and agency improvement efforts have energized staff, resulting in a high degree of problem solving efforts to create processes that benefit stakeholders and the public.

The extraordinary heavy lift to improve processes in 2017-19 will continue over the next two years. The agency has eight legacy and stand-alone information technology systems, three new online systems, and needs to develop 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 replacing 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. 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 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

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- 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

Capital Construction and Space Planning

- Identify options to accommodate growth in licensing, enforcement, and distribution including space utilization of headquarters and lease options.
- Develop a capital investment plan to maximize operations and investments over the next decade.

Administration

- Manage current and continue growth of the agency responsibilities through reclassification of existing personnel and selective hiring.
- Strengthen relationships with stakeholders and lawmakers to manage changing alcohol and marijuana environment.

Internal communications

- 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.

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External communications

- Increase outreach to licensees on law and rule changes.
- 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.
- Implement agency internet redesign required by DAS.

Preserve and build state revenue

Financial Services

- Create efficiencies in tax collection, business support services and payment:
 - Replace unsupported liquor store auditor equipment and software
 - Implement online privilege tax system
 - Increase data analysis and dissemination for making business decisions
- Grow revenue through license fees to support program needs and increase revenue for state, cities and counties.

Retail Services

- Target retail market expansion to support customers, revenue growth and stability.
- Automate data analysis and dissemination to improve profitability.
- Improve automation of entire chain of logistics from the manufacturers' marketplace, to warehouse and shipping of inventory to retail sales transactions.

Distilled Spirits Program

- Optimize staffing levels to meet current distribution demand.
- Acquire key equipment to support daily operations.
- Increase data analysis and dissemination to improve warehouse efficiency.

BUDGET NARRATIVE

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

Regulation

- Adapt policies and rules to match statutory changes and evolving alcohol and marijuana markets.
- Collaborate with other state agencies and industry stakeholders to refine existing rules.
- Adapt and innovate regulations to embrace digital commerce for alcohol transactions.
- Innovate with alcohol agents approaches to e-commerce for home delivery.
- Ensure the OLCC system services increase access to medical marijuana products for OMMP cardholders.

Licensing

- Increase licensee outreach and education to increase rule understanding and compliance.
- Adopt, refine or replace automated process to replace manual systems, administrative process and 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

- Ensure public health and safety via 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.
- Implement OHA medical marijuana tracking through CTS and provide onsite inspections.
- Continue a vigorous minor decoy operation program.
- Increase inspectors and proactive inspections of marijuana licenses including more data driven specific inspections targeting diversion.
- Target “pay to play” and other nefarious market place activities to ensure a level and fair market for alcohol.

OLCC Agency Programs

The Oregon Liquor Control 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 beverage 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 and marijuana

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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 ensure 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. In 2019-21, the agency will focus on adding capability and capacity, particularly building 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

Program 001

The Distilled Spirits Program enables the socially responsible availability of distilled spirits in Oregon. It is a vital part of Oregon's hospitality and tourism economy and supports the manufacturing and distribution networks for beer, wine, ciders and distilled spirits. Oregon's liquor system promotes public safety and livable communities, and generates revenue by making alcohol available in a managed 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.

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Program focus for 2019-21:

- Align oversight of distillery agent contracts with statutory obligations
- Target expansion of retail outlets to support customers, revenue growth and stability. Following a general statewide expansion focused on market development and consumer access in 2017-19, the OLCC will limit expansion to targeted opportunities to generate revenue and to foster unique marketplace innovations.
- Increase data analysis and dissemination to improve profitability
- Foster increased agent participation in system governance
- Open increased channels of agent communication, education and input from the hospitality and tourism sectors
- Communication and education about retail premises violations
- Publish consumer magazine to support statewide liquor and hospitality sales and service.

Public Safety Services Program

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 OMMP medical marijuana and hemp. It builds partnerships with local law enforcement, moderation groups and licensees. The program comprises four divisions: License Services Division, Public Safety Division, Alcohol (& Marijuana) Education Division, and Administrative Policy and Process Services Division.

The Public Safety Services Program works to license only qualified people and businesses to 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. 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.

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Program focus for 2019-21:

- Ensure public health and safety via administrative enforcement actions.
- Collaborate with federal, state and local law enforcement to protect Oregon's legal recreational marijuana market.
- Cooperate with law enforcement agencies on 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.
- Implement OMMP medical marijuana and Hemp tracking through CTS and provide onsite inspections.
- Continue a vigorous minor decoy operation program.
- Provide greater management controls to achieve coordination of field offices activities and compliance outcomes.
- Increase accountability through consistent records management.
- Increase licensee outreach and education to increase rule understanding and compliance.
- Replace manual systems and minimize duplicate data entry with automated processes.
- Minimize license application, renewal, and permittee backlog.
- Refine process for sanctioning minor and major marijuana administrative violations.

Administration and Support Services Program 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. 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.

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Program focus for 2019-21:

- Invest in technology to protect core agency functions of distilled spirits distribution, finance, licensing and cannabis tracking.
- 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.
- Scope future capital investments and return on potential investments for continuity of operations.
- Build agency intranet to improve employee productivity.
- Increase communication with all constituencies.

Store Operating Expenses Program

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. 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 2019-21:

- Review retail contracts, classifications, and compensation to stimulate an increased quality in retail business appointments, store quality improvements, business practices, and stable growth in revenue
- Provide annual training for agents and their staff to better 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 Improvements Program

Program 088

Through OLCC's Capital Improvements Program, the agency provides effective stewardship of OLCC-owned building and grounds. The OLCC owns its Milwaukie office and warehouse complex, which includes the distribution center for all bottled distilled liquor. The distribution center comprises two warehouse facilities. The entire campus houses approximately 275 employees; 89 employees are

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located in eleven different leased field offices. 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 2019-21:

- Implement the Agency's capital improvement program.
- Develop a capital investment plan to maximize operations and investments over the next decade.

Marijuana Regulation Program

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 to adopt 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 (OHA, 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 Server Permit Education and Application System. The Program was responsible for staffing the Cannabis Best Practices Environmental Task Force and producing a DUII report for the legislature. In 2017 and 2018 the marijuana program was again impacted by multiple changes in statute which added responsibilities for consumer privacy, hemp processing, marijuana tracking and regulation, hemp tracking and OMMP registrant tracking, and labeling. Changes in statute resulted in the need to modify the agency's electronic systems, hire and train additional staff, policies, procedures and rules and significant outreach to existing licensees and applicants.

In 2019-21, the program focus will continue on agency integration, interagency integration, enforcement, rulemaking, licensee education, licensing, compliance, 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 development of this new industry, public safety, and community livability.

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With significant changes in the medical production of marijuana, the OLCC must work to ensure access to marijuana for medical conditions for which use is considered beneficial as supported by medical evidence with some positive benefit of treatment such as: 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, 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)

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 2019-21:

- Continue integration of marijuana enforcement activities with Public Safety Services Program.
- Continue integration of marijuana licensing activities with Public Safety Services Program.
- Coordinate government to government policy issues.
- Refine and streamline marijuana rules, policies and procedures.
- Identify needed technical statute changes and work with the legislature to achieve them in 2019.
- Provide for ongoing data reporting.
- Ensure the recreational system is servicing medical patients and their unique needs.

OMMP Tracking Program

Program 006

OLCC's Medical Marijuana Tracking Program results from the passage of SB 1057 (2018) which requires that OMMP medical marijuana growers, producers, and retailers to be tracked by OLCC's cannabis tracking system. OLCC was given the responsibility to

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administer the tracking and to perform inspections to assure that OMMP marijuana is properly accounted for. Violations are reported to OHA for enforcement.

Program focus for 2019-21:

- Continued hiring and onboarding of staff.
- Refinement of policies and procedures.
- Implementing OMMP tracking program.
- Continued registrant education and outreach.
- Analysis of Cannabis Tracing System data.
- Performing registrant inspections.

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2019-21 Legislatively Adopted Budget - OLCC Program Summary:

OLCC Programs	Other Funds Limitation	Positions	FTEs
Distilled Spirits	\$29,997,381	79	79.00
Public Safety Services	\$27,878,683	118	116.00
Administration & Support	\$28,110,463	76	76.00
Store Operating Expenses	\$377,943	0	0.00
Capital Improvements	\$135,385,704	0	0.00
Recreational Marijuana	\$19,686,383	68	68.00
Medical Marijuana - OMMP Tracking	\$5,610,114	23	23.00
TOTALS	\$247,046,671	364	362.00

Oregon Liquor Control 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 keep communities and people safe. The plethora of complex policy and regulatory issues in the alcohol and marijuana environmental sections, described below, will challenge the agency in 2019-21. E-Commerce, trade practices, retail expansion, and agent 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, 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.

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Alcohol Environmental Factors:

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

Alcohol Sales Are a Significant Revenue Producer for Oregon's State and Local Government Programs. During the 2019-21 biennium, the Legislatively Adopted Budget estimates OLCC will collect \$1.5 billion in revenue from four primary areas: 94.5% of the agency's revenue comes from sales of distilled spirits, 3% from collection of wine and beer tax and 1% from liquor license fees and 1.5% from marijuana license fees; \$1.5 billion will come from alcohol sales, license fees and fines. A total of \$598.3 million is the estimated distribution to state and local government programs – a critical resource for education, health, and public safety.

Oregon Market Driven by Competition and Consumer Choice

Distilled Spirits in Oregon are Capturing Higher Market Share of Alcohol Sales: Oregon's spirits market is competitive, filled with a selection of consumer choices and generally matching or exceeding national trends for premium product sales. Over the last several years, the Distilled Spirits Council of the U.S. (DISCUS) has observed that per capita consumption of all alcoholic beverage types combined has remained flat nationally but has risen in Oregon since 1995, and distilled spirits has captured more of the alcoholic beverage market share in Oregon. This shift continues in Oregon and across the nation. Distillers' increased national marketing and advertising has led to greater consumption of spirits. Distillers' premium and super-premium spirits in American whiskey and Tequila has driven much of the recent growth in distilled spirits.

Oregon Consumers Choosing Premium Brands Among a World Class Offering of Products: Distilled spirits customers' preference for premium brands continues to increase since a recession-driven shift to less expensive items. In 2017, over 4,100 different products were available to consumers and sold through the Oregon liquor system. The warehouse regularly stocks 2,000 items and in 2017 the agency filled 22,314 special orders for 2,100 additional items. The special-order process is particularly important to small Oregon Distillers as it provides a unique to Oregon distribution channel that enables these distillers to build brand recognition.

Oregonians Choose Craft Products Produced in Oregon: Oregonians support local products in the marketplace. Oregon craft distillers contribute to state revenue growth and are an important source of product diversity in Oregon's market. Oregon spirits account for 13% of annual liquor sales in the state, making them an important factor both to state revenue and distributions to local governments. The OLCC system provides important access to the entire statewide market for craft distillers' offerings distributed statewide through the OLCC warehouse. This is an important market advantage compared to other states. The OLCC recently reduced cost for small

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distillers by allowing them to serve local markets without first shipping to the Portland warehouse, thereby creating new efficiencies for getting local products to local markets.

Oregon Sales of Spirits Continues to Grow

It is important to be aware of the economic, business, regulatory, and other environmental factors that affect sales. A major issue facing the OLCC's distilled spirits program is how to manage resources and gain efficiencies to keep pace with the changing, growing marketplace within the state budget framework. The OLCC has applied several strategies to this challenge and sales performance shows the strategies' success.

The national and Oregon distilled spirits sales trends that evolved in the last two biennia have continued to grow and retail prices for distilled spirits continue to increase modestly. Distilled spirits sales in Oregon are affected by demographic and market forces similar to those in the national environment. Oregon case sales will continue to increase in 2019-21. The OLCC expects a growth rate of 2.5% percent per year in case sales during the 2019-21 biennium. In 2009-11, people were "buying down"; that is, buying less expensive brands than in the recent past. Since 2014, OLCC has seen the average price per bottle increase from \$16.56 to \$17.24. For 2019-21, the agency is projecting an annual sales growth rate of 5.4 percent using econometric forecast models tying sales to population growth.

Sales of Spirits in Oregon Reflect National Sales Trends: Sales of distilled spirits in Oregon reflect sales patterns on a national level. Domestic whiskeys are the sales leaders followed by vodkas. The major brands are the biggest sellers with about 400 products accounting for over 75% of the sales revenue. During FY 2017, over 4,100 different products were sold through the Oregon liquor system. Oregon-based spirits account for 13% of annual liquor sales in the state making them an important factor both to state revenue and local communities.

Liquor Sales Recover after Great Recession but Percentage of Consumer Sales Still Higher than Licensee Sales: 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, the liquor sales revenue declined to an average annual increase rate of 2%. Over the past five years, liquor sales have resumed a 5% annual growth rate. The volume of liquor as represented by case sales, which had increased at an average annual rate of 5% during the previous decade, went to almost 0% after the recession. The implementation of the 50¢ surcharge helped maintain positive revenue growth after the recession while volume growth was negligible. Since the economic recovery, case sales have resumed at an annual average increase of 2.5%.

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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 but has since recovered showing average annual increases of 3.0% since 2013.

Factors Influencing Oregon Sales: The OLCC carefully watches trends and factors that influence the market within the state. One development is the dramatic and enduring positive affect the State of Washington's liquor privatization has had on boarder sales. A new development is a federal government tax break for distillers.

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 as much as \$15 million in additional revenue may have been 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. 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.

At an average price per bottle of \$17.84, the excise tax decrease for a small producer represents about 20% of the total cost to OLCC of an average 750 ml bottle of 80 proof liquor. Analysis of 2017 bottle prices compared to 2018 bottle prices indicate no systematic reduction in producer prices has been passed on to OLCC and Oregon consumers, either from smaller craft producers or major vendors. However, notable capital investment in storage facilities to age bourbon and whiskey suggests that this reduction is fueling capital investments in meeting future demand for both large and small producers.

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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. A key focus is aligning rules, regulations, and enforcement, 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 expansion of the retail footprint. This requires enhanced efforts to reach out to the local agencies and state partners to work on community-based solutions.

Balancing Convenience and Economic Development with Public Safety: In the 2019-21 biennium, the agency will continue 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 related to over consumption of alcohol. The challenge of balancing convenience, economic development and public safety has always been a critical mission of the agency. Growing the agency's capacity to communicate directly with communities and licensees that sell and serve alcohol and expanding the capacity to inspect and enforce its regulations in the field are primary tools to achieve a balance between its responsibilities and achieve greater safety in communities.

While the sale of liquor generates state revenue and fuels a strong hospitality and entertainment economy that is important to citizens and tourism, alcohol has high societal health and safety costs. Other public health services have the primary responsibility of addressing the negative effects of over consumption and law enforcement in every community deals with the associated violence and traffic deaths related to alcohol. The OLCC sees expansion of its enforcement capabilities as vital to keeping communities and people safe through education and regulation of the sale and service of alcohol. Communication and partnership about central issues and problems caused by alcohol are part of accountability for change and the OLCC's role to help achieve it.

Underage Drinking Continues to Be a Serious Problem: Underage drinking continues to be a serious problem across the nation, and in Oregon, though the country has been able to affect a downward trend in recent years. 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.

The Public Safety Services Program works in partnership with a variety of entities to increase communication between agencies and the public. The program staff have been active with the Governor's Advisory Committee on DUII, the Governor's Alcohol and Drug Policy Committee; National Liquor Law Enforcement Association; Oregon Chief of Police Association; Office of Mental Health and

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Addiction Services Department; Oregon Lottery, local law enforcement agencies, State Police, and city and county government agencies.

Currently the Public Safety Services Program has over 14,000 retail businesses such as restaurants or convenience stores that serve or sell alcohol directly to the public. In addition to working with licensees, Public Safety Services staff oversees more than 165,000 alcohol service permit holders. The Education Division of the Public Safety Services Program administers a mandatory clerk-training course, a voluntary seller training course, and the Responsible Vendor Program. The staff also designs and develops special educational projects focused on youth which are distributed through print and social media.

One of the primary tools of the Commission in its work to support public safety is expansion of its ability to communicate directly to communities and licensees that serve communities. The OLCC believes that it can improve community safety by using data to keep communities aware of growth in alcohol related sales and service problems locally. Communication coupled with an ability to complete inspections and necessary enforcement is a central combination for the agency in meeting its responsibilities to keep people safe.

A Mission to Match its Responsibilities: The Commission and agency worked with all its employees to define its agency wide understanding of the responsibilities and services it provides to the state. This was important defining work for establishing a new culture of responsibility for how all employees and leadership carry out their jobs on behalf of the citizens of Oregon and the Commission. This mission took into account new responsibilities for marijuana and recognized the broad responsibilities of the agency; this contrasted with its old prohibition era alcohol mission focused on regulation of just sales and service. It is simple and to the point. The laws of Oregon detail OLCC's responsibilities. Interestingly the agency mission statement does not focus on generating revenue, the calling out of any regulation, or other specific responsibility of law. This mission is notable for its focus on service to the success of the economy and people. For the employees of OLCC, it defines our purpose.

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

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 18 expansion stores generated \$27.0 million in additional sales; however, there was a reduction of \$5.4 million in nearby stores. This resulted in a \$21.6 million net sales gain within all market areas. The Commission is pleased with the results and

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will continue to monitor sales trends, share them with agents and the legislature, and incorporate the findings into future location selections.

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

E-Commerce transactions involving Beer, Wine, and Cider: Consumer demand for access to goods and services through online tools that provide both convenience and variety is skyrocketing. Consumers are interested in including alcohol items in their orders when purchasing groceries or meals for home-delivery. Businesses that own and operate e-commerce tools like apps and websites are stepping up to meet consumer demand for home delivery. Many of these market actors would like to facilitate alcohol transactions and provide alcohol delivery as a part of their services. The operators are using a variety of applications and web-based tools to facilitate online alcohol transactions in other parts of the country and they would like to do so in Oregon. However, most do not hold liquor licenses in Oregon. Because the OLCC provides a retail system for the sale of distilled spirits, these digital operators are focused on facilitating alcohol transactions involving malt beverages, wine, and cider and asking the OLCC for guidance how they can provide alcohol transaction facilitation and delivery services in Oregon. Oregon law allows liquor licensees to deliver beer, wine and cider to consumers in certain circumstances. OLCC has worked proactively with stakeholders to fit their delivery models into the existing legal framework. However, some companies that utilize private contractors may not be able to adapt their business models to existing state requirements.

This is a new and exciting area of regulation for the OLCC and the Oregon marketplace, but the existing statutory framework defining conduct qualifying as a “sale” of alcohol in Oregon is written broadly and may preclude some of these e-commerce actors from facilitating legal alcohol transactions in Oregon, without a license. A primary goal of many of the e-commerce actors seeking to operate here is to connect existing retailers that hold liquor licenses in Oregon with Oregon consumers through their apps and web-based tools. In some cases, the method for connecting the licensees with the consumers presents issues for the e-commerce actors under the current statutory scheme.

In Oregon, a business that “sells” alcohol must have a liquor license and the current licensing structure set by state statute does not include a license option that would fit the needs of all e-commerce businesses. This frustrates some participants who would benefit from the alcohol transaction services that could be provided by these e-commerce tools. Importantly, it frustrates liquor licensed businesses that would like to use third-party apps and websites to manage orders, payment and delivery to customers that are demanding the service. Digital operators are anxious to receive this guidance so they can determine whether it is feasible for them to legally enter the Oregon market to provide alcohol transaction services under the existing statutory framework. While the OLCC could consider rules modifications to work on the edges of this larger commerce issue, it does not have the ability to work around the central prohibitions of state law related to sales without a license. The legislature could work with interested parties and regulators to fashion a

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solution to the issue. Possible options include modifying the statutory definition of “sale”, designing a new license-type, or defining a set of criteria to use to distinguish and allow these types of businesses to enter the alcohol stream of commerce.

E-Commerce for Spirits: App and web-based alcohol shopping for beer, wine, and cider will be present in the Oregon market and, depending on state regulation, will provide varying degrees of service to customers and businesses. This creates unique challenges for OLCC given its responsibility to oversee sales of spirits in this changing consumer environment. Customer’s expectations are important in private business, to OLCC businesses, and the independent agents that sell spirits. Business growth and relevancy is driven by the ability to provide innovative products that reach customers conveniently. Customer convenience continues to be one of the reasons for the expansion of the OLCC agent store system in both traditional and non-traditional outlets.

The spirits market and OLCC retail stores are not insulated from the strong consumer trend of shopping from home and home delivery. Today, shoppers across the globe are purchasing products online for delivery to their homes or to pre-order products for one stop pick-up. The internet offers widespread variety and its use is disrupting traditional brick and mortar retail businesses. As the exclusive provider of spirits in Oregon in an alcohol control state, the OLCC regulated system may 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. Over the past decade the stock of OLCC outlets through private agents is increasingly catering to customer preferences and experiences. Tremendous investment in store improvements have been made in the last three years with changing policies of the OLCC and greater confidence in its stability as an institution; In 2018 the OLCC was recognized as the best-of-the-best for retail innovation among its peer states by *Stateways* magazine. The legislature has invested in its operations and facilities in order to serve the state consumer into the future. All of this is in recognition of the tremendous asset the OLCC is as a revenue producer for the state. As a state with an overall limited tax and revenue base, state-controlled liquor distribution is likely to remain a central feature of Oregon’s liquor future.

These e-marketing platforms have various business models and work to comply with prohibited activities in federal and state law. OLCC is in position over the next two years to explore, with the independent agents that sell liquor and the legislature, its future with respect to online ordering and delivery of spirits to the home. It is an important and delicate discussion for shaping the desirability of the system for customers and to preserve market share and revenue generation. Financial transactions and visualization of inventories on an app or website defies existing technical and legal applications of concepts such as financial assistance, advertising, sales, and soliciting related to the sale and service of alcohol. These online services also blend the careful separation in law between the three-regulatory tiers. Retailers, distributors, and manufacturers are only allowed to engage in specific activities, yet services on apps and websites sometimes look like an amalgamation of all three tiers without careful examination of how they are structured, how payments are technically made, who actually makes a sale, fills an order, or makes a delivery.

The agency is up to the task of creating actionable options for the public, Commission, and legislature to consider. The OLCC must work with its agents to make sure that any system design is synergistic with agent’s sales of liquor and that full verification that a legal

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adult is accepting the spirits at the home occurs. There are a variety of system designs that could ensure age verification and that compensation from the online system includes agents in the revenue stream of delivery to the home.

Trade Practice Regulation: Post prohibition alcohol law and regulation created a three-tiered system that does not allow one area of business to engage in other areas of business. The three tiers are the manufacturers that make the distilled liquor, wholesalers that distribute distilled liquor, and retailers that sell distilled liquor. Statutes were put in place to control the monopolization of the industry by manufactures and wholesalers of alcohol and to address issues of historical corruption and criminal association within the industry. Other than the separation of the tiers, one of the most significant controls placed on industry was to prohibited financial assistance between the three tiers; this prohibition was put in place to create level planning field.

Many states are mired in deep historical corruption and competition to gain market advantage in the liquor business. Oregon does not have that history, nor has it had a reputation of being a “pay-to-play” market. But nationwide the Alcohol Taxation and Tobacco Bureau (TTB) that regulates liquor on behalf of the federal government has engaged in a renewed enforcement focus on trade practices. The OLCC does not have a reason to believe trade practice violations are prevalent but it does believe that now is the time to work with the industry to ensure a professional ethic and level playing field for all the business that work in the Oregon marketplace. Even through there are no documented violations in recent years in Oregon, the OLCC has detected an increased level of concern about this practice in its discussions with a number of licensees, brokers, and manufacturers that sell, market and make spirits. Unfair and unethical trade practices skew competition and it is the job of the OLCC to ensure a level playing field.

OLCC is taking action to get in front of the “pay-to-play” issue with strong support from its industry partners. The agency’s strategy is to enlist the industry itself in communicating the need to play by the rules. It will encourage communication about the importance of providing the agency information and tips when trade practice violations occur or are suspected. Prohibited activities include action such as solicitation of sales, providing financial incentives, or the giving of gifts and gratuities such as gifts of professional soccer or basketball tickets, televisions, displays, cash for providing shelf space or to carry a brand, or vacations.

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 dinning. 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

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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.

The OLCC recognizes the importance of agents as the engine of liquor sales which create state revenue. It's to OLCC's and the state's advantage to ensure the system of stores is profitable for hard working retailers. It is also important that compensation is fair and recognizes the independence of these small business contract agents who assume both the opportunity and responsibilities of liquor sales in Oregon.

Marijuana Environmental Factors:

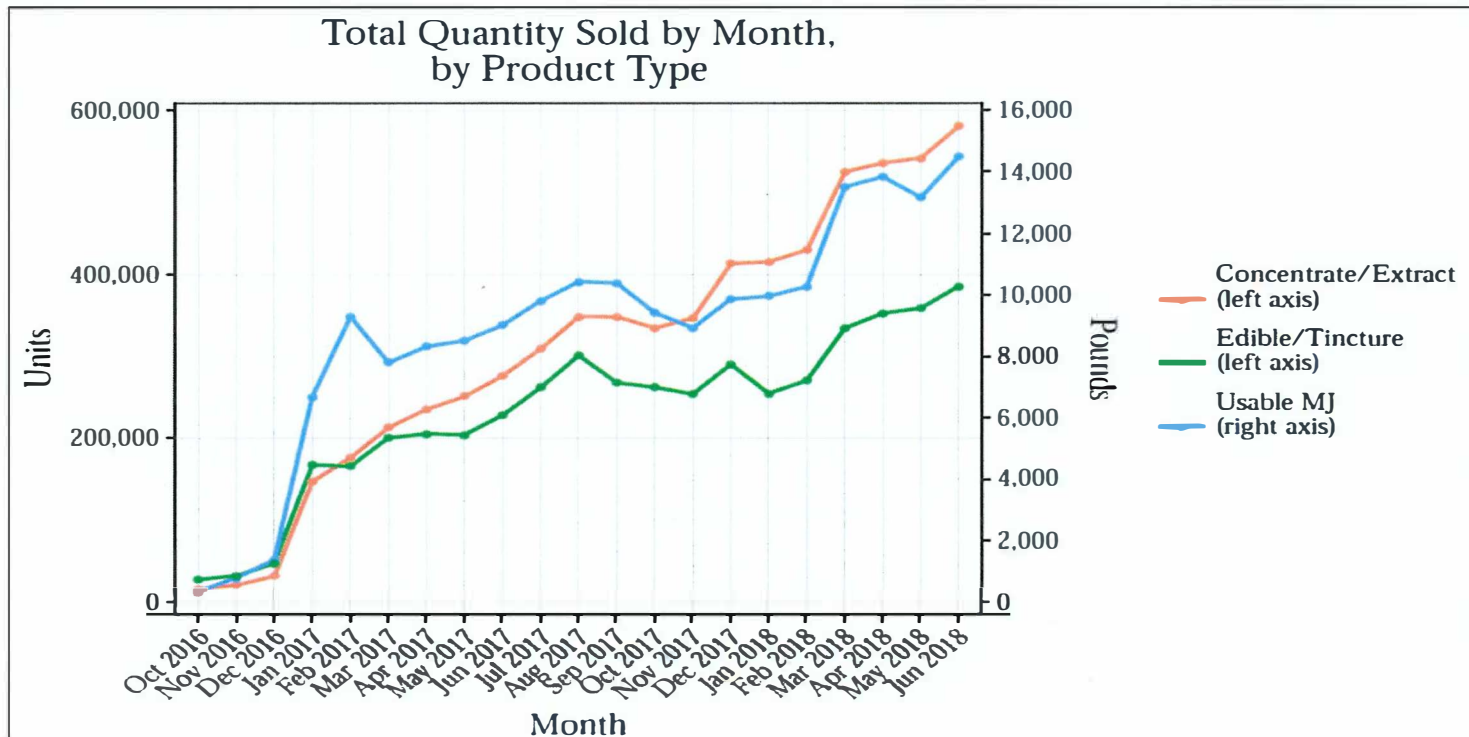
Oregon Successfully Establishes a Legal Cannabis Market for Oregonians

Oregon was well poised to establish a comprehensive consumer market for cannabis after the passage of Measure 91. Oregon's legal regulatory system is providing a growing selection of innovative product choices for customers. Sales of marijuana have generated \$173.1 million in tax dollars for public services since the program's inception. Marijuana sales are expected to generate \$202 million in tax collections for the 2019-21 biennium.

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

Oregon now has a robust supply chain in place — growers, 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.



Legal consumer access was the central outcome sought by Ballot Measure 91 and that central aim of policy has largely been achieved. The earned revenue streams from fees and taxes will be more than sufficient to evolve second generation systems and 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.

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Annual Sales of Retail Cannabis Nearly Match 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 nearly match sales of spirits in Oregon. Annual retail sales of marijuana were \$588.0 million in 2017 and this compares to total annual retail sales of distilled spirits of \$ \$626.1 million in the same year. The rise of the marijuana market has been nothing short of dramatic.

Revenue Generation Comparison: Through the end of the current biennium, Oregon's 17% sales tax on marijuana has generated \$206.7 million in revenue. This compares to the revenue generated from alcohol distilled spirits sales and licensing of \$544.0 million. 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 produce and 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 13% 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 may lose or have already lost their existing relationships with a medical grower. Almost all OMMP medical dispensaries have converted to OLCC retail marijuana stores that sell both recreational and tax free medical grade marijuana products. For medical cardholders the OLCC system is becoming a viable and growing 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 and increasing sales of cannabis to medical cardholders will be the primary signal that efforts to improve access are working.

Refining Medical Use: Oregon's newly created Cannabis Commission is charged with making recommendations on a framework for future governance of OMMP. As recommendations come forward, the OLCC will tailor its rules to facilitate patient access to medical products useful for treating or managing certain health conditions. As well, the OLCC is prepared to make changes to help a defined population of low-income patients gain access to medical grade products through a system of not-for-profit retail distribution or administration of programs that provide for subsidized access. Supporting low income patients is not explicitly addressed in the current OLCC market, however, the OLCC continues to search for opportunities to improve patient access.

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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 and labels designs before they are placed on products.

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, Franwell, is the national leader for provision of marijuana tracking services to recreational states through its Metrc platform. 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. While the practices of tracking marijuana are new, Oregon is a leader in

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what might be described as state-of-the-art imperfection. Even with its imperfections, Oregon's Cannabis Tracking System is a powerful tool for achieving regulatory compliance and in the next two years, the OLCC will be able to exploit its robust capabilities.

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. As well, Oregon has strong enforcement protocols and penalties in place to enforce sales to minors. Marijuana tax dollars have been used by OHA to support prevention education to children about consequences of marijuana use at an early age. Oregon has not seen a dramatic change in reported marijuana usage by children, though at least one recent study has seen a spike in an older adolescent age group and several studies are indicating that legalization has changed attitudes adolescent have about the safety of marijuana use. These are issues which public health official are monitoring closely and these professionals are in the best position to represent research to policy makers.

Advancing Laboratory Testing and Oversight: Oregon put in place a nation leading regime of product testing standards for laboratories. In this system there is no tolerance for pesticide detection. 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 protocols 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. In the meantime, potential violations will be investigated as complaints are reported to OLCC and its partners. The OLCC is in position to self-fund its responsibilities with fees. Partner agencies are typically financed through the General Fund and do not have great flexibility to dedicate staff to this mission. To date, these agencies have not received funding from the Marijuana Administrative Fund which would be a natural consideration for policy makers seeking to align the expenses of regulating marijuana with the revenues generated through taxation.

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

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usable marijuana; the October 2016 average price per gram of usable marijuana was \$9.73 but dropped to \$4.62 per gram June 2018. 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 recently announced 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 are taking roughly 80% of the time of approving original applications and though the agency would like to streamline the renewal process, new ownerships require additional owner and investor background checks and investigation. The agency's marijuana renewal processes not working well to address current circumstances. This burgeoning and unexpected workload is causing the OLCC concerns because licensees can continue to operate while renewals and ownership changes are being reviewed, just as is true with liquor licenses, however, this presents a vulnerability for potential system abuses and the agency's experts are considering options that can be implemented to reduce the risks identified.

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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 July 15, 2018:

	License Active	Approved Not Paid	Surrendered	New Applications	Grand Total
Laboratory	22	1	4	16	43
Processor	182	0	9	414	605
Producer	1064	10	77	1293	2444
Retailer	573	4	42	351	970
Wholesaler	126	3	7	220	356
Research	0	0	0	4	4
Grand Total	1967	18	139	2298	4422

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.

Marijuana Supply: The rapid growth of businesses in this sector are producing a lot of marijuana. In response, the Oregon market is consolidating to match production to consumer sales and consumption. This is leading to a debate over the necessity for additional supply and license controls. In many respects this is a classic free market debate. The essential question of this emergent debate is whether the government needs to impose additional controls to match supply to consumption in Oregon or will business failures and consolidation balance supply to consumption more efficiently. Secondly, if over production is warehoused and stored by licensees, are controls and reporting systems strong enough to ensure it remains in the legal system.

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In general, many officials in law enforcement and as well as industry stakeholders have expressed support for limits for marijuana licenses or perhaps a legislatively imposed moratorium. However, this view 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 will be producing a supply and sales study for the 2019 Legislature that will quantify supply produced within the OLCC system, describe quantities of finished products and their sales to consumers. It will also detail inventories of marijuana that are in the supply chain of OLCC licensees. Additionally, it will seek to identify any consumer ready products, like storable cannabis extracts, that are being stored longer-term, to account for unsold product that is being held by licensees. It will also seek to quantify documented waste and destruction. Ideally 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 will not account for supplies of OMMP grower produced marijuana or transfers to patients that occurred prior to July 1, 2018 and it will not make estimates of production in Oregon that is taking place at illegal, non-state licensed grows.

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

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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. A major policy change by the 2017 legislature demonstrates Oregon's commitment to confront the issue of preventing diversion by state authorized growers of medical marijuana. 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.

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 imbedded 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 really difficult because Oregon still has a number of growers that simply grow and export illegally. Regardless of the level of OMMP growers' actual responsibility for problem of diversion, the Oregon Legislature took action to provide for more regulation and transparency for production of marijuana within the OMMP system. Legislative concern about diversion and potential federal intervention in its newly passed recreational program prompted the state to take bipartisan action to place new requirements on the OHA Oregon Medical Marijuana Program registrants that grow marijuana for OMMP patients.

As of July 1, 2018, many OMMP growers and registrants, are required to be tracked by the Cannabis Tracking System (CTS) and are subject to inspection by OLCC Medical Marijuana Inspectors. This will allow the state to account for all marijuana legally produced in Oregon except for registrants who grow for two or fewer patients. Though the transition is still underway, 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 from those grows and the legal sales of up to 20 pounds of product into the OLCC recreational system. All OLCC grower product has been tracked since inception of the program. This is a major development for the control of diversion outside of Oregon as more and more marijuana growers come under ubiquitous regulation and tracking of marijuana. Regional law enforcement studies about diversion, the OLCC supply report, and other private estimates on legal and illegal production in Oregon will continue to differ widely through the next year. Nevertheless, the step the state is taking to bring these grows under meaningful tracking is a significant step to combating illegal diversion, ensuring that marijuana

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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.

It is still a tenuous transition, but Oregon policy makers, its emerging legal industry and citizens have taken perhaps the most definitive step in the country to combat illegal production and to support the emerging high-quality controlled legal system. This creates a system “proving-up” that industry members hope will open doors to controlled and legal access to broader medical markets across America and the world.

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 growers 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.

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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.
- In Southern Oregon, the new OLCC office will house Oregon State Police officers with responsibility for pursuing marijuana crimes.
- 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. 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.

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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 2018 and early 2019, the OLCC will engage in rule making procedures to refine laws based on OLCC's and industry's learnings. 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 will conduct a separate rule making process for hemp in order to implement recent legislation. The OLCC may have business needs to accelerate adoption of specific areas of rulemaking focuses. Selected issues for OLCC rule making include:

Diversion and Product Tracking: The OLCC has identified three primary issues for refinement in this area, all issues being worked on in this section are commonly raised by law enforcement and the industry as potential points for diversion which is why the OLCC is targeting these specific areas of regulation for improvement.

- **Harvest Notice:** The first is simply to require a notice of harvest by outdoor growers in order to facilitate inspections of harvest practices as it is within this crucial timeframe that the opportunity for diversion is high.

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- **Post-Harvest Drying:** The OLCC feels it is important to examine the practices associated with drying marijuana and requirements that licenses have to meet in reporting weight loss as harvested marijuana is dried and prepared for sale.
- **Waste Disposal:** The OLCC, law enforcement, and licenses have identified the current waste rules as needing revision. The OLCC will be pulling together a workgroup prior to rule making to devise practical controls for operators to implement while providing greater accountability and oversight of waste disposal methods.

BHO Extracting: The OLCC is very concerned about the proper inspection of equipment and the quality and consistency of life safety inspections statewide. This is a dangerous process and one inspected, licensed facility had an explosion with serious injury to an employee. Beyond this the OLCC rule is flawed technically. The OLCC has been working with the State Fire Marshall, OSHA, Oregon Building Codes Division and industry experts to improve overall inspections. This is complicated by the fact that there are not national standards for cannabis extraction; however, there are significant improvements that will be implemented to meet the current need for better inspections prior to licensure.

Renewal Process: The current OLCC license renewal process is based on alcohol licensing experience, but it is not working well given the demand for marijuana renewals and concurrent changes being sought for ownership interests and physical premises changes. The OLCC will seek a more efficient way to provide for license renewals and OLCC fee payments. This work will have to tie into major improvements of the electronic licensing system and its 2.0 generation.

Hemp Regulation: New laws surrounding OLCC regulatory responsibilities for hemp require agency rule making. The OLCC is likely to open a separate rule making process for this task. Regulating hemp in conjunction with marijuana is confounding to the hemp market and creates complexities within overall requirements of OLCC rules.

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 will as well. The job of the OLCC over the next two years is to separate 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 three 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

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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: It was not until 2018 that the integration of marijuana enforcement into public safety compliance really took hold. While there are more resources necessary to complete this process, 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. Early in 2018 the agency ran multiple 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 - Metrc) 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 CTS. As retail sales came on line, 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 Metrc 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

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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 system and also lacked resources for policy making needs related to findings. *OLCC's usage of CTS to date represents a gross underutilization of the system's capacity to provide information about compliance and more importantly as a means to detect non-compliance.*

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 staff 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 OLCC has developed plans to create a full compliance unit and team of analysts charged with bringing the initial vision of the tracking system to life. The CTS is at the heart of creating a comprehensive approach of using data to create a system of violation prevention, deterrence and detection through the automated and manual identification of data anomalies in the CTS. Central to the system is the ability to flag activities for warnings and violation tickets followed by inspectors in the field who inspect or survey licensee activities. Utilizing basic algorithms and programing, the regular production of data reports will unleash the tremendous value of the data reported into the CTS system.

The specialized unit will generate a suite of regular and specific reports that will be used by OLCC management to set field inspection and oversight priorities. The reports will be 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 certainly could reveal larger issues. The CTS is self-reported data and may be inaccurate, just like someone entering business data into a ledger. The critical part of the overall compliance regime is that OLCC licensees are accountable for their data entries into the CTS and that those entries match physical inventory upon inspection. Inspections are ultimately necessary to verify compliance and this is true of almost all known regulatory systems — someone has to look specifically

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at the case to determine its merits. This is why having adequately trained inspectors will be an ongoing focus of OLCC into the future.

However, 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, programing can be created by the unit to issue 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.

Lastly, this unit will be responsible for analyzing video data for inspectors. This data is stored on site at marijuana operations and is an important source of evidence of violations. By creating capacity in this unit, analysts will create efficiencies by freeing inspector time so they can do inspections. As well, the CTS analysts will be in the best position to crosswalk taped activity with reported data in CTS.

Through its current budget request, and with the continuing work of existing personnel, the OLCC will develop and fully employ the use of CTS data in regulating marijuana licensees. This system is at the heart of OLCC's goals for mitigating diversion and for holding licensees accountable for the responsibilities of their license.

Capacity to Inspect and Verify Compliance: In the end, the Oregon regulatory system depends on highly-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) where the agency sponsors an annual training academy. Modifications to training for inspectors taking on the new OLCC responsibilities of inspecting OMMP grows will reflect the fact that inspectors within this program may be accessing grow sites located at a residence.

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. Especially at this nascent stage of system development, and with the cultural change the OLCC system represents, it is critical that licensees take the regulation seriously — meaning the agency must urgently focus on inspecting operations in the field. With over 1,900 licenses and in year three 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.

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To a great extent the deterrence and prevention mission is a numbers equation. As OLCC increases its regulatory presence, licensees will become more vigilant. In the current biennium recreational program inspectors were funded at a ratio of 100 licenses to 1 inspector, the agency believes this ratio is too low and is recommending a ratio of 75 to 1 for the next two years. For the medical inspectors, the ratio is anticipated to be 1 in 150 when the program is fully operational. OMMP inspectors do not have the same licensing inspection responsibilities of inspectors on the recreational side. They will spend the majority of their time educating registrants on regulations, use of the Cannabis Tracking System, and compliance investigations.

Hiring inspectors has been a challenge, but a new software program is speeding up intensive background checks the agency performs prior to hiring. Although background checks are rigorous and many candidates do not make it through this process, the OLCC believes it is critically important that all new inspectors are thoroughly vetted. The agency has a staffing plan to match the new ratios. Hiring in Southern Oregon has recently been difficult and the OLCC has had trouble recruiting qualified candidates. This is troublesome as Southern Oregon has the most licensees of any region in the state, and many of these licensees are outdoor growers who are a focus of the agency with respect to diversion issues. If this problem persists the agency has a plan to reorganize the coverage area of the Eugene office and may establish new boundaries for the regions to facilitate coverage in the South.

While OLCC inspectors' number one mission is to seek out diversion they are also trained to provide education to growers and to work with them 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 and the ability of licensees to retrieve back-up video for OLCC inspectors. The rules of the OLCC penalize licensee with the maximum sanctions because of the public interest of control in operations

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 discreet 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

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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 OLCC license 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 US Drug Enforcement Agency has classified CBDs as a Schedule I drug when used for human consumption, the same classification as marijuana. The US farm bill currently under consideration may change this designation, but that legislation has not yet been adopted.

At the same time, non-CBD hemp products are 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. Until legislation passed, the OLCC was legally limited to only regulating marijuana. While hemp products had been available at OLCC retail locations, but the agency was working to phase them out due to the inability to track these items in CTS. Timely legislation preserved hemp products availability at OLCC locations and ensured that these products were tracked when received.

Hemp and marijuana plants are nearly identical. 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.

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

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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.

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. Raw hemp, and the products made from it look very much like marijuana and marijuana products. 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.

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 market for hemp. One issue not to be lost in this policy discussion is that unlike marijuana, hemp is not taxed. The state is likely to expend considerable resources working to balance the issues raised by parallel but inconsistent regulations for hemp and marijuana production; there are no clear or easy answers here for policy makers.

Banking: Cannabis businesses 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 that are banking the cannabis industry. The OLCC provides CTS data to these financial institutions for compliance auditing in order to provide these institutions with the information they need to service marijuana accounts.

Coordination with other States: 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.

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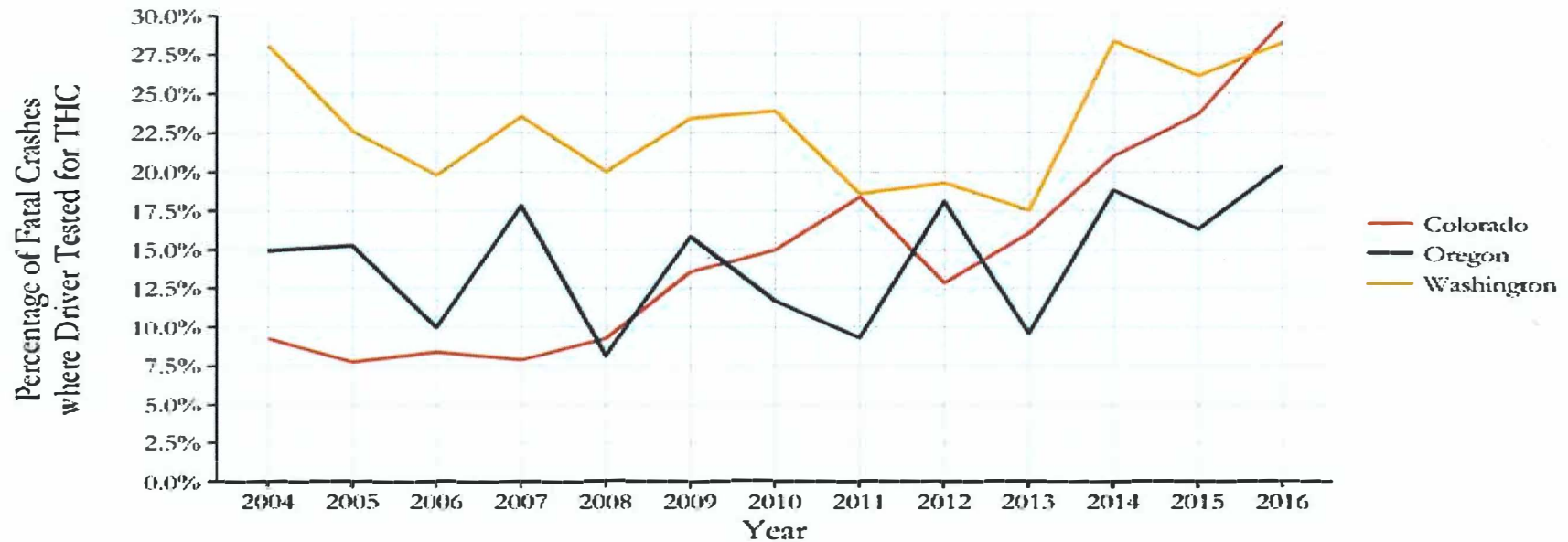
Mixing Marijuana and Alcohol: Since the passage of Ballot Measure 91 the Commission has been clear with its licenses that THC and alcohol do not mix. The OLCC has communicated its expectations in numerous forums, including through its “What’s Legal” campaign about legal consumption. OLCC has also adopted 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. A new development is that drug screens are being conducted for all traffic fatalities in Oregon. A battery of tests are done to detect the presence of marijuana and other drugs when someone dies from a traffic accident. Marijuana as the sole drug detected represents about half of all fatalities in which drugs were detected and, when fatalities involved other drugs and marijuana, the relationship of marijuana to total fatalities involving drugs increases. This may be due to the fact that marijuana is detectable in the user’s system for longer than other drugs. In Oregon the total annual traffic fatality deaths in 2016 in which the drug screen detected THC totals 25. Importantly, this number includes passengers as well as drivers. It is difficult to identify trends with only one year of data on this drug screening of people who have died in traffic accidents. Certainly, such data will be important to closely watch.

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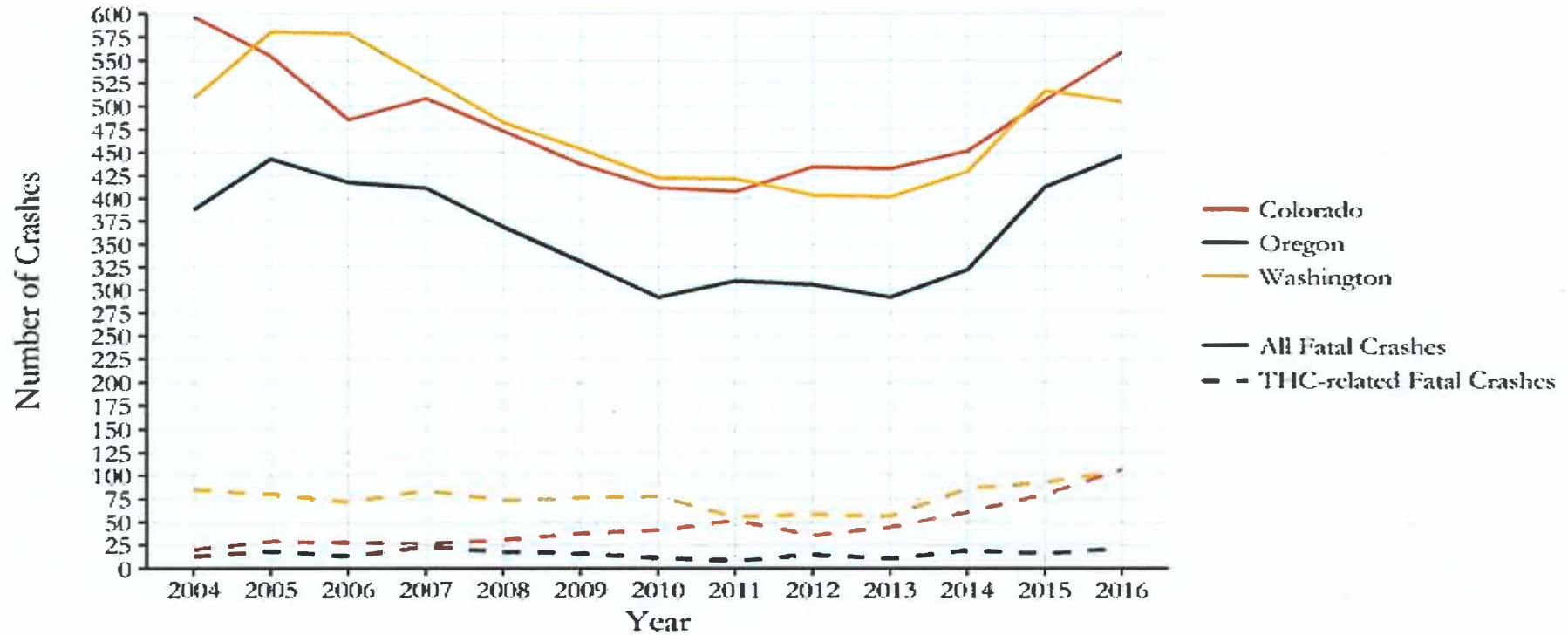
NHTSA's 2016 DUII Traffic Fatality Data (FARS)

THC-Intoxicated Drivers
as Percentage of Fatal Crashes where Driver Tested for THC,
2004 – 2016



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Fatal Crashes by State, 2004 – 2016



Marijuana Infused Beverages: As more states have legalized marijuana, there has been an 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.

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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. Certainly this has interesting implications for the OLCC that regulates marijuana and alcohol in Oregon and that oversees the sale of spirits. It also has interesting implication for health professionals captured in a July 23, 2018 Forbes news story that headline, "Cannabis Beer Could Save Drinkers from Cirrhosis of the Liver." Cirrhosis of the liver kills about 3.3 million people worldwide. This is one of many examples about the changing public policy issues being driven by the legalization of cannabis. The OLCC will continue to monitor these many developing issues to fulfill its responsibility to Oregonians to carefully regulate the cannabis market.

D. Agency Initiatives in the 2019-21 Budget

The 2019-21 Legislatively Adopted Budget includes the following policy option packages for OLCC. These option packages will enable OLCC to address issues arising from the agency's aging core technology systems, the expansion of the agency's mission to regulate marijuana, the addition of OMMP marijuana and hemp tracking, the expansion of the alcohol system, to prevent the sale of alcohol and marijuana to youth.

Information Services

Package No. 301, 4 FTE, \$6,535,681

This package will allow the agency to implement a Beer and Wine Privilege Tax system. \$2,000,000 will be unscheduled until the agency reaches Stage Gate 3 of the state's oversight process.

Distilled Spirits Shipping Capacity and Service Package

Package No. 102, 11 FTE, \$2,203,955

Addresses need for management, logistics and account functions. It requests funding authority for a Distilled Spirits Program Manager, four liquor distribution equipment operators, six liquor distribution workers and temporary workforce funding for seasonal labor needs.

Liquor License Fee Increase for Revenue Generation

Package No. 203, 0 FTE, \$9,172,403*

Raises funding for much needed upgrades in infrastructure and information technology and offset the use of other liquor funds that can be distributed to the state, cities and counties. *Raises revenue

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Roof Repairs and Replacement to Main Warehouse

Package No. 304, 0 FTE, \$150,000*

Requests funding for the final phase of the roofing project. The estimates include \$150,000 for roof repair.

Public Safety Statewide Dispatch Services

Package No. 205, 0 FTE, \$1,036,320

Requests funding to continue the cost of maintaining the Oregon State Police dispatch services for OLCC's Inspectors in the field.

Licensing Staff Fulfillment

Package No. 206, 5 FTE, \$1,024,780

Requests funding for staffing services for efficient licensing and permitting, an increase in demand for public records and effective management in licensing. This package requests funding for one limited duration double fill of a metro area Event Licensing Specialist AS1 position, one Principal Executive Manager D for alcohol licensing, one Principal Executive Manager B for license process, one Operations and Policy Analyst 2 for public records, and a reclass for the Director of Licensing from a Principal Executive manager E to a Principal Executive Manager F.

Public Safety Enforcement Staff Fulfillment

Package No. 207, 4 FTE, \$1,340,842

Requests funding for the addition of two Liquor Regulatory Specialists, one for the Salem office and another for Eugene.

Marijuana Program Enhancement

Package No. 408, 9 FTE, \$2,298,755

Requests funding for staff including 8 marijuana regulatory specialists to ensure regulatory compliance, 1 laboratory compliance specialist to focus on laboratory compliance, protocol and regulation, as well as funding for continuing strategic and tactical communications support related to marijuana.

Regulatory Specialist Reclass

Package No. 209, 0 FTE, \$107,176

Requests differential funding for Regulatory Specialists to implement findings by DAS Classification and Compensation unit in a compensation study of the liquor and marijuana regulatory class positions.

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Financial Services Staff Fulfillment

Package No. 310, 3 FTE, \$608,244

Requests funding to support the ongoing retail expansion and distillery agent growth. The package adds one accounting technician 2 for retail expansion, and new equipment and software for store auditors.

Administration and Communication Outreach –Digital Infrastructure

Package No. 311, 0 FTE, \$89,192

This package adds consulting services to build an agency intranet.

Bottle Bill Regulation and Funding

Package No. 215, 1 FTE, \$94,317

Requests funding for one administrative specialist 1 to perform duties related to the expansion of the Bottle Bill, public information and compliance.

Keeps the responsibility for contracting for merchant services with the state but transitions the responsibility for credit card fees to the agents. Agents are made whole by shifting the state's allocation for credit card fees to agent compensation. *Transfers 2nd fiscal year funds from Bank Card Costs in Distilled Spirits Program to Store Operating Expense (agents compensation).

LEGISLATIVE CONCEPTS

Agency Concept 84500-001 - Fees for Alcohol Licensing

The generation of revenue in Oregon from alcohol is heavily weighted toward the markup for distilled spirits. Oregon is one of the highest states in the country generating revenue from spirits and one of the lowest in the country in generating revenue from license fees. Revenue from distilled spirits subsidize the agency's licensing, renewal and enforcement activities for over 15,000 alcohol licensees and 9,000 special event licenses. Doubling annual license fees and adding a fee for the temporary annual use of license will provide additional funding to provide services to licensees including online licensing and renewal systems, training, education, enforcement, increased communication and IT services to help licensees comply with the law.

Agency Concept 84500-002-Redemption Center Fee

The refund value for empty beverage containers increased from 5 cents to 10 cents on April 1, 2017 and the types of beverages included in the Bottle Bill greatly expanded on January 1, 2018. These changes increased interest in redeeming containers, which in turn created a major increase in the number of questions and complaints from impacted stores and the public about the Bottle Bill, which are currently fielded by the agency's one Bottle Bill Compliance Specialist. This leaves little time for performance of higher level compliance and oversight functions. A \$3,000 annual registration fee for each redemption center will support the funding of an AS1 position to assist the Bottle Bill Compliance Specialist in performing duties related to Bottle Bill public information and compliance.

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Agency Concept 84500-003 – Marijuana Fee Conditional Letter of Authority

The OLCC's recreational marijuana program is funded solely by licensing and renewal fees, however renewal fees are not realized until the application has been approved. In situations where an existing business applies for renewal shortly before their renewal date, or has a particularly complicated renewal application due to changes in business structure or operations, the applicant, agency and local government need additional time after the renewal date to process the application. In these cases the agency issues a Conditional Letter of Authority to allow the business to continue to operate. The agency collects the license fee, however, it cannot expend those funds unless and until the license is approved, even though the licensee is operating and OLCC staff are doing the work. This has created a problem because some licensees are seemingly "gaming" the system, requesting a Conditional Letter of Authority, and then withdrawing their renewal application after harvest and profits are made. In addition, if an agency proposes to deny a license, the licensee can continue to operate without paying a fee. Under this proposal, if a licensee uses their license privileges under a Conditional Letter of Authority (i.e. into a new license year while a renewal is pending), and then later want to surrender their license, the license fee is not refundable.

Agency Concept 84500-004 License Server Fee

The statute requires accounting for the \$2.60 annual server permit fees from licensees and \$13 server permit fee from server permittees is cumbersome and can be streamlined as the costs of the server permit program and alcohol education program are covered by allowed fees under ORS 471.375(2) and other agency alcohol revenues. The agency proposes eliminating the fees outlined in ORS 471.542 (6) and the required accounting in ORS 471.375 (2).

Agency Concept 84500-05 – Electronic Verification of ID

Lack of banking access is a significant problem facing Oregon's legal marijuana industry. One of the primary concerns is ensuring that marijuana businesses are adhering to state law and federal policy. For example, guidance from the Federal Financial Crime Enforcement Network states that financial institutions that service MRBs must ensure that they are not selling to minors. In addition, Oregon law imposes daily purchase and possession limits on marijuana transactions. These limitations are easily circumvented by the practice of "smurfing" whereby a consumer makes multiple purchases from multiple retailers in the same day or the practice of "looping" whereby a consumer makes multiple purchases from a single retailer in the same day. Electronic methods of preventing sales to minors by validating ID and the prevention of "smurfing" and "looping" are available; however, the use of electronic methods to provide this service may be prohibited under Oregon law. Oregon law provides that "A marijuana retailer may not transfer any information that may be used to identify a consumer to any other person." For banks, these types of electronic solutions represent a critical layer of assurance that MRBs are fulfilling their legal obligations and are participating in a process that makes legal marijuana businesses more attractive as potential customers. Amending Section 47B.220 (4) to clarify when and how electronic vendors can be

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used for age verification and to prevent “smurfing” and “looping” would provide clarity and direction to marijuana businesses in the use of electronic verification equipment and software, and potentially increase the ability of marijuana businesses to secure banking services.

E. CRITERIA FOR 2019-21 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

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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 new responsibility for regulating the sales of recreational marijuana. The proposals are primarily focused on adding capability and capacity, particularly FTE, to support operations in both the alcohol and marijuana programs, in order to support distilled spirits retail expansion, movement to online systems, effective use of agency facilities and IT infrastructure, adequate staff to support minor control goals and growth in both licensing and compliance, and timely responding to public records request.

BUDGET NARRATIVE

Major criteria for 2019-21 budget development

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

1. Creating a culture of accountability for change,
2. Facilitating the contribution of businesses to sustain community growth throughout Oregon,
3. Creating new means to advance public health and safety through prevention and community engagement, and
4. Opening communications as a means to place the agency closer to Oregon customers and to advance all other agency strategies.

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

- Safeguard state assets and provide responsible stewardship and return on investments
- Invest in the productivity of the workforce and their professional growth and development to improve agency productivity
- Replace OLCC's aging core technology to integrate systems and respond to the growing responsibilities of the agency intelligently,
- Streamline and automate processes for applicants, license and permit holders, and administrative staff
- Invest in the capacity to meet potential customer demand for distilled spirits and secure forecasted revenue necessary to support public services,
- 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 2019-21 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

The OLCC is in process of finalizing a Request for Proposal for the OLCC Privilege Tax Project mandated by HB 2150 in the 2017 legislative session.

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

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 & compliance.

BUDGET NARRATIVE

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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Oregon Liquor Control Comm
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-000-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2017-19 Leg Adopted Budget	304	298.82	206,250,022	-	-	206,250,022	-	-	-
2017-19 Emergency Boards	22	13.80	6,902,538	-	-	6,902,538	-	-	-
2017-19 Leg Approved Budget	326	312.62	213,152,560	-	-	213,152,560	-	-	-
2019-21 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	11.38	5,919,920	-	-	5,919,920	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2019-21 Base Budget	326	324.00	219,072,480	-	-	219,072,480	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	909,459	-	-	909,459	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	450,408	-	-	450,408	-	-	-
Subtotal	-	-	1,359,867	-	-	1,359,867	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(2,672,999)	-	-	(2,672,999)	-	-	-
Subtotal	-	-	(2,672,999)	-	-	(2,672,999)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	8,900,584	-	-	8,900,584	-	-	-
State Gov't & Services Charges Increase/(Decrease)	-	-	300,226	-	-	300,226	-	-	-

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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Oregon Liquor Control Comm
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-000-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal	-	-	9,200,810	-	-	9,200,810	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	(268,493)	-	-	(268,493)	-	-	-
Subtotal: 2019-21 Current Service Level	326	324.00	226,691,665	-	-	226,691,665	-	-	-

Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Oregon Liquor Control Comm
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-000-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2019-21 Current Service Level	326	324.00	226,691,665	-	-	226,691,665	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2019-21 Current Service Level	326	324.00	226,691,665	-	-	226,691,665	-	-	-
080 - E-Boards									
080 - May 2018 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
081 - September 2018 Emergency Board	-	-	503,174	-	-	503,174	-	-	-
090 - Analyst Adjustments	-	-	4,075,860	-	-	4,075,860	-	-	-
091 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
092 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
801 - LFO Analyst Adjustments	-	-	574,515	-	-	574,515	-	-	-
810 - Statewide Adjustments	-	-	(599,205)	-	-	(599,205)	-	-	-
811 - Budget Reconciliation Adjustments	1	1.00	233,400	-	-	233,400	-	-	-
813 - Policy Bills	-	-	-	-	-	-	-	-	-
816 - Capital Construction	-	-	-	-	-	-	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
102 - Distilled Spirits Shipping Capacity & Svcs	11	11.00	2,203,955	-	-	2,203,955	-	-	-
112 - Move Agency Bank Card Costs	-	-	-	-	-	-	-	-	-
113 - Increase Licensee Comp Rates	-	-	-	-	-	-	-	-	-
114 - Separate Distillery Agent Compensation	-	-	-	-	-	-	-	-	-
203 - License Fees Increase	-	-	-	-	-	-	-	-	-

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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Oregon Liquor Control Comm
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-000-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
205 - Statewide Dispatch Services	-	-	1,036,320	-	-	1,036,320	-	-	-
206 - Licensing Staff Fulfillment	5	5.00	1,024,780	-	-	1,024,780	-	-	-
207 - Public Safety Staff Fulfillment	4	4.00	1,340,842	-	-	1,340,842	-	-	-
209 - Regulatory Specialist Reclass	-	-	107,176	-	-	107,176	-	-	-
215 - Bottle Bill Regulation & Funding	1	1.00	172,317	-	-	172,317	-	-	-
301 - Information Services Enhancement	4	4.00	6,535,681	-	-	6,535,681	-	-	-
304 - Distilled Spirits Shipping Capacity & Svcs	-	-	150,000	-	-	150,000	-	-	-
310 - Financial Services Staff Fulfillment	3	3.00	608,244	-	-	608,244	-	-	-
311 - Administration and Communication Outreach	-	-	89,192	-	-	89,192	-	-	-
408 - Marijuana Program Enhancement	9	9.00	2,298,755	-	-	2,298,755	-	-	-
Subtotal Policy Packages	38	38.00	20,355,006	-	-	20,355,006	-	-	-
Total 2019-21 Leg. Adopted Audit	364	362.00	247,046,671	-	-	247,046,671	-	-	-
Percentage Change From 2017-19 Leg Approved Budget	11.66%	15.80%	15.90%	-	-	15.90%	-	-	-
Percentage Change From 2019-21 Current Service Level	11.66%	11.73%	8.98%	-	-	8.98%	-	-	-

Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Distilled Spirits Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-001-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2017-19 Leg Adopted Budget	68	68.00	25,681,292	-	-	25,681,292	-	-	-
2017-19 Emergency Boards	-	-	347,467	-	-	347,467	-	-	-
2017-19 Leg Approved Budget	68	68.00	26,028,759	-	-	26,028,759	-	-	-
2019-21 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	646,343	-	-	646,343	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2019-21 Base Budget	68	68.00	26,675,102	-	-	26,675,102	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	210,129	-	-	210,129	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	49,833	-	-	49,833	-	-	-
Subtotal	-	-	259,962	-	-	259,962	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(37,000)	-	-	(37,000)	-	-	-
Subtotal	-	-	(37,000)	-	-	(37,000)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	563,612	-	-	563,612	-	-	-
State Gov't & Services Charges Increase/(Decrease)	-	-	46,246	-	-	46,246	-	-	-

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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Distilled Spirits Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-001-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal	-	-	609,858	-	-	609,858	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2019-21 Current Service Level	68	68.00	27,507,922	-	-	27,507,922	-	-	-

Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Distilled Spirits Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-001-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2019-21 Current Service Level	68	68.00	27,507,922	-	-	27,507,922	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2019-21 Current Service Level	68	68.00	27,507,922	-	-	27,507,922	-	-	-
080 - E-Boards									
080 - May 2018 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
081 - September 2018 Emergency Board	-	-	-	-	-	-	-	-	-
090 - Analyst Adjustments	-	-	932,406	-	-	932,406	-	-	-
091 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
092 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
801 - LFO Analyst Adjustments	-	-	(551,552)	-	-	(551,552)	-	-	-
810 - Statewide Adjustments	-	-	(95,350)	-	-	(95,350)	-	-	-
811 - Budget Reconciliation Adjustments	-	-	-	-	-	-	-	-	-
813 - Policy Bills	-	-	-	-	-	-	-	-	-
816 - Capital Construction	-	-	-	-	-	-	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
102 - Distilled Spirits Shipping Capacity & Svcs	11	11.00	2,203,955	-	-	2,203,955	-	-	-
112 - Move Agency Bank Card Costs	-	-	-	-	-	-	-	-	-
113 - Increase Licensee Comp Rates	-	-	-	-	-	-	-	-	-
114 - Separate Distillery Agent Compensation	-	-	-	-	-	-	-	-	-
203 - License Fees Increase	-	-	-	-	-	-	-	-	-

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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Distilled Spirits Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-001-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
205 - Statewide Dispatch Services	-	-	-	-	-	-	-	-	-
206 - Licensing Staff Fulfillment	-	-	-	-	-	-	-	-	-
207 - Public Safety Staff Fulfillment	-	-	-	-	-	-	-	-	-
209 - Regulatory Specialist Reclass	-	-	-	-	-	-	-	-	-
215 - Bottle Bill Regulation & Funding	-	-	-	-	-	-	-	-	-
301 - Information Services Enhancement	-	-	-	-	-	-	-	-	-
304 - Distilled Spirits Shipping Capacity & Svcs	-	-	-	-	-	-	-	-	-
310 - Financial Services Staff Fulfillment	-	-	-	-	-	-	-	-	-
311 - Administration and Communication Outreach	-	-	-	-	-	-	-	-	-
408 - Marijuana Program Enhancement	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	11	11.00	2,489,459	-	-	2,489,459	-	-	-
<hr/>									
Total 2019-21 Leg. Adopted Audit	79	79.00	29,997,381	-	-	29,997,381	-	-	-
<hr/>									
Percentage Change From 2017-19 Leg Approved Budget	16.18%	16.18%	15.25%	-	-	15.25%	-	-	-
Percentage Change From 2019-21 Current Service Level	16.18%	16.18%	9.05%	-	-	9.05%	-	-	-

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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Public Safety Services Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-002-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2017-19 Leg Adopted Budget	108	105.68	22,557,637	-	-	22,557,637	-	-	-
2017-19 Emergency Boards	-	-	630,407	-	-	630,407	-	-	-
2017-19 Leg Approved Budget	108	105.68	23,188,044	-	-	23,188,044	-	-	-
2019-21 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	0.32	1,020,737	-	-	1,020,737	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2019-21 Base Budget	108	106.00	24,208,781	-	-	24,208,781	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	418,112	-	-	418,112	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	191,983	-	-	191,983	-	-	-
Subtotal	-	-	610,095	-	-	610,095	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(42,000)	-	-	(42,000)	-	-	-
Subtotal	-	-	(42,000)	-	-	(42,000)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	83,110	-	-	83,110	-	-	-
State Gov't & Services Charges Increase/(Decrease)	-	-	76,699	-	-	76,699	-	-	-

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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Public Safety Services Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal	-	-	159,809	-	-	159,809	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2019-21 Current Service Level	108	106.00	24,936,685	-	-	24,936,685	-	-	-

Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Public Safety Services Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-002-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2019-21 Current Service Level	108	106.00	24,936,685	-	-	24,936,685	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2019-21 Current Service Level	108	106.00	24,936,685	-	-	24,936,685	-	-	-
080 - E-Boards									
080 - May 2018 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
081 - September 2018 Emergency Board	-	-	-	-	-	-	-	-	-
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
092 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
801 - LFO Analyst Adjustments	-	-	(40,637)	-	-	(40,637)	-	-	-
810 - Statewide Adjustments	-	-	(169,724)	-	-	(169,724)	-	-	-
811 - Budget Reconciliation Adjustments	-	-	-	-	-	-	-	-	-
813 - Policy Bills	-	-	-	-	-	-	-	-	-
816 - Capital Construction	-	-	-	-	-	-	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
102 - Distilled Spirits Shipping Capacity & Svcs	-	-	-	-	-	-	-	-	-
112 - Move Agency Bank Card Costs	-	-	-	-	-	-	-	-	-
113 - Increase Licensee Comp Rates	-	-	-	-	-	-	-	-	-
114 - Separate Distillery Agent Compensation	-	-	-	-	-	-	-	-	-
203 - License Fees Increase	-	-	-	-	-	-	-	-	-

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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Public Safety Services Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
205 - Statewide Dispatch Services	-	-	560,832	-	-	560,832	-	-	-
206 - Licensing Staff Fulfillment	5	5.00	1,024,780	-	-	1,024,780	-	-	-
207 - Public Safety Staff Fulfillment	4	4.00	1,340,842	-	-	1,340,842	-	-	-
209 - Regulatory Specialist Reclass	-	-	53,588	-	-	53,588	-	-	-
215 - Bottle Bill Regulation & Funding	1	1.00	172,317	-	-	172,317	-	-	-
301 - Information Services Enhancement	-	-	-	-	-	-	-	-	-
304 - Distilled Spirits Shipping Capacity & Svcs	-	-	-	-	-	-	-	-	-
310 - Financial Services Staff Fulfillment	-	-	-	-	-	-	-	-	-
311 - Administration and Communication Outreach	-	-	-	-	-	-	-	-	-
408 - Marijuana Program Enhancement	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	10	10.00	2,941,998	-	-	2,941,998	-	-	-
Total 2019-21 Leg. Adopted Audit	118	116.00	27,878,683	-	-	27,878,683	-	-	-
Percentage Change From 2017-19 Leg Approved Budget	9.26%	9.77%	20.23%	-	-	20.23%	-	-	-
Percentage Change From 2019-21 Current Service Level	9.26%	9.43%	11.80%	-	-	11.80%	-	-	-

Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Administration and Support
2019-21 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
2017-19 Leg Adopted Budget	67	66.92	19,515,122	-	-	19,515,122	-	-	-
2017-19 Emergency Boards	1	0.67	1,059,898	-	-	1,059,898	-	-	-
2017-19 Leg Approved Budget	68	67.59	20,575,020	-	-	20,575,020	-	-	-
2019-21 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	0.41	714,107	-	-	714,107	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2019-21 Base Budget	68	68.00	21,289,127	-	-	21,289,127	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	271,533	-	-	271,533	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	(41,439)	-	-	(41,439)	-	-	-
Subtotal	-	-	230,094	-	-	230,094	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(570,896)	-	-	(570,896)	-	-	-
Subtotal	-	-	(570,896)	-	-	(570,896)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	182,103	-	-	182,103	-	-	-
State Gov't & Services Charges Increase/(Decrease)			33,609	-	-	33,609	-	-	-

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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Administration and Support
2019-21 Biennium

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

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal	-	-	215,712	-	-	215,712	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2019-21 Current Service Level	68	68.00	21,164,037	-	-	21,164,037	-	-	-

Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Administration and Support
2019-21 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: 2019-21 Current Service Level	68	68.00	21,164,037	-	-	21,164,037	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2019-21 Current Service Level	68	68.00	21,164,037	-	-	21,164,037	-	-	-
080 - E-Boards									
080 - May 2018 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
081 - September 2018 Emergency Board	-	-	503,174	-	-	503,174	-	-	-
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
092 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
801 - LFO Analyst Adjustments	-	-	(71,909)	-	-	(71,909)	-	-	-
810 - Statewide Adjustments	-	-	(195,106)	-	-	(195,106)	-	-	-
811 - Budget Reconciliation Adjustments	1	1.00	233,400	-	-	233,400	-	-	-
813 - Policy Bills	-	-	-	-	-	-	-	-	-
816 - Capital Construction	-	-	-	-	-	-	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
102 - Distilled Spirits Shipping Capacity & Svcs	-	-	-	-	-	-	-	-	-
112 - Move Agency Bank Card Costs	-	-	-	-	-	-	-	-	-
113 - Increase Licensee Comp Rates	-	-	-	-	-	-	-	-	-
114 - Separate Distillery Agent Compensation	-	-	-	-	-	-	-	-	-
203 - License Fees Increase	-	-	-	-	-	-	-	-	-

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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Administration and Support
2019-21 Biennium

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

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
205 - Statewide Dispatch Services	-	-	-	-	-	-	-	-	-
206 - Licensing Staff Fulfillment	-	-	-	-	-	-	-	-	-
207 - Public Safety Staff Fulfillment	-	-	-	-	-	-	-	-	-
209 - Regulatory Specialist Reclass	-	-	-	-	-	-	-	-	-
215 - Bottle Bill Regulation & Funding	-	-	-	-	-	-	-	-	-
301 - Information Services Enhancement	4	4.00	5,779,431	-	-	5,779,431	-	-	-
304 - Distilled Spirits Shipping Capacity & Svcs	-	-	-	-	-	-	-	-	-
310 - Financial Services Staff Fulfillment	3	3.00	608,244	-	-	608,244	-	-	-
311 - Administration and Communication Outreach	-	-	89,192	-	-	89,192	-	-	-
408 - Marijuana Program Enhancement	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	8	8.00	6,946,426	-	-	6,946,426	-	-	-
<hr/>									
Total 2019-21 Leg. Adopted Audit	76	76.00	28,110,463	-	-	28,110,463	-	-	-
<hr/>									
Percentage Change From 2017-19 Leg Approved Budget	11.76%	12.44%	36.62%	-	-	36.62%	-	-	-
Percentage Change From 2019-21 Current Service Level	11.76%	11.76%	32.82%	-	-	32.82%	-	-	-

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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Recreational Marijuana Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-004-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2017-19 Leg Adopted Budget	54	51.80	12,849,549	-	-	12,849,549	-	-	-
2017-19 Emergency Boards	5	2.83	1,111,084	-	-	1,111,084	-	-	-
2017-19 Leg Approved Budget	59	54.63	13,960,633	-	-	13,960,633	-	-	-
2019-21 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	4.37	2,066,153	-	-	2,066,153	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2019-21 Base Budget	59	59.00	16,026,786	-	-	16,026,786	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	39,864	-	-	39,864	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	128,421	-	-	128,421	-	-	-
Subtotal	-	-	168,285	-	-	168,285	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(773,005)	-	-	(773,005)	-	-	-
Subtotal	-	-	(773,005)	-	-	(773,005)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	1,697,443	-	-	1,697,443	-	-	-
State Gov't & Services Charges Increase/(Decrease)	-	-	85,268	-	-	85,268	-	-	-

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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Recreational Marijuana Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal	-	-	1,782,711	-	-	1,782,711	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	(268,493)	-	-	(268,493)	-	-	-
Subtotal: 2019-21 Current Service Level	59	59.00	16,936,284	-	-	16,936,284	-	-	-

Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Recreational Marijuana Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2019-21 Current Service Level	59	59.00	16,936,284	-	-	16,936,284	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2019-21 Current Service Level	59	59.00	16,936,284	-	-	16,936,284	-	-	-
080 - E-Boards									
080 - May 2018 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
081 - September 2018 Emergency Board	-	-	-	-	-	-	-	-	-
090 - Analyst Adjustments	-	-	(425,884)	-	-	(425,884)	-	-	-
091 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
092 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
801 - LFO Analyst Adjustments	-	-	(107,077)	-	-	(107,077)	-	-	-
810 - Statewide Adjustments	-	-	(105,949)	-	-	(105,949)	-	-	-
811 - Budget Reconciliation Adjustments	-	-	-	-	-	-	-	-	-
813 - Policy Bills	-	-	-	-	-	-	-	-	-
816 - Capital Construction	-	-	-	-	-	-	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
102 - Distilled Spirits Shipping Capacity & Svcs	-	-	-	-	-	-	-	-	-
112 - Move Agency Bank Card Costs	-	-	-	-	-	-	-	-	-
113 - Increase Licensee Comp Rates	-	-	-	-	-	-	-	-	-
114 - Separate Distillery Agent Compensation	-	-	-	-	-	-	-	-	-
203 - License Fees Increase	-	-	-	-	-	-	-	-	-

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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Recreational Marijuana Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
205 - Statewide Dispatch Services	-	-	280,416	-	-	280,416	-	-	-
206 - Licensing Staff Fulfillment	-	-	-	-	-	-	-	-	-
207 - Public Safety Staff Fulfillment	-	-	-	-	-	-	-	-	-
209 - Regulatory Specialist Reclass	-	-	53,588	-	-	53,588	-	-	-
215 - Bottle Bill Regulation & Funding	-	-	-	-	-	-	-	-	-
301 - Information Services Enhancement	-	-	756,250	-	-	756,250	-	-	-
304 - Distilled Spirits Shipping Capacity & Svcs	-	-	-	-	-	-	-	-	-
310 - Financial Services Staff Fulfillment	-	-	-	-	-	-	-	-	-
311 - Administration and Communication Outreach	-	-	-	-	-	-	-	-	-
408 - Marijuana Program Enhancement	9	9.00	2,298,755	-	-	2,298,755	-	-	-
Subtotal Policy Packages	9	9.00	2,750,099	-	-	2,750,099	-	-	-
<hr/>									
Total 2019-21 Leg. Adopted Audit	68	68.00	19,686,383	-	-	19,686,383	-	-	-
<hr/>									
Percentage Change From 2017-19 Leg Approved Budget	15.25%	24.47%	41.01%	-	-	41.01%	-	-	-
Percentage Change From 2019-21 Current Service Level	15.25%	15.25%	16.24%	-	-	16.24%	-	-	-

Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Agents Compensation Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-005-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2017-19 Leg Adopted Budget	-	-	123,927,415	-	-	123,927,415	-	-	-
2017-19 Emergency Boards	-	-	-	-	-	-	-	-	-
2017-19 Leg Approved Budget	-	-	123,927,415	-	-	123,927,415	-	-	-
2019-21 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 2019-21 Base Budget	-	-	123,927,415	-	-	123,927,415	-	-	-
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)	-	-	5,204,951	-	-	5,204,951	-	-	-
Subtotal	-	-	5,204,951	-	-	5,204,951	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									

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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Agents Compensation Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-005-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2019-21 Current Service Level	-	-	129,132,366	-	-	129,132,366	-	-	-

Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Agents Compensation Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-005-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2019-21 Current Service Level	-	-	129,132,366	-	-	129,132,366	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2019-21 Current Service Level	-	-	129,132,366	-	-	129,132,366	-	-	-
080 - E-Boards									
080 - May 2018 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
081 - September 2018 Emergency Board	-	-	-	-	-	-	-	-	-
090 - Analyst Adjustments	-	-	4,913,338	-	-	4,913,338	-	-	-
091 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
092 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
801 - LFO Analyst Adjustments	-	-	1,340,000	-	-	1,340,000	-	-	-
810 - Statewide Adjustments	-	-	-	-	-	-	-	-	-
811 - Budget Reconciliation Adjustments	-	-	-	-	-	-	-	-	-
813 - Policy Bills	-	-	-	-	-	-	-	-	-
816 - Capital Construction	-	-	-	-	-	-	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
102 - Distilled Spirits Shipping Capacity & Svcs	-	-	-	-	-	-	-	-	-
112 - Move Agency Bank Card Costs	-	-	-	-	-	-	-	-	-
113 - Increase Licensee Comp Rates	-	-	-	-	-	-	-	-	-
114 - Separate Distillery Agent Compensation	-	-	-	-	-	-	-	-	-
203 - License Fees Increase	-	-	-	-	-	-	-	-	-

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Summary of 2019-21 Biennium Budget

**Oregon Liquor Control Comm
Agents Compensation Program
2019-21 Biennium**

Leg. Adopted Budget
Cross Reference Number: 84500-005-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
205 - Statewide Dispatch Services	-	-	-	-	-	-	-	-	-
206 - Licensing Staff Fulfillment	-	-	-	-	-	-	-	-	-
207 - Public Safety Staff Fulfillment	-	-	-	-	-	-	-	-	-
209 - Regulatory Specialist Reclass	-	-	-	-	-	-	-	-	-
215 - Bottle Bill Regulation & Funding	-	-	-	-	-	-	-	-	-
301 - Information Services Enhancement	-	-	-	-	-	-	-	-	-
304 - Distilled Spirits Shipping Capacity & Svcs	-	-	-	-	-	-	-	-	-
310 - Financial Services Staff Fulfillment	-	-	-	-	-	-	-	-	-
311 - Administration and Communication Outreach	-	-	-	-	-	-	-	-	-
408 - Marijuana Program Enhancement	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	6,253,338	-	-	6,253,338	-	-	-
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Total 2019-21 Leg. Adopted Audit	-	-	135,385,704	-	-	135,385,704	-	-	-
<hr/>									
Percentage Change From 2017-19 Leg Approved Budget	-	-	9.25%	-	-	9.25%	-	-	-
Percentage Change From 2019-21 Current Service Level	-	-	4.84%	-	-	4.84%	-	-	-

Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Medical Marijuana Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-006-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2017-19 Leg Adopted Budget	7	6.42	1,491,064	-	-	1,491,064	-	-	-
2017-19 Emergency Boards	16	10.30	3,753,682	-	-	3,753,682	-	-	-
2017-19 Leg Approved Budget	23	16.72	5,244,746	-	-	5,244,746	-	-	-
2019-21 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	6.28	1,472,580	-	-	1,472,580	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2019-21 Base Budget	23	23.00	6,717,326	-	-	6,717,326	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(30,179)	-	-	(30,179)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	121,610	-	-	121,610	-	-	-
Subtotal	-	-	91,431	-	-	91,431	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(1,250,098)	-	-	(1,250,098)	-	-	-
Subtotal	-	-	(1,250,098)	-	-	(1,250,098)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	1,169,365	-	-	1,169,365	-	-	-
State Gov't & Services Charges Increase/(Decrease)			58,404	-	-	58,404	-	-	-

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BDV104 - Biennial Budget Summary
BDV104

Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Medical Marijuana Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-006-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal	-	-	1,227,769	-	-	1,227,769	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2019-21 Current Service Level	23	23.00	6,786,428	-	-	6,786,428	-	-	-

Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Medical Marijuana Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-006-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2019-21 Current Service Level	23	23.00	6,786,428	-	-	6,786,428	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2019-21 Current Service Level	23	23.00	6,786,428	-	-	6,786,428	-	-	-
080 - E-Boards									
080 - May 2018 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
081 - September 2018 Emergency Board	-	-	-	-	-	-	-	-	-
090 - Analyst Adjustments	-	-	(1,344,000)	-	-	(1,344,000)	-	-	-
091 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
092 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
801 - LFO Analyst Adjustments	-	-	5,690	-	-	5,690	-	-	-
810 - Statewide Adjustments	-	-	(33,076)	-	-	(33,076)	-	-	-
811 - Budget Reconciliation Adjustments	-	-	-	-	-	-	-	-	-
813 - Policy Bills	-	-	-	-	-	-	-	-	-
816 - Capital Construction	-	-	-	-	-	-	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
102 - Distilled Spirits Shipping Capacity & Svcs	-	-	-	-	-	-	-	-	-
112 - Move Agency Bank Card Costs	-	-	-	-	-	-	-	-	-
113 - Increase Licensee Comp Rates	-	-	-	-	-	-	-	-	-
114 - Separate Distillery Agent Compensation	-	-	-	-	-	-	-	-	-
203 - License Fees Increase	-	-	-	-	-	-	-	-	-

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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Medical Marijuana Program
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-006-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
205 - Statewide Dispatch Services	-	-	195,072	-	-	195,072	-	-	-
206 - Licensing Staff Fulfillment	-	-	-	-	-	-	-	-	-
207 - Public Safety Staff Fulfillment	-	-	-	-	-	-	-	-	-
209 - Regulatory Specialist Reclass	-	-	-	-	-	-	-	-	-
215 - Bottle Bill Regulation & Funding	-	-	-	-	-	-	-	-	-
301 - Information Services Enhancement	-	-	-	-	-	-	-	-	-
304 - Distilled Spirits Shipping Capacity & Svcs	-	-	-	-	-	-	-	-	-
310 - Financial Services Staff Fulfillment	-	-	-	-	-	-	-	-	-
311 - Administration and Communication Outreach	-	-	-	-	-	-	-	-	-
408 - Marijuana Program Enhancement	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	(1,176,314)	-	-	(1,176,314)	-	-	-
<hr/>									
Total 2019-21 Leg. Adopted Audit	23	23.00	5,610,114	-	-	5,610,114	-	-	-
<hr/>									
Percentage Change From 2017-19 Leg Approved Budget	-	37.56%	6.97%	-	-	6.97%	-	-	-
Percentage Change From 2019-21 Current Service Level	-	-	-17.33%	-	-	-17.33%	-	-	-

Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Capital Improvements
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-088-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2017-19 Leg Adopted Budget	-	-	227,943	-	-	227,943	-	-	-
2017-19 Emergency Boards	-	-	-	-	-	-	-	-	-
2017-19 Leg Approved Budget	-	-	227,943	-	-	227,943	-	-	-
2019-21 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 2019-21 Base Budget	-	-	227,943	-	-	227,943	-	-	-
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: 2019-21 Current Service Level	-	-	227,943	-	-	227,943	-	-	-

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BDV104 - Biennial Budget Summary
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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Capital Improvements
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-088-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2019-21 Current Service Level	-	-	227,943	-	-	227,943	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2019-21 Current Service Level	-	-	227,943	-	-	227,943	-	-	-
080 - E-Boards									
080 - May 2018 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
081 - September 2018 Emergency Board	-	-	-	-	-	-	-	-	-
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Statewide Adjustment DAS Chgs	-	-	-	-	-	-	-	-	-
092 - Statewide AG Adjustment	-	-	-	-	-	-	-	-	-
801 - LFO Analyst Adjustments	-	-	-	-	-	-	-	-	-
810 - Statewide Adjustments	-	-	-	-	-	-	-	-	-
811 - Budget Reconciliation Adjustments	-	-	-	-	-	-	-	-	-
813 - Policy Bills	-	-	-	-	-	-	-	-	-
816 - Capital Construction	-	-	-	-	-	-	-	-	-
850 - Program Change Bill	-	-	-	-	-	-	-	-	-
102 - Distilled Spirits Shipping Capacity & Svcs	-	-	-	-	-	-	-	-	-
112 - Move Agency Bank Card Costs	-	-	-	-	-	-	-	-	-
113 - Increase Licensee Comp Rates	-	-	-	-	-	-	-	-	-
114 - Separate Distillery Agent Compensation	-	-	-	-	-	-	-	-	-
203 - License Fees Increase	-	-	-	-	-	-	-	-	-

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BDV104 - Biennial Budget Summary
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Summary of 2019-21 Biennium Budget

Oregon Liquor Control Comm
Capital Improvements
2019-21 Biennium

Leg. Adopted Budget
Cross Reference Number: 84500-088-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
205 - Statewide Dispatch Services	-	-	-	-	-	-	-	-	-
206 - Licensing Staff Fulfillment	-	-	-	-	-	-	-	-	-
207 - Public Safety Staff Fulfillment	-	-	-	-	-	-	-	-	-
209 - Regulatory Specialist Reclass	-	-	-	-	-	-	-	-	-
215 - Bottle Bill Regulation & Funding	-	-	-	-	-	-	-	-	-
301 - Information Services Enhancement	-	-	-	-	-	-	-	-	-
304 - Distilled Spirits Shipping Capacity & Svcs	-	-	150,000	-	-	150,000	-	-	-
310 - Financial Services Staff Fulfillment	-	-	-	-	-	-	-	-	-
311 - Administration and Communication Outreach	-	-	-	-	-	-	-	-	-
408 - Marijuana Program Enhancement	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	150,000	-	-	150,000	-	-	-
<hr/>									
Total 2019-21 Leg. Adopted Audit	-	-	377,943	-	-	377,943	-	-	-
<hr/>									
Percentage Change From 2017-19 Leg Approved Budget	-	-	65.81%	-	-	65.81%	-	-	-
Percentage Change From 2019-21 Current Service Level	-	-	65.81%	-	-	65.81%	-	-	-

BUDGET NARRATIVE

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Oregon Liquor Control Comm**Agency Number: 84500****Agencywide Program Unit Summary
2019-21 Biennium****Version: Z - 01 - Leg. Adopted Budget**

Summary Cross Reference Number	Cross Reference Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
001-00-00-00000	Distilled Spirits Program						
	Other Funds	28,292,146	25,681,292	26,028,759	22,401,877	23,293,627	29,997,381
002-00-00-00000	Public Safety Services Program						
	Other Funds	19,069,694	22,557,637	23,188,044	28,351,233	27,273,997	27,878,683
003-00-00-00000	Administration and Support						
	Other Funds	16,475,153	19,515,122	20,575,020	30,432,974	24,528,225	28,110,463
004-00-00-00000	Recreational Marijuana Program						
	Other Funds	8,531,492	12,849,549	13,960,633	20,433,662	19,044,126	19,686,383
005-00-00-00000	Agents Compensation Program						
	Other Funds	105,588,568	123,927,415	123,927,415	142,882,366	144,961,847	135,385,704
006-00-00-00000	Medical Marijuana Program						
	Other Funds	-	1,491,064	5,244,746	6,981,500	5,623,748	5,610,114
088-00-00-00000	Capital Improvements						
	Other Funds	4,953,678	227,943	227,943	6,461,943	227,943	377,943
TOTAL AGENCY							
	Other Funds	182,910,731	206,250,022	213,152,560	257,945,555	244,953,513	247,046,671

____ Agency Request
2019-21 Biennium

____ Governor's Budget
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☒ Legislatively Adopted
Agencywide Program Unit Summary - BPR010

BUDGET NARRATIVE

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PROGRAM PRIORITIZATION FOR 2019-21

Agency Name: Oregon Liquor Control Commission 2019-21 Biennium																			Agency Number: 84500					
Agency-Wide Priorities for 2019-2021 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)	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CBL Included in Agency Request					
Agcy	Prgm/ Div																	The Oregon Liquor Control 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		003-028	Information Technology	845-4, 845-6	4		12,301,831				\$ 12,301,831	20	20.00	N	N	C		POP 301					
2	1		001-030	Distribution Center	845-4, 845-5	6		11,478,263				\$ 11,478,263	65	65.00	N	Y	C		POP 102					
3	2		001-020	Purchasing	845-4, 845-5	6		1,097,033				\$ 1,097,033	4	4.00	N	N	C		POP 102					
4	1		002-045	Licenses Services	845-1, 845-2, 845-3, 845-4	5		4,287,859				\$ 4,287,859	20	20.00	N	N	C		POP 203, POP 206					
6	1		088-088	Capital Improvements	845-5	4		377,943				\$ 377,943	0	0.00	N	N	C		POP 304					
5	2		002-047	Public Safety	845-1, 845-2, 845-3, 845-4	5		19,232,878				\$ 19,232,878	80	78.00	N	Y	C		POP 205, POP 207, POP 209					
6	1		004-087	Recreational Marijuana Enforcement	845-7, 845-8	3		8,299,649				\$ 8,299,649	37	37.00	N	Y	S		POP 205, POP 408, POP 209					
7	1		006-091	OMMP Tracking Administration	845-8	3		5,810,114				\$ 5,810,114	23	23.00	N	Y	S		POP 205					
8	2		004-080	Recreational Marijuana Administration	845-7, 845-8	3		4,130,964				\$ 4,130,964	13	13.00	N	N	S		POP 408					
9	3		004-085	Recreational Marijuana Licensing	845-7, 845-8	3		7,255,770				\$ 7,255,770	18	18.00	N	N	S							
10	2		003-025	Financial Services	845-4, 845-6	4		6,717,477				\$ 6,717,477	28	28.00	N	N	C		POP 310					
11	3		003-010	Administration	845-4, 845-6	4		1,967,042				\$ 1,967,042	3	3.00	N	N	C		POP 311					
12	4		003-011	Government Affairs / Communications	845-4, 845-6	4		1,283,785				\$ 1,283,785	5	5.00	N	N	C		POP 311					
13	5		003-015	Administrative Services	845-4, 845-6	4		2,909,377				\$ 2,909,377	10	10.00	N	N	C		POP 311					
14	3		001-024	Bank Card Fees	845-4, 845-5	6		14,768,600				\$ 14,768,600	0	0.00	Y	Y	C		POP 112					
15	1		005-072	Store Agents Compensation	845-5	6		132,444,704				\$ 132,444,704	0	0.00	Y	N	C		POP 112, POP 113, POP 114					
16	2		005-073	Distillery Agents Compensation	845-5	6		2,941,000				\$ 2,941,000	0	0.00	Y	N	C		POP 114					
17	3		002-055	Administrative Policy and Process	845-1, 845-2, 845-3, 845-4	5		3,604,630				\$ 3,604,630	15	15.00	N	N	C		POP 215					
18	6		003-010	Commissioners	845-4, 845-6	4		36,371				\$ 36,371	0	0.00	N	N	C							
19	7		003-010	Human Resources	845-4, 845-6	4		1,568,777				\$ 1,568,777	6	6.00	N	N	C							
20	4		001-040	Retail Services	845-4, 845-5	6		2,618,394				\$ 2,618,394	10	10.00	N	N	C							
21	4		002-046	Alcohol Education	845-1, 845-2, 845-3, 845-4	5		753,318				\$ 753,318	3	3.00	N	N	C							
22	8		003-016	Management Consulting	845-4, 845-6	4		954,823				\$ 954,823	4	4.00	N	N	C							
23	9		003-075	Motor Pool	845-4, 845-6	4		289,912				\$ 289,912	0	0.00	N	N	C							
24	5		001-042	Liquor Sales Support	845-4, 845-5	6		37,061				\$ 37,061	0	0.00	N	N	C							
25	10		003-060	Supply Center	845-4, 845-6	4		61,068				\$ 61,068	0	0.00	N	N	C							
								247,046,671				\$ 247,046,671	364	362.00										

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

Prioritize each program activity for the Agency as a whole

Document criteria used to prioritize activities:

OLCC's policies and operational decisions have 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.

Agency Name: Oregon Liquor Control Commission																													
2019-21 Biennium																			Agency Number: 84500										
SPIRITS SCR 001 Fund 001																													
Program/Division Priorities for 2019-21 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)	Agcy	Prgm/ Div	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 Control 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			001-030	Distribution Center					11,476,293				\$ 11,476,293	65	65.00	N	Y	C			POP 102							
3	2			001-020	Purchasing					1,097,033				\$ 1,097,033	4	4.00	N	N	C			POP 102							
14	3			001-024	Bank Card Fees					14,768,600				\$ 14,768,600	0	0.00	Y	Y	C			POP 112							
20				001-040	Retail Services					2,618,364				\$ 2,618,364	10	10.00	N	N	C										
24	5			001-042	Liquor Sales Support					37,061				\$ 37,061	0	0.00	N	N	C										
								-	-	20,997,381	-	-	-	\$ 20,997,381	79	79.00													

- 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

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

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 forty-five 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 efficiently and effectively meet the customer demand for distilled products by consumers and industry participants. In addition to the Distilled Spirits Program, the Store Operating Expense 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 principle 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 is a policy option package to increase resources 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 2019-21

Agency Name: Oregon Liquor Control Commission				Agency Number: 84500																				
2019-21 Biennium				Fund 001																				
Safety SCR 002				Fund 001																				
Program/Division Priorities for 2019-21 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	\$														The Oregon Liquor Control 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.					
4	1		002-045 Licenses Services					4,287,859				\$ 4,287,859	20	20.00	N	N	C				POP 203, POP 206			
5	2		002-047 Public Safety					19,232,875				\$ 19,232,875	80	78.00	N	Y	C				POP 205, POP 207, POP 209			
17	3		002-055 Administrative Policy and Process					3,604,630				\$ 3,604,630	15	15.00	N	N	C				POP 215			
21	4		002-046 Alcohol Education					753,316				\$ 753,316	3	3.00	N	N	C							
												\$ -												
												\$ -												
												\$ -												
								27,878,683				\$ 27,878,683	118	116.00										

7. Primary Purpose Program/Activity Exists

- Civil Justice
- Community Development
- Consumer Protection
- Administrative Function
- Criminal Justice
- Economic Development
- Education & Skill Development
- Emergency Services
- Environmental Protection
- Public Health
- Recreation, Heritage, or Cultural

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

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

12 Social Support

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 2019-21

Agency Name: Oregon Liquor Control Commission				Agency Number: 84500																		
2019-21 Biennium																						
Support SCR 003 Fund 001																						
Program/Division Priorities for 2019-21 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	Prgrm 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.	645-4, 645-6	4														The Oregon Liquor Control 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	003-026	Information Technology					12,301,631				\$ 12,301,631	20	20.00	N	N	C			POP 301		
10	2	003-025	Financial Services					6,717,477				\$ 6,717,477	28	28.00	N	N	C			POP 310		
11	3	003-010	Administration					1,987,042				\$ 1,987,042	3	3.00	N	N	C			POP 311		
12	4	003-011	Government Affairs / Communications					1,283,785				\$ 1,283,785	5	5.00	N	N	C			POP 311		
13	5	003-015	Administrative Services					2,909,377				\$ 2,909,377	10	10.00	N	N	C			POP 311		
18	6	003-013	Commissions					36,371				\$ 36,371	0	0.00	N	N	C					
19	7	003-012	Human Resources					1,588,777				\$ 1,588,777	6	6.00	N	N	C					
22	8	003-016	Management Consulting					954,823				\$ 954,823	4	4.00	N	N	C					
23	9	003-075	Motor Pool					289,912				\$ 289,912	0	0.00	N	N	C					
25	10	003-060	Supply Center					61,068				\$ 61,068	0	0.00	N	N	C					
								28,110,463				\$ 28,110,463	78	78.00								

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
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- 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 Distilled Spirits and Public Safety 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 two operating programs of the OLCC meet both principles of public safety and economic development.

Agency Request Budget Governor's Balanced Budget ☒ Legislatively Approved Budget

OLCC Agency Summary

Budget Page 98

[illegible]

- 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

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

Document criteria used to prioritize activities:

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.

Agency Name:						Oregon Liquor Control Commission																									
2019-21 Biennium						Agency Number:																		84500							
Capital SCR 088						Fund 003																									
Program/Division Priorities for 2019-21 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 Control 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	088-088	Capital Improvements						377,943			\$ 377,943	0	0.00	N	N	C			P 004											
						-	-		377,943	-	-	\$ 377,943	0	0.00																	

- 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
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- 12 Social Support

C Constitutional
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Through the OLCC's Capital Improvement 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.

Agency Name:		Oregon Liquor Control Commission																								
2019-21 Biennium																			Agency Number:		84500					
Rec MJ SCR 004		Fund 004		Program/Division Priorities for 2019-21 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 Control 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		004-087	Recreational Marijuana Enforcement				8,299,649				\$ 8,299,649	37	37.00	N	Y	S			POP 205, POP 408, POP 209						
8	2		004-080	Recreational Marijuana Administration				4,130,964				\$ 4,130,964	13	13.00	N	N	S			POP 408						
9	3		004-085	Recreational Marijuana Licensing				7,255,770				\$ 7,255,770	18	18.00	N	N	S									
								19,686,383				\$ 19,686,383	68	68.00												

- 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

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

Document criteria used to prioritize activities:

Agency Request Budget	Governor's Budget	x	Legislatively Approved Budget	OLCC Agency Summary	Budget Page	101
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[illegible]

- 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

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

Document criteria used to prioritize activities:

Agency Request Budget	Governor's Budget	x Legislatively Approved Budget	OLCC Agency Summary	Budget Page	102
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BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

Fund	CSL 2019-21	10% Reduction
Administration	\$ 73,608,644	\$ 7,360,864
Agents Compensation	\$ 129,132,366	\$ 12,913,237
Capital Improvements	\$ 227,943	\$ 22,794
Recreational Marijuana	\$ 16,936,284	\$ 1,693,628
Medical Marijuana Tracking	\$ 6,786,428	\$ 678,643
Total	\$ 226,691,665	\$ 22,669,167

BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

ACTIVITY OR PROGRAM (WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN)	DESCRIBE REDUCTION (DESCRIBE THE EFFECTS OF THIS REDUCTION. INCLUDE POSITIONS AND FTE IN 2019-21 AND 2021-23)	AMOUNT AND FUND TYPE (GF, LF, OF, FF. IDENTIFY REVENUE SOURCE FOR OF, FF)	RANK AND JUSTIFICATION
1. Distilled Spirits Program – Bank Card Fee Limitation	Reduce bank card fees by 15% for the purchase of liquor	(OF) \$2,197,000	1. The OLCC does not have the ability to control the use of bank cards by consumers wishing to purchase distilled spirits. A reduction in the amount of limitation needed to pay for bank card fees would require the OLCC to limit the agency outlets authorized to accept bank cards. Only the largest class of stores would be allowed to accept bank cards with the potential of OLCC withdrawing even their authority at the end of the biennium if use is higher than projected. This would create dissatisfaction among consumers and liquor agents by establishing a two-tier system for customer service. In the 2003-05 biennium, bank fees were a non-limited item.
2. Support Services Program – Motor Pool and Supply Center	Eliminate the purchase of replacement motor pool vehicles and reduce supply center costs.	(OF) \$135,000	2. OLCC staff travel throughout the state to visit liquor license applicants and established licensees – to investigate, inspect, monitor, and assess compliance with liquor laws. Retail Services district managers travel long distances to visit liquor stores to oversee the retail operation, transfer

BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

			product, and process claims. OLCC auditors travel to all liquor stores throughout the year to ensure the reporting and depositing accuracy of independent contractors handling state funds. Having reliable vehicles means having a safe work environment for OLCC's staff. This cut would eliminate the replacement of aging vehicles for the 2019-121 biennium and reduce maintenance activities for the remaining fleet. This cut compromises a safe work environment and service to stakeholders. Reducing supplies reduces employee effectiveness.
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BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

3. Public Safety Program -Liquor Regulatory Specialist	Eliminate 7 Liquor Regulatory Specialist.	(OF) \$1,300,000	8. This reduction significantly reduces OLCC's ability to enforce liquor laws and protect the public safety in a large area of the state. This reduction would reduce total alcohol Public Safety Division staffing by 18 % out of a total of 38 Regulatory FTE. Public Safety compliance managers and regulatory specialists are stationed in field and district offices throughout the state, servicing license applicants and licensee holders directly. This reduction would eliminate 7 liquor regulatory specialist positions among various field offices and Portland based on seniority and conditions of the current labor agreement with represented employees
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BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

4. Administration	Eliminate 1 Economist 4	(OF) \$245,000	4. This reduction would eliminate professional-level analytical services and consultation to agency executives in the Distilled Spirits, Public Safety Services and Support Services programs on behalf of the Executive Director. It would eliminate the ability to perform analyses on a wide variety of program and policy functions, including: budget development; strategic and business planning; rule-making, operational and program special project development and communications. It would compromise development of communication of the budget process, including budget policy option packages, budget book narratives, or to report on budget notes, budget appeals to persuade the Department of Administrative Services or the Governor's Office to revise their recommendations, and other reports to explain OLCC budget-development principles and their significance.
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BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

Administrative Fund – First 5% Total		(OF) <u>\$2,877,000</u>	
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BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

<p>5. Distilled Spirits Program – Distribution Center</p>	<p>Eliminate 7 Liquor Dist. Worker 1s (7 FTE), one Liquor Distribution Worker 2 (1 FTE) and one Liquor Equip Operator (1 FTE) in the Distribution Center.</p>	<p>(OF) \$1,210,000</p>	<p>7. This reduction would eliminate the distribution center's ability to fill liquor store orders for partial cases or special orders. Liquor stores would have to order full cases, or none, of slower-moving products including emerging Oregon craft products which depend on individual bottle sales throughout the state. If stores choose to order full cases, unnecessary state dollars would be invested in higher inventory quantities. If stores do not order the product due to storage or inventory goal restraints, they may lose sales and customers would not find their desired products as dependably. Special orders would have to be dramatically curtailed impacting the ability to meet consumer demand for varieties of products. In either case, state general fund revenue is lost, either by extra inventory investment or lost sales. This reduction has the potential to negatively impact the development of the Oregon Craft Distilling industry. The income of smaller volume, Oregon-based, distilled spirits suppliers' would be reduced, as well as contracted agents' compensation which is determined by sales volume. Would negatively impact the ability to move and ship an increased amount of</p>
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BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

			product that was the result of the conveyor expansion during 2015-17 and the statewide expansion that is adding new retail outlets across Oregon. This reduction would eliminate 9 liquor warehouse positions based on seniority and conditions of the current labor agreement with represented employees.
8. Administrative Services -Support Division	Eliminate one Purchasing Contract Assistant and one Administrative Specialist 2	(OF) \$380,000	8. The OLCC continues to experience significant increased workloads and growth from alcohol and marijuana businesses. This has resulted in a significant increase in purchasing related to new staff, office relocations and new information technology projects. Purchasing is a significant part of this service to accommodate the growing workloads and would significantly slow down the agency's ability support public safety and distilled spirits programs. . This reduction would eliminate 2 positions based on seniority and conditions of the current labor agreement with represented employees.

BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

9. Support Services Program – Management Consulting Services Division	Eliminate one Research Analyst 4 (1 FTE)	(OF) \$263,000	9. The reduction will impact several key areas of agency management. The position is the primary analyst for the agency; duties include forecasting revenue, preparing Key Performance Measures, improving business processes, preparing public safety and licensing statistics, planning for business continuity and many other duties of an analytical nature. Loss of the position would result in reporting delays, lack of improvement in agency business processes and loss of a unique skill set that may not be absorbed by other employees in the agency. The position serves as the fiscal analyst for the agency during the legislative session. Evaluation of bills and legislative concepts would have to be assigned elsewhere. The loss of expertise could result in fiscal analysis and impact statements that are not prepared timely, may be inaccurate, and would overburden other staff that would have to assume the responsibilities.
10. Support Services Program – Financial Services	Eliminate one Accountant 1 (1 FTE) and 1, one PEM D (1 FTE))	(OF) \$450,000	10. Losing financial services staff would increase the state's exposure to liquor agents potentially under-reporting their liquor sales. OLCC collects over \$700 million annually in

BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

			<p>sales revenue which is independently reported by agents. Reducing audit staff would extend the period of time between audits and would require higher-level employees to assume some of the work load of reviewing and reconciling audit activity. Remaining audit staff would have to increase the amount of time spent traveling. Smaller liquor agencies and those in eastern Oregon would be reduced in audit oversight the most. The OLCC is currently in a statewide expansion, increasing the number of retail outlets across Oregon. Reducing management staff would cause the timely reporting and accuracy of financial reporting to be significantly compromised.</p>
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BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

11. Support Services Program – Information Technology Division	Reduce on ISS8 and one ISS 3	(OF) \$480,000	11. OLCC business partners, such as licensees, liquor agents, and their customers, rely on OLCC's efficient processes. Compromising OLCC's ability to maintain its computer network infrastructure will affect its business processes. Customer service will be impacted reducing report distribution/preparation, order and inventory processing and inventory accountability. The impact of this proposal will be a reduction in maintenance of network infrastructure hardware and software. Customer service, responsiveness, reliability and support of the state's economic infrastructure are directly and indirectly affected. Any changes that may affect OLCC's ability to order and ship distilled spirits to liquor stores may seriously effect sales and revenue distribution to local and state government.
12. Licensing/AP&P	Reduce one AS1, 1 one OS2 and one OPA2 in Licensing and AP&P	(OF) \$480,000	Reduce two positions from licensing and one position from rulemaking. This will greatly reduce the amount of licenses, service permits and temporary sales licenses that can be processed. Rulemaking for alcohol and marijuana rules will have to be slowed down or have to be assigned elsewhere. This

BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

			reduction would eliminate 3 positions and would occur based on seniority and conditions of the current labor agreement with represented employees.
Administrative Fund – Second 5% Reductions Total		(OF) <u>\$3,474,000</u>	
Administrative Fund – 10% Reductions Total		(OF) <u>\$7,371,000</u>	
1. Capital Improvements Fund – First 5% Reductions Total	Reduce capital improvements by 5%	(OF) \$11,500	1. OLCC is the steward of state-owned offices, two warehouses, distilled spirits inventory, and grounds situated on approximately 25 acres in Milwaukie. The 40,000 sq. ft. office building and 230,000 sq. ft. of warehouse space plus property are worth in excess of \$55 million dollars. An adequate capital improvement budget is needed to assure the property will not diminish in value, protect the warehouse inventory, and assure visitors and employees have a safe facility. All businesses supported by OLCC's functions are in turn affected by how well the state safeguards the facility and its activities; these budget reductions compromise the stewardship.

BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

2. Capital Improvements Fund – Second 5% Reductions Total	Reduce capital improvements by 5%	(OF) \$11,500	2. OLCC is the steward of state-owned offices, two warehouses, distilled spirits inventory, and grounds situated on approximately 25.0 acres in Milwaukie. The 40,000 sq. ft. office building and 230,000 sq. ft. of warehouse space plus property are worth in excess of \$18 million dollars. An adequate capital improvement budget is needed to assure the property will not diminish in value, protect the warehouse inventory, and assure visitors and employees have a safe facility. All businesses supported by OLCC's functions are in turn affected by how well the state safeguards the facility and its activities; these budget reductions compromise the stewardship. An additional reduction will exacerbate the problems associated with lack of upkeep and maintenance of state owned properties.
Capital Improvements Fund – 10% Reductions Total		(OF) <u>\$23,000</u>	

BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

1. Store Operating Expenses Fund – First 5% Reduction Total	Reduce compensation to agents for store operating expenses, from a statewide average of 8.93% of their distilled spirits sales to 8.04%.	(OF) \$6,462,000	1. Reducing liquor agent's funding could result in reduced liquor store service levels to consumers and licensed business; lower liquor sales result in reduced profits distributed to local and state government. Reduced service levels could create State government reputational risk if customers become frustrated. Historically agents have asked for more funding, not less. If their compensation drops, agent liquor stores may not produce enough income to be viable. To compensate for reduced funding, agents may need to shorten their hours to save labor expenses, reduce store staffing levels, defer maintenance, remodels or relocations to better locations, and/or have fewer cash registers and computer upgrades. These types of reductions would reduce service levels to consumers and tourists. Reduced liquor agent funding could also impact the quality of the applicant pool when appointing liquor agents. Economic development, public safety, and stewardship could be negatively affected.
2. Store Operating Expenses Fund – Second 5% Reduction Total	Reduce compensation to agents for store operating expenses, from a	(OF) \$6,462,000	2. Reducing liquor agents' funding could reduce liquor store service levels

BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

	statewide average of 8.93% of their distilled spirits sales to 8.04%.		to consumers and licensed businesses; lower liquor sales result in reduced profits distributed to local and state government. Citizens will be more frustrated with state government. Agents have historically asked for more funding, not less. If their compensation drops, most agents will probably need to reduce service levels so they can afford running the liquor agencies. Store agents' might shorten their hours to save labor expenses; reduce store staffing levels generally, creating more opportunity for theft, less service, and more unemployment; and they may defer maintenance, remodels or relocating to better locations. They may have fewer cash registers or computer upgrades. Reduction would reduce service levels to consumers and tourists. OLCC may have fewer and less qualified people to choose from when appointing liquor agents. Economic development, public safety, and stewardship could be negatively affected.
Store Operating Expenses Fund – 10% Reductions Total		(OF) <u>\$12,923,000</u>	

BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

1. Recreational Marijuana Fund – First 5% Reduction Total	Charge Oregon licensees \$20 per month to use cannabis tracking system instead of OLCC paying it out of licensing fee.	(OF) \$950,000	1. This reduction causes licensees to pay their own fees for the CTS system which incurs higher business costs and creates an a potential lack of compliance within the system.
2. Recreational Marijuana Fund – Second 5% Reduction Total	Charge Oregon licensees \$40 per month to use cannabis tracking system instead of OLCC paying it out of licensing fee.	(OF) \$950,000	2. This reduction causes licensees to pay their own fees for the CTS system which incurs higher business costs and creates an a potential lack of compliance within the system.
Recreational Marijuana Fund – 10% Reductions Total		(OF) <u>\$1,900,000</u>	

BUDGET NARRATIVE

10% REDUCTION OPTIONS (ORS 291.216)

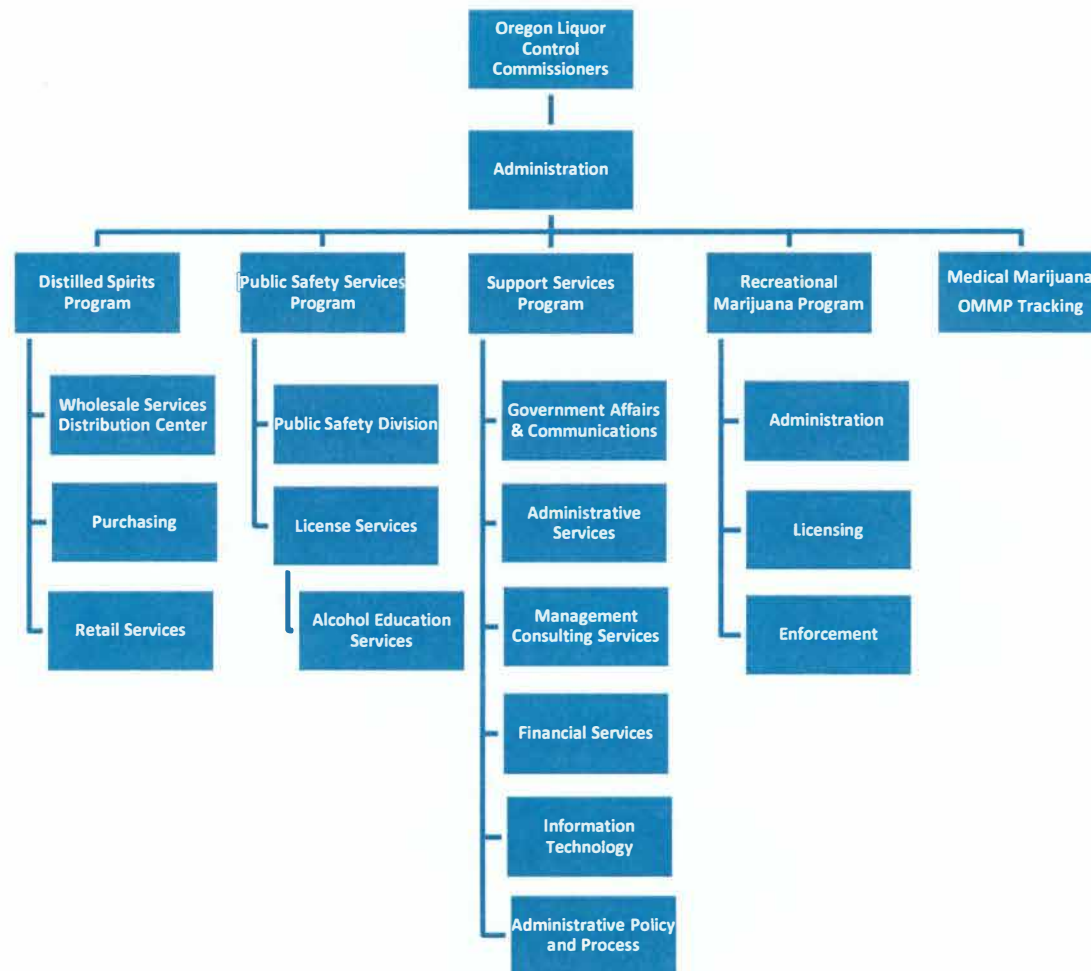
1. Medical Marijuana Program First 5% Reduction Total	Eliminate 2 Regulatory Specialists (2 FTE)	(OF) \$339,500	1. This reduction reduces the inspection and tracking capability of medical marijuana registrants and cuts the staff by 13%. This is a startup program and reductions could eliminate the perception of detection among OMMP growers
2. Medical Marijuana Program Second 5% Reduction Total	Eliminate 2 Regulatory Specialists (2 FTE)	(OF) \$339,500	1. This reduction reduces the inspection and tracking capability of medical marijuana registrants and cuts the staff by 26%. This is a startup program and reductions could eliminate the perception of detection among OMMP growers
Recreational Marijuana Fund – 10% Reductions Total		<u>(OF) \$679,000</u>	

BUDGET NARRATIVE

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BUDGET NARRATIVE

AGENCY SUMMARY NARRATIVE: OLCC AGENCY ORGANIZATION CHART 2017 - 2019

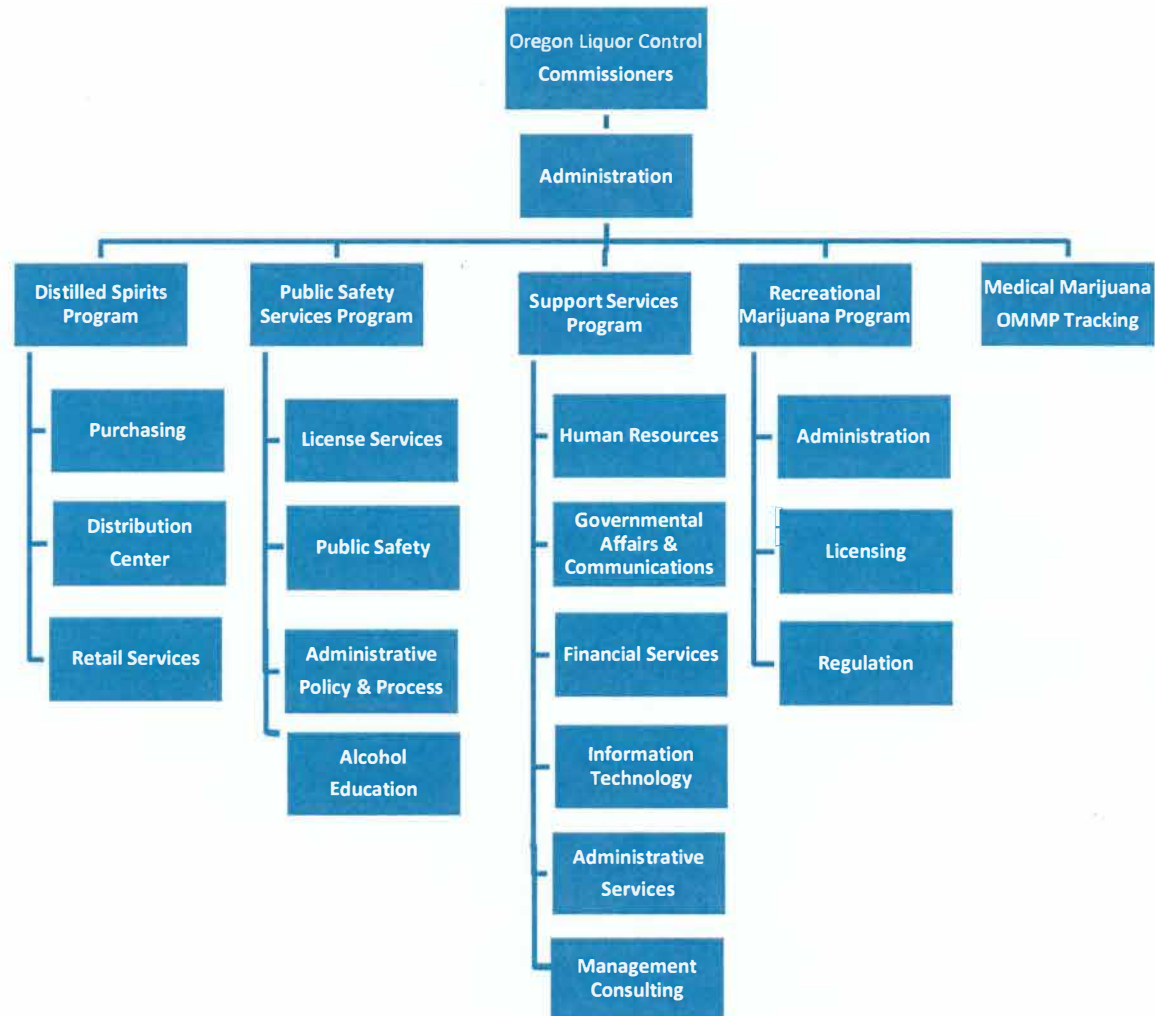


BUDGET NARRATIVE

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BUDGET NARRATIVE

AGENCY SUMMARY NARRATIVE: OLCC AGENCY ORGANIZATION CHART 2019 - 2021



BUDGET NARRATIVE

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BUDGET NARRATIVE

OREGON LIQUOR CONTROL COMMISSION REVENUES 2019-21 BUDGET

OTHER FUNDS

All revenue received by the Oregon Liquor Control Commission (OLCC) is classified as “Other Funds.”

SOURCES

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

GENERAL LIMITATIONS ON USE

The Oregon Liquor Control 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 Control 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 2017-19 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 Control Commission to do the following:

"Except as otherwise provided in ORS 471.810(2), all money collected by the Oregon Liquor Control 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 Control 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 Control 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 Control 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 Control Commission shall certify the amount of moneys available for distribution in the Oregon Liquor Control 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 2017-19 biennium, the OLCC is projected to distribute \$545.3 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.

BUDGET NARRATIVE

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 Control Commission Account that are attributable to a per bottle surcharge imposed by the Oregon Liquor Control Commission, shall be credited to the General Fund.

For the 2017-19 biennium, the OLCC continues a 50 cent per bottle surcharge scheduled to expire on June 30, 2019. The surcharge is expected to raise an additional \$35.4 million of revenue for distribution to the state General Fund. At their July 2018 meeting, the OLCC commissioners approved a continuance of the 50 cents per bottle surcharge, providing an estimated \$37.9 million to be distributed to the General Fund in 2019-21 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 Control Commission may expend moneys in the Oregon Liquor Control 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 Control 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 Control 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 Control Commission to administer and enforce ORS 475B.010 to 475B.395.

BUDGET NARRATIVE

BASIS FOR THE 2019-21 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 2019-21 the Agency Request Budget is projecting an average annual growth rate of 4.3%.

Based on the expected trends in the retail marketplace, the OLCC Agency Request Budget forecasts 2019-21 distilled spirits sales gross revenue at \$1.501 billion. This forecast total does not include an estimated \$37.9 million that would be generated by the bottle surcharge.

The Agency Request 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 \$40,017,000 for the 2019-21 biennium compared to an estimate of \$38,057,000 for the 2017-19 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.

BUDGET NARRATIVE

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 Agency Request Budget forecasts distilled spirits revenues to be \$11,744,000 from license fees and permits in the 2019-21 biennium.

OLCC's Marijuana Program is expected to oversee over 2,300 marijuana licenses during the 2019-21 biennium. Based on information from Colorado and Washington, there is also likely to be a higher percentage of turnover in marijuana licenses during the first two years and the economics of the new industry are established. The OLCC Agency Request Budget forecasts marijuana license revenues to be \$25,000,000 in the 2019-21 biennium.

Fines ORBITS 0505

The OLCC forecasts revenues from fines to decrease slightly to \$831,786 in 2019-21. The continued demand and issuance of licenses results in a corresponding increase in violations revenue.

Miscellaneous Income ORBITS 0705,

The OLCC forecasts is \$784,000 in 2019-21 from handling fees of government sales and miscellaneous fees.

Other Revenues ORBITS 0975,

The OLCC forecasts \$25,000 in 2019-21 for sales of fixed assets related to liquor distribution.

Other Revenues will also include transfers of \$7.0 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. Transfers will be done on a quarterly bases in increments of \$875,000. This results from legislation in the 2018 session (SB 1544)

BUDGET NARRATIVE

Charges for Services, ORBITS 0410,

The OLCC forecasts \$6,000 in 2019-21 fees for replacing lost liquor licenses, copier fees, and other similar charges.

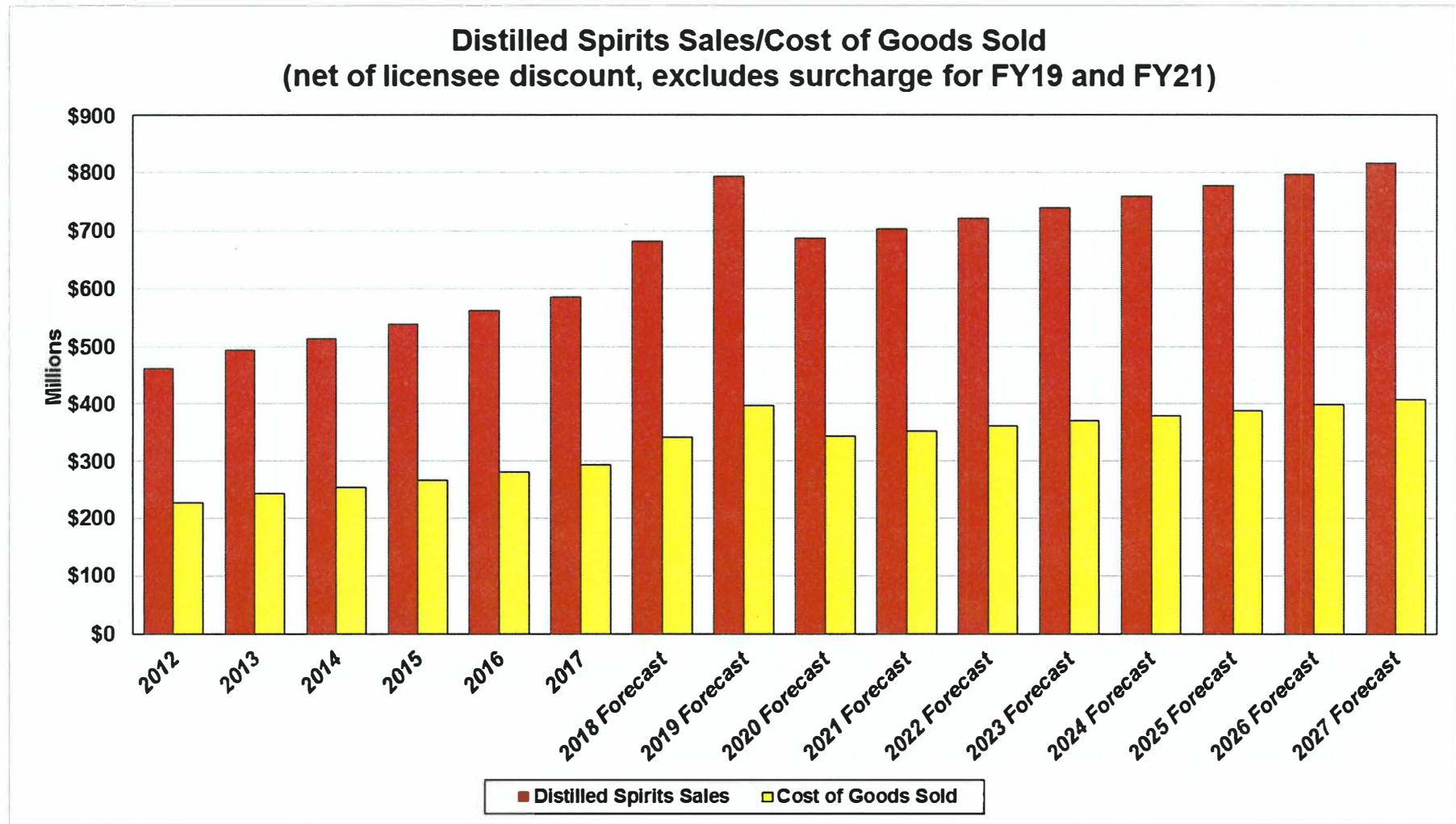
Fee Schedules

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 \$500 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 Agency Request Budget cost for administering the program. The fees will be based on the total number of licenses and permits issued by the end of calendar year 2018 that are expected to renew during the 2019-21 biennium plus the forecast revenue from new licenses.

BUDGET NARRATIVE

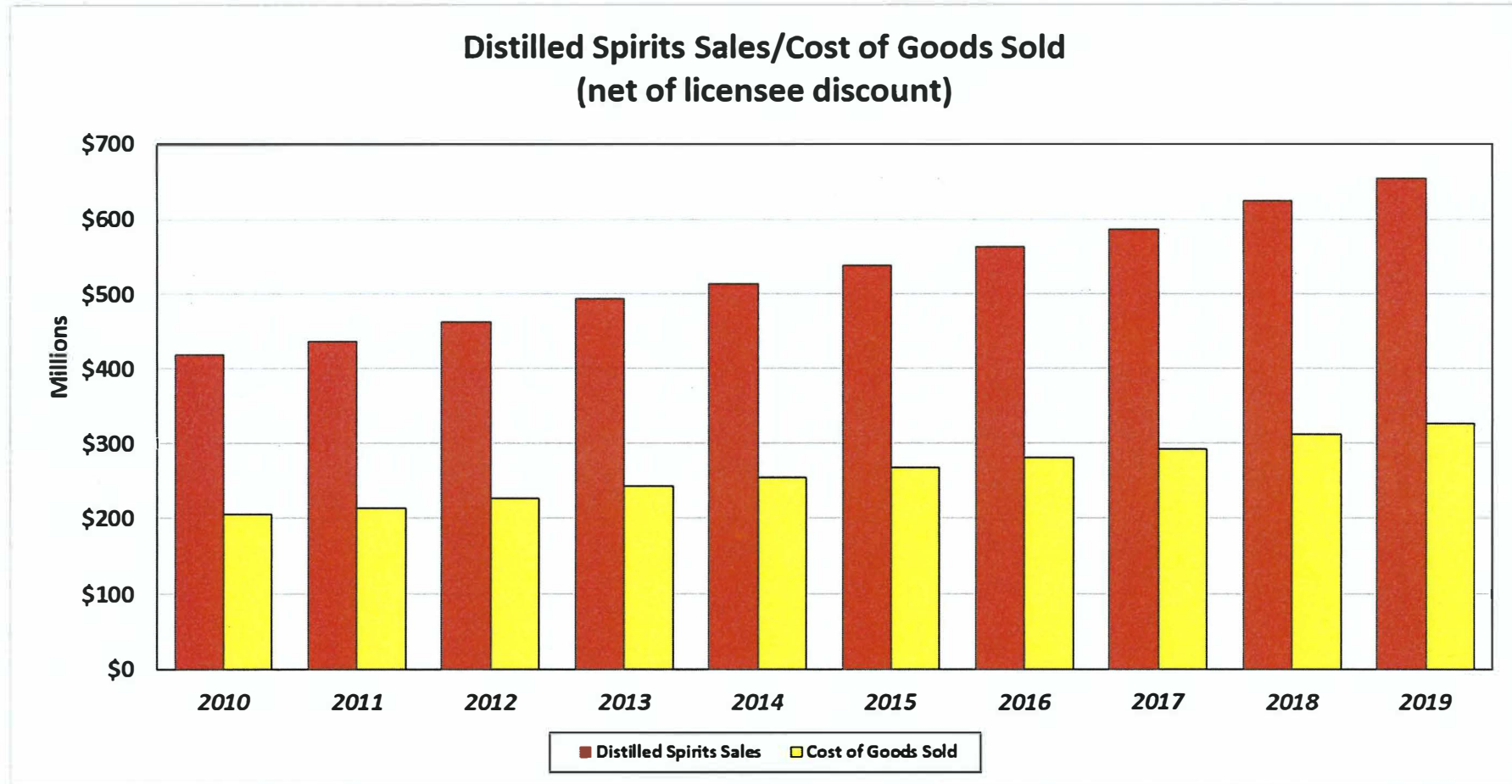
GRAPH A



Historically the cost of goods sold remains at approximately 50% of total revenue from distilled spirits sales.

BUDGET NARRATIVE

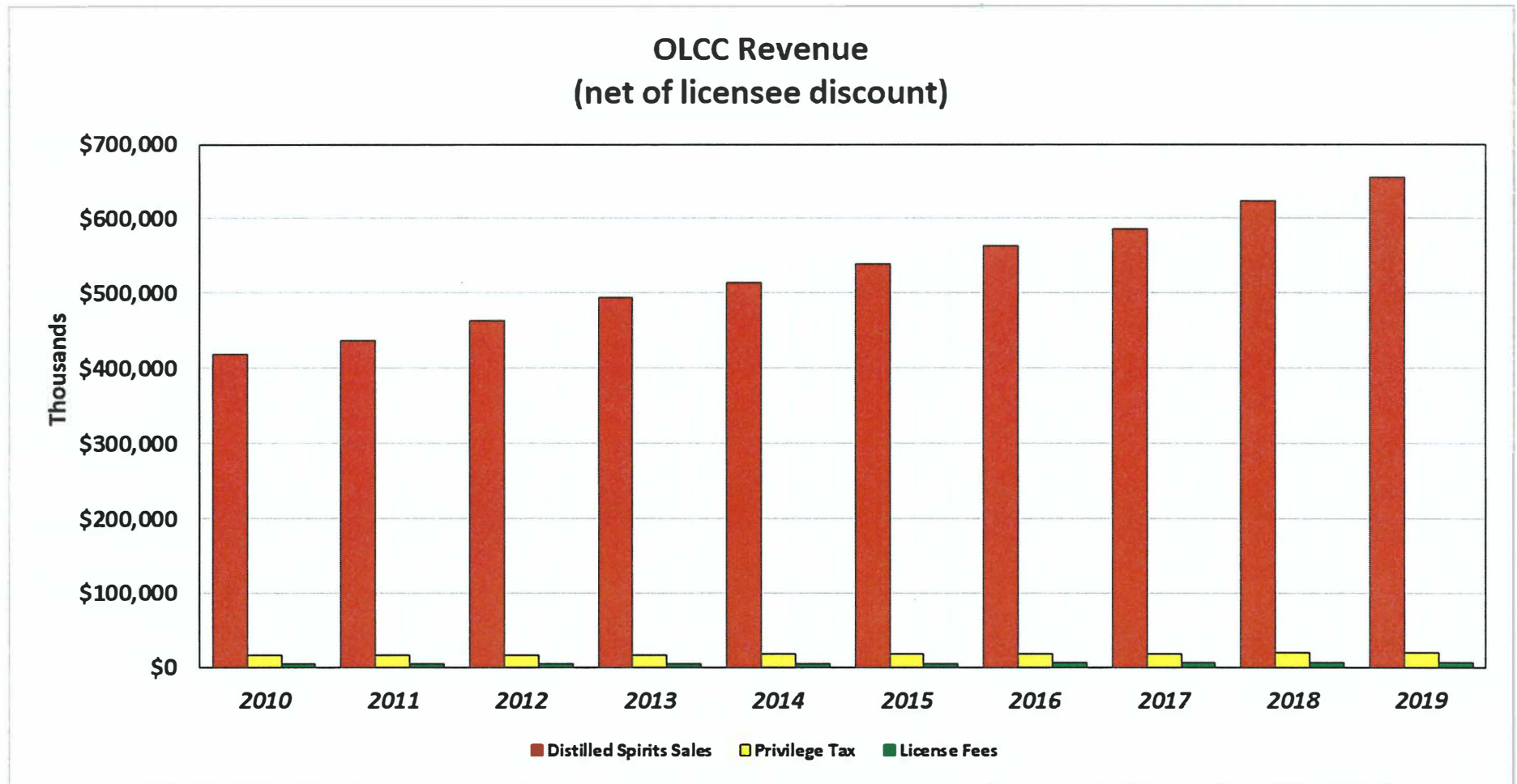
GRAPH B



Historically the cost of goods sold remains at approximately 50% of total revenue from distilled spirits sales.

BUDGET NARRATIVE

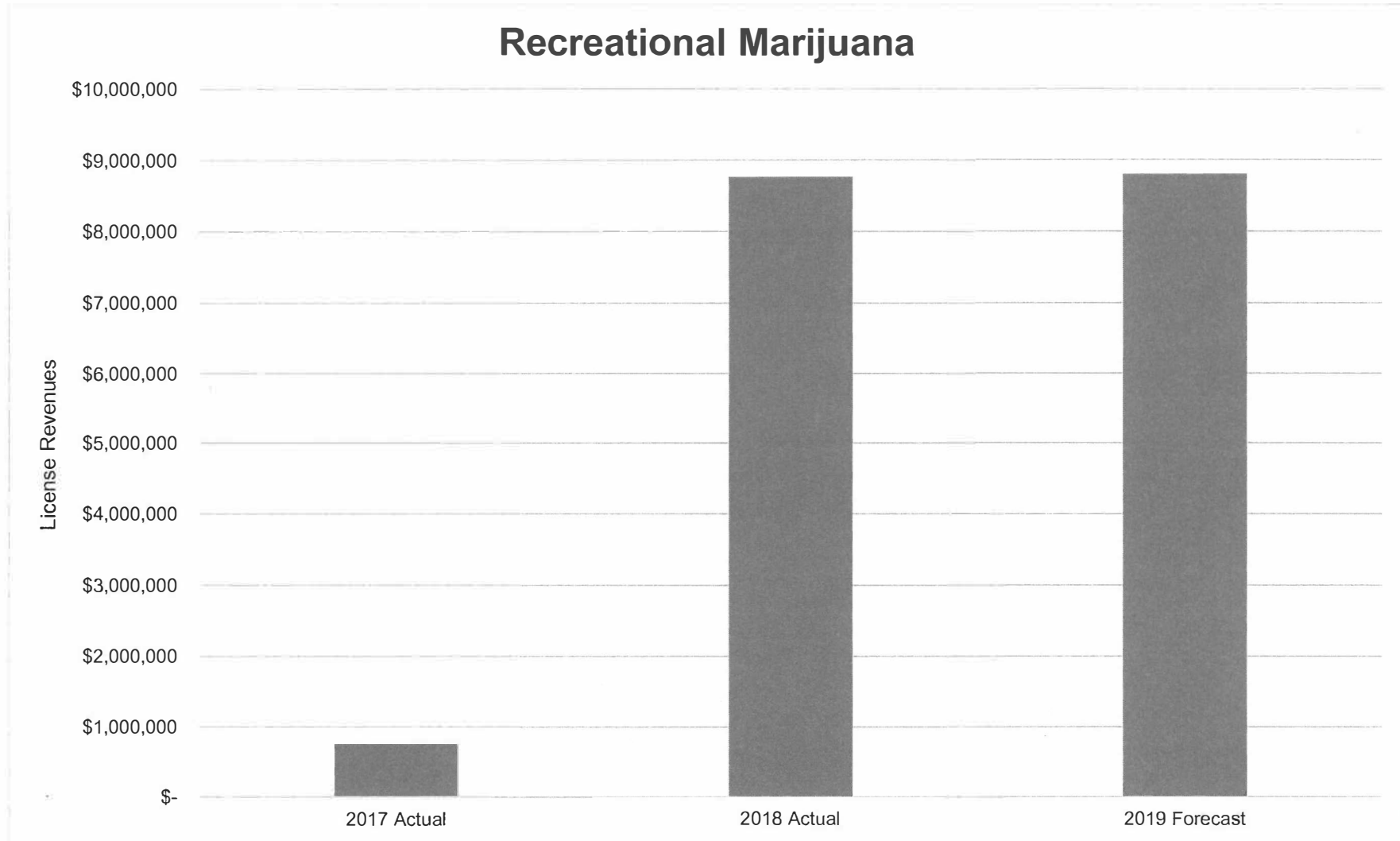
GRAPH C



In 2017, 96% of the revenue came from distilled spirits sales, 3% from privilege tax, and 1% from licensing fees.

BUDGET NARRATIVE

GRAPH D



BUDGET NARRATIVE

SCHEDULE 1

Distilled Spirits Case Sales For the 10 Years Ended June 30, 2019 And Forecasted Through June 30, 2027

Fiscal Year Ended <u>30-Jun</u>	Cases <u>Sold</u>	Quantity <u>Increase</u>	Percent <u>Increase</u>
2010	2,573,935	1,070	0.04%
2011	2,676,106	102,171	3.97%
2012	2,791,591	115,485	4.32%
2013	2,911,100	119,509	4.28%
2014	2,955,352	44,252	1.52%
2015	3,021,190	65,838	2.23%
2016	3,127,664	106,474	3.52%
2017	3,244,159	116,495	3.72%
2018	3,363,994	119,835	3.69%
2019 <i>Forecast</i>	3,506,022	142,003	4.22%

2019-21 Governor's Budget and Forward

2020 <i>Forecast</i>	3,667,515	161,493	4.61%
2021 <i>Forecast</i>	3,699,368	31,853	0.87%
2022 <i>Forecast</i>	3,726,728	27,360	0.74%
2023 <i>Forecast</i>	3,758,652	31,924	0.86%
2024 <i>Forecast</i>	3,803,717	45,065	1.20%
2025 <i>Forecast</i>	3,847,483	43,766	1.15%
2026 <i>Forecast</i>	3,902,189	54,706	1.42%
2027 <i>Forecast</i>	3,966,829	64,640	1.66%

BUDGET NARRATIVE

SCHEDULE 2

Classification of Gross Distilled Spirits Sales by Type of Purchaser For the 10 Fiscal Years Ended June 30, 2019 And Forecasted Through 2027

Fiscal Year Ended 30-Jun	Liquor Sales to Licensees <u>Amount</u>	<u>% of Total</u>	Liquor Sales to Individuals <u>Amount</u>	<u>% of Total</u>	<u>Total</u>
2010	107,014,917	25.21%	321,261,360	75.67%	424,555,782
2011	110,473,196	24.95%	336,251,319	75.94%	442,785,514
2012	116,157,307	24.71%	358,138,613	76.19%	470,059,868
2013	120,727,057	24.02%	386,206,278	76.85%	502,545,579
2014	124,626,237	23.79%	396,021,511	75.59%	523,907,277
2015	131,720,169	23.93%	415,858,543	75.56%	550,368,638
2016	141,174,201	24.43%	436,688,740	75.56%	577,936,396
2017	146,113,847	24.16%	457,060,040	75.56%	604,896,823
2018	149,117,706	23.75%	478,747,571	76.25%	632,414,156
2019 <i>Forecast</i>	162,836,762	24.17%	510,810,230	75.82%	673,714,363

2019-21 Governor's Budget and Forward

*2020 <i>Forecast</i>	168,283,989	24.17%	527,897,891	75.82%	696,251,505
*2021 <i>Forecast</i>	172,336,946	24.17%	540,611,801	75.82%	713,020,049
*2022 <i>Forecast</i>	176,200,628	24.17%	552,731,966	75.82%	729,005,495
*2023 <i>Forecast</i>	180,319,429	24.17%	565,652,424	75.82%	746,046,457
*2024 <i>Forecast</i>	185,100,716	24.17%	580,651,067	75.82%	765,828,366
*2025 <i>Forecast</i>	189,887,633	24.17%	595,667,369	75.82%	785,633,566
*2026 <i>Forecast</i>	195,265,904	24.17%	612,538,720	75.82%	807,885,413
*2027 <i>Forecast</i>	201,227,275	24.17%	631,239,221	75.82%	832,549,751

*Forecast excludes \$0.50 per bottle surcharge

BUDGET NARRATIVE

SCHEDULE 3

Agency Request Distilled Spirits Sales Forecast 2019-2021 by Month and Year

Fiscal Year 2020	Sales	Cost of Sales	Cases
July	\$59,593,205	\$29,802,793	316,895
August	\$59,304,463	\$29,658,392	313,843
September	\$54,470,297	\$27,240,807	288,439
October	\$57,452,854	\$28,732,395	303,494
November	\$57,993,037	\$29,002,543	307,252
December	\$79,744,693	\$39,880,631	405,597
January	\$49,700,320	\$24,855,323	268,729
February	\$50,926,838	\$25,468,710	266,517
March	\$55,783,542	\$27,897,566	292,718
April	\$54,563,081	\$27,287,209	285,143
May	\$58,696,181	\$29,354,189	309,226
June	\$58,022,994	\$29,017,525	309,661
Totals	\$696,251,505	\$348,198,084	3,667,515
Fiscal Year 2021			
July	\$61,028,449	\$30,520,565	319,648
August	\$60,732,754	\$30,372,686	316,569
September	\$55,782,162	\$27,896,876	290,944
October	\$58,836,550	\$29,424,387	306,130
November	\$59,389,743	\$29,701,042	309,921
December	\$81,665,267	\$40,841,118	409,120
January	\$50,897,304	\$25,453,940	271,063
February	\$52,153,361	\$26,082,099	268,832
March	\$57,127,034	\$28,569,452	295,260
April	\$55,877,180	\$27,944,395	287,619
May	\$60,109,822	\$30,061,156	311,912
June	\$59,420,422	\$29,716,384	312,350
Totals	\$713,020,049	\$356,584,098	3,699,368
Biennial Totals	\$1,409,271,554	\$704,782,182	7,366,882

BUDGET NARRATIVE

SCHEDULE 4

GROSS REVENUES

Through 30-Jun	Distilled Spirits Revenues	Privilege Tax	License Fees	Total Revenue
2010	424,555,782	16,754,392	4,725,715	446,035,889
2011	442,785,514	16,203,500	4,574,925	463,563,938
2012	470,059,868	16,892,654	4,791,065	491,743,587
2013	502,545,579	16,387,708	4,933,215	523,866,502
2014	523,907,277	17,583,833	5,222,685	546,713,795
2015	550,368,638	17,685,881	5,291,583	573,346,102
2016	577,936,396	18,285,984	5,259,570	601,481,950
2017	604,896,823	18,819,333	5,436,050	629,152,206
2018	627,865,277	18,379,137	5,437,244	651,681,658
2019 Forecast	673,714,363	19,218,785	5,735,133	698,668,280
*2020 Forecast	696,251,505	19,849,995	5,813,280	721,914,780
*2021 Forecast	713,020,049	20,251,005	5,930,720	739,201,774
*2022 Forecast	729,005,495	20,589,650	6,091,685	755,686,830
*2023 Forecast	746,046,457	20,933,958	6,257,018	773,237,433
*2024 Forecast	765,828,366	21,284,023	6,426,839	793,539,229
*2025 Forecast	785,633,566	21,639,942	6,601,269	813,874,777
*2026 Forecast	807,885,413	22,001,814	6,780,434	836,667,660
*2027 Forecast	832,549,751	22,369,736	6,964,460	861,883,948

*Forecast excludes \$0.50 per bottle surcharge

BUDGET NARRATIVE

SCHEDULE 5

Per Capita Sales of Distilled Spirits Oregon Liquor Control Commission

Fiscal Year Ended 30-Jun	Distilled Spirits Sales	Estimated Population	Per Capita Sales
2010	424,555,782	3,823,465	111.04
2011	442,785,514	3,837,300	115.39
2012	470,059,868	3,857,625	121.85
2013	502,545,579	3,883,735	129.40
2014	523,907,277	3,919,020	133.68
2015	550,368,638	3,962,710	138.89
2016	577,936,396	4,013,845	143.99
2017	604,896,823	4,076,350	148.39
2018	627,865,277	4,141,100	151.62
2019 <i>Forecast</i>	673,714,363	4,211,653	159.96
*2020 <i>Forecast</i>	696,251,505	4,271,468	163.00
*2021 <i>Forecast</i>	713,020,049	4,329,056	164.71
*2022 <i>Forecast</i>	729,005,495	4,384,052	166.29
*2023 <i>Forecast</i>	746,046,457	4,437,665	168.12
*2024 <i>Forecast</i>	765,828,366	4,489,332	170.59
*2025 <i>Forecast</i>	785,633,566	4,539,203	173.08
*2026 <i>Forecast</i>	807,885,413	4,588,010	176.09
*2027 <i>Forecast</i>	832,549,751	4,635,610	179.60

*Forecast excludes \$0.50 per bottle surcharge

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

Oregon Liquor Control Comm
2019-21 Biennium

Agency Number: 84500

Cross Reference Number: 84500-000-00-00-00000

<i>Source</i>	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
Other Funds						
Privilege Taxes	37,105,317	38,057,000	38,057,000	40,101,000	40,017,000	40,017,000
Business Lic and Fees	27,202,830	30,690,000	30,690,000	51,288,255	55,856,806	55,718,468
Charges for Services	-	6,000	6,000	6,000	6,000	6,000
Fines and Forfeitures	-	1,292,000	1,292,000	831,786	831,786	831,786
Sales Income	907,718	36,226,000	36,226,000	784,000	784,000	40,115,575
Liquor Sales	1,185,663,963	1,291,100,748	1,291,100,748	1,409,271,554	1,542,495,004	1,501,071,718
Liquor Cost of Goods Sold	(586,662,279)	(599,768,759)	(599,768,759)	(704,782,181)	(731,021,927)	(731,021,927)
Cost of Goods Sold	(14,195,721)	(7,874,579)	(7,874,579)	(16,969,469)	(18,075,205)	(18,075,205)
Other Revenues	39	25,000	25,000	7,000,025,000	-	-
Transfer In - Intrafund	174,379,200	187,985,734	190,023,506	231,382,529	213,813,437	215,277,971
Transfer In - Indirect Cost	-	3,926,427	3,926,427	6,472,203	6,472,202	6,472,202
Tsfr From Revenue, Dept of	5,492,950	9,300,000	10,800,000	7,000,000	7,000,000	7,000,000
Transfer Out - Intrafund	(174,379,200)	(187,985,734)	(190,023,506)	(231,382,529)	(213,813,437)	(215,277,971)
Transfer Out - Indirect Cost	-	(3,926,427)	(3,926,427)	(6,472,203)	(6,472,202)	(6,472,202)
Transfer to Other	(626,506)	(662,000)	(662,000)	(700,773)	(8,274,429)	(700,773)
Transfer to General Fund	(264,436,895)	(326,146,581)	(326,146,581)	(355,234,596)	(365,502,482)	(341,055,847)
Transfer to Cities	(82,697,106)	(104,086,149)	(104,086,149)	(99,314,400)	(108,918,181)	(107,789,736)
Transfer to Counties	(41,348,553)	(51,911,534)	(51,911,534)	(49,657,200)	(58,244,805)	(53,879,334)
Tsfr To Administrative Svcs	(57,887,974)	(73,111,058)	(73,155,233)	(69,520,080)	(81,542,727)	(75,400,000)
Tsfr To Oregon Health Authority	(22,219,688)	(18,697,500)	(18,748,622)	(20,253,141)	(19,826,324)	(19,827,438)
Tsfr To Agriculture, Dept of	(212,641)	-	-	(292,593)	(292,593)	(292,593)
Total Other Funds	\$186,085,454	\$224,438,588	\$225,843,291	\$7,192,583,162	\$255,291,923	\$296,717,694

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

Source	Fund	ORBITS Revenue Acct	2015-2017 Actual	2017-19 Legislatively Approved	2017-19 Estimated	2019-21		
						Agency Request	Governor's	Legislatively Adopted
ALL Sources	OTHER	Various	\$186,085,454	\$225,843,291	\$215,134,616	\$257,945,555	\$255,291,923	\$296,717,694

☐ Agency Request

☐ Governor's Budget

☒ Legislatively Adopted

Budget Page 17

Detail of Fee, License, or Assessment Revenue Increase

Proposed For Increase/Establishment

Purpose or Type of Fee, License or Assessment	Who Pays	2017-19 Estimated Revenue	2019-21 Agency Request	2019-21 Governor's Budget	2019-21 Legislatively Adopted	SB-284 Rate Increase \$	2019-21 Volume Increase \$
BP License	Brewery Public House	175,764	358,703	358,703	358,703	179,352	3,587
BRW License	Brewery	13,960	28,489	28,489	28,489	14,245	285
BRWNC License	Brewery No Consumption	16,498	33,669	33,669	33,669	16,835	337
CERA	Certificate of Approval	63,834	130,274	130,274	130,274	65,137	1,303
DIST License	Distillery	26,143	53,353	53,353	53,353	26,677	534
DS - License	Direct Shipper	164,852	336,433	336,433	336,433	168,217	3,364
F - COM License	Full On-Premises Sales	4,939,053	10,079,700	10,079,700	10,079,700	5,039,850	100,797
GSP License	Grower Sales Privilege	7,615	15,540	15,540	15,540	7,770	155
GSPNC License	Grower Sales Privilege No Consumption	17,132	34,964	34,964	34,964	17,482	350
L - License	Limited On Premises Sales	1,541,936	3,146,808	3,146,808	3,146,808	1,573,404	31,468
O - License	Off-Premises Sales	1,299,399	2,651,835	2,651,835	2,651,835	1,325,918	26,518
WH - License	Warehouse	9,899	20,202	20,202	20,202	10,101	202
WMBW - License	Wholesale Malt & Wine Distributor	128,430	262,102	262,102	262,102	131,051	2,621
WSD - License	Wine Self-Distributor	45,179	92,202	92,202	92,202	46,101	922
WY - License	Winery	307,190	626,918	626,918	626,918	313,459	6,269
WYNC - License	Winery No Consumption	227,170	463,613	463,613	463,613	231,807	4,636
TSL Addition	Temporary Use of an Annual License		10,000	10,000	10,000	5,000	5,000
		8,984,054	18,344,805	18,344,805	18,344,805	9,172,403	188,348

___ Agency Request ___ Governor's Budget X Legislatively Approved Budget

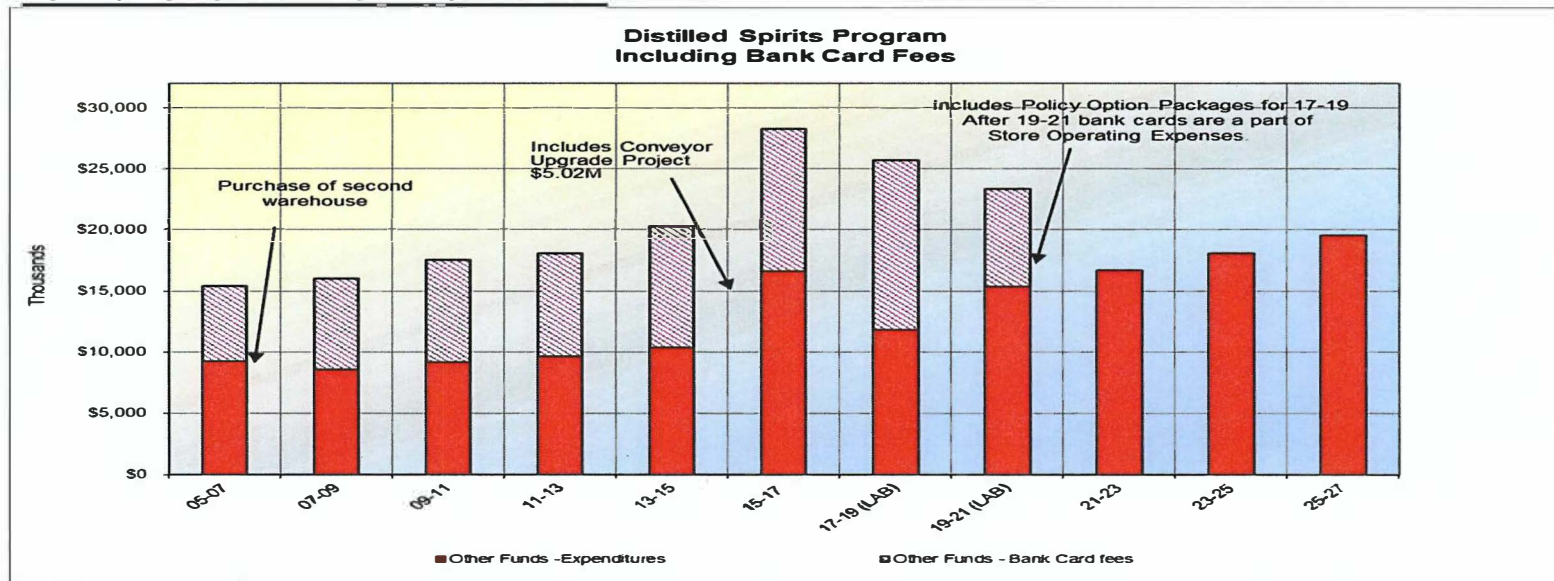
Budget Page 18

BUDGET NARRATIVE

OLCC - DISTILLED SPIRITS PROGRAM - 001 2019-21 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 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). The line graph shows gross hard liquor (distilled spirits) revenue.

BUDGET NARRATIVE

D. PROGRAM OVERVIEW

The Distilled Spirits Program centrally purchases, warehouses and distributes bottled distilled spirits to 267 liquor outlets, making spirits available through OLCC-appointed liquor store agents. 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. Eight locations were approved in grocery stores or neighborhood markets and six locations were approved in stand-alone stores. Of the 14 new stores, four were awarded to existing agents. In 2017-19, the Commission continued to appoint new liquor agents throughout the state. To date the Commission has approved a total of 37 new stores; 18 have opened, 13 are in process of opening and 6 have withdrawn. Phase 5 of the expansion was approved at the June 2018 Commission meeting and will focus on the Willamette Valley and northern coast. Targeted expansion will continue during the 2019-21 biennium to support customers and enhance revenue stability and growth. By the end of the 2019-21 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 tasting rooms. Sales through tasting rooms were first allowed in 2009. There are now 108 Oregon Distiller licensees that collectively operate 89 distillery tasting rooms that report sales.

In large part due to the work of the employees in this program, for 2018, the OLCC was recognized for its outstanding retail innovation and expansion work by StateWays Magazine that awarded Oregon the Best of the Best Retail Innovation Award. This award recognition is given out to U.S. control states or jurisdictions within states.

Historically, the Distilled Spirits Program including Purchasing, Wholesale Services (Distribution Center) and Retail Services has been managed by the Deputy Director but with the expansion of the agency's responsibility for regulating marijuana, OMMP and Hemp, the Director's role has been significantly expanded as it relates to overseeing the agency's overall operations. Improving the agency's bandwidth to elevate the Distilled Spirits Program is an important goal for the commission and agency leadership. The Distilled Spirits Program needs dedicated leadership to focus on the continuation of retail expansion, managing the current and future needs for warehouse space, and replacing current legacy ordering systems to protect the generation of revenue. Given the high importance of this program to state revenue generation, dedicated strategic

BUDGET NARRATIVE

business management and planning on a comprehensive basis is a current opportunity for the program. The development and strengthening of OLCC's ability to plan and execute business operations at a high level has been a developmental goal for the Commission since it began in earnest its 2013 retail innovation industry engagement. With the agency growth, the OLCC is now in position to build upon its expertise to enhance operations, provide outstanding customer service, increase the generation of revenue and lay down a continuing path of stable revenue to support public services at the state, county and city levels of government well into the future.

E. PROGRAM FUNDING

The Legislatively Approved Budget is \$29,997,381 Other Funds limitation for the 2019-21 biennium for this program, with 79.00 FTE and 79 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 2,000 different distilled spirits items every day, plus special orders, using economy of scale and minimal distribution layers. It operates a Milwaukie Distribution Center that safeguards \$80 million worth of vendor-owned distilled spirits inventory plus up to \$1.0 million in state-owned inventory 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 more than 4,700 businesses licensed to sell distilled spirits. The program projected to generate \$642.1 million in distributions to state and local governments in the 2019-21 biennium making alcohol revenue the State's third largest source of revenue. All of this work and associated benefits is accomplished on a program budget that is 2% 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 to local brokers to delivery truck drivers to 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

BUDGET NARRATIVE

that OLCC distributes to the state general fund and to local governments. The total revenue distribution to the general fund, counties and cities in 2019-21 is expected to be \$614.2 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, and
- Developing and maintaining regulatory rules that protect public safety and support 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

BUDGET NARRATIVE

The chart above shows the number of cases handled by the program's Distribution Center, in millions; the cost per case handled; the key 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 fiscal year 2017. Projections include the surcharge approved by the Commission on July 26, 2018. The OLCC's rate of return will depend on agency-wide funding levels.

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

The Distilled Spirits Program is 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.

K. SIGNIFICANT PROPOSED PROGRAM CHANGES FROM 2017-19

In 2019-21 biennium the program will focus on the following strategic initiatives.

- Optimize staffing levels to meet current distilled spirits distribution demand
- Acquire key equipment to support daily distribution operations
- Increase data analysis and dissemination to improve warehouse efficiency
- Replace current legacy ordering systems to protect revenue
- Target retail market expansion to support customers, revenue growth and stability

BUDGET NARRATIVE

- Increase data analysis and dissemination to improve liquor profitability and increase revenue
- Simplify agent compensation formula
- Establish distinct compensation formula for Oregon Distillery agents
- Complete roof repairs and replacement for the main warehouse

The Legislatively Approved Budget forecasts \$1.5 billion in total gross liquor sales for 2019-21 (excluding surcharge revenue) and a total of 6.9 million cases handled. Approval of Package No. 102, “Distilled Spirits Shipping Capacity and Service Package” will make this possible.

Policy Option Packages which support the operations of this program but are included in other program areas involve:

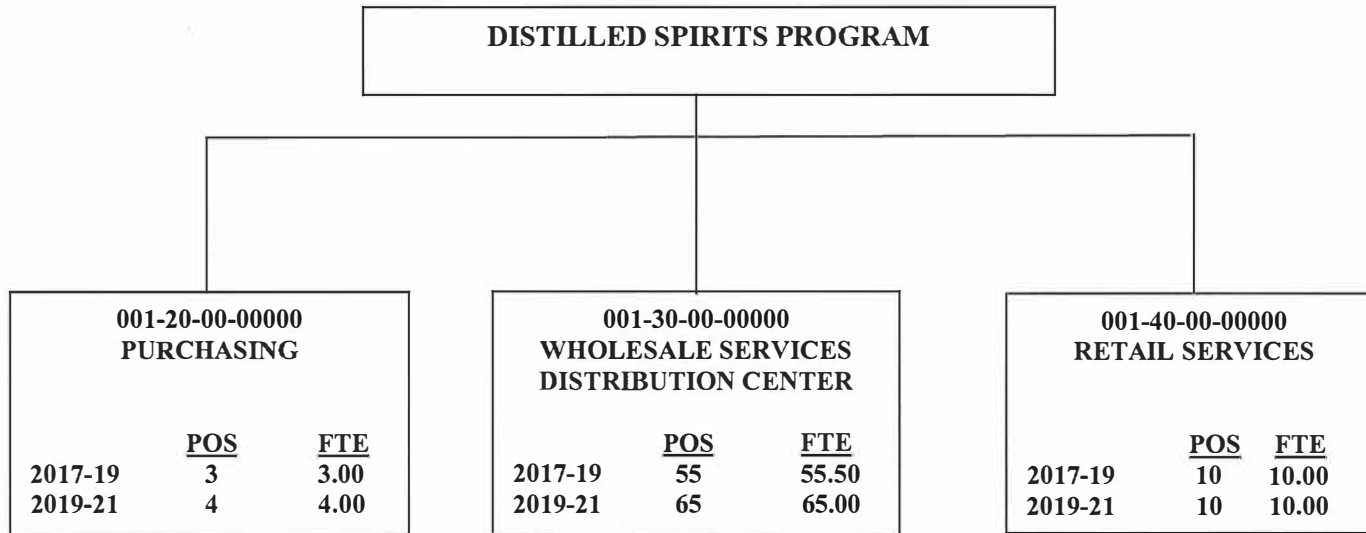
- Policy Option Package 301 “Information Services Enhancement” found in the Administration and Support Services Program-003
- Policy Option Package 310 “Financial Services Staff Fulfillment” found in the Administration and Support Services Program-003
- Policy Option Package 311 “Administration and Communication Outreach, Digital Infrastructure” found in the Administration and Support Services Program-003
- Policy Option Package 203 “Liquor License Fee Increase for Revenue Generation” found in Public Safety Program - 002

BUDGET NARRATIVE

OLCC - DISTILLED SPIRITS PROGRAM (001)

2019-21 BUDGET

Organization Chart



BUDGET NARRATIVE

OLCC - DISTILLED SPIRITS PROGRAM SUMMARY - PROGRAM 001 2019-21 Budget

A. PURPOSE, ACTIVITIES & ISSUES

Purpose

The Distilled Spirits Program functions are an essential part of the state's strategy to protect the 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 larger 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 to 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. The industry provides jobs throughout Oregon and the entire supply chain – from international distillers to local micro-distillers to local brokers, to delivery truck drivers and liquor store staff, to the owners and servers in the restaurants throughout rural and urban Oregon– they 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 24 percent of the spirits sold by the liquor stores. The OLCC contracts with entrepreneurs to serve as agents and operate those liquor stores, stand-alone locations or within another store, which employ hundreds of store clerks 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.

BUDGET NARRATIVE

Activities

To accomplish its mission, the program centrally purchases, warehouses and distributes bottled distilled spirits to the more than 279 approved locations including 86 exclusive stand-alone liquor outlets, and 193 nonexclusive liquor outlets combined with grocery stores, convenience stores, and other retail outlets. In addition, distilled spirits manufactured by Oregon Distillery Licensees are available in 89 tasting room outlets. 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, 14 new retail liquor locations to sell distilled spirits in the Portland tri-county area. Eight locations were approved in grocery stores or neighborhood markets and six locations were approved in stand-alone stores. Of the 14 new stores, four were awarded to existing agents. In 2017-19, the Commission continued to appoint new liquor agents throughout the state. To date the Commission has approved a total of 37 new stores; 18 have opened, 13 are in process of opening, and 6 have withdrawn. Phase 5 of the expansion has begun and focuses on the Willamette Valley and northern coast. Targeted expansion will continue during the 2019-21 biennium to support customers and enhance revenue stability and growth. By the end of the 2019-21 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 outlets and distillery tasting rooms. The Commission owns the distilled liquor inventory in agent stores. Liquor agents order inventory from the warehouse; wholesale services distributes the liquor to the agent and then pays the manufacturer for the inventory 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 but pays for the inventory as it is sold to consumers. Through this 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. Through oversight of retail operations, the program ensures responsible sales in the retail stores and customer service. 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.

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 functions follow this summary. In addition, please see the Store Operating Expenses Fund, Program 005 section in this budget book.

BUDGET NARRATIVE

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 exclusive and nonexclusive 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 2.5% per year in case sales during the 2019-21 biennium. Customers' special orders for products outside the regular product line continue to be a small but significant portion of sales. For 2017, OLCC processed more than 22,000 special orders of 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 4,100 product skews with over 22,000 special orders a year marks this system as a world class one for consumers and Oregon represents one of a few very large, one stop, national markets for World-wide manufactures 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 recent open recruitment process, the Commission operated 248 liquor outlets, with a 1 to 16,000 ratio of stores to state population; however, in some areas of the state that ratio was as high as 1 to 25,000. In addition, Oregonians have grown more sophisticated and have 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. To date the commission has 267 operating liquor stores and 13 stores that are in various stages of opening, bringing the ratio to one liquor store for every 14,800 Oregonians. The Commission will continue to strategically expand stores to support customers and enhance revenue stability and growth during the 2019-21 biennium as in five years the ratio would be one liquor store for every 16,400 Oregonians if no further stores are approved. Of the 18 stores that have opened \$27.0 million in sales have been generated; however existing agents saw a reduction in sales of \$5.4 million. The net gain in sales is \$21.6 million.

The staff evaluates each applicant based upon their knowledge related to liquor and/or 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 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 need, and potential impact on existing liquor stores. The results of expansion are impressive in terms

BUDGET NARRATIVE

of growth in markets and reflect the care the Commission has for minimizing the impact on existing liquor agent stores while capturing growing market opportunities. The existing liquor agents are the foundation of Oregon system of sales and the commission is highly aware of their responsibility to provide existing 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 stores and to better locations and making the choice to drive more customers to their stores by expanding into non-exclusive stores that 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 beverage 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. Popular legislative and administrative rule changes have created a foundation for the exciting amount of new investment in agent stores, like the decisions to allow agents that sold spirits to become non-exclusive and be licensed to also sell beer and wine (and thus fill growlers). And the legislature and agency have catered to our home grown manufactures of distilled spirits by advancing the new distillery special events license, allowing distillery agents to sell spirits in multiple locations, and expanding free 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.

Success in increasing case sales volume puts more pressure on the Distribution Center infrastructure. A major 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 liquor agent, customer and industry needs. If OLCC does not have an adequate infrastructure and the resources to meet 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

BUDGET NARRATIVE

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 which limited shipping capacity was eliminated; orders are processed through up to four doors at a time. The recent installation of the upgraded conveyor system is anticipated to accommodate the previous outbound shipping constraints, however, as new stores are added, and workers load three trucks at a time, both demand increases and the speed of operations during a shift increase. To gain the productivity improvements the system is capable of and to provide for efficient operations, more staff and equipment is need to load and replenish the warehouse during the same shift. The agency has relied on temporary workers in the past, but it is now looking to add regular staff to match the new pace of business in the warehouse.

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 distiller agency sales in 2009, the annual rate of sales has grown at an annual rate of 29% per year, grossing \$18 million by the end of the 2017-19 biennium. The number of distiller agent tasting room locations has grown to 89 which now sell distilled spirits. Distillery agents are currently self-reporting sales and are not audited. Annual sales from distillery agents are projected to be \$8 million, or \$16 million in the 2019-21 biennium which represents significant revenue for the state. The state system needs to be tailored to issues that make distillery agents different than retail agents and the OLCC is working on providing recognition of these differences in business in the way it allocates compensation, in contracting with distillery agents. 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 important Oregon businesses.

The expansion of liquor stores, increased sales volume, has created stresses on OLCC resources to effectively optimize revenue as it manages, supplies, and accounts for state liquor inventory. The agency has identified key 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 align management to the this important mission ahead and OLCC is looking to add a high-level manager whose daily focus is responsibility for managing the overall spirits program, developing regularly business plans with goals for productivity, and to help the agency leadership and commission adopt strategies to achieve the financial and modernization efforts identified in plans. The agency has been moving toward forming a base for stronger and dynamic leadership of the spirits program. Though its last budget approval, the OLCC increased its capacity to analyze business systems, information used to make efficiency gains in operations and grow revenue. Now OLCC is looking to focus this anticipatory work by creating a position for overall

BUDGET NARRATIVE

management of the spirits program. This position is vital to making as much progress as possible on the identified key program focuses for the 2019-2021 budget period.

In 2019-21 biennium the program will focus on the following strategic initiatives.

- Optimize staffing levels to meet current distilled spirits distribution demand
- Acquire key equipment to support daily distribution operations
- Increase data analysis and dissemination to improve warehouse efficiency
- Replace current legacy ordering systems to protect revenue
- Target retail market expansion to support customers, revenue growth and stability
- Increase data analysis and dissemination to improve liquor profitability and increase revenue
- Simplify the agent compensation formula
- Establish a distinct and separate compensation formula for Oregon Distillery agents
- Complete roof repairs and replacement for the main warehouse

The Legislatively Approved Budget forecasts \$1.5 billion in total gross liquor sales for 2019-21 and a total of 7.4 million cases handled. Approval of Package No. 102, “Distilled Spirits Shipping Capacity and Service Package” and Package 112 “Move Agency Bank Cards to Liquor Store Agents” will make this possible.

Policy Option Packages which support the operations of this program but are included in other program areas involve:

- Policy Option Package 301 “Information Services Enhancement” found in the Administration and Support Services Program-003
- Policy Option Package 310 “Financial Services Staff Fulfillment” found in the Administration and Support Services Program-003
- Policy Option Package 311 “Administration and Communication Outreach” found in the Administration and Support Services Program-003
- Policy Option Package 203 “Liquor License Fee Increase for Revenue Generation” found in Public Safety Program - 002

BUDGET NARRATIVE

The structural components of the program are:

Purchasing (subprogram 20) staff works closely with Retail Services Division staff to provide distilled liquor to customers. Purchasing staff order bottled spirits produced throughout the world, and make sure the emerging Oregon craft distillery industry is represented in the state inventory lineup. Staff continuously monitors trends in sales, review new liquor items to add to the line, and identify slow-selling products to eliminate from inventory. They work closely with industry representatives to stay informed about new products and trends.

This division is responsible for the outcomes of: purchasing distilled liquor, maintaining product in-stock levels, filling exclusive and nonexclusive liquor store requests, managing product lines, and assuring that a variety of products including Oregon craft products are available to consumers state-wide.

The Wholesale Services Division (subprogram 30) staff manages the OLCC distribution center for distilled spirits and provide customer service to the exclusive and nonexclusive retail liquor stores. The distribution center is comprised of two warehouses in Milwaukie, creating efficiencies by providing centralized distribution and warehousing services for the state liquor operation. The center manages the liquor shipments ordered 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. They keep the inventory secure in the bailment warehouses. The bailment warehouse is a staging area for inventory of manufacturer-owned high demand products. OLCC pays for the manufacturer owned inventory when it is ordered by and shipped to liquor agents. The distribution center staff settles claims for any damaged and defective goods returned by stores.

This division is responsible for the outcomes of: receiving, storing, and shipping distilled spirits, maintaining shipping lines, verifying and maintaining 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. Retail Services staff work closely with exclusive and nonexclusive liquor store agents and distillery outlets so they know how to apply liquor regulations and retail operating procedures to their store operations. 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 outlet agents track sales and remits to the state mark-up on each bottle sold. The OLCC does provide some specific supplies to the stores; these OLCC expenses, associated with supporting liquor stores, appear in Liquor Sales Support, subprogram 42.

BUDGET NARRATIVE

This division is responsible for the outcomes of: overseeing the selection, contracts, and operations of the 279 approved exclusive and nonexclusive liquor stores located throughout Oregon and the onboarding of new liquor and distillery agents. The number of liquor agent locations is expected to increase up to 300 by the end of the 2019-21 biennium. The number of distillery agents is expected to continue growing. When the OLCC completes the fifth and final phase of expansion in the 2017-2019 budget period, a slower pace of adding retail to the system in the 2019-2021 budget period will depend upon the quality of the applicants, community need, and potential impact on existing liquor stores. The system will only expand on a specifically targeted basis in the near future, after Phase five of the current expansion process is completed.

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 1980’s. With Measure 5 reductions to this program in the 1990’s, 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 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 operation (e.g., allowing 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

BUDGET NARRATIVE

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 staff are 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 exclusive and nonexclusive 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 10 years in a cost effective manner.
- **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 economic growth.** The program supports the development and success of multiple small businesses including manufacturers of Oregon craft beverage products.
- **Applying distribution 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 267 exclusive and nonexclusive agent-operated stores and focus on education and training for the new agent-operated stores that are forecasted to become operational by the end of the 2019-21 biennium.

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The program will provide the buying public and licensees from the hospitality industry up to 300 exclusive and nonexclusive agent-operated liquor stores across the state. In 2017, the OLCC distribution center carried more than 2,000 listed items throughout Oregon and filled more than 22,000 special orders of 2,100 additional products. OLCC anticipates the product line will continue to grow, adding up to another 400-500 items in 2019-21 to meet consumer demand. The dual pressures of adding inventory for new stores and the growth in product offerings and Oregon distilleries will require 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.

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*– 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 50 center per bottle for 2019-21 at the July 26, 2018 Commission meeting. The Agency Request Budget forecasts \$1.45 billion in total gross liquor sales for 2019-21 and a total of 7.4 million cases handled. Approval of Package No. 102, “Distilled Spirits Shipping Capacity and Service Package” which addresses the need for management, logistics and warehouse staff will make this possible.

D. REVENUE SOURCE

The Oregon Liquor Control 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.

BUDGET NARRATIVE

OLCC - PURCHASING - SUBPROGRAM 20 2019-21 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 monitors 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 market place. It looks to make up-to-date product information more readily available and accessible to liquor agents (retail liquor store contractors) 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, on a daily basis. 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 product reasonably required to supply the public demand (ORS 471.750). ORS

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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 largest sellers with the greatest 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 2017, the OLCC distribution center distributed more than 2,000 listed items and more than 22,000 special orders of 2,100 additional products. OLCC anticipates the product line will continue to grow, adding up to another 400-500 items in 2019-21 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 economic development. The dual pressures of adding inventory for new stores and the growth in product offerings and Oregon distilleries will require 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 the liquor until the product is shipped from the warehouse to agents or a case is opened. The manufacturers own the distilled spirits under bailment; they are stored in the bailment warehouse prior to 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 combination purchase order/invoices 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 number of items, a growing complexity in the marketplace, and increased product demand.

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C. EXPECTED RESULTS

The efforts of the Purchasing Program result in liquor store orders filled in a timely manner 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 and in a timely manner at a consistent price.
- **Support Oregon 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 Control 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 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.

BUDGET NARRATIVE

OLCC - BANK CARDS - SUBPROGRAM 24 2019-21 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 a popular convenience for over-the-counter liquor store customers. These funds are limited; however, a 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 even more as new liquor outlets are added statewide and the sales of distilled products grow. Bank-fee expenditures 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 fiscal year 2000, bank card sales were 28 percent of total consumer sales. By fiscal year 2007, they had grown to 57 percent. For fiscal year 2017, bank card sales are 73% percent of total 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 into the future. The OLCC's bank card expenses are a function of customers' choices when buying distilled spirits, and varies accordingly.

Credit card fees are a cost of business for retailers and the state of Oregon pays those fees; however, accurate accounting for which credit card fees to pay is an emerging issues as retail stores increasing sell products other than distilled spirits. Historically, credit card rates and allocated credit card expenditures for an expected product mix are determined at the start of an agent's contract; however, over time the agent's actual product mix and rates have changed. Using predicted credit card usage rather than actual usage was designed to simplify accounting however over time it has resulted in unequal treatment between agents and potentially under paying or over paying of specific agents. Agents are distinct private businesses and the

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agency is proposing the agents, like other private businesses pay for the cost and continue to save the state from the significant accounting reconciliation created by the reimbursement of credit card fees. To preserve equity and cover these real business costs, the OLCC is proposing to shift funds paid for credit card fees to compensation. This will fix the inequities and work associated with historical credit card payments.

Policy Option Package 112 “Move Agency Bank Card Costs” keeps the responsibility for contracting for merchant services with the state but transitions the responsibility for credit card fees to the agents. Agents are made whole by shifting the state’s allocation for credit card fees to agent compensation.

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 approve 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 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 use of debit and credit cards has continued to grow, consequently since 1998 the OLCC has needed to request additional limitation authority from the Emergency Board to pay the transactions 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.

C. EXPECTED RESULTS

For 2019-21, 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; however, if Policy Option Package 112 is accepted, the funds typically spent on credit card fees will be shifted to agent compensation, and agents will pay their actual

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costs. The OLCC will no longer need to request Emergency Board authority to cover these costs if actual sales are higher than forecasted.

D. REVENUE SOURCE

The Oregon Liquor Control 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.

BUDGET NARRATIVE

OLCC - WHOLESALE SERVICES - SUBPROGRAM 30 (DISTRIBUTION CENTER) 2019-21 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 shipments, participating in inventory control, ensuring security for inventory, scheduling order-picking sequence and pick orders, and shipping distilled spirits via common carrier to all Oregon exclusive and nonexclusive retail liquor stores.

The distribution center has been handling more cases, more diverse product lines that suppliers are offering, and an increasingly larger number of stocked liquor items. Customers desire more 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 delivery of specialty and craft products, assisting smaller agents in managing their inventory, and reducing state-owned inventory. Maintaining adequate product selection and quantities is 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 physical plant 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 will become a premium to keep up with the growth in Oregon distillers, new product offerings, and as more stores are added requiring additional stocks.

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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.

This division is responsible for the outcomes of: receiving and storing distilled spirits, inventory control, scheduling warehouse order fulfillment, and shipping distilled spirits via common carrier.

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.

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 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) bar coding 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), improving operating parameters. The MBS system allows the OLCC to electronically receive goods into either warehouse and identifies storage locations while staff are 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 business

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resulting in \$1.45 billion in gross revenue from total liquor sales. The profits from these sales are distributed to the state and local government to support critical programs like schools, public health, and police. 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.

OLCC is in need of an integrated and flexible end-to-end web software solution to replace inefficient and disjointed legacy Distilled Spirits Distribution, Marijuana, and Alcohol program technology solutions which include:

- Beer and wine privilege tax
- Marijuana and liquor licensing
- Online fee collection
- Inventory tracking
- Case management
- Enforcement
- Distilled spirits supply chain
- Retail liquor store management

To meet these needs OLCC requested Policy Option Package 301 "Information Services" found in the Support Services Program – 003. This package request staff and funding to support the critical IT needs of the agency. The package requests funding to add one data base architect, two technical project managers, one quality assurance and automation developer, one businesses systems analysts, and three systems developers, replacement of outdated network equipment, and funding for future software development projects for alcohol warehouse management, licensing and financial management and marijuana licensing, enforcement and supply chain tracking.

Picking, assembling, verifying, and delivering complex orders to waiting trucks happens at an average rate up to 1,800 cases per hour (up from 1,000 cases) at peak capacity. With the old system, workers would pick orders in sequence, one at a time. With the new system, workers pick multiple orders at the same time on each of the four conveyors, lessening travel distances between orders, gaining efficiency and improving labor utilization. The installation of the upgraded conveyor system has mitigated the out bound shipping constraints allowing more cases of liquor to be shipped in each shift, however, keeping the new system supplied with product continues to be a challenge as new liquor outlets come on line and consumer demand

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increases, resulting in a 14% increase in demand for distribution. Speed is important to the efficiency of each worker shift. The addition of equipment operators, distribution workers, and temporary workforce funded requested as part of Package No. 102 “Distilled Spirits Shipping Capacity and Service Package” will maximize the capacity of the conveyer system and meet the additional shipping needs created by new retail outlets, Oregon distillery outlets, and increases in consumer demand.

The OLCC provides stewardship of the physical site, too. In 1999-2001, OLCC replaced part of the warehouse roof, repaired and repainted the warehouse exterior, and fixed the warehouse floor. During 1999-2001, the OLCC filled in an unused train well in the warehouse. In 2003-05 the OLCC made emergency repairs to the 1977 warehouse addition. In 2005-07 the OLCC added storage racking and upgraded the sprinkler system to protect vendor-owned inventory from potential fire loss. The December 2006 Emergency Board approved funding for OLCC to purchase the Milport warehouse, to store manufacturer-owned inventory in bailment. Bailment has virtually eliminated out of stocks and improved customer service. It eliminates large amounts of excess state-owned inventory that otherwise would have been necessary to meet demand in a timely manner. The McLoughlin and Milport Facility enable OLCC to continue responsible stewardship of the \$80 million bailment inventory and \$1.0 million state-owned inventory stored in the distribution centers. To provide for public safety and to protect both state-owned and manufacturer owned inventory, legislators approved \$4.17 million in 2015-17 for Phase I of the roofing project for both facilities. The first phase of the roofing project was completed in 2016.

In the 2019-21 the agency is requesting Policy Option Package 304 “Roof Repairs and Replacement to Main Warehouse” for the final phase of the roofing project. The estimates include \$3.3 million for roof repair, \$1.0 million for required earthquake remediation, and \$1.9 million for the required 45% contingency. The description of this Package is in the Capital Improvements Program - 088.

There are multiple facility challenges the OLCC will be facing over the next 10 years including needs for additional roof repairs, seismic upgrades required by local building codes in order to complete Phase II of the roofing project, and an expected need for additional warehouse storage as the retail system expands. The recent upgrade to the warehouse conveyor system allows OLCC to meet the current increase in distribution of distilled spirits; however, within the next 10 years, 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 due to lack of access to roads and trucking staging areas necessary for the anticipated future distribution traffic and OLCC has initiated planning to examine cost and alternatives for the most cost effective future path for shipping.

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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 \$1.45 billion in total gross sales and handle 7.4 million cases of spirits in 2019-21. 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 in a cost effective manner.
- **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 product with precision.
- **Safety 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 Control 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.

BUDGET NARRATIVE

OLCC - RETAIL SERVICES DIVISION - SUBPROGRAM 40 2019-21 Budget

A. PURPOSE, ACTIVITIES & ISSUES

The Retail Services Division oversees the operation of the statewide retail distilled spirits business. Currently, Retail Services oversees 267 stores (up from 248 prior to expansion); however, 13 more are in process of opening and the next phase of expansion has been approved. The total number of new store locations is difficult to target but OLCC believes there is demand for up to 300 throughout the state. The final number will depend upon the quality of applications, community need 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 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 agents in sales, cash control, customer service, upgrading store appearance, layout, signing, and displays. Staff works to understand liquor agents' changing needs and respond to their concerns. Staff explores updating procedures, technology and policies. They advise agency administration and commissioners on their policy decisions affecting agent contracts and compensation administration.

The division continues to focus on developing and implementing a retail business plan to modernize the system. The plan calls for continuously enhancing and modernizing the system. Recent changes have included enabling some liquor stores that exclusively sold spirits to become non-exclusive stores with the additional privileges such as selling beer and wine - including filling growlers for customers. Also, the OLCC is appointing more Oregon distilleries as liquor agents who can sell their own products directly to the customer in their Distillery Retail Outlets.

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This division is responsible for the outcomes of: oversight of selection, contracts, and operations of statewide exclusive and nonexclusive 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 outlets and distilleries.

B. BACKGROUND

In 1933, the Knox Act created the control system in Oregon. Oregon law gives the Oregon Liquor Control 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 continues 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, 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 directly communicate with OLCC for varying data needs. 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.

An integrated and flexible end-to-end web software solution to replace inefficient and disjointed legacy Distilled Spirits Distribution, Marijuana, and Alcohol program 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 store and 89 distillery retail outlets in 2019-21.

To meet these needs OLCC is requesting Policy Option Package 301 “Information Services” found in the Support Services Program – 003. This package request staff and funding to support the critical IT needs of the agency. The package requests funding to add one data base architect, two technical project managers, one quality assurance and automation developer, one businesses systems analysts, and three systems developers, replacement of outdated network equipment, and funding for future

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software development projects for alcohol warehouse management, licensing and financial management and marijuana licensing, enforcement and supply chain tracking.

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 open recruitment plan allows all types of retail store models, widening the range of choices Oregon shoppers have for obtaining distilled spirits.

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 \$1.45 billion in total gross sales and handle 7.4 million cases of spirits in 2019. The 2019-21 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 exclusive and nonexclusive liquor 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 economic growth.** The program focuses on enhancing revenue growth by supporting the development and entrepreneurial success of exclusive and nonexclusive liquor store agents located in both urban and rural areas of Oregon.

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- **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 279 approved exclusive and nonexclusive agent-operated stores, as well as new stores as they are appointed and become operational.

D. REVENUE SOURCE

The Oregon Liquor Control 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.

BUDGET NARRATIVE

OLCC - LIQUOR SALES SUPPORT - SUBPROGRAM 42 2019-21 Budget

A. PURPOSE, ACTIVITIES & ISSUES

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

In 2019-21, 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
- Order guides, inventory sheets, etc.
- 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

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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 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 Control 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

Distilled Spirits Shipping Capacity Maintenance and Management **OLCC 2019-21 Budget Policy Option Package No. 102, Agency Priority No 2**

A. PACKAGE PURPOSE

Retail expansion of Oregon's liquor stores has had a substantial impact on the increased quantity of cases shipped. OLCC anticipate this trend will continue as the number of stores continues to increase along with the volume sold in each store. Currently, the OLCC Milwaukie warehouse ships distilled spirits to 267 stores (up from 248 prior to expansion); however, 13 more are in process of opening and the next phase of expansion has been approved. By the end of the 2019-21 biennium, staff are expecting an increase to 300 retail outlets. The impact of the conveyor system requires distilled spirits products to ship out at a much higher rate of 1,800 cases per hour as compared to 1,000 cases per hour on the old conveyor system – an 80% increase. This higher shipping rate on the new conveyor system demands a faster and timelier replenishment of product to the four conveyor pick lines. Additional replenishment resources are needed to meet current and future demand.

In the past there was a large spike in shipments during the month of December and OLCC would supplement with seasonal employees to ship those orders. Today, the warehouse no longer employs seasonal employees since the monthly shipping volume has increased to the level typical for December. Instead, the warehouse uses temporary employees to operate conveyor lines which gives OLCC the ability to staff based on increased or decreased volume and FTE; this also allows for time off and illness of permanent employees. During the current biennium OLCC has had to employ an average of 12 temporary workers per day. This has led to excessive labor costs in the warehouse that are currently exceeding the agency's historical budgetary thresholds. In addition temporary workers can only be hired for periods up to six months. This requires a constant hiring and training cycle for temporary workers that takes time and resources away from distribution center operations.

In addition to staffing, there are critical parts of the distribution center that need to be replaced or repaired. OLCC is requesting funds for equipment replacement needed to continue sustainable operation of the distribution center.

BUDGET NARRATIVE

Finally, the OLCC requested a new position to manage the Distilled Spirits Program to oversee all operations and to focus on development strategic plans and data analysis to increase revenue generation and to optimize earnings through implementation of financial efficiencies in purchasing, distribution and sales of spirits. This position would be responsible for distilled spirits revenue generation including management of the three divisions in the distilled spirits program including Purchasing, Distribution Center and Retail Services. Historically the agency's Deputy Director has managed these divisions individually but with the increase in the size of the agency due to adding responsibilities for marijuana, OMMP Tracking and Hemp, the Deputy's role has been significantly expanded as it relates to overseeing the agency's overall operations which has resulted in not having the bandwidth to effectively lead the Distilled Spirits Program. The Distilled Spirits Program needs dedicated leadership to focus on the continuation of retail expansion, managing the current warehouse space, potentially leading an effort to add additional operations to another facility, and replacing current legacy ordering systems to protect and enhance the generation of revenue. This position will oversee an entire program rather than the divisional programs described above. This new position will be the statewide program expert for distilled spirits, align the divisions, establish short and long term goals for the distilled spirits program, identify and analyze operational and policy issues, and direct, plan, organize, control, record, and budget for all activities of the program.

B. HOW ACHIEVED

OLCC is requesting the addition of four Liquor Distribution Equipment Operators and six Liquor Distribution Worker 1s' to keep with increasing demand for replenishment and shipping. The distribution center is also requesting equipment and funding for replacement of infrastructure that has become obsolete or worn out. OLCC is also requesting additional funding for temporary workers that will right size the budget with the actual labor needs of the distribution center.

OLCC also requested the addition of a Distilled Spirits Program Manager position (PEM F) to manage the Distilled Spirits program including the Distribution Center, Retail Services and Purchasing (of liquor).

BUDGET NARRATIVE

Division	Package Description	FTE	One-time	Ongoing	Total
Retail Services	Distilled Spirits Program Manager				
	Add 1 Principle Executive Manager F	1.00		\$253,861	\$253,861
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$277,229	\$287,691
Distribution Center	Add 4 Liquor Distribution Equipment Operators				
	Salaries & OPE for 4 Liquor Distribution Equipment Operators	4.00		\$490,640	\$490,640
	Two Forklifts		\$90,000		\$90,000
	One Remote Order Selector		\$30,000		\$30,000
	One Trailer		\$35,000		\$35,000
	Repack Extendable		\$30,000		\$30,000
	Replacement Racking		\$60,000		\$60,000
	Dock Shelters		\$16,000		\$16,000
	Re-Installation of Dock Locks		\$25,000		\$25,000
	Camera System for Millport Warehouse		\$90,000		\$90,000
		4.00	\$376,000	\$490,640	\$866,640
Distribution Center	Add 6 Liquor Distribution Worker 1s for increased shipping capacity	6.00		\$718,674	\$718,674
	Services & Supplies set-up costs for 6 Liquor Distribution Workers		\$4,000	\$4,000	\$8,000
		6.00	\$4,000	\$722,674	\$726,674
Distribution Center	Temporary Workforce funding for seasonal labor needs (Salaries & Social Security)			\$322,950	\$322,950
Subtotal - Distilled Spirits Shipping Service Capacity - Package 102		11.00	\$390,462	\$1,813,493	\$2,203,955

BUDGET NARRATIVE

a. Benefits to stakeholders

Additions of these positions will support timely delivery of products to a growing number of liquor outlets and the subsequent growth in sales. Proper maintenance and replacement of equipment will result in fewer interruptions of service for spirits manufacturers and liquor stores. The Distilled Spirits Manager will act as a direct liaison to industry and retail agents for distilled spirits issues in the development of new policies and procedures and the resolution of complex issues.

b. Benefits to OLCC

OLCC will have the resources to continue expansion of liquor stores and meet consumer demand for spirits in Oregon. Adequate staffing will mitigate resource constraints that cause stress for agency personnel and increased requests for leave. Dedicated leadership for the Distilled Spirits Program brings coordination to all divisions of the program, analysis, and an increased emphasis on revenue generation. The Deputy Director can focus on increasing agency-wide duties.

C. STAFFING IMPACT

The package adds 11 FTE.

D. QUANTIFYING RESULTS

The OLCC Warehouse Operation is currently responsible for shipping over 6.5 million cases of distilled spirits each biennium, over \$3.2 million each year. The four Liquor Distribution Equipment Operators and six Liquor Distribution Workers will provide the warehouse the support to manage the increased volume related to receiving, replenishment, and shipping of 6.5 million plus cases of distilled spirits.

BUDGET NARRATIVE

D. REVENUE SOURCE

The Oregon Liquor Control 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 PACKAGE WAS NOT IN THE LEGISLATIVELY APPROVED BUDGET

Move Agency Bank Card Costs to Liquor Store Agents **OLCC 2019-21 Budget Policy Option Package No. 112, Agency Priority No 12**

A. PACKAGE PURPOSE

OLCC liquor stores have been accepting bank cards (credit cards and debit cards) since 1999. The state pays for all costs related to purchases made with bank cards in OLCC liquor stores. The total forecasted amount of costs to the state is expected to be \$14.3 million in the 2019-21 biennium. Bank card costs for items other than liquor (cigarettes, beer, wine and other related items) are reimbursed to the agency. This requires accounting resources from the agency's end to reconcile the cards costs on a monthly basis. OLCC must also purchase the credit card machines for all liquor stores and ensure that they are PCI compliant with Treasury standards.

Bank card costs are normally borne by the businesses that incur them. OLCC proposes to pass the bank card costs borne by the state to the liquor store agents. This will enable the store agents to manage them more appropriately between liquor purchases and related items and will relieve the agency of the need to reconcile bank card purchases. In exchange, OLCC proposes to raise the amount of overall compensation paid to agents to offset the additional costs and work needed by them to purchase machines, manage accounts, achieve PCI compliance with Treasury and pay the amount of costs incurred for liquor purchases.

B. HOW ACHIEVED

OLCC will begin working with liquor agents and Treasury to develop the options necessary to make the transition happen. Liquor store agents will have to purchase credit card machines that are compliant with Treasury standards and rules. ACH transfers to Treasury from liquor stores are now allowed which should allow the agents to assume responsibility for bank card costs. OLCC estimates that the full transition will be completed by July 1, 2020. At that time agents compensation will be increased from 8.93% to 9.94% to offset the estimated credit cards costs of \$7.4 million for the Fiscal Year 2021.

Bank card costs are expected to continue to increase as more consumers elect to use them. OLCC will need to look at overall bank card costs on a biennial basis to ensure that liquor agents are being compensated fairly. For the purposes of determining ongoing

BUDGET NARRATIVE

agent compensation funding, the OLCC will account for credit card rate adjustments and increased usage as a factor in establishing OLCC sales compensation rates.

Division	Package Description	FTE	One-time	Ongoing	Total
Move Agency Bank Card Costs to Liquor Store Agents					
Distilled Spirits	Transfer Bank Card Costs from Distilled Spirits Program to Store Operating Expense Program		\$0	(\$7,350,000)	(\$7,350,000)
Store Operating Expenses	Increase Agents Compensation Rate from 8.93% to 9.94% in FY2021		\$0	\$7,350,000	\$7,350,000
Subtotal - Move Agency Bank Card Costs - Package 112		0.00	\$0	\$7,350,000	\$7,350,000

a. Benefits to stakeholders

Liquor agents will manage their own bank card costs and will be compensated for the additional expense.

b. Benefits to OLCC

OLCC will not have to account for bank card costs and management of bank card machines. Liquor agents will account for all costs incurred by the stores.

C. STAFFING IMPACT

The package adds no new staff to OLCC.

BUDGET NARRATIVE

D. QUANTIFYING RESULTS

OLCC will transfer the total costs to agents by the middle of the next biennium. Bank card costs have been increasing at an average rate of 7% per year due to increased usage and a greater number of retail liquor outlets. OLCC will continue to monitor credit card costs and adjust the forecasts for agent compensation budgets accordingly.

E. REVENUE SOURCE

The Oregon Liquor Control 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.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Personal Services							
Pension Obligation Bond	-	-	42,874	-	-	-	42,874
Mass Transit Tax	-	-	6,959	-	-	-	6,959
Vacancy Savings	-	-	210,129	-	-	-	210,129
Total Personal Services	-	-	\$259,962	-	-	-	\$259,962
Services & Supplies							
Office Expenses	-	-	-	-	-	-	-
Professional Services	-	-	-	-	-	-	-
IT Professional Services	-	-	-	-	-	-	-
Total Services & Supplies	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	259,962	-	-	-	259,962
Total Expenditures	-	-	\$259,962	-	-	-	\$259,962
Ending Balance							
Ending Balance	-	-	(259,962)	-	-	-	(259,962)
Total Ending Balance	-	-	(\$259,962)	-	-	-	(\$259,962)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

<i>Description</i>	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	-	-	(6,000)	-	-	-	(6,000)
Agency Program Related S and S	-	-	(6,000)	-	-	-	(6,000)
Total Services & Supplies	-	-	(\$12,000)	-	-	-	(\$12,000)
Capital Outlay							
Automotive and Aircraft	-	-	(25,000)	-	-	-	(25,000)
Total Capital Outlay	-	-	(\$25,000)	-	-	-	(\$25,000)
Total Expenditures							
Total Expenditures	-	-	(37,000)	-	-	-	(37,000)
Total Expenditures	-	-	(\$37,000)	-	-	-	(\$37,000)
Ending Balance							
Ending Balance	-	-	37,000	-	-	-	37,000
Total Ending Balance	-	-	\$37,000	-	-	-	\$37,000

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

<i>Description</i>	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	-	-	2,149	-	-	-	2,149
Out of State Travel	-	-	198	-	-	-	198
Employee Training	-	-	152	-	-	-	152
Office Expenses	-	-	531,834	-	-	-	531,834
Telecommunications	-	-	2,316	-	-	-	2,316
State Gov. Service Charges	-	-	46,246	-	-	-	46,246
Data Processing	-	-	6,699	-	-	-	6,699
Publicity and Publications	-	-	666	-	-	-	666
Professional Services	-	-	636	-	-	-	636
IT Professional Services	-	-	607	-	-	-	607
Attorney General	-	-	-	-	-	-	-
Employee Recruitment and Develop	-	-	348	-	-	-	348
Dues and Subscriptions	-	-	87	-	-	-	87
Facilities Rental and Taxes	-	-	2,409	-	-	-	2,409
Fuels and Utilities	-	-	8,608	-	-	-	8,608
Facilities Maintenance	-	-	1,125	-	-	-	1,125
Agency Program Related S and S	-	-	4,958	-	-	-	4,958
Other Services and Supplies	-	-	345	-	-	-	345

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Expendable Property	-	-	475	-	-	-	475
Total Services & Supplies	-	-	\$609,858	-	-	-	\$609,858
Total Expenditures							
Total Expenditures	-	-	609,858	-	-	-	609,858
Total Expenditures	-	-	\$609,858	-	-	-	\$609,858
Ending Balance							
Ending Balance	-	-	(609,858)	-	-	-	(609,858)
Total Ending Balance	-	-	(\$609,858)	-	-	-	(\$609,858)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 032 - Above Standard Inflation

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

<i>Description</i>	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	-	-	-	-	-	-	-
IT Professional Services	-	-	-	-	-	-	-
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 Control Comm
Pkg: 090 - Analyst Adjustments

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Office Expenses	-	-	932,406	-	-	-	932,406
State Gov. Service Charges	-	-	-	-	-	-	-
Other Services and Supplies	-	-	-	-	-	-	-
Total Services & Supplies	-	-	\$932,406	-	-	-	\$932,406
Total Expenditures							
Total Expenditures	-	-	932,406	-	-	-	932,406
Total Expenditures	-	-	\$932,406	-	-	-	\$932,406
Ending Balance							
Ending Balance	-	-	(932,406)	-	-	-	(932,406)
Total Ending Balance	-	-	(\$932,406)	-	-	-	(\$932,406)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 091 - Statewide Adjustment DAS Chgs

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	-	-	-	-	-
Professional Services	-	-	-	-	-	-	-
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 Control Comm
Pkg: 102 - Distilled Spirits Shipping Capacity & Svcs

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	850,752	-	-	-	850,752
Temporary Appointments	-	-	300,000	-	-	-	300,000
Empl. Rel. Bd. Assessments	-	-	671	-	-	-	671
Public Employees' Retire Cont	-	-	153,902	-	-	-	153,902
Social Security Taxes	-	-	88,034	-	-	-	88,034
Worker's Comp. Assess. (WCD)	-	-	638	-	-	-	638
Mass Transit Tax	-	-	5,104	-	-	-	5,104
Flexible Benefits	-	-	387,024	-	-	-	387,024
Total Personal Services	-	-	\$1,786,125	-	-	-	\$1,786,125
Services & Supplies							
Employee Training	-	-	1,000	-	-	-	1,000
Office Expenses	-	-	1,000	-	-	-	1,000
Telecommunications	-	-	2,000	-	-	-	2,000
Data Processing	-	-	1,500	-	-	-	1,500
IT Professional Services	-	-	-	-	-	-	-
Facilities Rental and Taxes	-	-	17,368	-	-	-	17,368
Other Services and Supplies	-	-	9,000	-	-	-	9,000
IT Expendable Property	-	-	2,267	-	-	-	2,267
Total Services & Supplies	-	-	\$34,135	-	-	-	\$34,135
Capital Outlay							
Office Furniture and Fixtures	-	-	7,695	-	-	-	7,695
Technical Equipment	-	-	90,000	-	-	-	90,000

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 102 - Distilled Spirits Shipping Capacity & Svcs

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
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	-	-	2,203,955	-	-	-	2,203,955
Total Expenditures	-	-	\$2,203,955	-	-	-	\$2,203,955
Ending Balance							
Ending Balance	-	-	(2,203,955)	-	-	-	(2,203,955)
Total Ending Balance	-	-	(\$2,203,955)	-	-	-	(\$2,203,955)
Total Positions							
Total Positions							11
Total Positions	-	-	-	-	-	-	11
Total FTE							
Total FTE							11.00
Total FTE	-	-	-	-	-	-	11.00

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 112 - Move Agency Bank Card Costs

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

<i>Description</i>	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	-	-	-	-	-	-	-
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 Control Comm
Pkg: 801 - LFO Analyst Adjustments

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	(2,149)	-	-	-	(2,149)
Out of State Travel	-	-	(198)	-	-	-	(198)
Employee Training	-	-	(152)	-	-	-	(152)
Office Expenses	-	-	(519,774)	-	-	-	(519,774)
Telecommunications	-	-	(2,316)	-	-	-	(2,316)
Data Processing	-	-	(6,699)	-	-	-	(6,699)
Publicity and Publications	-	-	(666)	-	-	-	(666)
Professional Services	-	-	(636)	-	-	-	(636)
IT Professional Services	-	-	(607)	-	-	-	(607)
Employee Recruitment and Develop	-	-	(348)	-	-	-	(348)
Dues and Subscriptions	-	-	(87)	-	-	-	(87)
Facilities Rental and Taxes	-	-	(2,409)	-	-	-	(2,409)
Fuels and Utilities	-	-	(8,608)	-	-	-	(8,608)
Facilities Maintenance	-	-	(1,125)	-	-	-	(1,125)
Agency Program Related S and S	-	-	(4,958)	-	-	-	(4,958)
Other Services and Supplies	-	-	(345)	-	-	-	(345)
IT Expendable Property	-	-	(475)	-	-	-	(475)
Total Services & Supplies	-	-	(\$551,552)	-	-	-	(\$551,552)
Capital Outlay							
Office Furniture and Fixtures	-	-	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 801 - LFO Analyst Adjustments

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	(551,552)	-	-	-	(551,552)
Total Expenditures	-	-	(\$551,552)	-	-	-	(\$551,552)
Ending Balance							
Ending Balance	-	-	551,552	-	-	-	551,552
Total Ending Balance	-	-	\$551,552	-	-	-	\$551,552

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 810 - Statewide Adjustments

Cross Reference Name: Distilled Spirits Program
Cross Reference Number: 84500-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Reconciliation Adjustment	-	-	(55,176)	-	-	-	(55,176)
Total Personal Services	-	-	(\$55,176)	-	-	-	(\$55,176)
Services & Supplies							
State Gov. Service Charges	-	-	(39,549)	-	-	-	(39,549)
Other Services and Supplies	-	-	(625)	-	-	-	(625)
Total Services & Supplies	-	-	(\$40,174)	-	-	-	(\$40,174)
Total Expenditures							
Total Expenditures	-	-	(95,350)	-	-	-	(95,350)
Total Expenditures	-	-	(\$95,350)	-	-	-	(\$95,350)
Ending Balance							
Ending Balance	-	-	95,350	-	-	-	95,350
Total Ending Balance	-	-	\$95,350	-	-	-	\$95,350

REPORT: PACKAGE FISCAL IMPACT REPORT

2019-21

PROD FILE

AGENCY:84500 LIQUOR CONTROL COMMISSION

PICS SYSTEM: BUDGET PREPARATION

SUMMARY XREF:001-00-00 Distilled Spirits Program

PACKAGE: 102 - Distilled Spirits Shipping Cap

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
2000074	MESNZ7010	AP	PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	02	7,208.00		172,992 79,831			172,992 79,831
3000075	AL	C4139	AP LIQUOR DISTRIBUTION EQUIP OPER	1	1.00	24.00	02	2,881.00		69,144 53,101			69,144 53,101
3000077	AL	C4139	AP LIQUOR DISTRIBUTION EQUIP OPER	1	1.00	24.00	02	2,881.00		69,144 53,101			69,144 53,101
3000079	AL	C4139	AP LIQUOR DISTRIBUTION EQUIP OPER	1	1.00	24.00	02	2,881.00		69,144 53,101			69,144 53,101
3000080	AL	C4139	AP LIQUOR DISTRIBUTION EQUIP OPER	1	1.00	24.00	02	2,881.00		69,144 53,101			69,144 53,101
3000081	AL	C4137	AP LIQUOR DISTRIBUTION WORKER 1	1	1.00	24.00	02	2,786.00		66,864 52,514			66,864 52,514
3000082	AL	C4137	AP LIQUOR DISTRIBUTION WORKER 1	1	1.00	24.00	02	2,786.00		66,864 52,514			66,864 52,514
3000083	AL	C4137	AP LIQUOR DISTRIBUTION WORKER 1	1	1.00	24.00	02	2,786.00		66,864 52,514			66,864 52,514
3000088	AL	C4137	AP LIQUOR DISTRIBUTION WORKER 1	1	1.00	24.00	02	2,786.00		66,864 52,514			66,864 52,514
3000123	AL	C4137	AP LIQUOR DISTRIBUTION WORKER 1	1	1.00	24.00	02	2,786.00		66,864 52,514			66,864 52,514
3000124	AL	C4137	AP LIQUOR DISTRIBUTION WORKER 1	1	1.00	24.00	02	2,786.00		66,864 52,514			66,864 52,514
TOTAL PICS SALARY										850,752			850,752
TOTAL PICS OPE										607,319			607,319
TOTAL PICS PERSONAL SERVICES =				11	11.00	264.00				1,458,071			1,458,071

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

Oregon Liquor Control Comm
2019-21 Biennium

Agency Number: 84500

Cross Reference Number: 84500-001-00-00-00000

<i>Source</i>	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
Other Funds						
Transfer In - Intrafund	28,292,146	25,681,292	26,028,759	29,226,560	23,293,627	29,997,381
Total Other Funds	\$28,292,146	\$25,681,292	\$26,028,759	\$29,226,560	\$23,293,627	\$29,997,381

BUDGET NARRATIVE

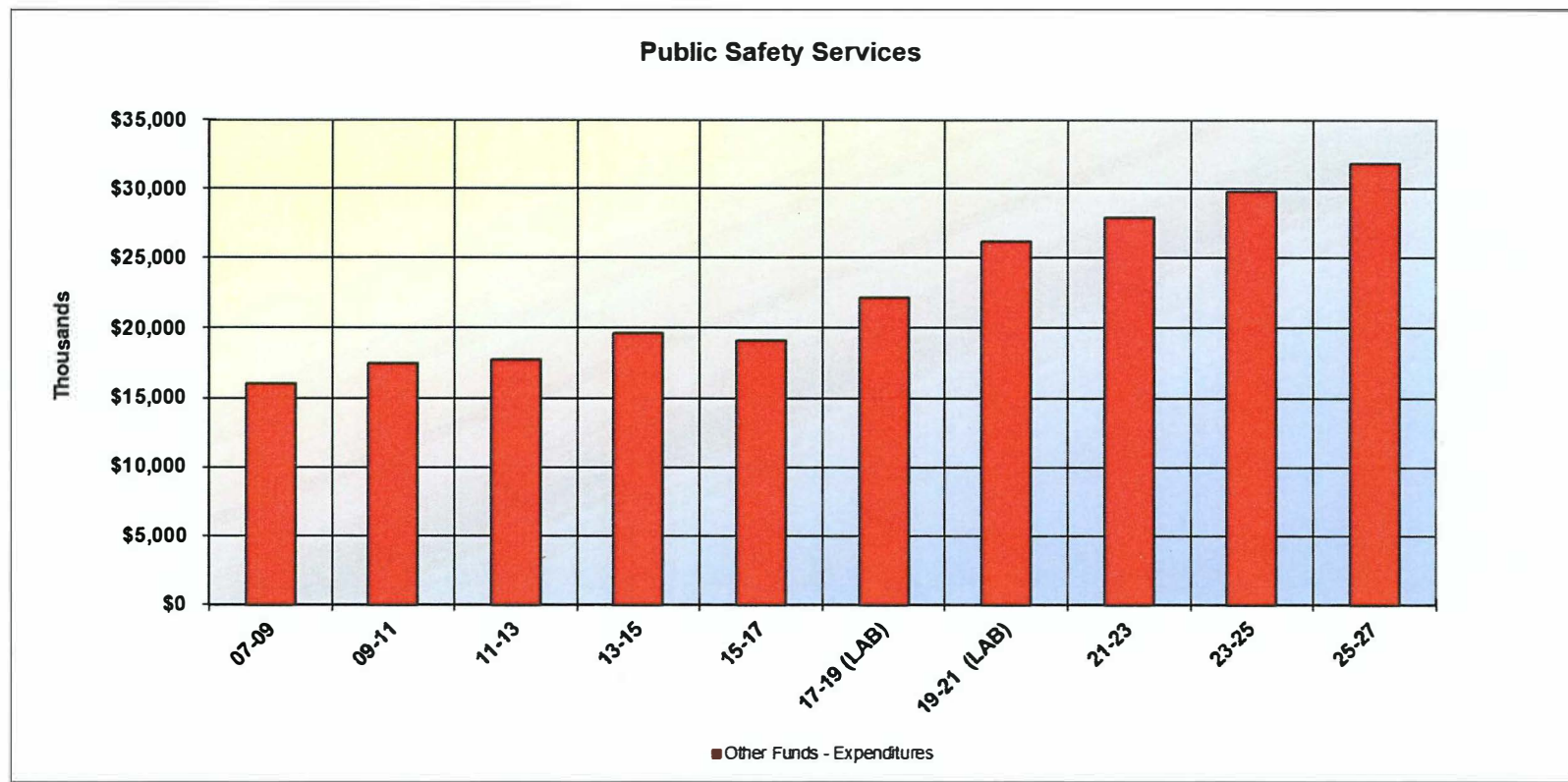
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BUDGET NARRATIVE

OLCC - PUBLIC SAFETY SERVICES PROGRAM - 002 2019-21 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.

In 2019-21 the Public Safety Services Program requested the following packages to meet the challenges of a growing and complex regulatory structure for alcohol, marijuana, and the Bottle Bill:

- Policy Option Package 203 "Liquor License Fee Increase for Revenue Generation" raises funding for much needed upgrades in infrastructure and information technology and offset the use of other liquor funds that can be distributed to the state, cities and counties.
- Policy Option Package 205 "Public Safety Statewide Dispatch Services" requests funding to continue the cost of maintaining the Oregon State Police dispatch services for OLCC's Inspectors in the field.
- Policy Option Package 206 "Licensing Staff Fulfillment" requests funding for staffing services for efficient licensing and permitting, an increase in demand for public records and effective management in licensing. This package requests funding for one limited duration double fill of a metro area Event Licensing Specialist AS1 position, one Principal Executive Manager D for alcohol licensing, one Principal Executive Manager B for license process, one Operations and Policy Analyst 2 for public records.
- Policy Option Package 207 "Public Safety Enforcement Staff Fulfillment" requests funding for the addition of two Liquor Regulatory Specialists, one for the Salem office and another for Eugene.
- Policy Option Package "408" Marijuana Program Enhancement" located in the Marijuana Program budget requests funding for staff including 8 marijuana regulatory specialists to ensure regulatory compliance, 1 laboratory compliance specialist to focus on laboratory compliance, protocol and regulation, as well as funding for continuing strategic and

BUDGET NARRATIVE

tactical communications support related to marijuana, reclassification of positions to reflect actual duties, and increasing annual marijuana license fees by \$100 to accommodate the increase in program expense if all the proposed policy option packages for recreational marijuana are approved.

- Policy Option Package 209 “Regulatory Specialist Reclassification” requests differential funding for Regulatory Specialists to implement findings by DAS Classification and Compensation unit in a compensation study of the liquor and marijuana regulatory class positions.

E. PROGRAM FUNDING REQUEST

The Legislatively Approved Budget is \$27,878,683 Other Funds limitation for the 2019-21 biennium, including 118 positions and 116.00 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, and issuing alcohol service permits and marijuana worker permits.
- Alcohol Education Division – responsible for overseeing private industry server education providers and other programs that train people to sell and serve alcohol legally, as well as the development and implementation of the marijuana worker permit education program.
- Public Safety Division – responsible for educating licensees, investigating complaints, and enforcing liquor and marijuana laws through sanctions if education is not effective.
- Administrative Policy and Processes Division – reviews the final OLCC internal investigative reports for technical sufficiency. It provides due process to the OLCC’s licensees, permit fees, applicants and liquor agents by developing the agency record at contested case hearing and ensuring consistent application of policies and laws. Please note that the AP&P

BUDGET NARRATIVE

Division was reported as part of the Support Services; however in 2017-19 it was moved to Public Safety to enhance coordination between with the Public Safety Division.

The Public Safety Program is responsible for providing statewide services to every Oregon community. For 2019-21, OLCC will be responsible for the oversight of more than 17,000 alcohol licensees, including 11,900 restaurants, bars, grocery and convenience stores, plus 279 liquor stores, 89 distiller locations, and 165,000 alcohol service permittees throughout the state. In addition the Program provides oversight for 2,300 marijuana licenses including producers, processors, wholesalers, retailers, laboratories and 31,000 marijuana worker permittees. To ensure statewide reach, the Program continues to build upon the need for community services through five regional offices and eight satellite offices, including its headquarters in Milwaukie. All four 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 generates over \$1.5 billion dollars of retail alcohol sales for the two year 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 becoming an increasingly important generator of economic development and 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 three high

BUDGET NARRATIVE

priority issues for control: 1) keeping alcohol and marijuana out of the hands of minors; 2) preventing the over service of individuals, and 3) preventing illegal diversion of marijuana in or out of the legal market.

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. Educating licensees, and monitoring and enforcing their compliance with liquor and marijuana laws, does more than keep businesses in compliance and out of trouble; it creates an industry-wide business climate of viability and profitability within local communities and reflects a tremendous statewide responsibility for the provision of education, licensing and public safety services statewide.

The Program links to supporting and building Oregon's economy and the creation of jobs in the following ways:

- **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.
- **Proactively encouraging Oregon's economy and 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 eliminating 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.

BUDGET NARRATIVE

The OLCC is also working to enhance the available 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 regard to these issues, the overall and full societal cost of liquor and recreational marijuana consumption by Oregonians should be understood, and the OLCC works to maintain an environment of positive returns within the context of its systems and authorities under state law.

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 aggressively
 - 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.

BUDGET NARRATIVE

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 of successful minor decoy operations at alcohol licensees is lower than at marijuana licensees. The agency will take steps in 2019-21 to address this discrepancy and improve overall compliance rates.

BUDGET NARRATIVE

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 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 Bend office has visited all but one of their licensed retailers and has maintained a 100% no sale rate.

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.

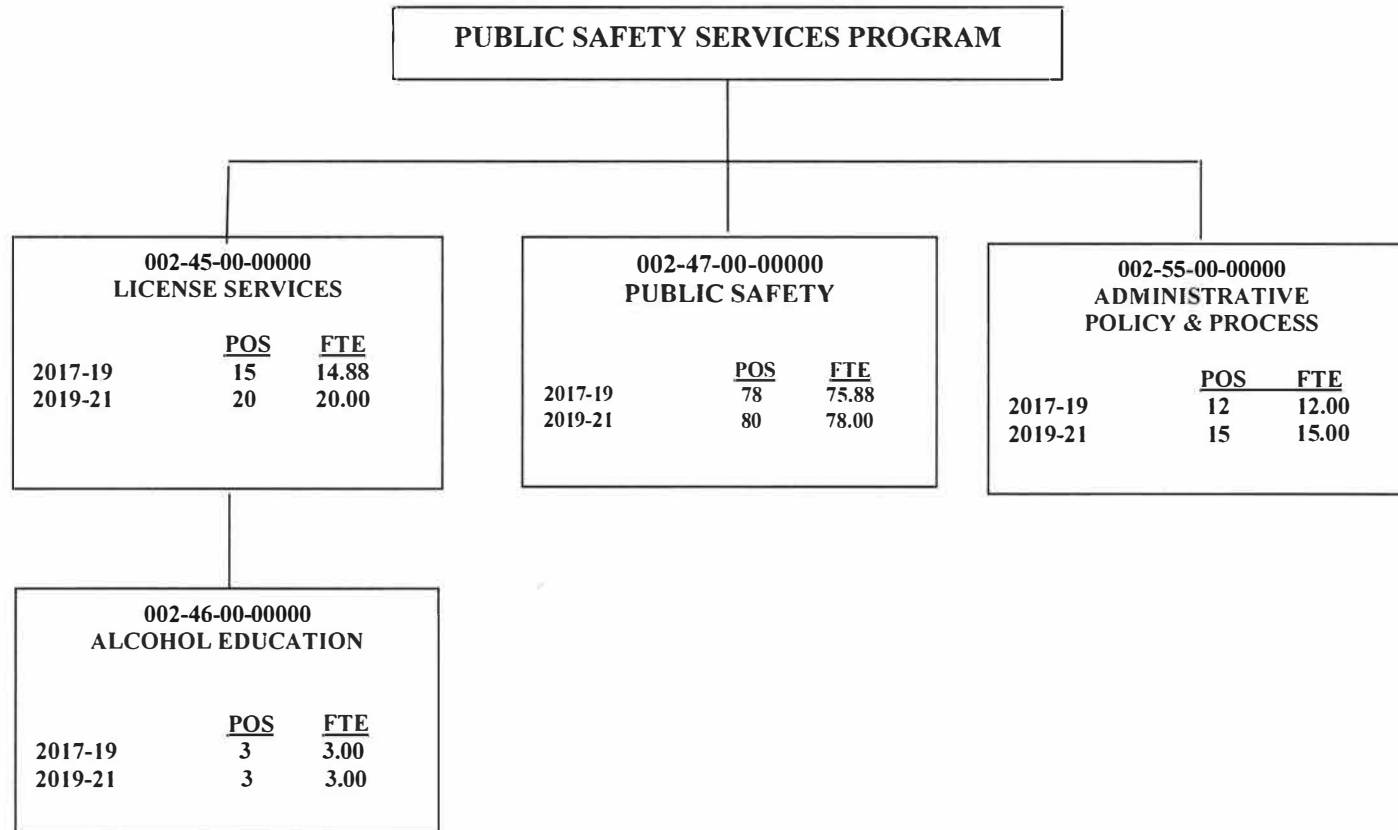
K. SIGNIFICANT PROPOSED PROGRAM CHANGES FROM 2017-19

The 2019-21 Budget moves the Administrative Policy and Process Services Division (subprogram 55) from the Administration and Support Services Program – 003 to the Public Safety Services Program – 002.

BUDGET NARRATIVE

OLCC - PUBLIC SAFETY SERVICES PROGRAM (002) 2019-21 BUDGET

Organization Chart



BUDGET NARRATIVE

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 has begun to separate the management of 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.

BUDGET NARRATIVE

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 (DUI) through education and enforcement.

The Program consists of four divisions: License Services, Alcohol Education, Administrative Policy and Process, and Public Safety. 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 2015-17 biennium the agency’s alcohol licensing and compliance staff assisted the Marijuana Program in licensing activities, necessitated by the number of license applications, expertise of existing staff, delays in hiring, and the training required of new marijuana staff to be fully operational. 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 has generated over \$200 million in revenue. Only after the supply chain was intact did OLCC move staff back to necessary compliance oversight of alcohol and marijuana licensees. During the 2019-21 biennium, licensing will require additional compliance staff to satisfy the continuing demand for licensing and renewals. This will allow the agency to continue on its initial launching of an active compliance program for all license types. As well, it will improve the management accountability for licensing by isolating the service, and by focusing on the factors of policies, resources, and time to licensure that will define its efficiency. In the near term, maintaining a flow of license renewals and approvals to meet demand will require additional resources.

To create efficiencies and agency-wide consistency, the agency has unified alcohol and marijuana services under a single management structure and employing shared support service. Under this integrated model, inspections in public safety inspect both

BUDGET NARRATIVE

alcohol and marijuana licenses through individual inspectors are assigned to each area. Both alcohol and marijuana licensing is carried out by the licensing program through a professional staff that is dedicated by license type. Many personnel in both compliance and licensing are cross trained and have the knowledge to perform both alcohol and marijuana compliance and licensing work.

To achieve these outcomes, the program focuses on education. It works to provide continuing training to licensees and permittees through community level interactions. In the field inspections are a primary tool to achieve compliance and prevent serious violations and backing up licensee and permittee compliance are a suite of sanctions and penalties that are progressive up to the revoking 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. 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 of distilled spirits, beer, wine and cider. A recreational marijuana license is a statutory requirement for all producers, wholesalers, processors, retailers, laboratories, 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. 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.

This Division is also responsible for the outcomes of supporting business development through licensing in a fair and consistent manner. It is also charged with creating an overall healthy and safe business climate for the responsible sale of alcohol and marijuana products throughout Oregon.

BUDGET NARRATIVE

The Alcohol and Marijuana Education Division provides educational services to prevent violations and support compliance of businesses and their employees related to alcohol and marijuana sales, alcohol service, and general overall responsibilities for working or employing staff in all license types for marijuana. The staff in this program evaluate online and in-person alcohol server education classes, oversees server education providers and is responsible for the course curriculum. This program is also responsible for the online recreational marijuana worker permit education and application system. Service permit and education staff work together to provide qualified and trained workers to service the hospitality industry in Oregon, and the producers, processors, wholesalers, and retailers of recreational marijuana. Education staff also work with industry, prevention groups, schools and local jurisdictions to provide information about all aspects of control of alcohol and marijuana and the prevention of its abuse. Alcohol education staff are also responsible for administering the Responsible Vendor and Clerk training programs that train staff in making legal sales to adults and licensees. Employers are provided the incentive of a one-time break on an errant minor sale when they commit to purchase and install age verification technology at sales registers.

This Division is responsible for the outcomes of providing and monitoring service permits in the alcohol program and recreational marijuana worker permits in the marijuana program. Education about regulations and techniques to control patrons contributes to business sustainability, supports public safety, and is a most effective means of achieving agency goals. Because of the OLCC's strong believe in the vital importance of education, the OLCC is seeking communications funds for both alcohol and marijuana to get education information out to the public and licensees. This division was a vital part of the highly regarded "What's Legal" campaign educating the public about the limited ways marijuana was made legal in Oregon and has been a part of every media campaign promoting drinking responsibly. It has consistently collaborated with agency partners in the development of radio and video spots on the dangers of driving buzzed and promoting the practice of designating drivers that do not drink at parties or other social events.

The Public Safety 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 is working more 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

BUDGET NARRATIVE

prevent problems created by liquor and marijuana businesses or their patrons. Staff work closely with universities to administer their substance abuse policies on campuses. They provide training and education at DPSST; The Police Academy; Oregon universities, colleges and schools; tribal governments and MADD. 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 has initiated its OLCC Medical Tracking Program and will assist the Oregon Health Authority by carrying out compliance inspections of OHA medical grows who grow for more than two medical cardholders — this law change means that these OHA growers will have to report daily on their production, sharing of marijuana with OMMP cardholders, and record annual sales of up to \$20 pounds of marijuana into the recreational system.

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 Committee, 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 Portland's office of Community and Civic Life on livability and public safety concerns. Since 2007-09, the program has been focusing more on outreach and coordination with other organizations and the industry. It also began working more closely with Oregon Partnership, a non-profit alcohol and drug prevention organization that share OLCC's interest in preventing alcohol use by minors. 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 July 15, 2018, the Public Safety Services Program has more than 17,000 active liquor licenses:

- More than 14,000 are retail businesses that serve or sell alcohol directly to the public.
- There are approximately 165,000 active alcohol service permits
- Over 9,500 temporary sales licenses are approved annually

BUDGET NARRATIVE

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. OLCC currently has 1,986 active marijuana licenses and an additional 2,436 licensing applications received. 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 for 2019-2021 are as follows:

- 1,074 producers, 129 wholesalers, 182 processors, 577 retailers, and 23 labs
- 31,000 active marijuana worker permits
- 729 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.

Administrative Policy and Process Division (AP&P): This important 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 drafts rules and provides for the commission by setting permit fees and violations, it 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. Please note that the AP&P Division was reported as part of the Support Services; however in 2017-19 it was moved to the Public Safety Program to enhance coordination between this unit and the Public Safety Division.

This division is responsible for the outcomes of: leading transparent processes for policy and regulatory 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.

BUDGET NARRATIVE

Issues

The 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.

The program faces many challenges in ensuring the public's safety from the abuse and misuse of alcohol and marijuana, and helping businesses to comply with laws so they can stay in business, provide jobs, and enhance their communities. Changes in our social environment, marketing trends, and media exposure have contributed to the stress on program resources to keep up with the pace of a growing population; for example, social media allows large crowds to be drawn together in a matter of hours, often overwhelming safeguards and crowd control preparations. Crowd control and security are growing problems within portions of Oregon's cities and metropolitan areas. Underage drinking and marijuana consumption continues to be a major problem across the nation and in Oregon. The OLCC realizes it cannot alone adequately address the problem, but it can be a major part of the solution by ensuring alcohol and marijuana is not available to minors from licensed premises. The OLCC's public safety concerns also focus on alcohol over-service and specific licensed businesses that present liquor law compliance challenges.

In 2018, the Program had about 17,000 alcohol licenses (including out-of-state businesses that require licenses to ship product to Oregon). By July 15, 2018 the recreational marijuana program has issued 1,986 recreational marijuana licenses. 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 17,000 alcohol licenses include about 14,085 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 in the demand for liquor and recreational marijuana licenses, alcohol server permits and marijuana worker permits. 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

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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.

Program strategies to efficiently and effectively get and keep businesses in business and support the state economy include:

Customize 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. Two key issues going forward will be the examination of regulation of e-commerce for alcohol marketing and the implementation of licensing policies to aid in managing over supply in Oregon's marijuana marketplace.

Tailor community-based regulatory plans

The Public Safety Division has been working more proactively with local communities to tailor regulatory compliance plans to their needs and develop community-based solutions.

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

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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 authorization for a Chief Information Officer during the 2018 legislative session. Other areas of this requested budget positions the agency to plan, contract and integrate critical business system for the operations of the spirits program, all public safety services including licensing systems, Public Safety case management and violations tracking, and critical systems for financial accounting and tax collections. The agency is currently working with the State CIO's office and DAS Procurement to design a single integrated strategy to advance for contract and funding approvals. The agency proposes to set aside funding limitation until it meets the many Stage Gates of approval each project will require. Only then will the agency request spending authority from the legislature or its Emergency Board. The agency recognizes that its business partners and customers have a role in economizing the direct expense of these systems. Designing a modular software design that is flexible to changing

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business requirements and adaptable to modification is a core goal for the efficiency of future IT systems. This entirety of work is central to the OLCC public safety mission.

C. EXPECTED RESULTS

Based on the agency mission, strategic plan and performance measures the Public Safety Services Program expects the following results in the 2019-21 biennia:

- **Decrease the availability of alcohol to minors through licensed premises**
Attain an 82 percent compliance rate for 1,800 minor decoy operations per year, a key performance measure (KPM) target established by the 2013 legislative session.
- **Improve liquor law compliance as shown by a limited number of repeat violators**
Limit to 12 percent 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 percent 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. Of these programs, spend 60 percent of time on enforcement activities on minor decoy operations and 40 percent on the other programs.
- **Issue licenses 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.
- **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 Control 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 accord with ORS Chapters 471, 473, and 475B.

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E. PROPOSED LEGISLATIVE CHANGES

Agency Concept 84500-001 – Fees for Alcohol Licensing

The generation of revenue in Oregon from alcohol is heavily weighted toward the markup for distilled spirits. Oregon is one of the highest states in the country generating revenue from spirits and one of the lowest in the country in generating revenue from license fees. Revenue from distilled spirits subsidize the agency's licensing, renewal and enforcement activities for over 15,000 alcohol licensees and 9,000 special event licenses. Doubling annual license fees and adding a fee for the temporary annual use of license will provide additional funding to provide services to licensees including online licensing and renewal systems, training, education, enforcement, increased communication and IT services to help licensees comply with the law.

Agency Concept 84500-002 – Redemption Center Fee

The refund value for empty beverage containers increased from 5 cents to 10 cents on April 1, 2017 and the types of beverages included in the Bottle Bill greatly expanded on January 1, 2018. These changes increased interest in redeeming containers, which in turn created a major increase in the number of questions and complaints from impacted stores and the public about the Bottle Bill, which are currently fielded by the agency's one Bottle Bill Compliance Specialist. This leaves little time for performance of higher level compliance and oversight functions. A \$3,000 annual registration fee for each redemption center will support the funding of an AS1 position to assist the Bottle Bill Compliance Specialist in performing duties related to Bottle Bill public information and compliance.

Agency Concept 84500-003 – Marijuana Fee Conditional Letter of Authority

The OLCC's recreational marijuana program is funded solely by licensing and renewal fees, however renewal fees are not realized until the application has been approved. In situations where an existing business applies for renewal shortly before their renewal date, or has a particularly complicated renewal application due to changes in business structure or operations, the applicant, agency and local government need additional time after the renewal date to process the application. In these cases the agency issues a Conditional Letter of Authority to allow the business to continue to operate. The agency collects the license fee, however, it cannot expend those funds unless and until the license is approved, even though the licensee is operating and OLCC staff are doing the work. This has created a problem because some licensees are seemingly "gaming" the system, requesting a Conditional Letter of Authority, and then withdrawing their renewal application after harvest and profits are made. In addition, if an agency proposes to deny a license, the licensee can continue to operate without paying a fee. Under this proposal, if a licensee uses their license privileges under a Conditional Letter of Authority (i.e. into a new license year while a renewal is pending), and then later want to surrender their license, the license fee is not refundable.

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Agency Concept 84500-004 – License Server Fee

The statute requires accounting for the \$2.60 annual server permit fees from licensees and \$13 server permit fee from server permittees is cumbersome and can be streamlined as the costs of the server permit program and alcohol education program are covered by allowed fees under ORS 471.375(2) and other agency alcohol revenues. The agency proposes eliminating the fees outlined in ORS 471.542 (6) and the required accounting in ORS 471.375 (2).

Agency Concept 84500-05 – Electronic Verification of ID

Lack of banking access is a significant problem facing Oregon's legal marijuana industry. One of the primary concerns is ensuring that marijuana businesses are adhering to state law and federal policy. For example, guidance from the Federal Financial Crime Enforcement Network states that financial institutions that service MRBs must ensure that they are not selling to minors. In addition, Oregon law imposes daily purchase and possession limits on marijuana transactions. These limitations are easily circumvented by the practice of "smurfing" whereby a consumer makes multiple purchases from multiple retailers in the same day or the practice of "looping" whereby a consumer makes multiple purchases from a single retailer in the same day. Electronic methods of preventing sales to minors by validating ID and the prevention of "smurfing" and "looping" are available; however, the use of electronic methods to provide this service may be prohibited under Oregon law. Oregon law provides that "A marijuana retailer may not transfer any information that may be used to identify a consumer to any other person." For banks, these types of electronic solutions represent a critical layer of assurance that MRBs are fulfilling their legal obligations and are participating in a process that makes legal marijuana businesses more attractive as potential customers. Amending Section 47B.220 (4) to clarify when and how electronic vendors can be used for age verification and to prevent "smurfing" and "looping" would provide clarity and direction to marijuana businesses in the use of electronic verification equipment and software, and potentially increase the ability of marijuana businesses to secure banking services.

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OLCC - LICENSE SERVICES DIVISION - SUBPROGRAM 45

2019-21 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 new 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; 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. 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 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 for its proportional share of the cost for this service.

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. Through annual licensing requirements for the agency's primary licenses, the OLCC ensures operational accountability and consistent compliance.

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The License Services Division issues and renews licenses and service permits and manages the license personnel for the 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 and service 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.

The division is organized into two sections:

The Metro Licensing Unit is stationed in Portland and handles approximately 52 percent of the statewide alcohol license and 43 percent of the statewide recreational marijuana license investigation workload. Technical and administrative staffs are responsible for distributing license applications, and providing guidance and information on liquor 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 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 because of new legislation in 2008.

Staff maintain records for alcohol servers and marijuana worker permits holders, approximately 17,000 alcohol licensees, including about 3,848 headquartered out-of-state, and more than 165,000 alcohol service permittees. In 2019-21, the staff expects to maintain records on approximately 2,300 marijuana licensees and 31,000 marijuana worker permittees.

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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 22 percent of the new licenses processed annually, compared to a decade ago when it was only five percent. As the economic recovery continues, the agency sees a trend of even more license applications and renewals.

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. OLCC has received 4,423 applications and has 1,964 currently licensed and operating. 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. To adapt, businesses will open, close, and reorganize, all requiring licensing services.

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 a recent 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 has made the task of a license renewal as difficult and as lengthy as the initial licensure.

The License Services Division continues to pursue streamlining efforts and the use of technology to provide more and higher quality service to its stakeholders. 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. This is a critically important discussion for the OLCC. The agency's current licensing system was procured through the statewide contract with NIC USA. This system was conceived before three major legislative changes in marijuana policy and prior to the development of agency rules to implement state policy. This contractor provided exactly what the state and OLCC needed to meet the rapid timeline for the agency to accept marijuana license applications. The system has been adapted to many of the priorities the agency

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faced over two-and-half years of implementation and rapid customization. This work allowed the OLCC to license and establish a full marketplace of licensees that have generated over \$200 million in tax revenue for the state – a good value and achievement for the agency and NIC USA. However, the programing has not been able to match the complexities of managing license renewals – for reasons articulated, renewals are generating a staggering and substantial review of work and much of this process is being accomplished manually. In fact the legislature provided funding to the agency to support some of the additional workload during the 2018 short session. If progress cannot be made on servicing renewals, the OLCC has the option to opt out of the contract in November of 2018. The agency is preparing for this potential outcome and if it were to happen, the OLCC would still rely on the existing system for many months. In June of 2018 the OLCC was already exploring options to advance an RFP for a next generation licensing system. The OLCC is currently exploring every alternative to advance a procurement and innovative funding proposal.

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 close to 31,000 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.

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C. EXPECTED RESULTS

In the 2019-21 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
- 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

D. REVENUE SOURCE

The Oregon Liquor Control 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 – Fees for Alcohol Licensing

The generation of revenue in Oregon from alcohol is heavily weighted toward the markup for distilled spirits. Oregon is one of the highest states in the country generating revenue from spirits and one of the lowest in the country in generating revenue from license fees. Revenue from distilled spirits subsidize the agency's licensing, renewal and enforcement activities for over 15,000 alcohol licensees and 9,000 special event licenses. Doubling annual license fees and adding a fee for the temporary annual use of license will provide additional funding to provide services to licensees including online licensing and renewal systems, training, education, enforcement, increased communication and IT services to help licensees comply with the law.

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Agency Concept 84500-003 – Marijuana Fee Conditional Use of Authority

The OLCC's recreational marijuana program is funded solely by licensing and renewal fees however renewal fees are not realized until the application has been approved. In situations where an existing business applies for renewal shortly before the renewal date or has a particularly complicated renewal application due to changes in business structure or operations, the applicant, agency and local government need additional time after the renewal date to process the application. In these cases the agency issues a Conditional Letter of Authority to allow the business to continue to operate. The agency collects the license fee, however, it cannot expend those funds unless and until the license is approved, even though the licensee is operating and OLCC staff are doing the work. This has created a problem because some licensees are seemingly "gaming" the system, requesting a Conditional Letter of Authority, and then withdrawing their renewal application after harvest and profits are made. In addition, if an agency proposes to deny a license, the licensee can continue to operate without paying a fee. Under this proposal, if a licensee uses their license privileges under a Conditional Letter of Authority (i.e. into a new license year while a renewal is pending), and then later want to surrender their license, the license fee is not refundable.

Agency Concept 84500-004 – License Server Fee

The statute requires accounting for the \$2.60 annual server permit fees from licensees and \$13 server permit fee from server permittees is cumbersome and can be streamlined as the costs of the server permit program and alcohol education program are covered by allowed fees under ORS 471.375(2) and other agency alcohol revenues. The agency proposes eliminating the fees outlined in ORS 471.542 (6) and the required accounting in ORS 471.375 (2).

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OLCC - ALCOHOL (& MARIJUANA) EDUCATION DIVISION - SUBPROGRAM 46

2019-21 Budget

A. PURPOSE, ACTIVITIES & ISSUES

Purpose

The Alcohol and Marijuana Education Division works to decrease alcohol and marijuana sales to minors and visibly intoxicated persons, and to keep intoxicated drivers off our roads by providing educational opportunities and resources. The misuse or abuse of alcohol and marijuana can lead to serious consequences, including death. Oregon's server education program was the first such mandated alcohol education in the United States. This program is a model for the marijuana programs in many other states, and many states look to OLCC for assistance and guidance in developing their own programs. The Alcohol and Marijuana Education Division's staff maintain the quality and integrity of Oregon's program.

The Division consists of two compliance specialists and one support staff. Among other responsibilities, staff monitor and enforce the standards of the statewide Alcohol Server Education (ASE) Program and the Marijuana Worker Permit Program. The proactive training outlined in the model server education curriculum is the key to responsible alcohol service. It is designed to give alcohol servers and their managers the knowledge and skills needed to take serious steps to minimize the problems caused by alcohol abuse. Instructors teach topics such as effective alcohol server intervention techniques, checking ID, preventing sales to minors and visibly intoxicated patrons, drunk driving laws, liquor liability, the effects of alcohol on the body, and marketing for safe and responsible alcohol consumption. Division staff, with advice from an Alcohol Server Education Advisory Committee (whose membership is legislatively mandated in ORS 471.547), determines the course curriculum, teaching and training techniques, quality assurance plan, and test questions. The expertise of the alcohol server education program has transferred into OLCC's new and similar responsibilities for marijuana permittees. The Marijuana Worker Permit Program became operational in July 2016. Applicants take an online course focused on marijuana laws, rules, regulations, ID checking, preventing minor access and visibly intoxicated persons from access to marijuana. Online Alcohol Permit Applications became operational in 2018. This Program will be further refined as additional educational needs are identified.

Activities

Division staff monitors about 1,100 in-person alcohol server education classes taught statewide, as well as the various approved online courses. More than 34,000 alcohol servers go through a course each year. Division staff oversees the training and testing of the servers. Staff evaluates instructors, update curriculum and tests, and certify private online and classroom providers and instructors to ensure they are teaching according to requirements laid out in statute and administrative rule. They assist providers in maintaining compliance with administrative rules and statutes; in improving the quality of their instruction; provide training tools; grade and record tests; provide sign interpreters for the hearing impaired; and provide course materials and tests for classes taught in

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Chinese and Spanish. Staff investigates complaints of substandard performance and violations of program rules and takes the necessary compliance actions. In addition, staff develops class calendars and serves as a resource in directing prospective students to the location of classes throughout Oregon. Staff maintains and collects statistics and inform instructors on changes in the law, policies, or items for class instruction. Division staff developed a marijuana worker permit online curriculum modeled after the successful alcohol program and is expected to monitor up to 31,000 marijuana worker permit holders in the 2019-21 biennium.

Staff has focused their efforts to meet the priority of streamlining governmental processes on behalf of the public. In 2007, the OLCC amended its rules to allow providers to offer the initial alcohol server education class online, in addition to the online renewal class. Division staff, in consultation with the Alcohol Server Education Advisory Committee, developed standards for approving the online courses. As of April 2013, the Alcohol Education Program staff has approved nine online server education renewal classes and nine online server education initial classes, supplementing the existing in-classroom providers and instructor's class offerings. One online proposal is pending. All of the marijuana worker permit education takes place online through the agency's website.

The Division also administers an alcohol clerk training course, the seller-training course and the Responsible Vendor Program.

- The clerk-training course is mandatory for any off-premises sales license employee or liquor store employee who sells alcohol to a minor and who will be retained by his or her employer. To continue to sell alcohol, the clerk must take this training in responsible alcohol sales. Division staff approve curriculum and course providers. Staff notifies licensees if their clerks need to take training, then track clerks' progress through the course.
- The voluntary seller-training course was established by the 2009 Legislature and implemented in 2010. House Bill 3343 created a new provision for employees of a liquor licensee or liquor store agent who sell or serve alcohol to a minor. These employees may receive a reduced criminal penalty (a violation instead of a misdemeanor for the first two convictions), if they voluntarily complete an OLCC-approved training program such as this, prior to their court appearance. Division staff approves the curriculum and course providers for the seller-training course. SB 1546 passed during the 2014 legislative session, establishing reduced penalties for clerks who sell to a minor; their first two convictions are considered only violations, regardless of whether they have completed any prior OLCC-approved training.
- The Responsible Vendor Program is a voluntary program, which rewards retail licensees who adopt best practices on alcohol sales and provide ongoing training to their employees. Licensees receive reduced sanctions if an employee does sell alcohol to a minor, as long as the licensee has all of the Responsible Vendor Program requirements in place at the time of the violation. Division staff review and approve all applications, and provide assistance to licensees in understanding and meeting program requirements. In 2008, staff revised Responsible Vendor Program materials into a plain language format for licensees' ease of reading and understanding of the program's requirements. In 2008, the Responsible Vendor Program won a Best Practices

BUDGET NARRATIVE

Award from the National Conference of State Liquor Administrators (NCSLA). The program won the Social Responsibility Award for programs that are “innovative, pioneering, and deemed to be of value to other states and the regulated industry.”

Division staff also designs and develop special educational projects, which historically has promoted the goals of alcohol education. With the addition of marijuana responsibilities, the program provides marijuana education as well. The marijuana program pays for its proportional share of the cost.

Issues

In 2016, SB 1598 expanded the marijuana worker permit program to include all workers in recreational marijuana licensed growers, processors, wholesalers, and retailers. An online education and application system was created and became operation in July 2016. In 2019-21, the Division expects over 31,000 worker permits to be granted.

This Division is responsible for: monitoring and enforcing the standards of the statewide Alcohol Servicer Education (ASE) Program. This includes certifying private online and classroom providers and instructors, maintaining a master training calendar, providing curriculum and training tools, and investigating complaints of substandard performance, as well as providing clerk training courses, voluntary seller courses and maintaining the Responsible Vendor Program as well as the Marijuana Worker Permit Program.

B. BACKGROUND

The Alcohol Education Program 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.

C. EXPECTED RESULTS

The Alcohol Education Division’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 28 alcohol server education instructors each year and provide meaningful feedback to them and the 13 certified course

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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 biennium of 2019-21.

D. REVENUE SOURCE

The Oregon Liquor Control 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

There are no proposed legislative changes.

BUDGET NARRATIVE

OLCC - PUBLIC SAFETY DIVISION - SUBPROGRAM 47

2019-21 Budget

A. PURPOSE, ACTIVITIES & ISSUES

To promote the 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 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 liquor and recreational marijuana 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.

License investigators investigate applications for one-year liquor and recreational marijuana licenses and ensure that OLCC issues licenses only to qualified applicants. Investigators act on requests for changes in business locations, license privileges, type of operation and ownership. These staff also investigate license renewal applications.

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 is beginning to segregate 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. During the 2017-2019 biennium OLCC is in the process of completing the hiring and training of employees for the OMMP medical tracking program. The OMMP medical marijuana inspection is a state-wide program and is managed by a manager out of the

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Milwaukie Office. Regulatory Specialists are assigned to the five regional units as well as the metro enforcement unit is all three program areas, alcohol, recreational marijuana and the newly forming medical marijuana program.

The five regional units are:

1. Metro Enforcement Unit, headquartered at the Milwaukie office
2. Salem Region, headquartered in Salem with field offices in Warrenton and Corvallis
3. Eugene Region headquartered in Eugene with field offices in Newport and Roseburg
4. Medford Region, headquartered in Medford with field offices in Klamath Falls and Coos Bay
5. 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.

DUII Report and Special Investigation Unit The DUII Report Program seeks to reduce the sale or service of alcohol to visibly intoxicated persons. The program identifies licensed outlets that have a high incidence of DUII reports and follows-up with notification, education, and enforcement. It also has implemented a Statewide Investigation Unit that specializes in

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undercover work to detect over service or minor access issues. These programs play an important role in making Oregon's highways safer and reducing unlawful activity.

Saturation Patrols This program conducts compliance checks in a geographic area with a number of different teams. Sometimes, for patrols of liquor licenses, it teams up with local law enforcement to conduct walk-throughs of licensed alcohol businesses to check for compliance. This allows the OLCC and local law enforcement to visit many more liquor licenses than could be conducted by one or two inspectors and provides high visibility for the industry and their patrons. The OLCC also conducts saturation patrols for marijuana licenses but these teams are comprised of only OLCC inspectors who may be brought together from statewide offices to a regional office to check on licensee operations in a local community. A good example of this strategy is Operation "Good Harvest" scheduled to be carried out in the Fall of 2018. This operation will focus saturation patrols on the outdoor marijuana harvest, primarily in Southern Oregon. To facilitate this focused effort to deter and detect diversion, the Commission adopted a rule that requires outdoor producers of recreational marijuana to place a notification to harvest in the Cannabis Tracking System (CTS - METRC). OLCC has continued to learn through enforcement efforts and informant information that diversion can occur after harvest and prior to the entry of wet marijuana crop weight required to be entered into METRC. This notification allows OLCC regulatory specialists to inspect producer licenses near harvest dates to gain voluntary compliance and detect illegally diverted recreational marijuana. As a force multiplier, the agency also informed licenses that it may make selected requests for videos of harvest operations at a location not visited during the patrol.

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 employ data driven compliance actions to maintain the integrity of the recreational marijuana market.

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 2017 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,

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personal injury, physical fights and potential lasting brain impairment. In Oregon during 2015, 12 percent of 8th graders and 29 percent of 11th graders surveyed had drunk alcohol on one or more occasions in the past 30 days. In 2018 those percentages fell slightly to 10.3% of 8th graders and 26.9% of 11th graders. Similarly, students in the 2017 Healthy Teen Survey were asked about their marijuana and other drug 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 is likely to face 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 have limited the number of alcohol minor decoy operations to about 1,700 per year or about 13% of all license premises. 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) reached a high of 84% in 2013 but went down to 81% in 2015. The rate of successful minor decoy operations at alcohol licensees is lower than at marijuana licensees. The agency will take steps in 2019-21 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 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 Bend office staff have visited all but one of their licensed retailers and has maintained a 100% no sale rate.

In 2019-21 the Oregon liquor industry is expected to continue its steady growth. The Oregon recreational marijuana industry has blossomed in Oregon. As of July 15, 2018 OLCC had 4,422 marijuana license applications; 1,986 licenses were approved leaving 2,436 to be processed. The agency currently has 31,000 marijuana worker permits. On June 1, 2018, OLCC announced a slowing of the marijuana application process and an additional 1,001 applications for licensure were received prior to June 15, 2018 deadline.

BUDGET NARRATIVE

Existing marijuana businesses in Oregon will continue to grow and evolve. The recreational marijuana industry in Oregon has created a frenzy of investment and business opportunities. As the industry evolves, it is clear that licensing and renewals in the recreational marijuana market are more complex than alcohol and often takes more time to process. A recent example of this is an application for several types of recreational marijuana licenses involved a business structure that included 122 individuals who had invested of over \$55 million dollars. Each one of these individuals had invested at least \$50,000 which requires a background investigation.

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.

During this biennium the OLCC has begun moving from a licensing agency into a licensing and compliance agency. The OLCC had an “all hands on deck” approach to licensing to bring marijuana production from the shadows of society into a well-regulated established retail market structure. This has not occurred without challenges. The OLCC has continued to struggle to meet the demands of licensing and renewals at a pace that is expected from our customers. The renewal process demands just as much employee time as original applications due to the complexity. OLCC’s regulatory specialists are involved in the licensing process as they respond to license locations to make sure that the licensing site meets standards and rules which occurs on almost every application taking time away from other compliance activities.

OLCC’s compliance work to date has been mostly centered on industry complaint driven investigations, retail inspections and minor decoy operations. In mid-August the program will be adding producer, wholesaler, processor, and lab inspections to its compliance program. As the agency continues to evaluate the data in the Cannabis Tracking System, the agency will add a significant component to its compliance work. This will be data driven enforcement from information gleaned from the Cannabis Tracking System. 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).

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C. EXPECTED RESULTS

The Public Safety Division expects the following results in 2019-21:

- **Decrease the availability of alcohol to minors through licensed premises**
Attain an 82% compliance rate for 1,800 minor decoy operations run annually, a key performance measure (KPM) target established by the 2013 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. Of these programs, spend 60% of enforcement activities on minor decoy operations and 40 percent on the other programs.

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 compliance 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

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- **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 liaison.** 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.

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D. REVENUE SOURCE

The Oregon Liquor Control 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 84500-05 – Electronic Verification of ID

Lack of banking access is a significant problem facing Oregon's legal marijuana industry. One of the primary concerns is ensuring that marijuana businesses are adhering to state law and federal policy. For example, guidance from the Federal Financial Crime Enforcement Network states that financial institutions that service MRBs must ensure that they are not selling to minors. In addition, Oregon law imposes daily purchase and possession limits on marijuana transactions. These limitations are easily circumvented by the practice of "smurfing" whereby a consumer makes multiple purchases from multiple retailers in the same day or the practice of "looping" whereby a consumer makes multiple purchases from a single retailer in the same day. Electronic methods of preventing sales to minors by validating ID and the prevention of "smurfing" and "looping" are available; however, the use of electronic methods to provide this service may be prohibited under Oregon law. Oregon law provides that "A marijuana retailer may not transfer any information that may be used to identify a consumer to any other person." For banks, these types of electronic solutions represent a critical layer of assurance that MRBs are fulfilling their legal obligations and are participating in a process that makes legal marijuana businesses more attractive as potential customers. Amending Section 47B.220 (4) to clarify when and how electronic vendors can be used for age verification and to prevent "smurfing" and "looping" would provide clarity and direction to marijuana businesses in the use of electronic verification equipment and software, and potentially increase the ability of marijuana businesses to secure banking services.

BUDGET NARRATIVE

OLCC - ADMINISTRATIVE POLICY & PROCESS SERVICES DIVISION - SUBPROGRAM 55 2019-21 Budget

A. PURPOSE, ACTIVITIES & ISSUES

The Administrative Policy and Process Services (AP&P) Division provides technical and policy support, and consulting services, to OLCC programs. The division assists in formulating and recommending agency policies, procedures, or practices; resolving technical issues encountered while enforcing liquor and marijuana laws, licensing or issuing permits to applicants, operating the state's Distilled Spirits Program, or responding to industry issues connected to wholesaling and manufacturing; with writing manuals; providing technical regulatory-related training to staff, and reviewing staff work in a quality assurance role.

The AP&P Division reviews and evaluates investigative reports with recommended enforcement actions or with actions involving contractual violations. AP&P staff reviews the cases for technical sufficiency. After evaluating reports, staff may issue a violation notice initiating the contested case hearing process. Staff ultimately resolves these cases via administrative hearing, settlement or withdrawal.

The division reviews licensing investigative reports for technical sufficiency. It 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, AP&P staff 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 director of AP&P 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.

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The AP&P director provides review of OLCC policies, rulemaking, and significant regulatory issues. The AP&P director provides technical leadership and support to external stakeholder groups and agency task forces. The AP&P 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.

AP&P Division staff draft 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 AP&P Division 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.

The AP&P director 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 reduced in recent years due to the focus on licensee education, but it is anticipated that this trend will change now that the Division handles marijuana licensing and compliance matters.

Typically AP&P staff has historically completed 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. For example, in 2015, AP&P staff assisted in the facilitation of 11 separate recreational marijuana advisory committees; these committees met over 35 times to discuss and shape various marijuana policy issues that were later incorporated into administrative rules. This increased rule activity has extended beyond 2015 as AP&P staff has continued to regularly respond to market issues, lessons learned and legislative changes with both an annual revision to Division 25 of Chapter 845 of the Oregon Administrative Rules and temporary action to respond to problematic issues within the market.

Requests for AP&P's technical assistance and technical reviews continue to rise steadily. AP&P has received additional staffing in the form of a case presenter to assist with marijuana contested cases, and a Bottle Bill specialist to administer the legislative changes under the Oregon Bottle Bill. The OLCC expects these demands on its services to continue to rise. To support this program, the agency is requested Policy Option Package "Policy Option Package 215 "Bottle Bill Regulation & Funding" for one administrative specialist 1 to perform duties related to the expansion of the Bottle Bill, public information and compliance. This package was not approved for the Governor's budget.

BUDGET NARRATIVE

B. BACKGROUND

The division has historically performed 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 and Distilled Spirits programs (including hearing preparations, post-hearing exceptions and oral argument to the liquor commissioners); drafting rules and conducting rulemaking; 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. New to the department is the drafting of rules, policy development, and future caseloads for recreational marijuana licensees.

In February 2005, the agency consolidated Public Safety Services Program's technical resources into the Administrative Policy and Process Services Division. The purpose of the reorganization was to provide consistent, centralized technical guidance and training to the agency; to respond to legal/technical issues from the agency as a whole; to review and make recommendations on policy issues and technical determinations concerning enforcement, licensing, retailing, rulemaking and hearings; to provide legal coordination for the agency; and, in coordination with the Attorney General's Office, to provide review for legal sufficiency and consistency at all levels. The decision to review for technical sufficiency earlier in the agency's processes and having one central clearinghouse for evaluating technical sufficiency and ensuring consistency was implemented using existing resources.

C. EXPECTED RESULTS

The Administrative Policy and Process Division will continue to provide its services and activities in the 2019-21 biennium. The expected result is to meet growing demand for services across three base responsibilities of AP&P with existing 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 2019-21 budget period the Administrative Policy and Process 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.

BUDGET NARRATIVE

- **Meeting an expected increase in demand for rulemaking:** The OLCC faces a rapidly changing regulatory environment. Given the ever-evolving recreational marijuana regulatory landscape, the division projects that 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.
- **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 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; new or expanded 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 Control 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 84500-002 – Redemption Center Fee

The refund value for empty beverage containers increased from 5 cents to 10 cents on April 1, 2017 and the types of beverages included in the Bottle Bill greatly expanded on January 1, 2018. These changes increased interest in redeeming containers, which in turn created a major increase in the number of questions and complaints from impacted stores and the public about the Bottle Bill, which are currently fielded by the agency's one Bottle Bill Compliance Specialist. This leaves little time for performance of higher level compliance and oversight functions. A \$3,000 annual registration fee for each redemption center will support the funding of an AS1 position to assist the Bottle Bill Compliance Specialist in performing duties related to Bottle Bill public information and compliance.

BUDGET NARRATIVE

Liquor License Fee Increase for Revenue Generation OLCC 19-21 Budget Policy Option Package No. 203, Agency Priority No 3

A. PACKAGE PURPOSE

Licensing fees for alcohol have been unchanged for the last 20 to 60 years and do not reflect the costs of administering the alcohol licenses they were intended to regulate. Oregon's alcohol license fees are also among the lowest in the nation. Funding from raising alcohol fees will be applied to agency operations for much needed upgrades in infrastructure and information technology and offset the use of other liquor funds that can be distributed to the state, cities and counties.

B. HOW ACHIEVED

OLCC has submitted Legislative Concept 84500-01 to the Governor. The legislature adopted the new changes in alcohol license fees as detailed below:

License Type	License Description	Annual or Daily Fee	Proposed New Fee	Projected 2019-21 Transactions with New Fee	Projected 19-21 Revenue
BP	Brewery Public House	\$ 250	\$ 500	717	\$ 358,703
BRW	Brewery	\$ 500	\$ 1,000	28	\$ 28,489
BRWNC	Brewery No Consumption	\$ 500	\$ 1,000	34	\$ 33,669
CERA	Certificate of Approval (five year license)	\$ 175	\$ 350	372	\$ 130,274
DIST	Distillery	\$ 100	\$ 200	267	\$ 53,353
DS	Direct Shipper	\$ 50	\$ 100	3,364	\$ 336,433
F-COM	Full On-Premises Sales	\$ 400	\$ 800	12,600	\$ 10,079,700
GSP	Grower Sales Privilege	\$ 250	\$ 500	31	\$ 15,540
GSPNC	Grower Sales Privilege No Consumption	\$ 250	\$ 500	70	\$ 34,964
L	Limited On-Premises Sales	\$ 200	\$ 400	7,867	\$ 3,146,808
O	Off Premises Sales	\$ 100	\$ 200	13,259	\$ 2,651,835
WH	Warehouse	\$ 100	\$ 200	101	\$ 20,202
WMBW	Wholesale Malt & Wine Distributor	\$ 275	\$ 550	477	\$ 262,102
WSD	Wine Self Distribution	\$ 100	\$ 200	461	\$ 92,202
WY	Winery	\$ 250	\$ 500	1,254	\$ 626,918
WYNC	Winery No Consumption	\$ 250	\$ 500	927	\$ 463,613
TSL Addition	Establish Temporary Use of an Annual License(per day fees)	\$ -	\$ 10	1,000	\$ 10,000

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Liquor License Fee increase for Revenue Generation OLCC 2019-21 Budget Policy Option Package No 203

Division	Package Description	FTE	One-time	Ongoing	Total
	LIQUOR LICENSE FEE INCREASE for REVENUE GENERATION				
	Double Liquor License Fees from Current Statutory Levels				
Distilled Spirits	2019-21 Forecast Revenue from Current Fees		\$0	\$9,172,403	\$9,172,403
	2019-21 Forecast Revenue from Statutory Increase Approval		\$0	\$18,344,806	\$18,344,806
	Gain in Liquor License Revenue for 2019-2021		\$0	\$9,172,403	\$9,172,403
Subtotal - Liquor License Fee Increase - Package 203		0.00	\$0	\$9,172,403	\$9,172,403

a. Benefits to stakeholders

Raising alcohol license fees will have an impact on Oregon businesses. Revenue generated from raising fees will help fund development of automated licensing and regulatory systems that will move applications, renewals, privilege tax and other filings from the current paper processes to electronic filing.

b. Benefits to OLCC

OLCC will generate additional revenues to fund needed agency improvements including automation of manual processes and reduction of paper forms.

BUDGET NARRATIVE

C. STAFFING IMPACT

No staff are added.

D. QUANTIFYING RESULTS

The OLCC expects to process over 35,000 paper license application in the 2019-21 biennium. Raising alcohol license fees is expected to generate an additional million in revenue for the agency, state, cities and counties.

E. REVENUE SOURCE

The Oregon Liquor Control 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

Public Safety Statewide Dispatch Services

OLCC 2019-21 Budget Policy Option Package No. 205, Agency Priority No 5, As Modified

A. PACKAGE PURPOSE

During the current biennium OLCC entered into an intergovernmental agreement with the Oregon State Police to provide dispatch services and the Oregon Department of Transportation to provide radio maintenance services. In contracting with OSP, OLCC was able to establish a statewide radio and communication plan that allowed our inspectors in the field to communicate in times of need and increased the safety of field inspectors of bars, restaurants and marijuana growers and retailers. OLCC Inspectors have limited law enforcement authority and it is an industry standard to have constant communication capabilities. By using OSP dispatch the OLCC knows the exact locations of inspectors and can communicate in times of need with not only OSP, but other local law enforcement partners on a statewide basis.

Historically OLCC had a rudimentary internal dispatch process for the Portland area out of the Portland Regional Office. The dispatch center was not staffed all the time and often inspectors were in the field with no ability to call for radio help. The system was not robust and often inspectors were texting dispatch to be able to notify them of their updated locations. In the other Regional Offices OLCC relied on other law enforcement agencies to agree to let OLCC use their local system in cases of emergency. It was not a standardized, systematic approach to communication across the state and coverage was spotty at best. In some locations there was no communication systems available.

B. HOW ACHIEVED

This request is funding the continued cost of maintaining the Oregon State Police Dispatch services for OLCC's Inspectors in the field. The cost of each inspector using the State Police Dispatch Services per month is \$508 per month per the current agreement.

BUDGET NARRATIVE

Public Safety Statewide Dispatch Services OLCC 2019-21 Budget Policy Option Package No 205, As Modified

Division	Package Description	FTE	One-time	Ongoing	Total
	Public Safety Statewide Dispatch Services				
Public Safety	Oregon State Police Dispatch Services for Distilled Spirits OSP dispatch services for 46 liquor regulatory specialists, managers, and compliance specialists.			\$560,832	\$560,832
		0.00	\$0	\$560,832	\$560,832
Recreational Marijuana	Oregon State Police Dispatch Services for Recreational Marijuana OSP dispatch services for 23 marijuana inspectors and 1 compliance specialist.			\$280,416	\$280,416
		0.00	\$0	\$280,416	\$280,416
Medical Marijuana	Oregon State Police Dispatch Services for Recreational Marijuana OSP dispatch services for 16 liquor regulatory specialists, managers, and compliance specialists.			\$195,072	\$195,072
		0.00	\$0	\$195,072	\$195,072
Subtotal - Statewide Dispatch Services - Package 205		0.00	\$0	\$1,036,320	\$1,036,320

BUDGET NARRATIVE

1. Benefits to stakeholders

OLCC regulatory specialist for alcohol, recreational marijuana and medical marijuana will have constant communication to a statewide system that ensures employee safety in all areas of the state including licensed premises in large metropolitan regions and remote marijuana production operations in rural areas. Oregon State Police will receive funding assistance to provide dispatch services for law enforcement throughout the state. Local law enforcement can coordinate with OLCC regulatory specialists.

2. Benefits to OLCC

OLCC Regulatory Specialists are better protected and will have better coordination with other state law enforcement agencies.

C. STAFFING IMPACT

The package adds no new staff to OLCC.

D. QUANTIFYING RESULTS

OLCC expects to have 77 regulatory specialists covering over 17,000 licensed alcohol, recreational marijuana and medical marijuana locations in the state.

E. REVENUE SOURCE

The Oregon Liquor Control 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 exclusively from marijuana related license fees collected under OAR 845-625-1060 as authorized under ORS 475B. Funding for OMMP Medical Marijuana Tracking comes from marijuana tax money as distributed to OLCC under ORS 475B.895 (7).

BUDGET NARRATIVE

THE AGENCY REQUEST VERSION OF THE PACKAGE WAS ADJUSTED IN THE GOVERNOR'S BUDGET

Public Safety Statewide Dispatch Services

OLCC 2019-21 Budget Policy Option Package No. 205, Agency Priority No 5

F. PACKAGE PURPOSE

During the current biennium OLCC entered into an intergovernmental agreement with the Oregon State Police to provide dispatch services and the Oregon Department of Transportation to provide radio maintenance services. In contracting with OSP, OLCC was able to establish a statewide radio and communication plan that allowed our inspectors in the field to communicate in times of need and increased the safety of field inspectors of bars, restaurants and marijuana growers and retailers. OLCC Inspectors have limited law enforcement authority and it is an industry standard to have constant communication capabilities. By using OSP dispatch the OLCC knows the exact locations of inspectors and can communicate in times of need with not only OSP, but other local law enforcement partners on a statewide basis.

Historically OLCC had a rudimentary internal dispatch process for the Portland area out of the Portland Regional Office. The dispatch center was not staffed all the time and often inspectors were in the field with no ability to call for radio help. The system was not robust and often inspectors were texting dispatch to be able to notify them of their updated locations. In the other Regional Offices OLCC relied on other law enforcement agencies to agree to let OLCC use their local system in cases of emergency. It was not a standardized, systematic approach to communication across the state and coverage was spotty at best. In some locations there was no communication systems available.

G. HOW ACHIEVED

This request is funding the continued cost of maintaining the Oregon State Police Dispatch services for OLCC's Inspectors in the field. The cost of each inspector using the State Police Dispatch Services per month is \$508 per month per the current agreement.

BUDGET NARRATIVE

Public Safety Statewide Dispatch Services OLCC 2019-21 Budget Policy Option Package No 205

Division	Package Description	FTE	One-time	Ongoing	Total
	Public Safety Statewide Dispatch Services				
Public Safety	Oregon State Police Dispatch Services for Distilled Spirits OSP dispatch services for 46 liquor regulatory specialists, managers, and compliance specialists.			\$584,916	\$584,916
		0.00	\$0	\$584,916	\$584,916
Recreational Marijuana	Oregon State Police Dispatch Services for Recreational Marijuana OSP dispatch services for 23 marijuana inspectors and 1 compliance specialist.			\$292,608	\$292,608
		0.00	\$0	\$292,608	\$292,608
Medical Marijuana	Oregon State Police Dispatch Services for Recreational Marijuana OSP dispatch services for 16 liquor regulatory specialists, managers, and compliance specialists.			\$195,072	\$195,072
		0.00	\$0	\$195,072	\$195,072
Subtotal - Statewide Dispatch Services - Package 205		0.00	\$0	\$1,072,596	\$1,072,596

BUDGET NARRATIVE

3. Benefits to stakeholders

OLCC regulatory specialist for alcohol, recreational marijuana and medical marijuana will have constant communication to a statewide system that ensures employee safety in all areas of the state including licensed premises in large metropolitan regions and remote marijuana production operations in rural areas. Oregon State Police will receive funding assistance to provide dispatch services for law enforcement throughout the state. Local law enforcement can coordinate with OLCC regulatory specialists.

4. Benefits to OLCC

OLCC Regulatory Specialists are better protected and will have better coordination with other state law enforcement agencies.

H. STAFFING IMPACT

The package adds no new staff to OLCC.

I. QUANTIFYING RESULTS

OLCC expects to have 77 regulatory specialists covering over 17,000 licensed alcohol, recreational marijuana and medical marijuana locations in the state.

J. REVENUE SOURCE

The Oregon Liquor Control 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 exclusively from marijuana related license fees collected under OAR 845-625-1060 as authorized under ORS 475B. Funding for OMMP Medical Marijuana Tracking comes from marijuana tax money as distributed to OLCC under ORS 475B.895 (7).

BUDGET NARRATIVE

Public Safety Licensing Staff Fulfillment

OLCC 2019-21 Budget Policy Option Package No. 206, Agency Priority No 6, As Modified

A. PACKAGE PURPOSE

This licensing package focus on three areas of support necessary for staffing services for efficient licensing and permitting, matching staff to a new overall increase in demand for public records, and aligning the unit and its management of licensing with that of the public safety side of the public safety division beginning with recognizing the high-level responsibility held by the OLCC Licensing Director.

OLCC has grown substantially in the last two biennia including adding dozens of positions in the recreational marijuana program. The need to match growing demand for alcohol services has also increased over several biennia right along with an improving economy generally and with the booming craft beer and wine industries. The alcohol services of OLCC can no longer absorb impacts that meeting the immediate demands of the start-up of the marijuana program created. The OLCC has placed a priority on meeting all growth and this request reflects that comprehensive focus. This request prioritizes and directs resources to manage and service an ever increasing stream of applications for alcohol server permits and temporary sales licenses for special events — these permits and licenses support the hospitality and entertainment economy in Oregon and delays in service impact Oregon’s local economies.

The marijuana program area has driven a myriad of new workload on the agency related to requests for public records and data. This is in addition to the higher level of public record requests the OLCC is processing for its administration and alcohol. The OLCC Licensing Division is now experiencing a constant and growing workload related to record requests that are intensely time consuming, putting a significantly higher workload on the Licensing Division in Public Safety including management. With the rapid growth of the agency, existing positions have also taken on additional responsibilities requiring them to be re-classed to best suit their current duties.

B. HOW ACHIEVED

OLCC requests addition of one limited duration double fill of the metro area Event Licensing Specialist AS1 position. The current workload of this position is more than one person can manage and has consistently, for years, required assistance from multiple other staff. The special event workload in the Portland Metro region makes up one half of the licenses processed statewide, processing over 5,000 per year. The reason for asking for a limited duration double fill instead of an addition permanent position is that there are too many variables in play and on deck for this position to accurately predict what the workload will look like when all the changes are finalized.

BUDGET NARRATIVE

OLCC requests addition of one Principal Executive Manager D for alcohol licensing. There are thirty Licensing Specialists statewide reporting to the sole Licensing PEMD (4500.052). Thirteen of those are in the recreational marijuana program and seventeen are in the alcohol program. This manager is required to manage the two separate programs. Regulatory Specialists are managed by region rather than statewide. So for comparison purposes, the following numbers are for *statewide* licensing and *Portland Metro* enforcement, where liquor and marijuana employees are managed separately. OLCC is asking for this additional manager position to make the manager: staff ratio in licensing commensurate with enforcement and to mirror the structure of managing liquor and marijuana separately.

OLCC requests addition of one Principal Executive Manager B for license process. The current manager to employee ratio (1:24) is unsustainable. The addition of a lower level management position helps develop a pathway into the C level and beyond. In addition to the expected demands of supervising 24 people and 9 work units, the marijuana program is not yet stabilized and requires a lot of attention and the liquor program will gradually migrate to online processing which will also require a lot of attention. The new manager will supervise staff in the liquor program where processes and workload are normal and stable. The senior manager will make hiring and disciplinary decisions in consultation with the new PEMB.

OLCC requests addition of one Operations and Policy Analyst 2 that can centrally manage public records requests. OLCC requires a staff position that can centrally manage requests, estimate fees, and apply public records laws and policies in order to achieve the following goals: meet statutory deadlines (5-day acknowledgement and 10-day response requirements with the ability to extend deadlines); timely respond to an increasing number of requests, develop consistent tracking, and allow staff who currently fill these requests to focus on their primary duties. Response times are dependent on workload and staff availability, but simple requests often take less than five working days. More complex requests can take between 30 and 60 days. Many marijuana related-records are exempt from disclosure, requiring a significant amount of staff time to redact information. 2017 SB 481, effective January 1, 2018, creates deadlines for agencies to acknowledge receipt of requests within five business days and fulfill requests within 10 days, but does allow for extensions of time. OLCC's tracked data reflects nearly 800 records fulfilled annually. OLCC has had 5.25 million visits to www.marijuana.oregon.gov web site since the website was created, and has had 6.28 million visits to the webpages focused on liquor in the last three years. OLCC's email subscription service has approximately 91,000 subscribers for marijuana information and 70,000 subscribers for liquor information. In the last year, the "Request License Records" page on OLCC's website had 2,741 hits. There is a lot of interest in the agency's activities and the lack of a centralized records request process makes it difficult for the public to know where to send a request. In addition to traditional records requests, there are a significant amount of requests for agency records from other public bodies such as local government, law enforcement, and the legislature. Staff's goal is to create a public records section on the OLCC web page where persons seeking information can submit a request to view or receive records. This position will monitor the incoming requests and coordinate responses. Having one person to monitor and manage incoming requests and to coordinate with the divisions that maintain the records is vital to OLCC's success in meeting required deadlines.

BUDGET NARRATIVE

OLCC requests addition of one Office Specialists 2 for alcohol service permits. Currently, the unit consists of one Administrative Specialist II position and one Office Specialist II (OS2) position. The OS2 position is currently a limited duration appointment that has been staffed with temporary employees. OLCC receives over 200 new applications per day for alcohol service permits. The standard rate of background checking is about 20% of applications. About 10% of applicants disclosed criminal backgrounds and we would run those automatically.

OLCC requests a re-class for the Director of Licensing (4500.517) position from a Principal Executive Manager E to a Principal Executive Manager F. The OLCC has grown substantially in the last two biennia including adding numerous positions and the recreational marijuana program. Restructuring the management team will be required to balance the supervisory needs of the agency. This position was classified as an executive manager E when the only responsibility for this position was the state wide liquor licensing program. The Director of Licensing is a key position within the OLCC and now has responsible for statewide licensing program of alcohol and marijuana while managing technical experts within the licensing program. The volume of work added with recreational marijuana has exceeded all estimates. The OLCC has received 4,422 license applicants as of July 15, 2018. Of those applications, 1,986 are approved licenses. The marijuana licensing process is a more complex licensing process than alcohol that includes water rights and land use compatibility studies as examples. This position currently has nine direct reports and two managerial employees reporting to this position. The direct reports are technical experts and administrative support. The two managers that report directly to this position are both executive level D managers. These two managers have 54 subordinate employees reporting to them. This includes license services located in our Milwaukie Headquarters and license investigators located throughout the State of Oregon.

BUDGET NARRATIVE

Public Safety Licensing Staff Fulfillment OLCC 2019-21 Budget Policy Option Package No 206, As Modified

Division	Package Description	FTE	One-time	Ongoing	Total
Licensing	Add 1 limited duration Administrative Specialist 1 for Special Events	1.00		\$138,487	\$138,487
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,425		\$7,425
		1.00	\$10,192	\$161,855	\$172,047
Licensing	Add 1 Principle Executive Manager D to Licensing Processing	1.00		\$215,322	\$215,322
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$238,690	\$249,152
Licensing	Add 1 Principle Executive Manager B to Licensing Processing	1.00		\$176,784	\$176,784
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$200,152	\$210,614
Licensing	Add 1 Operations & Policy Analyst 2 for Public Records Requests	1.00		\$178,542	\$178,542
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$201,910	\$212,372
Licensing	Add 1 Office Specialist 2 for Alcohol Service Permits	1.00		\$121,144	\$121,144
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$144,512	\$154,974
Licensing	Reclassify Licensing Director PEM-E to PEM-F			\$25,621	\$25,621
		0.00	\$0	\$25,621	\$25,621
Subtotal - Licensing Staff Fulfillment - Package 206		5.00	\$52,040	\$972,740	\$1,024,780

BUDGET NARRATIVE

a. Benefits to stakeholders

OLCC's licensing system processes over 19,000 alcohol and marijuana licenses annually. In addition there is processing and renewals for 165,000 alcohol service permits, 31,000 marijuana worker permits, and 9,500 temporary sales licenses. Timely processing of licenses and permits enables business and people to begin contributing economically to the state but they must also be licensed effectively so they do not become a public safety risk

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.

C. STAFFING IMPACT

The package adds seven positions to OLCC.

D. QUANTIFYING RESULTS

This requests links directly to two agency Key Performance Measures; Time to license for alcohol licenses and time to license for marijuana licenses

E. REVENUE SOURCE

The Oregon Liquor Control 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

Public Safety Licensing Staff Fulfillment

OLCC 2019-21 Budget Policy Option Package No. 206, Agency Priority No 6

F. PACKAGE PURPOSE

This licensing package focus on three areas of support necessary for staffing services for efficient licensing and permitting, matching staff to a new overall increase in demand for public records, and aligning the unit and its management of licensing with that of the public safety side of the public safety division beginning with recognizing the high-level responsibility held by the OLCC Licensing Director.

OLCC has grown substantially in the last two biennia including adding dozens of positions in the recreational marijuana program. The need to match growing demand for alcohol services has also increased over several biennia right along with an improving economy generally and with the booming craft beer and wine industries. The alcohol services of OLCC can no longer absorb impacts that meeting the immediate demands of the start-up of the marijuana program created. The OLCC has placed a priority on meeting all growth and this request reflects that comprehensive focus. This request prioritizes and directs resources to manage and service an ever increasing stream of applications for alcohol server permits and temporary sales licenses for special events — these permits and licenses support the hospitality and entertainment economy in Oregon and delays in service impact Oregon's local economies.

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G. HOW ACHIEVED

OLCC requests addition of one limited duration double fill of the metro area Event Licensing Specialist AS1 position. The current workload of this position is more than one person can manage and has consistently, for years, required assistance from multiple other staff. The special event workload in the Portland Metro region makes up one half of the licenses processed statewide, processing over 5,000 per year. The reason for asking for a limited duration double fill instead of an addition permanent position is that there are too many variables in play and on deck for this position to accurately predict what the workload will look like when all the changes are finalized.

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BUDGET NARRATIVE

OLCC requests addition of three Office Specialists 2s for alcohol service permits. Currently, the unit consists of one Administrative Specialist II position and one Office Specialist II (OS2) position. The OS2 position is currently a limited duration appointment that has been staffed with temporary employees. OLCC receives over 200 new applications per day for alcohol service permits. The standard rate of background checking is about 20% of applications. About 10% of applicants disclosed criminal backgrounds and we would run those automatically.

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BUDGET NARRATIVE

Public Safety Licensing Staff Fulfillment OLCC 2019-21 Budget Policy Option Package No 206

Division	Package Description	FTE	One-time	Ongoing	Total
Licensing	Add 1 Limited Duration Administrative Specialist 2 for Special Events Services & Supplies, including office space @ \$17,368 per employee Work station furniture & chair	1.00		\$138,487	\$138,487
			\$2,767	\$23,368	\$26,135
			\$7,695		\$7,695
		1.00	\$10,462	\$161,855	\$172,317
Licensing	Add 1 Principle Executive Manager D to Licensing Processing Services & Supplies, including office space @ \$17,368 per employee Work station furniture & chair	1.00		\$215,322	\$215,322
			\$2,767	\$23,368	\$26,135
			\$7,695		\$7,695
		1.00	\$10,462	\$238,690	\$249,152
Licensing	Add 1 Principle Executive Manager B to Licensing Processing Services & Supplies, including office space @ \$17,368 per employee Work station furniture & chair	1.00		\$176,784	\$176,784
			\$2,767	\$23,368	\$26,135
			\$7,695		\$7,695
		1.00	\$10,462	\$200,152	\$210,614
Licensing	Add 1 Operations & Policy Analyst 2 for Public Records Requests Services & Supplies, including office space @ \$17,368 per employee Work station furniture & chair	1.00		\$178,542	\$178,542
			\$2,767	\$23,368	\$26,135
			\$7,695		\$7,695
		1.00	\$10,462	\$201,910	\$212,372
Licensing	Add 3 Office Specialist 2s for Alcohol Service Permits Services & Supplies, including office space @ \$17,368 per employee Work station furniture & chair	3.00		\$363,432	\$363,432
			\$8,301	\$70,104	\$78,405
			\$23,085		\$23,085
		3.00	\$31,386	\$433,536	\$464,922
Licensing	Reclassify Licensing Director PEM-E to PEM-F			\$25,621	\$25,621
		0.00	\$0	\$25,621	\$25,621
Subtotal - Licensing Staff Fulfillment - Package 206		7.00	\$73,234	\$1,261,764	\$1,334,998

BUDGET NARRATIVE

a. Benefits to stakeholders

OLCC's licensing system processes over 19,000 alcohol and marijuana licenses annually. In addition there is processing and renewals for 165,000 alcohol service permits, 31,000 marijuana worker permits, and 9,500 temporary sales licenses. Timely processing of licenses and permits enables business and people to begin contributing economically to the state but they must also be licensed effectively so they do not become a public safety risk

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.

H. STAFFING IMPACT

The package adds seven positions to OLCC.

I. QUANTIFYING RESULTS

This requests links directly to two agency Key Performance Measures; Time to license for alcohol licenses and time to license for marijuana licenses

J. REVENUE SOURCE

The Oregon Liquor Control 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

Public Safety Enforcement Staff Fulfillment

OLCC 2019-21 Budget Policy Option Package No. 207, Agency Priority No 7, As Modified

A. PACKAGE PURPOSE

OLCC requests addition of two Liquor Regulatory Specialists

Currently there are 13,262 licensed liquor premises statewide. Listed below are the license numbers broken down by region divided by the number of liquor Inspector positions. This allows us to establish a ratio to evaluate adequate coverage. The mitigating factor is geographic size of the regions.

Region	Number of Licenses	Inspectors	Ratio of Licensee/Inspector
Portland	5,660	16	1 to 354
Salem	2,220	5	1 to 444
Eugene	2,060	5	1 to 412
Bend	1,654	6	1 to 276
Medford	1,668	6	1 to 278

Eugene and Salem shows the highest ratios and includes the responsibility of having the two largest universities in Oregon. The ratio for Bend and Medford are the lowest, but it includes the greatest geographical area. The Medford region has a similar ratio to Bend but has a larger geographic footprint. As liquor license numbers continue to increase, having inspector presence and investigative capacity is necessary to OLCC's regulatory mandate. Adding an inspector to the Eugene region would lower the ratio to 1 to 343 and adding an inspector to the Salem region would lower the ratio to 1 to 370. Adding these two inspector positions will align the ratios of Eugene and Salem which serve a large part of Oregon.

BUDGET NARRATIVE

The Legislatively Approved Budget includes 1 Compliance Specialist 3 / Marijuana licensee case presenter and 1 Administrative Specialist 2 / Marijuana licensee cases to the original package.

OLCC requests funding to purchase and mount permanent fixed radios

During this biennium, the OLCC contracted for state wide radio dispatch services through the Oregon State Police. OLCC was financially unable to purchase both fixed radios and portable radios for inspectors during this biennium. The agency purchased portable radios first as they can always be in the possession of the inspectors ensuring their safety. However, portable radios have environmental limitations on their performance and in densely populated areas like downtown Portland and the very remote areas such as Southern Oregon, their performance is diminished. It is an industry standard in law enforcement to have both portable radios and fixed radios within the vehicles. This combination of fixed/portable communication system allows the best communication possible and will improve safety for Inspectors. Once the radios are purchased the agency will only need to purchase additional radios when it adds to its inspector vehicle fleet. An additional on-going cost that will be a monthly fee is for trunking the radios. Trunking allows radios to automatically change stations as the vehicle moves between radio tower sites throughout the state which assures contact with Oregon State Police and improves inspector safety. The cost of each radio is \$4,500 with installation costing an additional \$300 per vehicle. Trunking the radios requires a monthly cost of \$30 per radio. OLCC inspector's safety is vital to the agency's mission as OLCC inspectors are asked to control safety in difficult and confrontational situations, often in isolated and rural areas. The use and installation of radios not only allows OLCC inspectors to readily communicate with law enforcement for safety; they enhance operations by allowing the inspector to connect with managers for approvals for field actions. This reduces the risk associated with the utilization of law enforcement powers and aids in the consistent application of rules throughout the state (conformity on changing marijuana regulations). Lastly, these systems provide for inspector safety through geolocation of inspectors across the state.

B. HOW ACHIEVED

OLCC requests addition of two Liquor Regulatory Specialist positions for the Public Safety Division. One of the positions will be stationed in the Salem Regional Office and the second position will be stationed at the Eugene Regional Office (Corvallis).

OLCC requests funding to purchase and mount permanent fixed radios in all inspector vehicles statewide which includes liquor, recreational marijuana, and OMMP tracking regulatory specialists.

OLCC requests funding for monthly trunking fees for all inspectors statewide including liquor, recreational marijuana, and OMMP tracking regulatory specialists.

BUDGET NARRATIVE

Public Safety Staff Fulfillment OLCC 2019-21 Budget Policy Option Package No 207, As Modified

Division	Package Description	FTE	One-time	Ongoing	Total
Public Safety Statewide Dispatch Services					
Public Safety	Add 2 Regulatory Specialists for Liquor	2.00		\$357,084	\$357,084
	Services & Supplies, including office space @ \$17,368 per employee		\$32,864	\$46,736	\$79,600
	Work station furniture & chair		\$72,056		\$72,056
		2.00	\$104,920	\$403,820	\$508,740
Public Safety - AP&P	Add 1 Compliance Specialist 3 / Marijuana licensee case presenter	1.00		\$192,611	\$192,611
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$215,979	\$226,441
Public Safety - AP&P	Add 1 Administrative Specialist 2 / Marijuana licensee cases	1.00		\$138,487	\$138,487
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$161,855	\$172,317
Public Safety	Permanently mount radios in 63 Enforcement Vehicles		\$302,400		\$302,400
	Monthly Trunking Fee for 63 radios			\$45,360	\$45,360
	Monthly Trunking Fee for 85 portable radios			\$61,200	\$61,200
	OSP Fees for use of statewide dispatch system			\$24,384	\$24,384
		0.00	\$302,400	\$130,944	\$433,344
Subtotal - Public Safety Staff Fulfillment - Package 207		4.00	\$428,244	\$912,598	\$1,340,842

BUDGET NARRATIVE

a. Benefits to stakeholders

Oregon's liquor regulatory system oversees over 13,000 licensed premises including brewpubs, bars, restaurants, convenience stores, concerts, special events and wineries. Businesses need to be regulated effectively so they do not become a public safety risk. Prevention of alcohol sales to minors is a top priority for OLCC.

Oregon's marijuana and OMMP tracking regulatory system continues to grow; currently inspectors oversee over 2,500 marijuana licensees and OMMP registrant premises. Prevention of diversion outside of the regulatory system and sales to minors is a top priority for OLCC.

b. Benefits to OLCC

Addition of Public Safety resources will allow OLCC to more effectively serve the public. Non-compliance of some alcohol licensees can lead to high profile cases where the perception of the agency is diminished and the ability to enforce alcohol laws is made more difficult.

Permanently mounted radios and tracking services provide continual radio contact and coordination between inspectors and the Oregon State Police dispatch to mitigate the environmental limitations of portable radios including densely populated and very remote areas.

C. STAFFING IMPACT

The package adds two positions to OLCC.

D. QUANTIFYING RESULTS

This request links to a Key Performance Measure: Sales to Minors Compliance

E. REVENUE SOURCE

BUDGET NARRATIVE

The Oregon Liquor Control 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 and the OMMP tracking program will pay their proportional share of the costs through OLCC's allocation formula.

BUDGET NARRATIVE

THE AGENCY REQUEST VERSION OF THE PACKAGE WAS ADJUSTED IN THE GOVERNOR'S BUDGET

Public Safety Enforcement Staff Fulfillment

OLCC 2019-21 Budget Policy Option Package No. 207, Agency Priority No 7

A. PACKAGE PURPOSE

OLCC requests addition of two Liquor Regulatory Specialists

Currently there are 13,262 licensed liquor premises statewide. Listed below are the license numbers broken down by region divided by the number of liquor Inspector positions. This allows us to establish a ratio to evaluate adequate coverage. The mitigating factor is geographic size of the regions.

Region	Number of Licenses	Inspectors	Ratio of Licensee/Inspector
Portland	5,660	16	1 to 354
Salem	2,220	5	1 to 444
Eugene	2,060	5	1 to 412
Bend	1,654	6	1 to 276
Medford	1,668	6	1 to 278

Eugene and Salem shows the highest ratios and includes the responsibility of having the two largest universities in Oregon. The ratio for Bend and Medford are the lowest, but it includes the greatest geographical area. The Medford region has a similar ratio to Bend but has a larger geographic footprint. As liquor license numbers continue to increase, having inspector presence and investigative capacity is necessary to OLCC's regulatory mandate. Adding an inspector to the Eugene region would lower the ratio to 1 to 343 and adding an inspector to the Salem region would lower the ratio to 1 to 370. Adding these two inspector positions will align the ratios of Eugene and Salem which serve a large part of Oregon.

BUDGET NARRATIVE

OLCC requests funding to purchase and mount permanent fixed radios

During this biennium, the OLCC contracted for state wide radio dispatch services through the Oregon State Police. OLCC was financially unable to purchase both fixed radios and portable radios for inspectors during this biennium. The agency purchased portable radios first as they can always be in the possession of the inspectors ensuring their safety. However, portable radios have environmental limitations on their performance and in densely populated areas like downtown Portland and the very remote areas such as Southern Oregon, their performance is diminished. It is an industry standard in law enforcement to have both portable radios and fixed radios within the vehicles. This combination of fixed/portable communication system allows the best communication possible and will improve safety for Inspectors. Once the radios are purchased the agency will only need to purchase additional radios when it adds to its inspector vehicle fleet. An additional on-going cost that will be a monthly fee is for trunking the radios. Trunking allows radios to automatically change stations as the vehicle moves between radio tower sites throughout the state which assures contact with Oregon State Police and improves inspector safety. The cost of each radio is \$4,500 with installation costing an additional \$300 per vehicle. Trunking the radios requires a monthly cost of \$30 per radio. OLCC inspector's safety is vital to the agency's mission as OLCC inspectors are asked to control safety in difficult and confrontational situations, often in isolated and rural areas. The use and installation of radios not only allows OLCC inspectors to readily communicate with law enforcement for safety; they enhance operations by allowing the inspector to connect with managers for approvals for field actions. This reduces the risk associated with the utilization of law enforcement powers and aids in the consistent application of rules throughout the state (conformity on changing marijuana regulations). Lastly, these systems provide for inspector safety through geolocation of inspectors across the state.

B. HOW ACHIEVED

OLCC requests addition of two Liquor Regulatory Specialist positions for the Public Safety Division. One of the positions will be stationed in the Salem Regional Office and the second position will be stationed at the Eugene Regional Office (Corvallis).

OLCC requests funding to purchase and mount permanent fixed radios in all inspector vehicles statewide which includes liquor, recreational marijuana, and OMMP tracking regulatory specialists.

OLCC requests funding for monthly trunking fees for all inspectors statewide including liquor, recreational marijuana, and OMMP tracking regulatory specialists.

BUDGET NARRATIVE

Public Safety Staff Fulfillment OLCC 2019-21 Budget Policy Option Package No 207

Division	Package Description	FTE	One-time	Ongoing	Total
Public Safety Statewide Dispatch Services					
Public Safety	Add 2 Regulatory Specialists for Liquor	2.00		\$357,084	\$357,084
	Services & Supplies, including office space @ \$17,368 per employee		\$32,864	\$46,736	\$79,600
	Work station furniture & chair		\$72,056		\$72,056
		2.00	\$104,920	\$403,820	\$508,740
Public Safety	Permanently mount radios in 63 Enforcement Vehicles		\$302,400		\$302,400
	Monthly Trunking Fee for 63 radios			\$45,360	\$45,360
	Monthly Trunking Fee for 85 portable radios			\$61,200	\$61,200
		0.00	\$302,400	\$106,560	\$408,960
Subtotal - Public Safety Staff Fulfillment - Package 207		2.00	\$407,320	\$510,380	\$917,700

a. Benefits to stakeholders

Oregon's liquor regulatory system oversees over 13,000 licensed premises including brewpubs, bars, restaurants, convenience stores, concerts, special events and wineries. Businesses need to be regulated effectively so they do not become a public safety risk. Prevention of alcohol sales to minors is a top priority for OLCC.

Oregon's marijuana and OMMP tracking regulatory system continues to grow; currently inspectors oversee over 2,500 marijuana licensees and OMMP registrant premises. Prevention of diversion outside of the regulatory system and sales to minors is a top priority for OLCC.

BUDGET NARRATIVE

b. Benefits to OLCC

Addition of Public Safety resources will allow OLCC to more effectively serve the public. Non-compliance of some alcohol licensees can lead to high profile cases where the perception of the agency is diminished and the ability to enforce alcohol laws is made more difficult.

Permanently mounted radios and tracking services provide continual radio contact and coordination between inspectors and the Oregon State Police dispatch to mitigate the environmental limitations of portable radios including densely populated and very remote areas.

C. STAFFING IMPACT

The package adds two positions to OLCC.

D. QUANTIFYING RESULTS

This requests links to a Key Performance Measure: Sales to Minors Compliance

E. REVENUE SOURCE

The Oregon Liquor Control 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 and the OMMP tracking program will pay their proportional share of the costs through OLCC's allocation formula.

BUDGET NARRATIVE

Marijuana Program Enhancement

OLCC 2019-21 Budget Policy Option Package No. 408, Agency Priority No 8, As Modified

A. PACKAGE PURPOSE

The recreational marijuana program in Oregon continues to grow and outpace initial estimates. During the beginning of the program agency's inspectors who normally do enforcement were tasked with assisting licensees come into the licensed program. During the last year the agency has slowly transitioned its Inspectors back to compliance work. To date, most of the compliance work is driven by complaints received at OLCC; however, the Public Safety Program has implemented and carried out new inspection protocols for marijuana minor decoy missions and for retail inspections. All inspections for producers, processors, wholesalers and labs will have active inspections under protocols specific to the issues of compliance of the specific license type and all inspectors will have training to carry out each type of inspection or investigation. The OLCC is developing the internal process to utilize data from the Cannabis Tracking System (CTS - Metric) to create priorities for inspection, oversight, and the issuance of warnings and violations. The CTS is a powerful tool and manual and automated analysis of data within CTS can be utilized to detect potential problems or violations of specific marijuana licensees and license types. With the hiring of additional staff, the OLCC will be analyzing and programing reports to detect potential patterns of deceptive behavior and inaccurate reporting. This intelligence will be used to monitor license and task inspection missions and surveillance by inspectors.

The compliance work in the recreational marijuana program continues to evolve. OLCC is building a comprehensive compliance program, aligning internal processes for complaint driven investigations with data driven compliance efforts and developing schedules for periodic inspections of all license types to stop diversion, deter behavior and practices leading to diversion, and ensuring the integrity of tracking of product for quality control, tax collections, and consumer protection. This level of comprehensive oversight is an expectation of the state laws creating the program and is designed with the full recognition that marijuana remains a Schedule I regulated drug that is federally illegal.

Laboratory oversight and regulation is technical and mired in the necessary analysis of data and reports from hundreds, maybe thousands of test results and associated reporting. This specialized work requires detailed and specific knowledge and skills. The OLCC recognizes the need for specialized expertise to aid Inspectors in the oversight of laboratory licensees and to assist the agency in developing future policies concerning laboratory regulation in conjunction with OHA, the ORLAP lab certification board, industry members, and public health officials. This area of regulation is important to ensuring a level playing field in the industry and to protect consumers. Some of the many

BUDGET NARRATIVE

issues in this area include: ensuring that existing and future testing procedures are properly carried out; falsification of results and technical equipment malfunctions are detected; and record keeping is accurate

The recreational marijuana program continues to create demand for information and education to be delivered to multiple stakeholder groups, and specifically, OLCC marijuana licensees. The comprehensive regulation and rules being put in place by OLCC and partner agencies is critical to communicate to licensees to ensure compliance. Frequently information is of interest and concern to the general public, and there is high demand for clarification on issues such as developments on social consumption, clarifications about the prohibition of use in many environments, or about the legal consequences of activities. The OLCC public affairs/communications team has been utilizing an external communications partner on a limited basis to support the recreational marijuana program with specialized communication expertise to assist the agency's efforts in creating effective messaging and public outreach materials when those projects are beyond the capacity of existing staff. These efforts include: stakeholder engagement, public education campaigns like the well-received "What's Legal" campaign, and graphic design support. For instance, for some time now the agency has wanted to create an education and reward campaign that focus on the dangers of unlicensed butane hash oil, or BHO extraction of THC happening in neighborhood home and apartments — this is a very real and deadly practice and partnering with public safety and public health partners on communications on this topic is an example of specialize communication projects. Given expanding regulator authority for medical marijuana tracking and complicated hemp regulations the OLCC audiences for specialized communication support are growing and will continue to grow over several years.

B. HOW ACHIEVED

The OLCC requests one Compliance Specialist 3 for Marijuana Laboratory Regulation to focus on laboratory compliance, protocol and regulation. The marijuana program has many areas where state agency collaboration is required. One large area of overlap is the complex regulatory environment for overseeing laboratory licensees testing of marijuana products for pesticides and other dangerous compounds that can taint the safety and quality of the product intended for human consumption by smoking, vaping, consuming in edibles, or used as topical treatments. 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 is responsible for licensing laboratories. The OLCC is turning its focus to laboratory compliance now that the overall marijuana market is up and running. The OLCC is ready to engage with partner agencies in providing the level of necessary oversight of this complex and highly technical area of licensure and compliance. Specialized scientific knowledge and analytical skills are necessary to support OLCC's work with ORELAP and OHA to conduct audits, investigations, and make sure the laboratories are held to the same standards of other licensees and the focus on consumer safety is met. This area of regulation is important to ensuring a level playing field in the industry and to protect

BUDGET NARRATIVE

consumers. Some of the many issues focused in this area include: assuring that existing and future testing procedures are properly carried out; falsification of results and technical equipment malfunctions are detected; and record keeping is accurate.

Compliance staff can spend an exorbitant amount of time researching complaints against laboratories. Having a dedicated staff member to focus on laboratory compliance, protocol and regulation will assist the overall efficiency of OLCC's compliance program. Regulatory inspectors can get needed assistance in the field and OLCC will have the capacity to work with OHA and ORELAP on detailed investigations and audits (provided OHA and ORELAP are also provided resources). ORELAP will benefit having a contact person at the OLCC who understands laboratory protocol and the OLCC rules and regulations. OHA will benefit by having a staff member who works directly with labs and can track modifications of testing requirements and train and educate other inspectors on these change.

Even with its considerable imperfections, Oregon's aggressive testing standards are nation leading and important to marijuana regulation across the nation and internationally. Laboratory regulation is an important policy area for all states regulating both medical and recreational marijuana because it is important to human consumption of marijuana products. Protecting health and safety in this area, and the consistency of standards between jurisdictions for measuring product qualities, is important to harmonize. Today, testing methodology varies from laboratory to laboratory and state to state. Regulators and the industry are looking to improve and standardize testing to protect consumers through consistent regulation. Even though interstate commerce is not available today, brands that consumers are familiar with are available through each state's regulatory systems and these products, with respect to testing are not equivalent for consumer use. This position will help the OLCC continue to manage to a best practices level of service.

OLCC requests addition of eight Regulatory Specialists (Inspectors) for the Recreational Marijuana program to ensure regulatory compliance of license. The work of marijuana compliance is more detailed and intricate than in liquor and there are expectations in law and from the federal government about the need for comprehensive efforts to control marijuana production and sales. Inspections in rural Oregon involve significant travel times and inspections of retail establishment can take two Inspectors up to four hours to complete. Likewise, organizing and caring out minor decoy missions is a time consuming process and it is a vital expectation of law that the OLCC works aggressively to prevent marijuana from being sold to minors.

Currently OLCC has 1,909 active marijuana licensees with a forecast to grow to 2,300 licensees in the next biennium based on the current number of applications in the system. OLCC's current ratio of licensees to Inspector is 100 to 1. By adding 8 Inspectors the ratio of licensees to Inspector would be reduced to 75 to 1. This is greater than established ratios used for alcohol inspections, but is directly responsive to the growing demand for services to the industry and is commensurate with the high degree of public safety concern surrounding Oregon's nascent program of marijuana regulation. This is an important time in the establishment of expectations for professionalization of the industry and application of OLCC rules. In this early stage in the program, constant education, communication

BUDGET NARRATIVE

and presence is critical. OLCC is aware the importance of compliance is not equal amongst its licensees. While most OLCC licensees value their license and make significant investments to be a part of the system and meet OLCC stringent standards, others licenses are not exhibiting the same operational dedication to meeting those standards. A strong regulatory enforcement structure is needed to protect the industry and make sure that Oregon is doing its due diligence in stopping diversion to the illegal market and having an effective compliance program. This request is directed at satisfying the overall concern for public safety and control as the program develops.

OLCC re-class of an Administrative Specialist 2 to Operations Policy Analyst 1 (Position 8000.407). This position was originally established at an AS2 level, prior to having any knowledge of the MJ licensing rules, processes and computer systems, based loosely on the corresponding AS2 position in liquor. It became apparent after a few months that the duties were going to be nothing like the liquor AS2. This request is to fund the reclassification of the position to the appropriate level of an OPA1. As the current work of this position is significantly different than expected, the new duties have been assessed by HR staff and determined to be appropriately classed at an Operations Policy Analyst 1. The revised tasks fall under three general categories;

- 1) Systems improvement including assessing system operations and resolving system functional problem.
- 2) Operational Evaluation and Support including monitoring application processing in the NIC-USA application system, researching impacts of statutory and administrative rule changes on the system and evaluating the benefits and consequences of policy option proposals.
- 3) Administrative Services and Support including tracking of application and design processes to maintain efficient flows of licensing work.

These requirements are in Oregon Administrative Rule under Chapter 825-025-1430-1460. Any licensee licensed prior to August 31, 2016 is required to maintain the prior 30 days of recordings and licensees licensed after August 31, 2016 are required to maintain 90 days of recordings. The extension of time of recordings was a direct result of public safety concerns expressed at rule making and the fact that it has been used to prove violations and sanction licensees is evidence itself of the importance of using this common technology to prove allegations of misconduct. As the OLCC moves from a more reactive, complaint driven enforcement approach to a more disciplined data driven approach, seizing and watching video for compliance issues will become a regular, frequently used method of ensuring oversight of licenses. Often times Inspectors have an idea of the date that a violation occurred, but looking for additional violations once an illegal practice has been identified is very time intensive. The requested positions will watch video for specific violations that were suspected through an Inspector investigation or through data driven metrics that were obtained from the Cannabis Tracking System (CTS - Metrc). Once a video has been identified that needs to be reviewed an Inspector will respond to the licensed location and obtain copies of the video. The OS2s will then watch the videos and flag any suspicious activity found and send the video back to the Inspector's for review and

BUDGET NARRATIVE

additional investigation. The addition of these positions will free up Inspector's to continue to work in the field and not spend inordinate amounts of time reviewing video surveillance.

Marijuana Program Enhancement **OLCC 2019-21 Budget Policy Option Package No 408, As Modified**

Division	Package Description	FTE	One-time	Ongoing	Total
Marijuana - Regulation	Add 8 Regulatory Specialists for Marijuana	8.00		\$1,439,040	\$1,439,040
	Services & Supplies, including office space @ \$17,368 per employee		\$131,456	\$187,304	\$318,760
	Work station furniture & chair		\$288,224		\$288,224
		8.00	\$419,680	\$1,626,344	\$2,046,024
Marijuana - Regulation	Add 1 Compliance Specialist 3 for Marijuana Laboratory Regulation	1.00		\$192,611	\$192,611
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$215,979	\$226,441
Marijuana - Administration	Reclassify Admin Specialist 2 to Operations & Policy Analyst 1			\$15,586	\$15,586
	Reclassify OPA3 to PEM-D to manage data operations for Marijuana			\$10,704	\$10,704
		0.00	\$0	\$26,290	\$26,290
Subtotal - Marijuana Program Enhancement - Package 408		9.00	\$430,142	\$1,868,613	\$2,298,755

a. Benefits to stakeholders

Creation of a well-regulated marijuana industry will benefit all licensees in Oregon and reduce the risk of federal scrutiny.

BUDGET NARRATIVE

b. Benefits to OLCC

A well-regulated industry poses less reputational risk to the agency.

C. STAFFING IMPACT

The package adds nine positions to OLCC.

D. QUANTIFYING RESULTS

OLCC's marijuana program has two key performance measures; Time to License and Sales to Minors compliance rate.

E. REVENUE SOURCE

The Oregon Liquor Control 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 exclusively from marijuana related license fees collected under OAR 845-625-1060 as authorized under ORS 475B. Funding for Medical Marijuana Tracking comes from marijuana tax money as distributed to OLCC under ORS 475B.895 (7).

BUDGET NARRATIVE

THE AGENCY REQUEST VERSION OF THE PACKAGE WAS ADJUSTED IN THE GOVERNOR'S BUDGET

Marijuana Program Enhancement **OLCC 2019-21 Agency Request Budget** **Policy Option Package No. 408, Agency Priority No 8**

A PACKAGE PURPOSE

The recreational marijuana program in Oregon continues to grow and outpace initial estimates. During the beginning of the program agency's inspectors who normally do enforcement were tasked with assisting licensees come into the licensed program. During the last year the agency has slowly transitioned its Inspectors back to compliance work. To date, most of the compliance work is driven by complaints received at OLCC; however, the Public Safety Program has implemented and carried out new inspection protocols for marijuana minor decoy missions and for retail inspections. All inspections for producers, processors, wholesalers and labs will have active inspections under protocols specific to the issues of compliance of the specific license type and all inspectors will have training to carry out each type of inspection or investigation. The OLCC is developing the internal process to utilize data from the Cannabis Tracking System (CTS - Metric) to create priorities for inspection, oversight, and the issuance of warnings and violations. The CTS is a powerful tool and manual and automated analysis of data within CTS can be utilized to detect potential problems or violations of specific marijuana licensees and license types. With the hiring of additional staff, the OLCC will be analyzing and programing reports to detect potential patterns of deceptive behavior and inaccurate reporting. This intelligence will be used to monitor license and task inspection missions and surveillance by inspectors.

The compliance work in the recreational marijuana program continues to evolve. OLCC is building a comprehensive compliance program, aligning internal processes for complaint driven investigations with data driven compliance efforts and developing schedules for periodic inspections of all license types to stop diversion, deter behavior and practices leading to diversion, and ensuring the integrity of tracking of product for quality control, tax collections, and consumer protection. This level of comprehensive oversight is an expectation of the state laws creating the program and is designed with the full recognition that marijuana remains a Schedule I regulated drug that is federally illegal.

Laboratory oversight and regulation is technical and mired in the necessary analysis of data and reports from hundreds, maybe thousands of test results and associated reporting. This specialized work requires detailed and specific knowledge and skills. The OLCC recognizes the need for specialized expertise to aid Inspectors in the oversight of laboratory licensees and to assist the agency in developing future policies concerning laboratory regulation in conjunction with OHA, the ORLAP lab certification board, industry members, and public health officials. This area of regulation is important to ensuring a level playing field in the industry and to protect consumers. Some of the many

BUDGET NARRATIVE

issues in this area include: ensuring that existing and future testing procedures are properly carried out; falsification of results and technical equipment malfunctions are detected; and record keeping is accurate

The recreational marijuana program continues to create demand for information and education to be delivered to multiple stakeholder groups, and specifically, OLCC marijuana licensees. The comprehensive regulation and rules being put in place by OLCC and partner agencies is critical to communicate to licensees to ensure compliance. Frequently information is of interest and concern to the general public, and there is high demand for clarification on issues such as developments on social consumption, clarifications about the prohibition of use in many environments, or about the legal consequences of activities. The OLCC public affairs/communications team has been utilizing an external communications partner on a limited basis to support the recreational marijuana program with specialized communication expertise to assist the agency's efforts in creating effective messaging and public outreach materials when those projects are beyond the capacity of existing staff. These efforts include: stakeholder engagement, public education campaigns like the well-received "What's Legal" campaign, and graphic design support. For instance, for some time now the agency has wanted to create an education and reward campaign that focus on the dangers of unlicensed butane hash oil, or BHO extraction of THC happening in neighborhood home and apartments — this is a very real and deadly practice and partnering with public safety and public health partners on communications on this topic is an example of specialize communication projects. Given expanding regulator authority for medical marijuana tracking and complicated hemp regulations the OLCC audiences for specialized communication support are growing and will continue to grow over several years.

B. HOW ACHIEVED

OLCC requests a re-class of an Administrative Specialist 2 to Operations Policy Analyst 1 (Position 8000.407). This position was originally established at an AS2 level, prior to having any knowledge of the MJ licensing rules, processes and computer systems, based loosely on the corresponding AS2 position in liquor. It became apparent after a few months that the duties were going to be nothing like the liquor AS2. This request is to fund the reclassification of the position to the appropriate level of an OPA1. As the current work of this position is significantly different than expected, the new duties have been assessed by HR staff and determined to be appropriately classed at an Operations Policy Analyst 1. The revised tasks fall under three general categories:

1. Systems improvement including assessing system operations and resolving system functional problem.
2. Operational Evaluation and Support including monitoring application processing in the NIC-USA application system, researching impacts of statutory and administrative rule changes on the system and evaluating the benefits and consequences of policy option proposals.

BUDGET NARRATIVE

3. Administrative Services and Support including tracking of application and design processes to maintain efficient flows of licensing work.

OLCC requests one Compliance Specialist 3 for Marijuana Laboratory Regulation to focus on laboratory compliance, protocol and regulation. The marijuana program has many areas where state agency collaboration is required. One large area of overlap is the complex regulatory environment for overseeing laboratory licensees testing of marijuana products for pesticides and other dangerous compounds that can taint the safety and quality of the product intended for human consumption by smoking, vaping, consuming in edibles, or used as topical treatments. 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 is responsible for licensing laboratories. The OLCC is turning its focus to laboratory compliance now that the overall marijuana market is up and running. The OLCC is ready to engage with partner agencies in providing the level of necessary oversight of this complex and highly technical area of licensure and compliance. Specialized scientific knowledge and analytical skills are necessary to support OLCC's work with ORELAP and OHA to conduct audits, investigations, and make sure the laboratories are held to the same standards of other licensees and the focus on consumer safety is met. This area of regulation is important to ensuring a level playing field in the industry and to protect consumers. Some of the many issues focused in this area include: assuring that existing and future testing procedures are properly carried out; falsification of results and technical equipment malfunctions are detected; and record keeping is accurate.

Compliance staff can spend an exorbitant amount of time researching complaints against laboratories. Having a dedicated staff member to focus on laboratory compliance, protocol and regulation will assist the overall efficiency of OLCC's compliance program. Regulatory inspectors can get needed assistance in the field and OLCC will have the capacity to work with OHA and ORELAP on detailed investigations and audits (provided OHA and ORELAP are also provided resources). ORELAP will benefit having a contact person at the OLCC who understands laboratory protocol and the OLCC rules and regulations. OHA will benefit by having a staff member who works directly with labs and can track modifications of testing requirements and train and educate other inspectors on these change.

Even with its considerable imperfections, Oregon's aggressive testing standards are nation leading and important to marijuana regulation across the nation and internationally. Laboratory regulation is an important policy area for all states regulating both medical and recreational marijuana because it is important to human consumption of marijuana products. Protecting health and safety in this area, and the consistency of standards between jurisdictions for measuring product qualities, is important to harmonize. Today, testing methodology varies from laboratory to laboratory and state to state. Regulators and the industry are looking to improve and standardize testing to protect consumers through consistent regulation. Even though interstate commerce is not available today, brands that consumers are familiar with are available through each state's regulatory systems and these products, with respect to testing are not equivalent for consumer use. This position will help the OLCC continue to manage to a best practices level of service.

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OLCC requests a re-class of an Operations & Policy Analyst 3 to Principle Executive Manager D (800.407) to lead development by a team of analysts in the process of creating a system of violation prevention, deterrence and detection through automated and manual detection of data anomalies in the Cannabis Tracking System (CTS - Metrc). This is at the heart of a systematic system of flagging activities for warning and violation tickets and the missioning of inspectors in the field to inspect or surveil license activities. Utilizing basic algorithms and programing the regular production of data reports will unleash the tremendous value of the data reported into the CTS system. This position will manage technicians that will analyze data, complete reports, and cause the issuance of warnings and violation notices that will be automatically sent from the CTS system based on predetermined criteria. This technical unit will also review videos to enhance OLCC's ability to proactively assist the program's compliance efforts, this will provide an efficiency to field operations that will focus on conducting inspections. Technicians will be asked to review supplied video for evidence of infractions, frequently during as specific historical time period. The reports created by the unit will be sent directly to the OLCC's statewide regional managers using a commercial off-the-shelf program and will be used to establish compliance priorities for their regions. This manager would also be responsible for making non-protected data available to researchers and to those communicating data on behalf of the agency. Eight positions would report directly to this position including compliance data analyst and video watchers — also included in this policy option package — for both the Recreational and OMMP Medical Marijuana Tracking programs.

OLCC requests addition of eight Regulatory Specialists (Inspectors) for the Recreational Marijuana program to ensure regulatory compliance of license. The work of marijuana compliance is more detailed and intricate than in liquor and there are expectations in law and from the federal government about the need for comprehensive efforts to control marijuana production and sales. Inspections in rural Oregon involve significant travel times and inspections of retail establishment can take two Inspectors up to four hours to complete. Likewise, organizing and caring out minor decoy missions is a time consuming process and it is a vital expectation of law that the OLCC works aggressively to prevent marijuana from being sold to minors.

Currently OLCC has 1,909 active marijuana licensees with a forecast to grow to 2,300 licensees in the next biennium based on the current number of applications in the system. OLCC's current ratio of licensees to Inspector is 100 to 1. By adding 8 Inspectors the ratio of licensees to Inspector would be reduced to 75 to 1. This is greater than established ratios used for alcohol inspections, but is directly responsive to the growing demand for services to the industry and is commensurate with the high degree of public safety concern surrounding Oregon's nascent program of marijuana regulation. This is an important time in the establishment of expectations for professionalization of the industry and application of OLCC rules. In this early stage in the program, constant education, communication and presence is critical. OLCC is aware the importance of compliance is not equal amongst its licensees. While most OLCC licensees value their license and make significant investments to be a part of the system and meet OLCC stringent standards, others licenses are not exhibiting the same operational dedication to meeting those standards. A strong regulatory enforcement structure is needed to protect the

BUDGET NARRATIVE

industry and make sure that Oregon is doing its due diligence in stopping diversion to the illegal market and having an effective compliance program. This request is directed at satisfying the overall concern for public safety and control as the program develops.

OLCC requests addition of three Office Specialists 2's to enable the agency to utilize the information stored on video to enforce compliance and prevent or detect diversion of marijuana. These specialist will watch and report on surveillance videos obtained from field investigations. Providing this oversight is an important part of the agency evolution in that it ensures the capability to gain the benefit of requiring important public safety camera coverage rules. Camera coverage and the retention of back-up video is a major requirement of OLCC rules and simply failing to meet this requirement can result in the loss of a license. It is not just a key features of the program's current enforcement model to require licensees to maintain and operate video surveillance equipment, video is important in determining violations and video examination has provided evidence and proof of violations for many OLCC administrative cases.

These requirements are in Oregon Administrative Rule under Chapter 825-025-1430-1460. Any licensee licensed prior to August 31, 2016 is required to maintain the prior 30 days of recordings and licensees licensed after August 31, 2016 are required to maintain 90 days of recordings. The extension of time of recordings was a direct result of public safety concerns expressed at rule making and the fact that it has been used to prove violations and sanction licensees is evidence itself of the importance of using this common technology to prove allegations of misconduct. As the OLCC moves from a more reactive, complaint driven enforcement approach to a more disciplined data driven approach, seizing and watching video for compliance issues will become a regular, frequently used method of ensuring oversight of licenses. Often times Inspectors have an idea of the date that a violation occurred, but looking for additional violations once an illegal practice has been identified is very time intensive. The requested positions will watch video for specific violations that were suspected through an Inspector investigation or through data driven metrics that were obtained from the Cannabis Tracking System (CTS - Metrc). Once a video has been identified that needs to be reviewed an Inspector will respond to the licensed location and obtain copies of the video. The OS2s will then watch the videos and flag any suspicious activity found and send the video back to the Inspector's for review and additional investigation. The addition of these positions will free up Inspector's to continue to work in the field and not spend inordinate amounts of time reviewing video surveillance.

OLCC requests funding (\$200,000 biennial allocation) for continuing strategic and tactical support related to marijuana from an external communications partner to provide assistance as the agency takes on additional responsibilities. This support will be used as the agency continues to adapt to changes in laws and rules regulating recreational marijuana, medical marijuana, and hemp that must be communicated to large groups of licensees, registrants, and stakeholders. The support will build upon existing work and compliment a similar request for the agency's distilled spirits retail expansion, particularly communications and engagement with alcohol licensees and stakeholders. There is simply high value in having the capability to educate the public and license about the changing landscape of regulation in the dynamic areas of OLCC regulation. The OLCC has a statewide presence and statewide responsibilities and while considerable investments are made

BUDGET NARRATIVE

in licensing and enforcement staff, expenditures on communication that helps license comply with ever changing regulation and that educates the public are effective in helping OLCC achieve its public safety mission.

OLCC proposes to raise fees for annual marijuana licenses by \$100 to accommodate increase in program expense if all the proposed policy option packages for recreational marijuana are approved. Fee increases are done by rule and would be implemented to accommodate increases in personal services and costs associated with inflation.

BUDGET NARRATIVE

Marijuana Program Enhancement OLCC 2019-21 Budget Policy Option Package No 408

Division	Package Description	FTE	One-time	Ongoing	Total
Marijuana - Administration	Reclassify Admin Specialist 2 to Operations & Policy Analyst			\$15,586	\$15,586
	Reclassify OPA3 to PEM-D to manage data operations for Marijuana			\$10,704	\$10,704
		0.00	\$0	\$26,290	\$26,290
Marijuana - Regulation	Add 1 Compliance Specialist 3 for Marijuana Laboratory Regulation	1.00		\$192,611	\$192,611
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$215,979	\$226,441
Marijuana - Regulation	Add 8 Regulatory Specialists for Marijuana	8.00		\$1,428,336	\$1,428,336
	Services & Supplies, including office space @ \$17,368 per employee		\$131,456	\$186,944	\$318,400
	Work station furniture & chair		\$288,224		\$288,224
		8.00	\$419,680	\$1,615,280	\$2,034,960
Marijuana - Administration	Add 3 Office Specialist 2s to watch & investigate Marijuana video	3.00		\$363,432	\$363,432
	Services & Supplies, including office space @ \$17,368 per employee		\$8,301	\$70,104	\$78,405
	Work station furniture & chair		\$23,085		\$23,085
		3.00	\$31,386	\$433,536	\$464,922
Marijuana - Administration	Funding for Contract Services related to Marijuana Outreach		\$200,000		\$200,000
	Contract with PR firm to develop materials and public safety announcements				
		0.00	\$200,000	\$0	\$200,000
	Expenditures	12.00	\$661,528	\$2,291,085	\$2,952,613
	Revenue				
Marijuana - Administration	Proposed Fee Increase of \$100 per license x 4,600 licenses			\$460,000	\$460,000
		0.00	\$0	\$460,000	\$460,000
Subtotal - Marijuana Program Enhancement - Package 408		12.00	\$661,528	\$1,831,085	\$2,492,613

BUDGET NARRATIVE

a. Benefits to stakeholders

Creation of a well-regulated marijuana industry will benefit all licensees in Oregon and reduce the risk of federal scrutiny.

b. Benefits to OLCC

A well-regulated industry poses less reputational risk to the agency.

C. STAFFING IMPACT

The package adds twelve positions to OLCC.

D QUANTIFYING RESULTS

OLCC's marijuana program has two key performance measures; Time to License and Sales to Minors compliance rate.

E REVENUE SOURCE

The Oregon Liquor Control 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 exclusively from marijuana related license fees collected under OAR 845-625-1060 as authorized under ORS 475B. Funding for Medical Marijuana Tracking comes from marijuana tax money as distributed to OLCC under ORS 475B.895 (7).

BUDGET NARRATIVE

Regulatory Specialist Reclassification

OLCC 2019-21 Budget Policy Option Package No. 209, Agency Priority No 9, As Modified

A. PACKAGE PURPOSE

In 2017 the Classification and Compensation unit of the Department of Administrative Services completed a compensation study of the Liquor and Marijuana Regulatory class positions. The study concluded that Regulatory Specialists who were sworn inspectors should be raised from a salary level 25 to a salary level 27. It also concluded that unsworn Regulatory Specialists who are classified as license investigators would remain at the salary level 25. The study resulted in a splitting the of the Regulatory Specialist positions into two positions: Regulatory Specialist (Level 27) and Licensing Specialist (Level 25).

The change of the salary ranges was implemented with a least cost process meaning that for most employees their salary in the new range is the same salary as the old range. Those regulatory specialists who moved from Level 25 to Level 27 have the same salary but at a lower step in the new range with one exception: those employees who moved from a salary Level 25 to Level 27 who have already reached or will reach the top step of Level 27 during the 2019-21 biennium. This package adjusts the agency's budget to account for cost of reclassification.

B. HOW ACHIEVED

Provide funding for differential of Regulatory Specialist that moved from a Salary Level 25 to a Salary Level 27 who have reached or will reach the top step of the 27 level during the 2019-21 biennium.

BUDGET NARRATIVE

Regulatory Specialist Reclassification OLCC 2019-21 Budget Policy Option Package No 209, As Modified

Division	Package Description	FTE	One-time	Ongoing	Total
	Regulatory Specialist Position Study Reclassifications				
Public Safety	Personal Services cost for Reclassification of 38 Liquor Regulatory Specialists from salary level 25 to 27			\$53,588	\$53,588
Marijuana	Personal Services cost for Reclassification of 23 Liquor Regulatory Specialists from salary level 25 to 27			\$53,588	\$53,588
Subtotal - Regulatory Specialist Study Reclassifications - Package 209		0.00	\$0	\$107,176	\$107,176

a. Benefits to stakeholders

Regulatory Specialists at the OLCC will receive the compensation that was granted to them as a result of the position study and reclassification.

b. Benefits to OLCC

OLCC's budget limitation will accommodate the required additional salary steps.

C. STAFFING IMPACT

The package adds no positions to the agency

BUDGET NARRATIVE

D. QUANTIFYING RESULTS

OLCC's budget will accurately reflect the salary differentials.

E. REVENUE SOURCE

The Oregon Liquor Control 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 will pay its proportional share of costs for the salary adjustment. No salary adjustment is needed for the OMMP tracking program as those regulatory specialists were hired at Level 27.

BUDGET NARRATIVE

THIS VERSION OF THE PACKAGE WAS NOT APPROVED IN THE GOVERNOR'S BUDGET

Regulatory Specialist Reclassification

OLCC 2019-21 Budget Policy Option Package No. 209, Agency Priority No 9

A. PACKAGE PURPOSE

In 2017 the Classification and Compensation unit of the Department of Administrative Services completed a compensation study of the Liquor and Marijuana Regulatory class positions. The study concluded that Regulatory Specialists who were sworn inspectors should be raised from a salary level 25 to a salary level 27. It also concluded that unsworn Regulatory Specialists who are classified as license investigators would remain at the salary level 25. The study resulted in a splitting the of the Regulatory Specialist positions into two positions: Regulatory Specialist (Level 27) and Licensing Specialist (Level 25).

The change of the salary ranges was implemented with a least cost process meaning that for most employees their salary in the new range is the same salary as the old range. Those regulatory specialists who moved from Level 25 to Level 27 have the same salary but at a lower step in the new range with one exception: those employees who moved from a salary Level 25 to Level 27 who have already reached or will reach the top step of Level 27 during the 2019-21 biennium. This package adjusts the agency's budget to account for cost of reclassification.

B. HOW ACHIEVED

Provide funding for differential of Regulatory Specialist that moved from a Salary Level 25 to a Salary Level 27 who have reached or will reach the top step of the 27 level during the 2019-21 biennium.

BUDGET NARRATIVE

Regulatory Specialist Reclassification OLCC 2019-21 Budget Policy Option Package No 209

Division	Package Description	FTE	One-time	Ongoing	Total
Regulatory Specialist Position Study Reclassifications					
Public Safety	Personal Services cost for Reclassification of 38 Liquor Regulatory Specialists from salary level 25 to 27			\$404,617	\$404,617
Marijuana	Personal Services cost for Reclassification of 23 Liquor Regulatory Specialists from salary level 25 to 27			\$252,157	\$252,157
Subtotal - Regulatory Specialist Study Reclassifications - Package 209		0.00	\$0	\$656,774	\$656,774

a. Benefits to stakeholders

Regulatory Specialists at the OLCC will receive the compensation that was granted to them as a result of the position study and reclassification.

b. Benefits to OLCC

OLCC's budget limitation will accommodate the required additional salary steps.

C. STAFFING IMPACT

The package adds no positions to the agency

D. QUANTIFYING RESULTS

OLCC's budget will accurately reflect the salary differentials.

BUDGET NARRATIVE

E. REVENUE SOURCE

The Oregon Liquor Control 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 will pay its proportional share of costs for the salary adjustment. No salary adjustment is needed for the OMMP tracking program as those regulatory specialists were hired at Level 27.

BUDGET NARRATIVE

Bottle Bill Regulation & Funding

OLCC 19-21 Agency Request Budget

Policy Option Package No. 215, Agency Priority No 15

A. PACKAGE PURPOSE

OLCC administers Oregon's Bottle Bill, which touches nearly every person in the state. The one staff member currently in the Bottle Bill Program performs all the duties associated with administering the Bottle Bill. The primary responsibility OLCC has for the bottle bill are to approve redemption centers and participating retailer agreements, approving changes to redemption center agreements, and ensuring all retailers and redemption centers meet their responsibility for bottle redemptions in conformance with state law.

On April 1, 2017, the refund value for empty beverage containers increased from 5 cents to 10 cents. Further, per statutory requirements, the types of beverages included in the Bottle Bill expanded to include more types of beverages on January 1, 2018. These changes increased interest in redeeming containers. This has resulted in a drastic increase in the number of questions and complaints from both impacted stores and the public about the Bottle Bill. Responding to these questions and complaints leaves little time for the Compliance Specialist to perform higher level compliance and oversight functions.

D. HOW ACHIEVED

OLCC requests addition of one Administrative Specialist 1 position in the Bottle Bill Program to provide support to the Bottle Bill Compliance Specialist in performing duties related to Bottle Bill public information and compliance. OLCC will create a new position in the Bottle Bill Program to field questions and complaints and provide general support to the Compliance Specialist. Duties performed by the AS1 may include responding to questions and complaints, sending correspondence and signage to retailers, tracking complaints, providing Bottle Bill orientation materials to new retailers, creating and posting public notices regarding redemption center applications, compiling public comment on proposed redemption centers, and preparing notices to retailers that are non-compliant with redemption center requirements.

OLCC is proposing legislation that will require redemption centers to register with the Commission and be charged an annual fee of \$3,000. The fee will help cover the costs for administration of the bottle bill including the requested new position. The fee is expected to generate about \$78,000 in the next biennium based on the current number of redemption centers. This revenue will grow as new redemption centers are opened around the state.

BUDGET NARRATIVE

Bottle Bill Regulation & Funding OLCC 2019-21 Budget Policy Option Package No. 215

Division	Package Description	FTE	One-time	Ongoing	Total
	Bottle Bill Regulation & Funding				
	Regulation				
Public Safety	Add 1 Administrative Specialist 2 for Bottle Bill administration	1.00		\$138,487	\$138,487
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
	Expenditures	1.00	\$10,462	\$161,855	\$172,317
	Funding				
Public Safety	Establish Fee for Redemption Centers for Regulation & Compliance			(\$78,000)	(\$78,000)
		0.00	\$0	(\$78,000)	(\$78,000)
Subtotal - Bottle Bill Regulation & Funding - Package 215		1.00	\$10,462	\$83,855	\$94,317

a. Benefits to stakeholders

Oregon citizens and beverage retailers will receive better, more timely service.

BUDGET NARRATIVE

b. Benefits to OLCC

The OLCC Bottle Bill Program will be able to operate more efficiently and provide a higher level of service. This will reduce delays in responding to both public and industry concerns and enable the Compliance Specialist to investigate problems, provide education and work with all parties to improve the statewide goals of redeeming returnable containers.

E. STAFFING IMPACT

The package adds one position to OLCC.

F. QUANTIFYING RESULTS

Staff will be able to timely respond to questions and concerns, as the AS1 position will be charged with triaging concerns and providing clerical service currently being provided by the Compliance Specialist. This will enable the Compliance Specialist to correspond with higher level issues and provide education to beverage retailers. This will improve understanding and compliance with the Bottle Bill. Having an AS1 perform more basic Bottle Bill duties will allow the Compliance Specialist to perform at a higher level, including on-site compliance checks at redemption centers and retailers, providing training opportunities to manufacturers, distributors, retailers and OLCC staff, and ensuring retailers in redemption center zones are compliant.

G. REVENUE SOURCE

The Oregon Liquor Control 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. OLCC is proposing legislation to assess a \$3,000 annual registration fee for each redemption center to support the ongoing works that a redemption center causes OLCC. The owners of the redemption centers would remit the fee on an annual basis to OLCC.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Personal Services							
Pension Obligation Bond	-	-	178,167	-	-	-	178,167
Mass Transit Tax	-	-	13,816	-	-	-	13,816
Vacancy Savings	-	-	418,112	-	-	-	418,112
Total Personal Services	-	-	\$610,095	-	-	-	\$610,095
Total Expenditures							
Total Expenditures	-	-	610,095	-	-	-	610,095
Total Expenditures	-	-	\$610,095	-	-	-	\$610,095
Ending Balance							
Ending Balance	-	-	(610,095)	-	-	-	(610,095)
Total Ending Balance	-	-	(\$610,095)	-	-	-	(\$610,095)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 022 - Phase-out Pgm & One-time Costs

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							
Office Expenses	-	-	(17,000)	-	-	-	(17,000)
Agency Program Related S and S	-	-	(25,000)	-	-	-	(25,000)
Total Services & Supplies	-	-	(\$42,000)	-	-	-	(\$42,000)
Total Expenditures							
Total Expenditures	-	-	(42,000)	-	-	-	(42,000)
Total Expenditures	-	-	(\$42,000)	-	-	-	(\$42,000)
Ending Balance							
Ending Balance	-	-	42,000	-	-	-	42,000
Total Ending Balance	-	-	\$42,000	-	-	-	\$42,000

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control 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	-	-	8,092	-	-	-	8,092
Out of State Travel	-	-	477	-	-	-	477
Employee Training	-	-	9,824	-	-	-	9,824
Office Expenses	-	-	11,597	-	-	-	11,597
Telecommunications	-	-	10,977	-	-	-	10,977
State Gov. Service Charges	-	-	76,699	-	-	-	76,699
Data Processing	-	-	1,104	-	-	-	1,104
Publicity and Publications	-	-	2,299	-	-	-	2,299
Professional Services	-	-	12,445	-	-	-	12,445
IT Professional Services	-	-	2,972	-	-	-	2,972
Employee Recruitment and Develop	-	-	328	-	-	-	328
Dues and Subscriptions	-	-	348	-	-	-	348
Facilities Rental and Taxes	-	-	17,947	-	-	-	17,947
Fuels and Utilities	-	-	849	-	-	-	849
Facilities Maintenance	-	-	679	-	-	-	679
Agency Program Related S and S	-	-	1,564	-	-	-	1,564
Other Services and Supplies	-	-	440	-	-	-	440
IT Expendable Property	-	-	1,168	-	-	-	1,168
Total Services & Supplies	-	-	\$159,809	-	-	-	\$159,809

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	159,809	-	-	-	159,809
Total Expenditures	-	-	\$159,809	-	-	-	\$159,809
Ending Balance							
Ending Balance	-	-	(159,809)	-	-	-	(159,809)
Total Ending Balance	-	-	(\$159,809)	-	-	-	(\$159,809)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 032 - Above Standard Inflation

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	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	-	-	-	-	-	-	-
IT Professional Services	-	-	-	-	-	-	-
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 Control Comm
Pkg: 091 - Statewide Adjustment DAS Chgs

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	-	-	-	-	-
Professional Services	-	-	-	-	-	-	-
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 Control Comm
Pkg: 203 - License Fees Increase

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Business Lic and Fees	-	-	9,172,403	-	-	-	9,172,403
Total Revenues	-	-	\$9,172,403	-	-	-	\$9,172,403
Ending Balance							
Ending Balance	-	-	9,172,403	-	-	-	9,172,403
Total Ending Balance	-	-	\$9,172,403	-	-	-	\$9,172,403

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 205 - Statewide Dispatch Services

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Transfers Out							
Tsfr To Police, Dept of State	-	-	-	-	-	-	-
Total Transfers Out	-	-	-	-	-	-	-
Services & Supplies							
Telecommunications	-	-	560,832	-	-	-	560,832
Total Services & Supplies	-	-	\$560,832	-	-	-	\$560,832
Total Expenditures							
Total Expenditures	-	-	560,832	-	-	-	560,832
Total Expenditures	-	-	\$560,832	-	-	-	\$560,832
Ending Balance							
Ending Balance	-	-	(560,832)	-	-	-	(560,832)
Total Ending Balance	-	-	(\$560,832)	-	-	-	(\$560,832)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 206 - Licensing Staff Fulfillment

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	537,744	-	-	-	537,744
Empl. Rel. Bd. Assessments	-	-	305	-	-	-	305
Public Employees' Retire Cont	-	-	97,278	-	-	-	97,278
Social Security Taxes	-	-	41,137	-	-	-	41,137
Worker's Comp. Assess. (WCD)	-	-	290	-	-	-	290
Mass Transit Tax	-	-	2,677	-	-	-	2,677
Flexible Benefits	-	-	175,920	-	-	-	175,920
Reconciliation Adjustment	-	-	529	-	-	-	529
Total Personal Services	-	-	\$855,880	-	-	-	\$855,880
Services & Supplies							
Employee Training	-	-	5,000	-	-	-	5,000
Office Expenses	-	-	5,000	-	-	-	5,000
Telecommunications	-	-	10,000	-	-	-	10,000
Data Processing	-	-	7,500	-	-	-	7,500
Facilities Rental and Taxes	-	-	86,840	-	-	-	86,840
Other Services and Supplies	-	-	5,000	-	-	-	5,000
IT Expendable Property	-	-	11,335	-	-	-	11,335
Total Services & Supplies	-	-	\$130,675	-	-	-	\$130,675
Capital Outlay							
Office Furniture and Fixtures	-	-	38,225	-	-	-	38,225

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 206 - Licensing Staff Fulfillment

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Automotive and Aircraft	-	-	-	-	-	-	-
Total Capital Outlay	-	-	\$38,225	-	-	-	\$38,225
Total Expenditures							
Total Expenditures	-	-	1,024,780	-	-	-	1,024,780
Total Expenditures	-	-	\$1,024,780	-	-	-	\$1,024,780
Ending Balance							
Ending Balance	-	-	(1,024,780)	-	-	-	(1,024,780)
Total Ending Balance	-	-	(\$1,024,780)	-	-	-	(\$1,024,780)
Total Positions							
Total Positions							5
Total Positions	-	-	-	-	-	-	5
Total FTE							
Total FTE							5.00
Total FTE	-	-	-	-	-	-	5.00

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 207 - Public Safety Staff Fulfillment

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	432,936	-	-	-	432,936
Empl. Rel. Bd. Assessments	-	-	244	-	-	-	244
Public Employees' Retire Cont	-	-	78,318	-	-	-	78,318
Social Security Taxes	-	-	33,119	-	-	-	33,119
Worker's Comp. Assess. (WCD)	-	-	232	-	-	-	232
Mass Transit Tax	-	-	1,360	-	-	-	1,360
Flexible Benefits	-	-	140,736	-	-	-	140,736
Reconciliation Adjustment	-	-	1,237	-	-	-	1,237
Total Personal Services	-	-	\$688,182	-	-	-	\$688,182
Services & Supplies							
Instate Travel	-	-	6,000	-	-	-	6,000
Employee Training	-	-	14,334	-	-	-	14,334
Office Expenses	-	-	3,000	-	-	-	3,000
Telecommunications	-	-	147,564	-	-	-	147,564
Data Processing	-	-	5,000	-	-	-	5,000
Facilities Rental and Taxes	-	-	69,472	-	-	-	69,472
Agency Program Related S and S	-	-	307,776	-	-	-	307,776
Other Services and Supplies	-	-	3,000	-	-	-	3,000
IT Expendable Property	-	-	9,068	-	-	-	9,068
Total Services & Supplies	-	-	\$565,214	-	-	-	\$565,214
Capital Outlay							
Office Furniture and Fixtures	-	-	30,780	-	-	-	30,780

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

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Pkg: 207 - Public Safety Staff Fulfillment

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Automotive and Aircraft	-	-	56,666	-	-	-	56,666
Total Capital Outlay	-	-	\$87,446	-	-	-	\$87,446
Total Expenditures							
Total Expenditures	-	-	1,340,842	-	-	-	1,340,842
Total Expenditures	-	-	\$1,340,842	-	-	-	\$1,340,842
Ending Balance							
Ending Balance	-	-	(1,340,842)	-	-	-	(1,340,842)
Total Ending Balance	-	-	(\$1,340,842)	-	-	-	(\$1,340,842)
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 Control Comm
Pkg: 209 - Regulatory Specialist Reclass

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	41,472	-	-	-	41,472
Public Employees' Retire Cont	-	-	7,504	-	-	-	7,504
Social Security Taxes	-	-	3,172	-	-	-	3,172
Mass Transit Tax	-	-	1,440	-	-	-	1,440
Total Personal Services	-	-	\$53,588	-	-	-	\$53,588
Total Expenditures							
Total Expenditures	-	-	53,588	-	-	-	53,588
Total Expenditures	-	-	\$53,588	-	-	-	\$53,588
Ending Balance							
Ending Balance	-	-	(53,588)	-	-	-	(53,588)
Total Ending Balance	-	-	(\$53,588)	-	-	-	(\$53,588)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 215 - Bottle Bill Regulation & Funding

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Business Lic and Fees	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	81,672	-	-	-	81,672
Empl. Rel. Bd. Assessments	-	-	61	-	-	-	61
Public Employees' Retire Cont	-	-	14,774	-	-	-	14,774
Social Security Taxes	-	-	6,248	-	-	-	6,248
Worker's Comp. Assess. (WCD)	-	-	58	-	-	-	58
Mass Transit Tax	-	-	-	-	-	-	-
Flexible Benefits	-	-	35,184	-	-	-	35,184
Reconciliation Adjustment	-	-	490	-	-	-	490
Total Personal Services	-	-	\$138,487	-	-	-	\$138,487
Services & Supplies							
Employee Training	-	-	1,000	-	-	-	1,000
Office Expenses	-	-	1,000	-	-	-	1,000
Telecommunications	-	-	2,000	-	-	-	2,000
Data Processing	-	-	1,500	-	-	-	1,500
Facilities Rental and Taxes	-	-	17,368	-	-	-	17,368
Other Services and Supplies	-	-	1,000	-	-	-	1,000
IT Expendable Property	-	-	2,267	-	-	-	2,267
Total Services & Supplies	-	-	\$26,135	-	-	-	\$26,135

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 215 - Bottle Bill Regulation & Funding

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Office Furniture and Fixtures	-	-	7,695	-	-	-	7,695
Total Capital Outlay	-	-	\$7,695	-	-	-	\$7,695
Total Expenditures							
Total Expenditures	-	-	172,317	-	-	-	172,317
Total Expenditures	-	-	\$172,317	-	-	-	\$172,317
Ending Balance							
Ending Balance	-	-	(172,317)	-	-	-	(172,317)
Total Ending Balance	-	-	(\$172,317)	-	-	-	(\$172,317)
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 Control Comm
Pkg: 801 - LFO Analyst Adjustments

Cross Reference Name: Public Safety Services Program
Cross Reference Number: 84500-002-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Professional Services	-	-	(40,637)	-	-	-	(40,637)
Total Services & Supplies	-	-	(\$40,637)	-	-	-	(\$40,637)
Total Expenditures							
Total Expenditures	-	-	(40,637)	-	-	-	(40,637)
Total Expenditures	-	-	(\$40,637)	-	-	-	(\$40,637)
Ending Balance							
Ending Balance	-	-	40,637	-	-	-	40,637
Total Ending Balance	-	-	\$40,637	-	-	-	\$40,637

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control 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
Personal Services							
Reconciliation Adjustment	-	-	(107,102)	-	-	-	(107,102)
Total Personal Services	-	-	(\$107,102)	-	-	-	(\$107,102)
Services & Supplies							
State Gov. Service Charges	-	-	(61,650)	-	-	-	(61,650)
Facilities Rental and Taxes	-	-	-	-	-	-	-
Other Services and Supplies	-	-	(972)	-	-	-	(972)
Total Services & Supplies	-	-	(\$62,622)	-	-	-	(\$62,622)
Total Expenditures							
Total Expenditures	-	-	(169,724)	-	-	-	(169,724)
Total Expenditures	-	-	(\$169,724)	-	-	-	(\$169,724)
Ending Balance							
Ending Balance	-	-	169,724	-	-	-	169,724
Total Ending Balance	-	-	\$169,724	-	-	-	\$169,724

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PACKAGE: 206 - Licensing Staff Fulfillment

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4500125	AL	C0107	AP ADMINISTRATIVE SPECIALIST 1	1	1.00	24.00	05	3,403.00		81,672 56,325			81,672 56,325
4500126	MMS	X7002	AP PRINCIPAL EXECUTIVE/MANAGER B	1	1.00	24.00	02	4,666.00		111,984 64,128			111,984 64,128
4500127	AL	C0871	AP OPERATIONS & POLICY ANALYST 2	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
4500128	AL	C0104	AP OFFICE SPECIALIST 2	1	1.00	24.00	02	2,831.00		67,944 52,792			67,944 52,792
4500178	MMS	X7006	AP PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	02	5,937.00		142,488 71,979			142,488 71,979
4500517	MESNZ	7008	AP PRINCIPAL EXECUTIVE/MANAGER E	1-	1.00-	24.00-	07	8,332.00		199,968- 86,775-			199,968- 86,775-
4500517	MESNZ	7010	AP PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	07	9,177.00		220,248 91,995			220,248 91,995
TOTAL PICS SALARY										537,744			537,744
TOTAL PICS OPE										314,930			314,930
TOTAL PICS PERSONAL SERVICES =				5	5.00	120.00				852,674			852,674

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PACKAGE: 207 - Public Safety Staff Fulfillmen

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4700131	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
4700132	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
5500069	AL	C0108	AP ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	02	3,403.00		81,672 56,325			81,672 56,325
5500070	AL	C5248	AP COMPLIANCE SPECIALIST 3	1	1.00	24.00	02	5,188.00		124,512 67,352			124,512 67,352
TOTAL PICS SALARY										432,936			432,936
TOTAL PICS OPE										252,649			252,649
TOTAL PICS PERSONAL SERVICES =				4	4.00	96.00				685,585			685,585

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PACKAGE: 209 - Regulatory Specialist Reclass

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POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4700035	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700035	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700036	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700036	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700040	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700040	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700042	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	08	5,706.00		136,944- 70,552-			136,944- 70,552-
4700042	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	06	5,706.00		136,944 70,552			136,944 70,552
4700043	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700043	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700045	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700045	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700048	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-

PACKAGE: 209 - Regulatory Specialist Reclass

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4700048	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700049	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	07	5,437.00		130,488- 68,890-			130,488- 68,890-
4700049	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	05	5,437.00		130,488 68,890			130,488 68,890
4700072	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	07	5,437.00		130,488- 68,890-			130,488- 68,890-
4700072	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	05	5,437.00		130,488 68,890			130,488 68,890
4700076	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700076	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700078	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700078	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700089	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-
4700089	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
4700520	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	08	5,706.00		136,944- 70,552-			136,944- 70,552-
4700520	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	06	5,706.00		136,944 70,552			136,944 70,552

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PACKAGE: 209 - Regulatory Specialist Reclass

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4700522	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700522	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700526	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700526	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700527	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	07	5,437.00		130,488- 68,890-			130,488- 68,890-
4700527	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	05	5,437.00		130,488 68,890			130,488 68,890
4700529	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700529	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700530	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700530	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700544	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700544	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700545	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	04	4,724.00		113,376- 64,486-			113,376- 64,486-

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PACKAGE: 209 - Regulatory Specialist Reclass

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4700545	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
4700547	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	07	5,437.00		130,488- 68,890-			130,488- 68,890-
4700547	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	05	5,437.00		130,488 68,890			130,488 68,890
4700550	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	05	4,948.00		118,752- 65,869-			118,752- 65,869-
4700550	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	03	4,948.00		118,752 65,869			118,752 65,869
4700551	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	05	4,948.00		118,752- 65,869-			118,752- 65,869-
4700551	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	03	4,948.00		118,752 65,869			118,752 65,869
4700552	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700552	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700556	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	08	5,706.00		136,944- 70,552-			136,944- 70,552-
4700556	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	06	5,706.00		136,944 70,552			136,944 70,552
4700585	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	06	5,188.00		124,512- 67,352-			124,512- 67,352-
4700585	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	04	5,188.00		124,512 67,352			124,512 67,352

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4700627	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	05	4,948.00		118,752- 65,869-			118,752- 65,869-
4700627	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	03	4,948.00		118,752 65,869			118,752 65,869
4700629	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	05	4,948.00		118,752- 65,869-			118,752- 65,869-
4700629	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	03	4,948.00		118,752 65,869			118,752 65,869
4700652	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-
4700652	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
4700653	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700653	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700752	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	06	5,188.00		124,512- 67,352-			124,512- 67,352-
4700752	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	04	5,188.00		124,512 67,352			124,512 67,352
4700876	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700876	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700877	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-

10/15/19 REPORT NO.: PDPDFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:002-00-00 Public Safety Services Program

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

PAGE 9

2019-21
 PICS SYSTEM: BUDGET PREPARATION

PACKAGE: 209 - Regulatory Specialist Reclass

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4700877	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
4700878	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	04	4,724.00		113,376- 64,486-			113,376- 64,486-
4700878	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
4700879	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	06	5,188.00		124,512- 67,352-			124,512- 67,352-
4700879	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	04	5,188.00		124,512 67,352			124,512 67,352
4700903	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700903	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700904	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-
4700904	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
4700905	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700905	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
TOTAL PICS SALARY										41,472			41,472
TOTAL PICS OPE										10,676			10,676
TOTAL PICS PERSONAL SERVICES =					.00	.00				52,148			52,148

10/15/19 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:002-00-00 Public Safety Services Program

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2019-21
 PICS SYSTEM: BUDGET PREPARATION

PAGE 10
 PROD FILE

PACKAGE: 215 - Bottle Bill Regulation & Fundi

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
5500053	AL	C0108	AP ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	02	3,403.00		81,672 56,325			81,672 56,325
TOTAL PICS SALARY										81,672			81,672
TOTAL PICS OPE										56,325			56,325
TOTAL PICS PERSONAL SERVICES =				1	1.00	24.00				137,997			137,997

BUDGET NARRATIVE

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

Oregon Liquor Control Comm
2019-21 Biennium

Agency Number: 84500

Cross Reference Number: 84500-002-00-00-00000

<i>Source</i>	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
Other Funds						
Business Lic and Fees	-	-	-	9,250,403	9,172,403	9,172,403
Other Revenues	39	-	-	-	-	-
Transfer In - Intrafund	19,069,655	21,507,858	22,138,265	26,667,517	25,590,281	26,194,966
Transfer In - Indirect Cost	-	1,052,531	1,052,531	1,683,716	1,683,716	1,683,716
Total Other Funds	\$19,069,694	\$22,560,389	\$23,190,796	\$37,601,636	\$36,446,400	\$37,051,085

BUDGET NARRATIVE

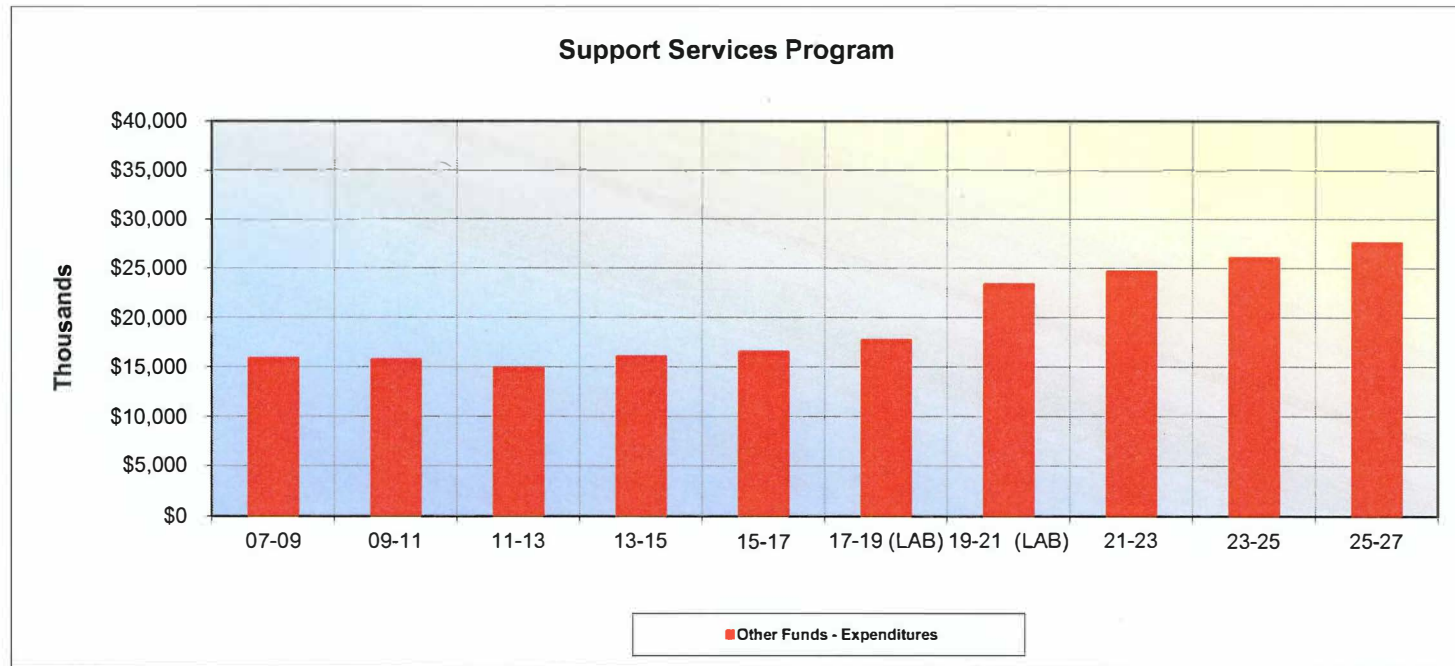
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BUDGET NARRATIVE

OLCC - ADMINISTRATION AND SUPPORT SERVICES PROGRAM - 003 2019-21 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 liquor 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 Approved Budget is \$28,110,463 Other Funds limitation, for the 2019-21 biennium for this program, with 76 positions and 76.00 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.

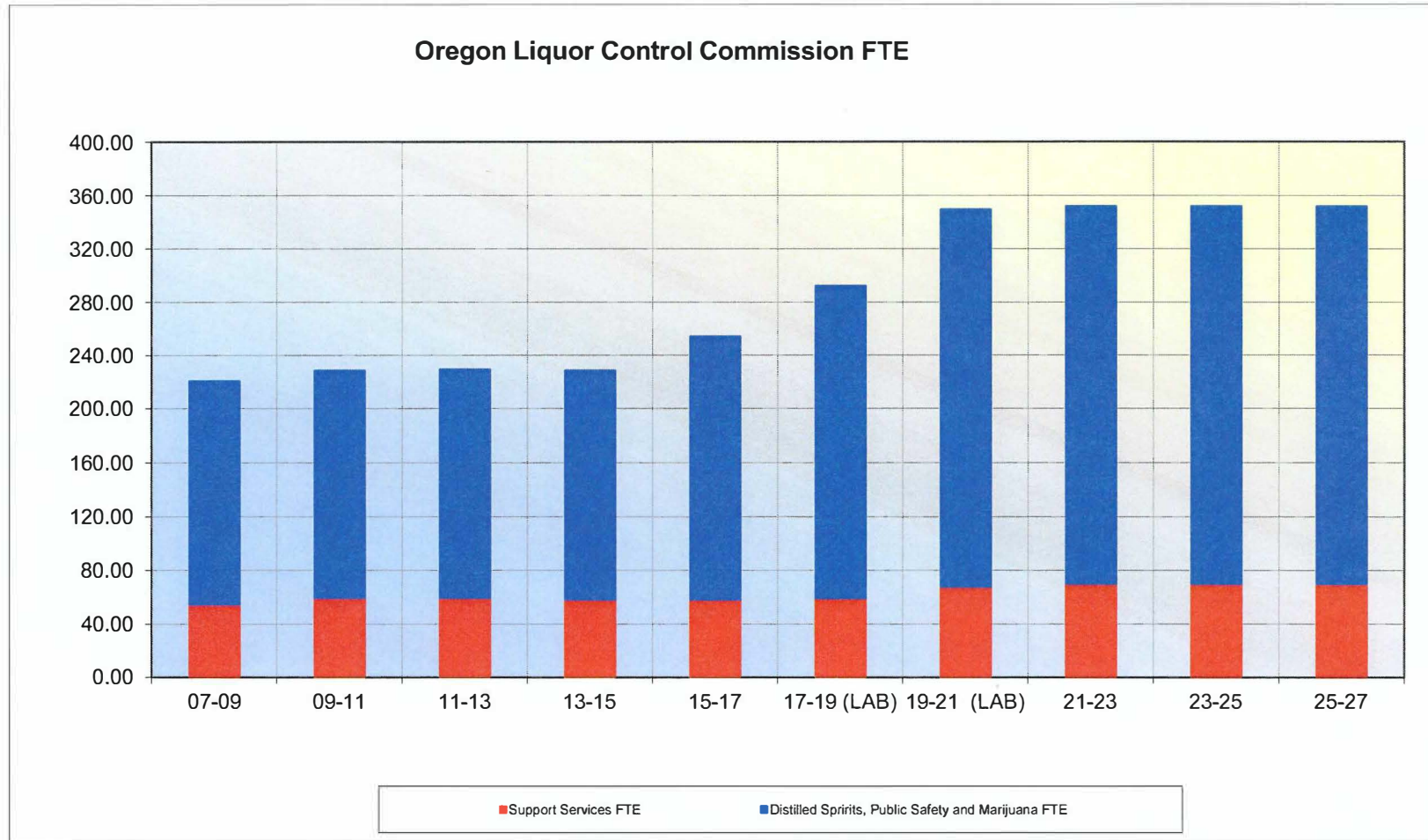
G. PROGRAM JUSTIFICATION AND LINK TO 10-YEAR OUTCOME

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 \$1.53 billion in 2019-21 (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

BUDGET NARRATIVE

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.

BUDGET NARRATIVE

I. 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

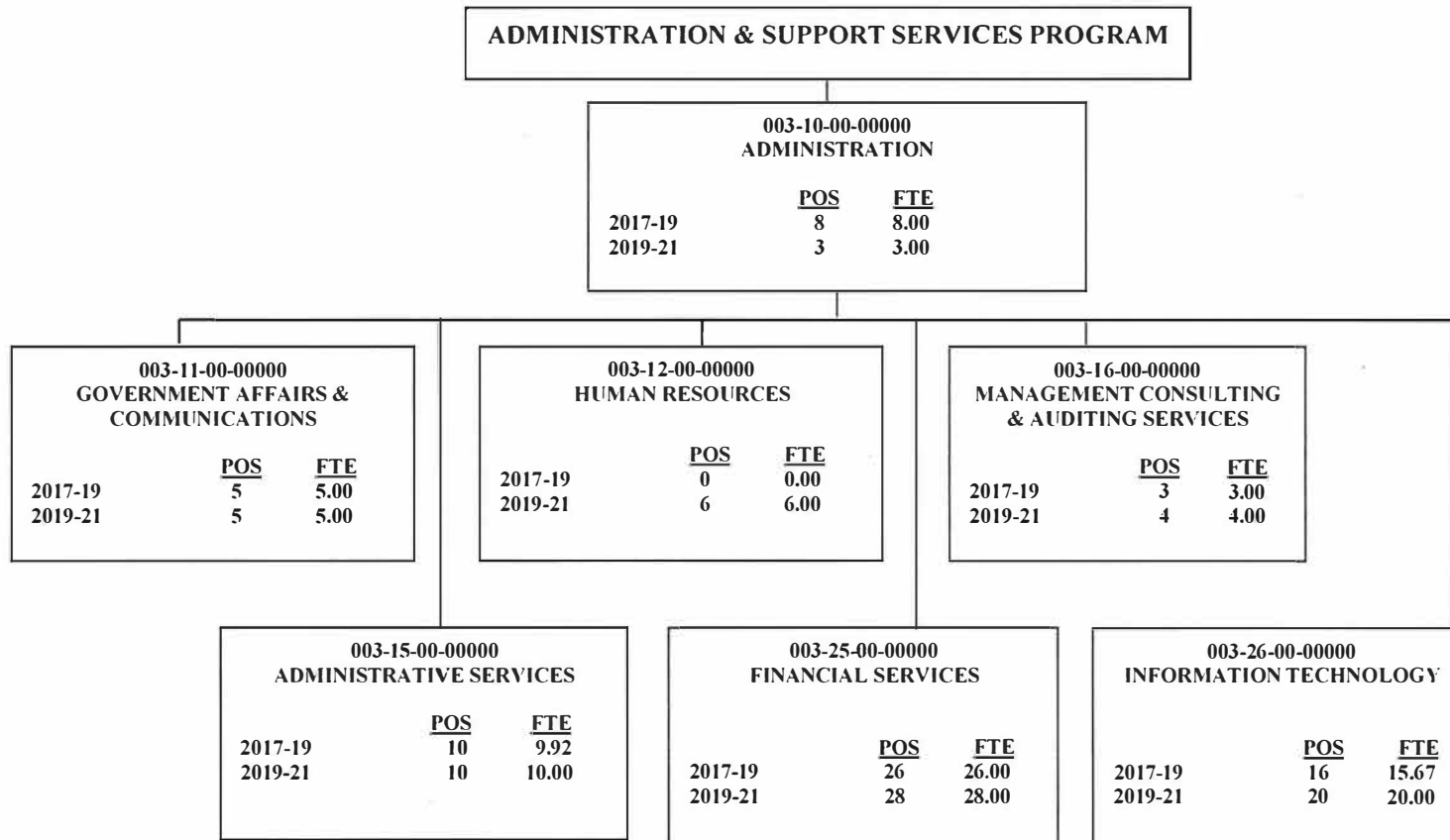
All OLCC alcoholic beverage programs are funded by OLCC-generated revenue. All revenue received by the OLCC is classified as "Other Funds." Revenues come from liquor sales, license fees and fines, server education fees, taxes on malt beverages and wines (Privilege Tax) and miscellaneous income. ORS 471.805 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 2017-19

The 2019-21 Legislatively Approved Budget moves the Administrative Policy and Process Services Division (sub-program 55) from the Administration and Support Services Program - 003 to the Public Safety Services Program - 002.

BUDGET NARRATIVE

OLCC - ADMINISTRATION AND SUPPORT SERVICES PROGRAM (003) 2019-21 BUDGET Organization Chart



BUDGET NARRATIVE

OLCC - ADMINISTRATION & SUPPORT SERVICES PROGRAM SUMMARY - PROGRAM 003 2019-21 Budget

A. PURPOSE, ACTIVITIES & ISSUES

In 2017-19, the Administrative and Support Services Program supported a successful mission expansion to aid in the implementation of the recreational marijuana and compliance programs. The addition of marijuana licensing and compliance to the agency's portfolio in 2015 subsequent legislative changes in 2015, 2016, 2017, and 2018 continues to require new policies and rules, new procedures, hiring of additional support staff and adjustments in duties. Assisting in the implementation of the marijuana program as well as integrating the marijuana program into the agency's work requires significant effort. The workload of every department increased – from the development of rules, to procurement of computers; from recruiting and interviewing staff to analyzing data; from organizing informational meetings and materials for new licensees to tracking budgets and aligning new information systems. An emphasis on internal and external communication is key to the success of every department in this endeavor.

Purpose

The Administration and Support Services Program provides the infrastructure for the agency to fulfill liquor 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; 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 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

BUDGET NARRATIVE

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 2015-17 and the 2017-19 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, and 2018. 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.

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 328 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 and continual training and materials for external stakeholders and employees. These needs will continue throughout the 2019-21 biennium. The agency regulates 1,986 marijuana licenses, 31,000 marijuana worker permittees, 14,085 liquor licenses, 9,500 special event licenses, 3,846 out of state certificate holders and 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 a functioning employee intranet. 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.

BUDGET NARRATIVE

For 2019-21, 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.

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.

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.

The structural components of the program are:

Administration Division, including Human Resources (subprogram 10 AND 12) 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 newly formed 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. The 2019-21 agency budget requested funding in Policy Option Package 311 “Administration and Communication Outreach – Sr. Policy Advisor and Digital Infrastructure” for one senior policy advisor to evolve rules for complex policy and regulatory discussions related to the changing alcohol, marijuana, medical marijuana, hemp and bottle bill regulations. The person in this position will work directly with key agency staff, industry, and customer partners to shape options for alcohol and marijuana policy.

BUDGET NARRATIVE

As the agency's policy expert, this person will report at the Director level of the OLCC and service the response to policy requests from the director, commission, Governor's Office and Legislature across all areas of agency responsibility. This request is not included in the Governor's budget request.

Government Affairs and Communications Division (*subprogram 11*) is the central communication link between the agency and its external stakeholders, the media and the general public. It is responsible for internal and external agency communications, legislative coordination, media relations, and print and electronic materials.

This division is responsible for the outcomes of: providing Oregonians with timely information about the activities, products, services, and public meetings of the OLCC with transparency and clarity.

The 2019-21 agency budget requested funding in Policy Option Package 311 "Administration and Communication Outreach - Sr. Policy Advisor and Digital Infrastructure" for consulting services to build an agency intranet, one public affairs specialist to manage the agency intranet and assist in the management of the agency's internet as well as the required transition to the DAS required updated format in 2020. In addition the agency budget requested consulting funds for alcohol stakeholder education and communication. This request is not included in the Governor's budget request. A request for funding marijuana stakeholder education and outreach is included in Policy Option Package 408 found in the Public Safety Services Program – 002.

Management and Administrative Services

The ***Administrative Services Division*** (*subprogram 15*) provides internal services including commodity purchasing and contracting, 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; providing stewardship for state owned assets; and ensuring the economy and equity of procurement processes.

BUDGET NARRATIVE

Management Consulting and Audit Services Division (subprogram 16) 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 division's services provide quality control and enable the OLCC to meet highest standards in performance. Division staff ensures maintenance and support for the OLCC's functions and offices statewide. Its internal consulting services include performance measurement, statistical analysis, RFP development, research, and economic, sales and revenue forecasting services.

This division is responsible for the outcomes of: 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.

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, and marijuana implementation.

This division is responsible for the outcomes of: accounting for the integrity of all OLCC financial transactions; providing analysis for the prioritization of programs and spending; and, maintaining and producing an agency budget.

The 2019-21 Governor's budget, Policy Option Package 310 "Financial Services Staff Fulfillment" supports the ongoing retail expansion and distillery agent growth. The package adds one accounting technician 2 for retail expansion, and new equipment and software for store auditors.

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.

BUDGET NARRATIVE

The OIS staff serve a varied internal and external customer base with various platforms, applications and desktop configurations. This effort has been hampered by multiple aging platforms and software that are inextricably linked together. Historically, the agency has addressed technology needs on a piecemeal basis, operating in a constant state of short-term replacement and repairs. There has not been enough time, capacity or funding to step back and adequately analyze the future state of the agency and constituent needs while aligning technology infrastructure and architecture. This longtime reactionary operational model has resulted in the agency implementing numerous quick fixes and workarounds which was reflected throughout the Secretary of State IT audit findings. OLCC recently 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.

The Office of Information Services' customers include: OLCC Licensing and Public Safety divisions, OLCC Distilled Spirits Program, OLCC Marijuana Program, OMMP Tracking Program, liquor 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 is required to achieve long-term goals for high performance service delivery.

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.

BUDGET NARRATIVE

The 2019-21 agency budget requested funding in Policy Option Package 301 “Information Services” for staff and funding to support the critical IT needs of the agency. The package adds one data base architect, two technical project managers, one quality assurance and automation developer, one businesses systems analysts, and three systems developers, replacement of outdated network equipment, and funding for future software development projects for alcohol warehouse management, licensing and financial management and marijuana licensing, enforcement and supply chain tracking. This package is partially included in the Governor’s budget.

B. BACKGROUND

Oregon’s hospitality and distilled spirits industries and the new 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 for providing the efficient and effective support of the Distilled Spirits, Marijuana Program and Public Safety Services programs. More and more emphasis is put on asset management, updating retail operations, and an increasing need 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.

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:

BUDGET NARRATIVE

- **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.

D. REVENUE SOURCE

The Oregon Liquor Control 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 accord with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

BUDGET NARRATIVE

OLCC - ADMINISTRATION DIVISION - SUBPROGRAMS 10 AND 12

Including Human Resources

2019-21 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, and continual demands to modernize alcohol regulation. The Administration Division – consisting of the Executive Director's office and the Human Resources Division – 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.

Administration's subprogram 10 includes the agency's Human Resources (HR) function. HR helps the Administration Division implement organizational, structural expression of the agency's vision and values and support staff. Administration also guides legislative activities, public outreach and internal communication, working with the Governmental Affairs and Communications Division, subprogram 11 to do so.

The 2019-21 agency budget requested funding in Policy Option Package No. 311 "Administration and Communication Outreach – Sr. Policy Advisor and Digital Infrastructure" for one principle executive manager E to evolve rules for complex policy and regulatory discussions related to the changing alcohol, marijuana, medical marijuana, hemp and bottle bill regulations. The person in this position will work directly with key agency staff, industry, and customer partners to shape options for alcohol and marijuana policy. As the agency's policy expert, this person will report at the Director level of the OLCC and service the response to policy requests from the director, commission, Governor's Office and Legislature across all areas of agency responsibility.

In 2019-21, 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 2019-21, administration aims to more affirmatively and proactively support the Oregon economy through policy,

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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. Also since 2005-07, the Human Resources budget has been part of the budget for Administration, subprogram 10. Prior, it was part of Administrative Services, subprogram 15. In 2017-19 the Administrative Policy and Process Division, subprogram 55, was moved to the Public Safety Services Program. These budget changes followed changes in organization reporting structure.

C. EXPECTED RESULTS

In 2019-21, 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 2019-21 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 2019-21, 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.

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- **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.

D. REVENUE SOURCE

The Oregon Liquor Control 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.

BUDGET NARRATIVE

OLCC - GOVERNMENT AFFAIRS & COMMUNICATIONS DIVISION - SUBPROGRAM 11

2019-21 Budget

A. PURPOSE, ACTIVITIES & ISSUES

The OLCC Government Affairs and Communications Division is the central communication link between external stakeholders, OLCC employees, legislators, and the general public. The division 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.

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 and 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 division is responsible for identifying information needs and designing, developing, and disseminating communications to external and internal stakeholders of OLCC to meet those needs. The communications team consults with program staff to meet agency communication, information, and public relations expectations. The division also provides guidance to OLCC management on effective communication strategies for high-profile, urgent or controversial issues.

The division coordinates communications and legislative advocacy services for OLCC staff during legislative sessions. Writing and coordinating legislative concept drafts and legislative testimony, along with working with stakeholders on legislative matters, are the responsibility of the division. It also maintains communication with legislators and works on constituent issues within their districts.

The director of the Government Affairs and Communications Division is a key advisor 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.

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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.

The Government Affairs and Communication Division coordinates a variety of external communications including distribution of press releases to local, regional and national media outlets. The division works with the media to educate licensees, lawmakers and the public about OLCC's initiatives to support economic development and community livability, and to combat underage drinking and alcohol abuse. The division also provides information on managing the sale of distilled spirits and recreational marijuana in the state, such as encouraging the growth of Oregon businesses and generating revenue that benefits state General Fund programs and city and county programs, as well as drug and alcohol treatment. The division provides a public service by responding to public, government, media, and stakeholder inquiries through the creation and distribution of public information materials through multiple communication channels. Key topics include: minor sales checks, social responsibility messages, licensing activities, liquor commissioners' decisions, rulemaking, regulatory actions, revenue distribution, marijuana program implementation, bottle bill, distilled spirits sales, and retail expansion. The division 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, 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. Google Analytics data shows that traffic on OLCC's website continues to increase substantially. In 2015-17 a new section was created on the OLCC website to serve as a central clearing house for information and as a primary education tool for potential recreational marijuana licensees. From 2014-17 the OLCC website has been accessed close to 19.5 million times. To date, the recreational marijuana section of the OLCC website has been accessed 5.2 million times. Other key sections of the web include the home page, bottle bill, Oregon liquor search, and alcohol licensing. The OLCC website provides valuable resources such as updates on administrative rule changes; public meeting dates, agendas and minutes; liquor and marijuana licensing information; resources for those who sell and serve alcohol; resources for those who produce and sell marijuana, and important social responsibility messages directed at combating over-consumption and underage drinking. The Government Affairs and Communication team continues to make improvements to the website, increasing accessibility to information. Enhanced online features continue to be added as the agency's regulatory responsibilities grow including OMMP registrant and hemp tracking, and retail liquor expansion and the growth of distillery outlets. In addition, the OLCC web site is required to convert to the new format by 2020. This will require significant oversight and coordination between the communications and OLCC divisions to design the new site and determine how that

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migration will happen. To date the external web houses 10,177 pages, 9,363 documents and 2,800 images that need to be maintained and converted to the new format.

Social media has been successful in the agency's efforts to improve transparency. The Government Affairs and Communications Division use several social media tools to share information with the public and provide effective two-way communication with its constituents. The division continues to enhance relationships with a variety of stakeholders – especially the ever-growing population of people who get the vast majority of their information from online sources and mobile devices. Such tools help OLCC reach online communities to gather feedback on OLCC issues, and respond to incorrect information regarding OLCC initiatives. These tools are increasingly used by the public and are a cost-effective way for the agency to communicate in a timely manner, without the additional cost of paper and postage.

Providing timely and beneficial communication to OLCC staff is also a key role of the Government Affairs and Communications Division. As the agency grows, the need for an agency intranet has become paramount. Currently agency information is widely spread throughout disparate drives that are difficult to navigate, particularly for new employees who make up over a third of the workforce. An intranet website is a key strategy used to provide a cost-effective way to disseminate information statewide to employees in an easy to access manner.

Having centralized, accurate and timely information on the external and internal web is a key compliance strategy. The likelihood of compliance increases when applicants, licensees, permittees, and employees have a centralized place to find accurate, up-to-date information. Internal efficiencies increase when stakeholders and employees can easily find the information they seek. The need to produce and update materials and reports have increased significantly with the growth in responsibilities for the agencies, new departments, and their stakeholders.

The Government Affairs and Communication Division is responsible for ensuring consistent communication on the agency's mission and role. The division develops, creates and coordinates outreach materials, PowerPoint presentations and other graphic design services. The team serves as resource for other staff for designing and creating various public presentations and materials including forms, brochures, guides, fact sheets and signs.

Educational materials to support social responsibility campaigns are also created by the Government Affairs and Communications team including pamphlets, videos and public service announcements. The OLCC has been partnering with alcohol industry representatives since 2008 to create public service announcement campaigns designed to educate the public on responsible alcohol consumption. These social responsibility messages reach a broad audience through television, social media, the web, and news stories. The department has relied on an outside communications consultant to produce targeted communication campaigns such as

BUDGET NARRATIVE

the “What’s Legal” public information campaign for recreational marijuana. What’s Legal campaign had an earned media circulation reach of over 60 million, resulting in accurate reporting statewide and increased public understanding of the law. The need for targeted communications consulting in both alcohol and marijuana continues into the 2019-21 biennium as the agency continues to adapt to changes in laws and rules regulating recreational marijuana, medical marijuana and hemp that must be communicated to large groups of licensees, registrants, and stakeholders. The support will build upon existing work and will expand to help with the agency’s distilled spirits retail expansion, particularly communications and engagement with alcohol licensees and stakeholders.

Oregon is known for its thriving wine and craft beer industries. Craft spirits and cider have also entered the Oregon market as burgeoning growth industries. As these industries develop, the OLCC Government Affairs and Communications Division will continue working with policy makers and the media to support Oregon businesses and their contribution to the local economy, while selling alcohol responsibly. This same approach is used as the recreational marijuana market develops and matures.

The 2019-21 agency budget requested funding in Policy Option Package 311 “Administration and Communication Outreach - Sr. Policy Advisor and Digital Infrastructure” for consulting services to build an agency intranet, one public affairs specialist to manage the agency intranet and assist in the management of the agency’s internet as well as the required transition to the DAS required updated format in 2020. In addition the agency is requesting consulting funds for alcohol stakeholder education and communication. This package was partially included in the Governor’s budget. A request for funding marijuana stakeholder education and outreach is included in Policy Option Package 408 found in the Public Safety Services Program – 002.

B. BACKGROUND

In 1999-2001, OLCC restructured the Government Affairs and Communications Division to ensure stronger partnership building, legislative liaison activities, and production of modern communication materials. But, the 2003-05 Legislatively Adopted Budget reduced the Communications Division by one FTE: the community relation coordinator. Since then, other staff – such as the executive director, the Government Affairs and Communications Division director and program managers – have performed those partnership activities. The abolished coordinator also was responsible for agency legislative coordination and communication functions. Other staff – such as the Government Affairs and Communications Division director – now incorporate many of those functions into their positions.

Before 2005-07, this division’s budget appeared as part of Administration, subprogram 10. Since 2005-07 it appears separately as subprogram 11.

BUDGET NARRATIVE

C. EXPECTED RESULTS

The efforts of the Government Affairs and Communications Division staff help communicate the work of the agency to the public, all other interested stakeholders, and to internal staff in a manner that reflects the OLCC's mission. Expected results include both strengthening existing partnerships and creating new partnerships to improve the OLCC's public outreach. The goals of the division include:

- Develop and communicate strategic goals and plans,
- Respond to all public inquiries,
- Ensure strong partnerships with state, county and local governmental agencies,
- Aid and assist other departments with their stakeholders through the development of forms, signs, informational materials, and presentations
- Promote public safety and the responsible use of alcoholic beverages and marijuana, and
- Ensure a public and governmental understanding of the economic importance of Oregon's regulated alcohol and marijuana industries.
- Manage the agency's external and internal website

D. REVENUE SOURCE

The Oregon Liquor Control 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.

BUDGET NARRATIVE

MANAGEMENT AND ADMINISTRATIVE SERVICES

Administrative Services Division – Subprogram 15

Management Consulting and Audit Services Division – Subprogram 16

Supply Center – Subprogram 60

Motor Pool – Subprogram 75

2019-21 Budget

A. PURPOSE, ACTIVITIES & ISSUES

The agency's Management and Administrative Services' functions provide the internal means that OLCC programs need to realize their goals and missions. The Management and Administrative Services area's two divisions 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. Providing research analysis, process improvement, strategic planning facilitation, internal auditing services, business disruption prevention, and safeguarding of information assets are essential functions for this area. 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 supplies, services and IT procurement and contracting; 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; maintaining a safely and efficiently operated building facilities; and providing centralized purchasing and contracting services that are cost effective, timely, and compliant with all state laws, rules and policies. There are multiple facility challenges the OLCC will be facing over the next 10 years including needs for additional roof repairs and related repairs, seismic upgrades required by local building officials in order to complete Phase II of the roofing project, and an expected need for additional warehouse storage as the retail system expands. Major projects in 2019-21 include Phase II roof replacement and repair and facilities planning and procurement to accommodate staff growth statewide.

BUDGET NARRATIVE

The 2015 upgrade to the warehouse conveyor system allows OLCC to meet the current increase to our distribution of distilled spirits; however, within the next 10 years, 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 need to be explored in the next biennium.

This Division would be responsible for the implementation of Policy Option Package 304 “Roof Repairs and Replacement to Main Warehouse” located in the Capital Improvements Program – 088 which requests funding for the final phase of the roofing project. The estimates include \$3.3 million for roof repair, \$1.0 million for required earthquake remediation, and \$1.9 million for a 45% contingency. This package is not included in the Governor’s budget.

Management Consulting and Audit Services Division (*subprogram 16*) This subprogram reports on program performance and provides information for corrective actions through internal auditing, process improvement, business analysis, business continuity planning, and information security.

The division’s 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. 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 – this is a process of identifying and prioritizing possible events that could adversely affect the achievement of OLCC’s mission.

An annual audit plan – based on the risk assessment, this is a roadmap defining audit areas, schedules, and objectives.

Individual audits – these are targeted studies of areas of concern based on the risk assessment. They typically result in recommendations for improving efficiency and effectiveness, customer service, and other operational or financial controls.

The division’s management consultants collaborate with and advise agency executive staff and management on technical, operational, and strategic matters relating to the agency’s four program areas. By providing supplemental quantitative and qualitative expertise to the Public Safety Services, Distilled Spirits, Marijuana, OMMP Medical Marijuana Tracking, and the

BUDGET NARRATIVE

Support Services programs, management consulting activities promote more effective and consistent decision-making, streamline 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 division 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.

This division is also responsible 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.

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. This subprogram has managed with budget reductions applied in past biennia and as recently as for 2015-17.

BUDGET NARRATIVE

Rapidly increasing fuel costs in recent years have challenged the Administrative Services Division to regularly review individual vehicle use to ensure optimum use of the fleet, making reassignments among agency drivers as necessary or downsizing if appropriate. In 2015-17 the agency reduced the fleet by three light duty vehicles and added four vehicles. For 2017-19, OLCC's fleet size is 76 vehicles; 72 light-duty and four heavy-duty.

B. BACKGROUND

A "Management Consulting Services Division" (*subprogram 16*) was originally organized in 2005-07 to bring together services previously found in separate parts of the agency. Functions within the Support Services Program were reorganized for greater efficiency and concentration of professional internal consulting services. Functions such as internal auditing, consulting, process improvement, and information security had become state and agency priorities. As the internal auditing function became more instituted at OLCC, the division's name was updated in 2013-15 to "Management Consulting and Auditing Services Division."

Some of these functions historically had appeared within a General Services Unit within an Administrative Services Division, subprogram 15. The historical Administrative Services Division was created in 1978 to place support functions in one division for greater effectiveness and efficiency. In 1983, supplies and services procurement, office space leasing, human resources, contracting and property control were added. An Information Technology Services (IT) Unit was added to the division in 1984. Information Services later become a stand-alone division, subprogram 26, as its manager gained greater authority for project management and coordinating with outside stakeholders such as DAS, and directly advising and consulting with the OLCC executive team. Since 2007-09, human resources (HR) services (previously subprogram 12) are reported as the Human Resources Division and part of subprogram 10, Administration.

In 2013-15, to streamline the organizational structure and improve the management-to-staff ratio, the position that managed the Management Consulting and Auditing Services Division was changed to a non-supervisory position, and the division began to report directly to the agency deputy director instead of an intermediary. Another manager still oversees subprograms 15, 60 and 75, for the Administrative Services Division, Supply Center and Motor Pool respectively, along with administering the Capital Improvements Fund, subprogram 88.

BUDGET NARRATIVE

C. EXPECTED RESULTS

These support services structures will continue in 2019-21 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:

- Providing enhanced analysis and forecasting
- Managing and maintaining building infrastructure
- Providing oversight for purchasing, asset management, and internal controls
- Providing policy and cost benefit analysis

Management Consulting and Auditing Services will focus on identifying proper internal control systems and best practices, including meaningful and reliable performance measures, internal auditing, prevention of business disruption, protection of information assets, and efficiency through centralized purchasing, fleet and property management services.

D. REVENUE SOURCE

The Oregon Liquor Control 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.

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OLCC - FINANCIAL SERVICES DIVISION - SUBPROGRAM 25

2019-21 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 Control 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.

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. New to the program is accounting for marijuana fee revenue and analyzing 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 \$1.53 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 approximately \$40.1 million included in the biennium total. The entire process is manual resulting in 28,000 paper forms filed per year that must be hand entered into spreadsheets. In addition, Oregon breweries, brewpubs and wineries must report and be reconciled in a similar matter. 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

BUDGET NARRATIVE

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.

The division has seen substantial workload increases in the last 15 years as a result of a 133 percent 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 22nd Chief Financial Officer's Gold Star Certificate for the 2017 fiscal year.

In addition to the growth in liquor stores, Oregon has seen tremendous growth in the number of distilleries. Since the inception of distillery agency sales in 2009 the annual rate of sales has grown at 41% per year, grossing \$18 million by the end of the 2019-21 biennium. The number of distiller agency locations has grown to 89 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 \$8 million in the 2019-21 biennium and represent significant revenue for the state.

OLCC's expansion effort to establish more retail liquor stores continues on course to exceed 300 stores by the end of the biennium. 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 OLCC staff are using outdated technology when auditing liquor stores in order to accommodate an inventory program that runs on unsupported software.

In addition, Oregon's distillery agents also continue to grow 108 Distillery licenses and 89 distillery agent locations selling their own spirits. The current forecast for distillery agent sales for the 2019-21 biennium is expected to exceed \$16 million which will put them on a similar level with wine and beer tax collections. 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.

BUDGET NARRATIVE

The 2019-21 Legislative Request Budget requests funding in Policy Option Package 310 “Financial Services Staff Fulfillment” to support the ongoing retail expansion and distillery agent growth. The package adds two accountant 2s for distillery agent auditing, one accounting technician 3 for distillery agent tracking, one accounting technician 2 for retail expansion, and new equipment and software for store auditors.

B. BACKGROUND

The Oregon Liquor Control 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.

BUDGET NARRATIVE

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 2019-21 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 Control 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.

BUDGET NARRATIVE

OLCC - INFORMATION TECHNOLOGY DIVISION - SUBPROGRAM 26

2019-21 Governor's 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.

The OIS staff serve a varied internal and external customer base with various platforms, applications and desktop configurations. This effort has been hampered by multiple aging platforms and software that are inextricably linked together. Historically, the agency has addressed technology needs on a piecemeal basis, operating in a constant state of short-term replacement and repairs. There has not been enough time, capacity or funding to step back and adequately analyze the future state of the agency and constituent needs while aligning technology infrastructure and architecture. This longtime reactionary operational model has resulted in the agency implementing numerous quick fixes and workarounds which was reflected throughout the Secretary of State IT audit findings. OLCC recently 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, and expanding legislative mandates.

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 2019-21 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.

BUDGET NARRATIVE

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.

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 business resulting in \$1.45 billion in gross revenue from total liquor sales. The profits from these sales are distributed to the state and local government to support critical programs like schools, public health, and police. 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.

Issues

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 is required to achieve long-term goals for high performance service delivery.

OLCC is in need of an integrated and flexible end-to-end web software solution to replace inefficient and disjointed legacy Distilled Spirits Distribution, Marijuana, and Alcohol program technology solutions which include:

- Beer and wine privilege tax
- Marijuana and liquor licensing
- Online fee collection
- Inventory tracking
- Case management
- Enforcement
- Distilled spirits supply chain
- Retail liquor store management

BUDGET NARRATIVE

Given the problems described in the current environment, the strategic approach would be to execute in stages starting with privilege tax solution as a proof of concept and then moving on to marijuana and liquor licensing including online payments, case management, and enforcement. The distilled spirits supply chain and retail store management solution would follow as separate phases including liquor store order tracking, distillery retail sales tracking, and a modern customer engagement shopping portal.

Optimal solution would ensure a robust business intelligence capability that would empower licensees, vendors, and liquor stores by offering in-depth insight into their own business operations. The solution will also provide better management of OLCC relationships with customers throughout the life cycle of products, licensees, permittees, and contractors.

The OLCC needs to be able to maintain the current legacy systems and get back into compliance with state and industry technology requirements (contracting, security/privacy, infrastructure, software, change management, disaster recovery, documentation, etc.). Additionally, OLCC will need sufficient staffing to oversee the future state development and maintain those new environments.

OLCC must build its OIS capacity to match its need for new systems, manage growing state IT requirements, and service the increasing number of personnel at OLCC. The ability to coordinate OIS projects and strategically move forward, particularly for a rapidly growing organization supporting both emerging and established industries, is very different from more static organizations with limited change. 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.

The 2019-21 agency budget requested funding in Policy Option Package 301 “Information Services” for staff and funding to support the critical IT needs of the agency. The package requests funding to add one data base architect, two technical project managers, one quality assurance and automation developer, one businesses systems analysts, and three systems developers, replacement of outdated network equipment, and funding for future software development projects for alcohol warehouse management, licensing and financial management and marijuana licensing, enforcement and supply chain tracking. This package is partially included in the Governor’s budget.

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

BUDGET NARRATIVE

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 like the Privilege Tax system make it difficult to find data in an expeditious manner.

C. EXPECTED RESULTS

In the 2019-21 budget period the OLCC expects to expand the OIS workforce so that the division can adequately support the Distilled Spirits program, Marijuana and Alcohol Licensing, and Compliance programs. OLCC currently does not have a database architect which is severely impacting agency's ability to connect the data from various legacy systems into meaningful agency wide business intelligence information. This gap is a serious detriment for serving OLCC's diverse constituencies, the legislature, as well as agency's internal day-to-day operations. The Database Architect is a center stone of any data rich ecosystem, starting with the data collection assessment and solution design and all the way through more complex analysis, reporting, and data visualization needs. These are all critical components required for OLCC to be successful in maintaining its current services and supporting the development of new services.

A rapidly emerging marijuana industry and growing and changing alcohol industry, closely followed by frequent legislative changes needed to match these industry changes, have made it imperative to replace old IT systems that cannot be supported any longer and create new systems for needs that did not even exist in the past. OLCC has a desperate need for Technical Project Managers (TPM) and a Business Systems Analyst (BSA) to support these system development and integration efforts and manage their operations and maintenance. These TPM and BSA resources will be critical to success of the agency throughout the entire systems development lifecycle, from the initial requirements gathering analysis and project initiation to the final Stage Gate milestones, as well as via other required process and documentation work with OSCIO, ESO, Procurement, DOJ, ETS, and other State offices.

OLCC's has dozens of old and unsupported alcohol inventory and finance related applications and databases along with a variety of supporting in-between solutions, and they all need frequent care-and-feeding. The agency is currently understaffed to keep maintaining all of these systems along with overseeing (technical reviews and change management) and filling the gaps (creating the missing functionality and compliance pieces) across the variety of new vendor solutions that marijuana industry has brought in the past few years. This problem is further complicated by a lack of staff with quality assurance (manual and automated testing), security, and reporting and data visualization technical skills. Without new systems developer resources, it is questionable for how long the agency will be able to maintain its business operations, serve its constituencies, and fulfil its legislative mandates.

BUDGET NARRATIVE

D. REVENUE SOURCE

The Oregon Liquor Control 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.

BUDGET NARRATIVE

Information Services Enhancement

OLCC 2019-21 Budget, Policy Option Package No. 301, Agency Priority No 1, As Modified

A. PACKAGE PURPOSE

The Oregon Liquor Control Commission has been evaluating the current state of agency business operations and its technology architecture. Historically, the agency has addressed technology needs on an as-needed basis operating in a constant state of “firefighting”. There has not been enough time, capacity or funding to step back and adequately analyze the future state of agency and constituent needs while aligning technology infrastructure and architecture. This longtime reactionary operational model has resulted in the agency implementing numerous quick fixes and workarounds which was reflected throughout the Secretary of State Audit findings.

OLCC recently 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 has become apparent that the agency OIS division has been significantly lacking in staffing and infrastructure resources in order to maintain even the basic business operations, not to mention the expanding legislative mandates.

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 is required to achieve long-term goals for high performance service delivery.

Until the agency is able to execute on the aforementioned future state of technology, OLCC needs to be able to maintain the current legacy systems and get back into compliance with state and industry technology requirements (contracting, security/privacy, infrastructure, software, change management, disaster recovery, documentation, etc.). Additionally, OLCC will need sufficient staffing to oversee the future state development and maintain those new environments.

The ability to coordinate IT projects and strategically move forward, particularly for a rapidly growing organization supporting both emerging and established industries, is very different from more static organizations with limited change. 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.

BUDGET NARRATIVE

This information Services request is of high importance to the OLCC as the current state of affairs is “high risk.” A day of warehouse downtime reflects \$2.5 million in retail sales value. Operating a marijuana licensing program with a system designed to meet 2019 needs, instead of the basic structure created to immediately process applications for the requirements of 2015, is needed to alleviate pressure on the OLCC to produce complicated licensing renewals and meet three sessions of significant policy and rule changes; the OLCC depends on renewals to fund the program through license fees. Failure to modernize the business transaction capabilities of all aspects of the Distilled Spirits Program, from the purchase from the manufacture to the retail sales to the consumer, hampers the ability to gain operational savings and revenue generation efficiencies. The Information Services Enhancement request aligns necessary staff resources to elevate IT services throughout OLCC. It provides the capacity to plan and execute critical projects and to enhance and maintain services that function on a stable ongoing basis — an acute contrast from today’s condition of primary systems being at risk of episodic failure or residing in the world of manual processes and a low productivity environment. Importantly the request is structured to make resources available to fund projects as necessary while meeting the requirements of accountability for execution of IT projects in Oregon.

The set aside of \$6 million makes it possible to execute work — with stage gate approvals — on a timely basis. Efficiency and enterprise contracts may significantly reduce overall capital expenditure but specific project work has to be advanced to understand available alternatives to achieve savings. With this budget request, OLCC will be in the position to stabilize systems depended upon for operations, elevate planning to execute high priority projects meeting rigorous contract oversight requirements, and introduce greater technology hardware and software solutions to improve OLCC productivity in the cubical and in the field. This request positions the agency for several years and biennia of IT work. It puts the agency in position to aggressively manage a history of neglected investment in IT, to attack urgent mission critical IT software and hardware stabilization issues (including remote services), and to institute management oversight to service the IT needs for the agency into the future. Even as the agency adopts more software as a service platforms and off-sites hardware systems, the agency will need the investment in IT human capital to drive and achieve agency modernization. The agency has taken steps to cover the growing cost of its overall budget requests by capturing administrative efficiencies and proposing increased revenue generation in its requested budget proposals for the next biennium. Liquor revenues alone are the state’s third largest source of revenue, and with marijuana significant additional revenue transfers to education, public safety and health services. Biennial transfers of these two revenue sources in 2019-21 will be around \$700 million without a major policy change disruption. Staffing and providing the means to readily finance necessary improvements to modernize and stabilize operational platforms for OLCC IT service in the context proposed is a sound business decision and it is the OLCC’s highest priority.

BUDGET NARRATIVE

B. HOW ACHIEVED

The Legislature approved the addition of one Data Base Architect (Information Systems Specialist 8) position. OLCC currently does not have a database architect which is severely impacting agency's ability to connect the data from various legacy systems into meaningful agency wide business intelligence information. This gap is a serious detriment for serving OLCC's diverse constituencies, the legislature, and the agency's internal day-to-day operations. Database Architect is a center stone of any data rich ecosystem, starting with data collection assessment and solution design and all the way through more complex analysis, reporting, and data visualization needs. These are all critical components required for OLCC to be successful in maintaining its current services and supporting the development of new services as the agency's regulatory responsibilities grow.

The Legislature approved the addition of two Technical Project Managers (Information Systems Specialist 7) positions and one Business Systems Analyst (Information Systems Specialist 7) position. The rapidly emerging marijuana industry and growing and changing alcohol industry, closely followed by frequent legislative changes needed to match these industry changes, have created an imperative to replace old IT systems that cannot be supported any longer and create new systems for needs that did not exist in the past. OLCC has a desperate need for Technical Project Managers and a Business Systems Analyst to support these system development and integration efforts and manage their operations and maintenance. The Technical Project Managers and Business Systems Analyst are critical resources for the success of the agency in its entire systems development lifecycle, from the initial requirements gathering, analysis, and project initiation, to the final Stage Gate milestones, as well as other required process and documentation when working with OSCIO, ESO, Procurement, DOJ, ETS, and other State offices.

The Legislature approved the addition of one Systems Developers (Information Systems Specialist 7) positions. OLCC's has dozens of old and unsupported alcohol inventory and finance related applications and databases along with a variety of supporting in-between solutions, and they all need frequent care-and-feeding. The agency is currently understaffed to keep maintaining all of these systems along with overseeing (technical reviews and change management) and filling the gaps (creating the missing functionality and compliance pieces) across the variety of new vendor solutions that marijuana industry has brought in the past few years. This problem is further complicated by a lack of staff with quality assurance (manual and automated testing), security, and reporting and data visualization technical skills.

The Legislature approved funding (\$2,500,000) for Beer & Wine Privilege Tax - systems development (all stage gates)

The Legislature approved setting aside funding (\$2,237,000) for Multi-year Software Development Projects Related to Alcohol and Marijuana. OLCC is in need of an integrated and flexible end-to-end web software solution to replace inefficient and disjointed legacy Distilled Spirits Distribution, Marijuana, and Alcohol program technology solutions such as:

BUDGET NARRATIVE

- Beer and wine privilege tax
- Marijuana and liquor licensing
- Online fee collection
- Inventory tracking
- Case management
- Enforcement
- Distilled spirits supply chain
- Retail liquor store management
-

The Legislature approved funding for the Licensing & Compliance IT Project. (\$ 756,250)

Given the problems described in the current environment, the strategic approach would be to execute a comprehensive plan in stages spanning multiple biennia starting with privilege tax solution as a proof of concept and then moving on to marijuana and liquor licensing including online payments, case management, and enforcement. The distilled spirits supply chain and retail store management solution would follow as separate phases including liquor store order tracking, distillery retail sales tracking, and a modern customer engagement shopping portal. Development and implementation of software solutions for marijuana will be initially financed from liquor funding and then paid back over time out of marijuana funding.

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. 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 and at the same time allow the agency to develop the technology in a timely manner. The agency is requesting the \$6,000,000 be reserved as un-scheduled and allocated with e-Board approval. This strategy allows the agency to acquire and develop information systems critical to agency responsibilities and continuing revenue generation in a timely manner.

With approval of this package, OLCC will reflect this comprehensive approach to the many IT challenges the agency faces in its budget and IT plan. This would include phasing of all projects individually or as distinct work with an enterprise contract, including stage gate processes.

BUDGET NARRATIVE

Information Services Enhancement OLCC 2019-21 Budget Policy Option Package No 301

Division	Package Description	FTE	One-time	Ongoing	Total
Information Services	Add 1 Data Base Architect to design & oversee agency-wide data warehouse & visualization needs	1.00		\$230,847	\$230,847
	Services & Supplies, including office space @ \$17,368 per employee		\$10,462	\$23,368	\$33,830
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$18,157	\$254,215	\$272,372
Information Services	Add 1 Quality Assurance & Automation Developer for supporting in-house software solutions and COTs change request oversight.	1.00		\$214,838	\$214,838
	Services & Supplies, including office space @ \$17,368 per employee		\$10,462	\$23,368	\$33,830
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$18,157	\$238,206	\$256,363
Information Services	Add 1 Business Systems Analyst for requirements analysis and documentation supporting Stage Gate, ISO, and internal processes.	1.00		\$214,838	\$214,838
	Services & Supplies, including office space @ \$17,368 per employee		\$10,462	\$23,368	\$33,830
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$18,157	\$238,206	\$256,363
Information Services	Add 1 Developer for operations and maintenance of existing liquor warehousing software solutions	1.00		\$214,838	\$214,838
	Services & Supplies, including office space @ \$17,368 per employee		\$10,462	\$23,368	\$33,830
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$18,157	\$238,206	\$256,363
Information Services	Beer & Wine Privilege Tax - systems development (all stage gates)		\$2,500,000		\$2,500,000
Information Services	Distilled Spirits Supply Chain IT Project		\$1,512,500		\$1,512,500
Distilled Spirits Licensing	Licensing & Compliance IT Project		\$756,250		\$756,250
Rec-MJ Licensing	Licensing & Compliance IT Project		\$756,250		\$756,250
Subtotal - Information Services Enhancement - Package 301		4.00	\$4,841,378	\$968,833	\$6,566,461

BUDGET NARRATIVE

a. Benefits to 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 fulfill its legislative mandates. Revenue streams from liquor and marijuana will be preserved. Industry stakeholder for both alcohol and marijuana will be able to conduct more business electronically and reduce the time and paperwork.

b. Benefits to OLCC

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 “workarounds” and resulting in service delays will be reduced.

C. STAFFING IMPACT

The package adds 4.00 FTEs to the Office of Information Services Division.

D. QUANTIFYING RESULTS

Gross liquor sales are forecast to be \$1.4 billion in the upcoming biennium and are critically reliant on information technology to receive, store and sell spirits.

E. REVENUE SOURCE

The Oregon Liquor Control 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. \$3.5 million of the request will be dedicated to liquor systems funded through liquor revenue and \$2.5 million will be dedicated to marijuana systems and borrowed from the liquor fund.

BUDGET NARRATIVE

THE GRB VERSION OF THE PACKAGE WAS NOT APPROVED IN THE LEGISLATIVELY APPROVED BUDGET

Information Services Enhancement

OLCC 2019-21 Budget, Policy Option Package No. 301, Agency Priority No 1

F. PACKAGE PURPOSE

The Oregon Liquor Control Commission has been evaluating the current state of agency business operations and its technology architecture. Historically, the agency has addressed technology needs on an as-needed basis operating in a constant state of “firefighting”. There has not been enough time, capacity or funding to step back and adequately analyze the future state of agency and constituent needs while aligning technology infrastructure and architecture. This longtime reactionary operational model has resulted in the agency implementing numerous quick fixes and workarounds which was reflected throughout the Secretary of State Audit findings.

OLCC recently 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 has become apparent that the agency OIS division has been significantly lacking in staffing and infrastructure resources in order to maintain even the basic business operations, not to mention the expanding legislative mandates.

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 is required to achieve long-term goals for high performance service delivery.

Until the agency is able to execute on the aforementioned future state of technology, OLCC needs to be able to maintain the current legacy systems and get back into compliance with state and industry technology requirements (contracting, security/privacy, infrastructure, software, change management, disaster recovery, documentation, etc.). Additionally, OLCC will need sufficient staffing to oversee the future state development and maintain those new environments.

The ability to coordinate IT projects and strategically move forward, particularly for a rapidly growing organization supporting both emerging and established industries, is very different from more static organizations with limited change. The challenge the agency faces is

BUDGET NARRATIVE

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.

This information Services request is of high importance to the OLCC as the current state of affairs is “high risk.” A day of warehouse downtime reflects \$2.5 million in retail sales value. Operating a marijuana licensing program with a system designed to meet 2019 needs, instead of the basic structure created to immediately process applications for the requirements of 2015, is needed to alleviate pressure on the OLCC to produce complicated licensing renewals and meet three sessions of significant policy and rule changes; the OLCC depends on renewals to fund the program through license fees. Failure to modernize the business transaction capabilities of all aspects of the Distilled Spirits Program, from the purchase from the manufacture to the retail sales to the consumer, hampers the ability to gain operational savings and revenue generation efficiencies. The Information Services Enhancement request aligns necessary staff resources to elevate IT services throughout OLCC. It provides the capacity to plan and execute critical projects and to enhance and maintain services that function on a stable ongoing basis — an acute contrast from today’s condition of primary systems being at risk of episodic failure or residing in the world of manual processes and a low productivity environment. Importantly the request is structured to make resources available to fund projects as necessary while meeting the requirements of accountability for execution of IT projects in Oregon.

The set aside of monies makes it possible to execute work — with stage gate approvals — on a timely basis. Efficiency and enterprise contracts may significantly reduce overall capital expenditure but specific project work has to be advanced to understand available alternatives to achieve savings. With this budget request, OLCC will be in the position to stabilize systems depended upon for operations, elevate planning to execute high priority projects meeting rigorous contract oversight requirements, and introduce greater technology hardware and software solutions to improve OLCC productivity in the cubical and in the field. This request positions the agency for several years and biennia of IT work. It puts the agency in position to aggressively manage a history of neglected investment in IT, to attack urgent mission critical IT software and hardware stabilization issues (including remote services), and to institute management oversight to service the IT needs for the agency into the future. Even as the agency adopts more software as a service platforms and off-sites hardware systems, the agency will need the investment in IT human capital to drive and achieve agency modernization. The agency has taken steps to cover the growing cost of its overall budget requests by capturing administrative efficiencies and proposing increased revenue generation in its requested budget proposals for the next biennium. Liquor revenues alone are the state’s third largest source of revenue, and with marijuana significant additional revenue transfers to education, public safety and health services. Biennial transfers of these two revenue sources in 2019-21 will be around \$700 million without a major policy change disruption. Staffing and providing the means to readily finance

BUDGET NARRATIVE

necessary improvements to modernize and stabilize operational platforms for OLCC IT service in the context proposed is a sound business decision and it is the OLCC's highest priority.

G. HOW ACHIEVED

The Governor's budget requests setting aside funding (\$2,500,000) for Multi-year Software Development Projects Related to Alcohol and Marijuana. OLCC is in need of an integrated and flexible end-to-end web software solution to replace inefficient and disjointed legacy Distilled Spirits Distribution, Marijuana, and Alcohol program technology solutions such as:

- Beer and wine privilege tax
- Marijuana and liquor licensing
- Online fee collection
- Inventory tracking
- Case management
- Enforcement
- Distilled spirits supply chain
- Retail liquor store management

Given the problems described in the current environment, the strategic approach would be to execute a comprehensive plan in stages spanning multiple biennia starting with privilege tax solution as a proof of concept and then moving on to marijuana and liquor licensing including online payments, case management, and enforcement. The distilled spirits supply chain and retail store management solution would follow as separate phases including liquor store order tracking, distillery retail sales tracking, and a modern customer engagement shopping portal. Development and implementation of software solutions for marijuana will be initially financed from liquor funding and then paid back over time out of marijuana funding.

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. 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 and at the same time allow the agency to develop the technology in a timely manner. The Governor's Budget is requesting that \$2,000,000 be reserved as un-scheduled and allocated with e-Board approval. This strategy allows the agency to acquire and develop information systems critical to agency responsibilities and continuing revenue generation in a timely manner.

BUDGET NARRATIVE

With approval of this package, OLCC will reflect this comprehensive approach to the many IT challenges the agency faces in its budget and IT plan. This would include phasing of all projects individually or as distinct work with an enterprise contract, including stage gate processes.

Information Services Enhancement OLCC 2019-21 Budget Policy Option Package No 301, As Modified

Division	Package Description	FTE	One-time	Ongoing	Total
Information Services	Beer & Wine Privilege Tax - systems development (stage gates 1 & 2)		\$500,000		\$500,000
Information Services	Beer & Wine Privilege Tax - systems development (stage gates 3++) (Un-Scheduled)		\$2,000,000		\$2,000,000
Subtotal - Information Services Enhancement - Package 301		0.00	\$2,500,000	\$0	\$2,500,000

a. Benefits to 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 fulfill its legislative mandates. Revenue streams from liquor and marijuana will be preserved. Industry stakeholder for both alcohol and marijuana will be able to conduct more business electronically and reduce the time and paperwork.

b. Benefits to OLCC

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 “workarounds” and resulting in service delays will be reduced.

BUDGET NARRATIVE

H. STAFFING IMPACT

The package adds no FTEs to the Office of Information Services Division.

I. QUANTIFYING RESULTS

Gross liquor sales are forecast to be \$1.4 billion in the upcoming biennium and are critically reliant on information technology to receive, store and sell spirits.

J. REVENUE SOURCE

The Oregon Liquor Control 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. \$3.5 million of the request will be dedicated to liquor systems funded through liquor revenue and \$2.5 million will be dedicated to marijuana systems and borrowed from the liquor fund.

BUDGET NARRATIVE

THE ARB VERSION OF THE PACKAGE IS NOT APPROVED IN THE GOVERNOR'S BUDGET

Information Services Enhancement

OLCC 2019-21 Budget, Policy Option Package No. 301, Agency Priority No 1

A. PACKAGE PURPOSE

The Oregon Liquor Control Commission has been evaluating the current state of agency business operations and its technology architecture. Historically, the agency has addressed technology needs on an as-needed basis operating in a constant state of “firefighting”. There has not been enough time, capacity or funding to step back and adequately analyze the future state of agency and constituent needs while aligning technology infrastructure and architecture. This longtime reactionary operational model has resulted in the agency implementing numerous quick fixes and workarounds which was reflected throughout the Secretary of State Audit findings.

OLCC recently 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 has become apparent that the agency OIS division has been significantly lacking in staffing and infrastructure resources in order to maintain even the basic business operations, not to mention the expanding legislative mandates.

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 is required to achieve long-term goals for high performance service delivery.

Until the agency is able to execute on the aforementioned future state of technology, OLCC needs to be able to maintain the current legacy systems and get back into compliance with state and industry technology requirements (contracting, security/privacy, infrastructure, software, change management, disaster recovery, documentation, etc.). Additionally, OLCC will need sufficient staffing to oversee the future state development and maintain those new environments.

The ability to coordinate IT projects and strategically move forward, particularly for a rapidly growing organization supporting both emerging and established industries, is very different from more static organizations with limited change. 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.

BUDGET NARRATIVE

This information Services request is of high importance to the OLCC as the current state of affairs is “high risk.” A day of warehouse downtime reflects \$2.5 million in retail sales value. Operating a marijuana licensing program with a system designed to meet 2019 needs, instead of the basic structure created to immediately process applications for the requirements of 2015, is needed to alleviate pressure on the OLCC to produce complicated licensing renewals and meet three sessions of significant policy and rule changes; the OLCC depends on renewals to fund the program through license fees. Failure to modernize the business transaction capabilities of all aspects of the Distilled Spirits Program, from the purchase from the manufacture to the retail sales to the consumer, hampers the ability to gain operational savings and revenue generation efficiencies. The Information Services Enhancement request aligns necessary staff resources to elevate IT services throughout OLCC. It provides the capacity to plan and execute critical projects and to enhance and maintain services that function on a stable ongoing basis — an acute contrast from today’s condition of primary systems being at risk of episodic failure or residing in the world of manual processes and a low productivity environment. Importantly the request is structured to make resources available to fund projects as necessary while meeting the requirements of accountability for execution of IT projects in Oregon.

The set aside of \$6 million makes it possible to execute work — with stage gate approvals — on a timely basis. Efficiency and enterprise contracts may significantly reduce overall capital expenditure but specific project work has to be advanced to understand available alternatives to achieve savings. With this budget request, OLCC will be in the position to stabilize systems depended upon for operations, elevate planning to execute high priority projects meeting rigorous contract oversight requirements, and introduce greater technology hardware and software solutions to improve OLCC productivity in the cubical and in the field. This request positions the agency for several years and biennia of IT work. It puts the agency in position to aggressively manage a history of neglected investment in IT, to attack urgent mission critical IT software and hardware stabilization issues (including remote services), and to institute management oversight to service the IT needs for the agency into the future. Even as the agency adopts more software as a service platforms and off-sites hardware systems, the agency will need the investment in IT human capital to drive and achieve agency modernization. The agency has taken steps to cover the growing cost of its overall budget requests by capturing administrative efficiencies and proposing increased revenue generation in its requested budget proposals for the next biennium. Liquor revenues alone are the state’s third largest source of revenue, and with marijuana significant additional revenue transfers to education, public safety and health services. Biennial transfers of these two revenue sources in 2019-21 will be around \$700 million without a major policy change disruption. Staffing and providing the means to readily finance necessary improvements to modernize and stabilize operational platforms for OLCC IT service in the context proposed is a sound business decision and it is the OLCC’s highest priority.

BUDGET NARRATIVE

B. HOW ACHIEVED

OLCC requests the addition of one Data Base Architect (Information Systems Specialist 8) position. OLCC currently does not have a database architect which is severely impacting agency's ability to connect the data from various legacy systems into meaningful agency wide business intelligence information. This gap is a serious detriment for serving OLCC's diverse constituencies, the legislature, and the agency's internal day-to-day operations. Database Architect is a center stone of any data rich ecosystem, starting with data collection assessment and solution design and all the way through more complex analysis, reporting, and data visualization needs. These are all critical components required for OLCC to be successful in maintaining its current services and supporting the development of new services as the agency's regulatory responsibilities grow.

OLCC requests the addition of two Technical Project Managers (Information Systems Specialist 7) positions and one Business Systems Analyst (Information Systems Specialist 7) position. The rapidly emerging marijuana industry and growing and changing alcohol industry, closely followed by frequent legislative changes needed to match these industry changes, have created an imperative to replace old IT systems that cannot be supported any longer and create new systems for needs that did not exist in the past. OLCC has a desperate need for Technical Project Managers and a Business Systems Analyst to support these system development and integration efforts and manage their operations and maintenance. The Technical Project Managers and Business Systems Analyst are critical resources for the success of the agency in its entire systems development lifecycle, from the initial requirements gathering, analysis, and project initiation, to the final Stage Gate milestones, as well as other required process and documentation when working with OSCIO, ESO, Procurement, DOJ, ETS, and other State offices.

OLCC requests the addition of three Systems Developers (Information Systems Specialist 7) positions. OLCC's has dozens of old and unsupported alcohol inventory and finance related applications and databases along with a variety of supporting in-between solutions, and they all need frequent care-and-feeding. The agency is currently understaffed to keep maintaining all of these systems along with overseeing (technical reviews and change management) and filling the gaps (creating the missing functionality and compliance pieces) across the variety of new vendor solutions that marijuana industry has brought in the past few years. This problem is further complicated by a lack of staff with quality assurance (manual and automated testing), security, and reporting and data visualization technical skills.

OLCC requests funding (\$200,000) to Replace Outdated Network Equipment. OLCC's network equipment with from which all services are delivered is outdated and close to failure.

OLCC requests setting aside funding (\$6,000,000) for Multi-year Software Development Projects Related to Alcohol and Marijuana. OLCC is in need of an integrated and flexible end-to-end web software solution to replace inefficient and disjointed legacy Distilled Spirits Distribution, Marijuana, and Alcohol program technology solutions such as:

BUDGET NARRATIVE

- Beer and wine privilege tax
- Marijuana and liquor licensing
- Online fee collection
- Inventory tracking
- Case management
- Enforcement
- Distilled spirits supply chain
- Retail liquor store management

Given the problems described in the current environment, the strategic approach would be to execute a comprehensive plan in stages spanning multiple biennia starting with privilege tax solution as a proof of concept and then moving on to marijuana and liquor licensing including online payments, case management, and enforcement. The distilled spirits supply chain and retail store management solution would follow as separate phases including liquor store order tracking, distillery retail sales tracking, and a modern customer engagement shopping portal. Development and implementation of software solutions for marijuana will be initially financed from liquor funding and then paid back over time out of marijuana funding.

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. 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 and at the same time allow the agency to develop the technology in a timely manner. The agency is requesting the \$6,000,000 be reserved as un-scheduled and allocated with e-Board approval. This strategy allows the agency to acquire and develop information systems critical to agency responsibilities and continuing revenue generation in a timely manner.

With approval of this package, OLCC will reflect this comprehensive approach to the many IT challenges the agency faces in its budget and IT plan. This would include phasing of all projects individually or as distinct work with an enterprise contract, including stage gate processes.

BUDGET NARRATIVE

Information Services Enhancement OLCC 2019-21 Budget, Policy Option Package No 301

Division	Package Description	FTE	One-time	Ongoing	Total
Information Services	Add 1 Database Architect to connect the data from various legacy systems into meaningful agency wide business intelligence information	1.00		\$230,847	\$230,847
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$254,215	\$264,677
Information Services	Add 2 Technical Project Managers for systems development and integration supporting Stage Gate, ISO, and other internal project, process and documentation needs	2.00		\$429,676	\$429,676
	Services & Supplies, including office space @ \$17,368 per employee		\$5,534	\$46,736	\$52,270
	Work station furniture & chair		\$15,390		\$15,390
		2.00	\$20,924	\$476,412	\$497,336
Information Services	Add 1 Systems Developer for legacy systems support, future state solution oversight, and filling the gaps across new vendor solutions	1.00		\$214,838	\$214,838
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$238,206	\$248,668
Information Services	Add 1 Business Systems Analyst for requirements analysis and documentation supporting Stage Gate, ISO, and internal processes	1.00		\$214,838	\$214,838
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$238,206	\$248,668
Information Services	Add 1 Systems Developer for legacy systems support, future state solution oversight, and filling the gaps across new vendor solutions	1.00		\$214,838	\$214,838
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$238,206	\$248,668
Information Services	Add 1 Systems Developer for legacy systems support, future state solution oversight, and filling the gaps across new vendor solutions	1.00		\$214,838	\$214,838
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$238,206	\$248,668
Information Services	Replace Outdated Network Equipment		\$200,000		\$200,000
Information Services	Future software development projects related to Liquor & Public Safety including: warehouse management, licensing, financial management, enforcement and supply chain tracking		\$6,000,000		\$6,000,000
Subtotal - Information Services Enhancement - Package 301		7.00	\$6,273,234	\$1,683,451	\$7,956,685

BUDGET NARRATIVE

a. Benefits to 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 fulfill its legislative mandates. Revenue streams from liquor and marijuana will be preserved. Industry stakeholder for both alcohol and marijuana will be able to conduct more business electronically and reduce the time and paperwork.

b. Benefits to OLCC

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 “workarounds” and resulting in service delays will be reduced.

K. STAFFING IMPACT

The package adds 7.00 FTEs to the Office of Information Services Division.

L. QUANTIFYING RESULTS

Gross liquor sales are forecast to be \$1.4 billion in the upcoming biennium and are critically reliant on information technology to receive, store and sell spirits.

M. REVENUE SOURCE

The Oregon Liquor Control 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. \$3.5 million of the request will be dedicated to liquor systems funded through liquor revenue and \$2.5 million will be dedicated to marijuana systems and borrowed from the liquor fund.

BUDGET NARRATIVE

Financial Services Staff Fulfilment

OLCC 2019-21 Budget, Policy Option Package No. 310, Agency Priority No 10, As Modified

A. PACKAGE PURPOSE

OLCC's expansion effort to establish more retail liquor stores continues on course to exceed 300 stores by the end of the biennium. This will represent 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 279 approved liquor stores has already significantly increased the work load for Financial Services staff that process liquor store sales reports and related items. Current staff are often having to work overtime to keep up with the workloads.

OLCC staff are currently using outdated technology when auditing liquor stores in order to accommodate an inventory program that runs on unsupported software.

In addition, Oregon's distillery agents also continue to grow with close to 100 agent locations selling their own spirits. The current forecast for distillery agent sales going into the 2019-21 biennium is expected to reach \$17.3 million which will put them on a similar level with wine tax and beer tax collections. 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 reports are accurate.

OLCC proposes addition of 3 positions in the Financial Services Division to support the ongoing retail expansion and distillery agent growth.

B. HOW ACHIEVED

The Legislature approved the addition of one Accounting Technician 2 position to process additional liquor store receipts and payments related to retail expansion. Accounts for retail liquor stores must be done on a monthly basis. Currently there are two positions that do these duties but one of the positions is also a cashier for the agency which has seen growth in payments due to both marijuana and liquor license applications. Previously this was three positions, 1 cashier and 2 liquor store receipts clerks. Due to position realignments one of the liquor store receipts clerks was moved to Privilege Tax and the duties were redistributed to the cashier and the remaining receipts clerk. With the liquor store retail expansion project and the increase in licenses, the distribution of duties is no longer working, causing current staff to work overtime.

BUDGET NARRATIVE

The Legislature approved the addition of one Accounting Technician 3 position to track distillery agents reporting, account for payments, follow up on deficiencies and ensure that their compensation is paid in a timely manner. These functions are currently split among three positions that do part of the required activities but do not focus exclusively on distillery agents. The position will work on recording and maintaining distillery agent inventories, reporting sales and tracking compensation due to each agent after the month has closed. This position will also help develop and maintain an electronic reporting system for distillery agents.

The Legislature approved the addition of one Human Resource Analyst 3 position for assistance in the continuing retail expansion efforts.

The Legislature approved new laptops, hand scanners and replacement of unsupported software for OLCC's liquor store auditors. Liquor stores are audited on an annual basis or whenever a store changes ownership or closes. The store auditing process has OLCC auditors go into the stores to do physical counts of inventory and then reconcile those counts with what is currently in the OLCC financial systems. The process is vital to ensuring that the state's inventory of liquor is properly accounted for. Currently the audit program is running on unsupported software developed over ten years ago. To run this software the auditors must use older equipment including laptops and hand scanners. Outdated equipment and unsupported software put the agency at a high risk of having components fail and being unable to repair or replace them. Failure of this process would put state resources at risk.

BUDGET NARRATIVE

Financial Services Staff Fulfillment OLCC 2019-21 Budget, Policy Option Package No 310

Division	Package Description	FTE	One-time	Ongoing	Total
Financial Services	Add 1 Accounting Technician 2 for Retail Expansion	1.00		\$130,180	\$130,180
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$153,548	\$164,010
Financial Services	Add 1 Accountant 2 for distillery audits & harvest reconciliation	1.00		\$154,073	\$154,073
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$177,441	\$187,903
Human Resources	Add 1 Human Resources Analyst 3 for Retail Expansion	1.00		\$206,620	\$206,620
	Services & Supplies		\$2,767	\$2,914	\$5,681
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$209,534	\$219,996
Financial Services	New Equipment and Software for Liquor Store Auditors				
	5 laptops for store auditors		\$11,335		\$11,335
	5 Hand Scanners		\$15,000		\$15,000
	New software for store audits to replace unsupported software		\$10,000		\$10,000
		0.00	\$36,335	\$0	\$36,335
Subtotal - Financial Services Staff Fulfillment - Package 310		3.00	\$67,721	\$540,523	\$608,244

a. Benefits to stakeholders

Distillery agents will report accurately and be held accountable.

BUDGET NARRATIVE

b. Benefits to OLCC

Distillery sales and compensation for distillery agents will have accurate accounting, which will lead to increased revenue from Distillery agent sales. The state is ensured that the revenue earned from distillery agents is accounted for and collected timely and properly.

B. STAFFING IMPACT

This package adds three positions to OLCC.

C. QUANTIFYING RESULTS

Distillery agents are expected to have \$17.3 million in sales during the 2019-21 biennium, with \$5.7 million remitted to the OLCC for distribution to the general fund cities and counties that must be properly accounted for. Gross liquor sales are forecast to be \$1.4 billion for the 2019-21 biennium.

D. REVENUE SOURCE

The Oregon Liquor Control 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 GRB VERSION OF THE PACKAGE WAS NOT APPROVED IN THE LEGISLATIVELY APPROVED BUDGET

Financial Services Staff Fulfilment

OLCC 2019-21 Budget, Policy Option Package No. 310, Agency Priority No 10

E. PACKAGE PURPOSE

OLCC's expansion effort to establish more retail liquor stores continues on course to exceed 300 stores by the end of the biennium. This will represent 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 279 approved liquor stores has already significantly increased the work load for Financial Services staff that process liquor store sales reports and related items. Current staff are often having to work overtime to keep up with the workloads.

OLCC staff are currently using outdated technology when auditing liquor stores in order to accommodate an inventory program that runs on unsupported software.

In addition, Oregon's distillery agents also continue to grow with close to 100 agent locations selling their own spirits. The current forecast for distillery agent sales going into the 2019-21 biennium is expected to reach \$17.3 million which will put them on a similar level with wine tax and beer tax collections. 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 reports are accurate.

F. HOW ACHIEVED

The 2019-21 Governor's budget includes the addition of one Accounting Technician 2 position to process additional liquor store receipts and payments related to retail expansion. Accounts for retail liquor stores must be done on a monthly basis. Currently there are two positions that do these duties but one of the positions is also a cashier for the agency which has seen growth in payments due to both marijuana and liquor license applications. Previously this was three positions, 1 cashier and 2 liquor store receipts clerks. Due to position realignments one of the liquor store receipts clerks was moved to Privilege Tax and the duties were redistributed to the cashier and the remaining receipts clerk. With the liquor store retail expansion project and the increase in licenses, the distribution of duties is no longer working, causing current staff to work overtime.

BUDGET NARRATIVE

The 2019-21 Governor's budget includes new laptops, hand scanners and replacement of unsupported software for OLCC's liquor store auditors. Liquor stores are audited on an annual basis or whenever a store changes ownership or closes. The store auditing process has OLCC auditors go into the stores to do physical counts of inventory and then reconcile those counts with what is currently in the OLCC financial systems. The process is vital to ensuring that the state's inventory of liquor is properly accounted for. Currently the audit program is running on unsupported software developed over ten years ago. To run this software the auditors must use older equipment including laptops and hand scanners. Outdated equipment and unsupported software put the agency at a high risk of having components fail and being unable to repair or replace them. Failure of this process would put state resources at risk.

Financial Services Staff Fulfillment OLCC 2019-21 Budget Policy Option Package No 310, As Modified

Division	Package Description	FTE	One-time	Ongoing	Total
Financial Services	Add 1 Accounting Technician 2 for Retail Expansion	1.00		\$130,180	\$130,180
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$153,548	\$164,010
Financial Services	New Equipment and Software for Liquor Store Auditors				
	5 laptops for store auditors		\$11,335		\$11,335
	5 Hand Scanners		\$15,000		\$15,000
	New software for store audits to replace unsupported software		\$10,000		\$10,000
		0.00	\$36,335	\$0	\$36,335
Subtotal - Financial Services Staff Fulfillment - Package 310		1.00	\$46,797	\$153,548	\$200,345

BUDGET NARRATIVE

a. Benefits to stakeholders

Distillery agents will report accurately and be held accountable.

b. Benefits to OLCC

Distillery sales and compensation for distillery agents will have accurate accounting, which will lead to increased revenue from Distillery agent sales. The state is ensured that the revenue earned from distillery agents is accounted for and collected timely and properly.

G. STAFFING IMPACT

The package adds one position to OLCC.

H. QUANTIFYING RESULTS

Distillery agents are expected to have \$17.3 million in sales during the 2019-21 biennium, with \$5.7 million remitted to the OLCC for distribution to the general fund cities and counties that must be properly accounted for. Gross liquor sales are forecast to be \$1.4 billion for the 2019-21 biennium.

I. REVENUE SOURCE

The Oregon Liquor Control 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 ARB VERSION OF THE PACKAGE WAS NOT APPROVED IN THE GOVERNOR'S BUDGET

Financial Services Staff Fulfilment

OLCC 2019-21 Budget, Policy Option Package No. 310, Agency Priority No 10

A. PACKAGE PURPOSE

OLCC's expansion effort to establish more retail liquor stores continues on course to exceed 300 stores by the end of the biennium. This will represent 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 279 approved liquor stores has already significantly increased the work load for Financial Services staff that process liquor store sales reports and related items. Current staff are often having to work overtime to keep up with the workloads.

OLCC staff are currently using outdated technology when auditing liquor stores in order to accommodate an inventory program that runs on unsupported software.

In addition, Oregon's distillery agents also continue to grow with close to 100 agent locations selling their own spirits. The current forecast for distillery agent sales going into the 2019-21 biennium is expected to reach \$17.3 million which will put them on a similar level with wine tax and beer tax collections. 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 reports are accurate.

OLCC proposes addition of 3 positions in the Financial Services Division to support the ongoing retail expansion and distillery agent growth.

B. HOW ACHIEVED

OLCC is requests addition of one Accounting Technician 2 position to process additional liquor store receipts and payments related to retail expansion. Accounts for retail liquor stores must be done on a monthly basis. Currently there are two positions that do these duties but one of the positions is also a cashier for the agency which has seen growth in payments due to both marijuana and liquor license applications. Previously this was three positions, 1 cashier and 2 liquor store receipts clerks. Due to position realignments one of the liquor store receipts clerks was moved to Privilege Tax and the duties were redistributed to the cashier and the remaining receipts clerk. With the liquor store retail expansion project and the increase in licenses, the distribution of duties is no longer working, causing current staff to work overtime.

BUDGET NARRATIVE

OLCC requests addition of one Accounting Technician 3 position to track distillery agents reporting, account for payments, follow up on deficiencies and ensure that their compensation is paid in a timely manner. These functions are currently split among three positions that do part of the required activities but do not focus exclusively on distillery agents. The position will work on recording and maintaining distillery agent inventories, reporting sales and tracking compensation due to each agent after the month has closed. This position will also help develop and maintain an electronic reporting system for distillery agents.

OLCC requests addition of one Accountant 2 position for distillery agent auditing. This is a counterpart position for the similar levels that audit wine, beer and marijuana taxes. The position will focus on distillery agents as a group and develop an auditing process similar to that for beer and wine. The auditor position may be doing physical inventories of distillery agents as well as reconciling production and sales with federal alcohol excise tax returns. This position will also help develop and maintain an electronic reporting system for distillery agents.

The final request is for new laptops, hand scanners and replacement of unsupported software for OLCC's liquor store auditors. Liquor stores are audited on an annual basis or whenever a store changes ownership or closes. The store auditing process has OLCC auditors go into the stores to do physical counts of inventory and then reconcile those counts with what is currently in the OLCC financial systems. The process is vital to ensuring that the state's inventory of liquor is properly accounted for. Currently the audit program is running on unsupported software developed over ten years ago. To run this software the auditors must use older equipment including laptops and hand scanners. Outdated equipment and unsupported software put the agency at a high risk of having components fail and being unable to repair or replace them. Failure of this process would put state resources at risk.

BUDGET NARRATIVE

Financial Services Staff Fulfillment OLCC 2019-21 Budget, Policy Option Package No 310

Division	Package Description	FTE	One-time	Ongoing	Total
Financial Services	Add 1 Accountant 2 for Distillery Agent Auditing	1.00		\$154,073	\$154,073
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$177,441	\$187,903
Financial Services	Add 1 Accounting Technician 3 for Distillery Agent Tracking	1.00		\$134,212	\$134,212
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$157,580	\$168,042
Financial Services	Add 1 Accounting Technician 2 for Retail Expansion	1.00		\$130,180	\$130,180
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$153,548	\$164,010
Financial Services	New Equipment and Software for Liquor Store Auditors				
	5 laptops for store auditors		\$11,335		\$11,335
	5 Hand Scanners		\$15,000		\$15,000
	New software for store audits to replace unsupported software		\$10,000		\$10,000
		0.00	\$36,335	\$0	\$36,335
Subtotal - Financial Services Staff Fulfillment - Package 310		3.00	\$67,721	\$488,569	\$556,290

BUDGET NARRATIVE

a. Benefits to stakeholders

Distillery agents will report accurately and be held accountable.

b. Benefits to OLCC

Distillery sales and compensation for distillery agents will have accurate accounting, which will lead to increased revenue from Distillery agent sales. The state is ensured that the revenue earned from distillery agents is accounted for and collected timely and properly.

B. STAFFING IMPACT

This package adds three positions to OLCC.

C. QUANTIFYING RESULTS

Distillery agents are expected to have \$17.3 million in sales during the 2019-21 biennium, with \$5.7 million remitted to the OLCC for distribution to the general fund cities and counties that must be properly accounted for. Gross liquor sales are forecast to be \$1.4 billion for the 2019-21 biennium.

D. REVENUE SOURCE

The Oregon Liquor Control 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

Administration and Communication Outreach - and Digital Infrastructure OLCC 2019-21 Budget, Policy Option Package No. 311, Agency Priority No 11, As Modified

A. PACKAGE PURPOSE

Clear communication and opening channels of communication is a highly effective tool to gain regulatory compliance, increase stakeholder understanding when working with OLCC, and directly impact issues of public concern to the people in the communities of Oregon. The OLCC places a premium on education as a primary tool for compliance and achieving the regulatory and public safety aims of the OLCC's mission. Over the past three years, the efforts the agency has made in this regard have been well received. As the OLCC continues its retail expansion activity and implements the oversight of OMMP and Hemp tracking, there is a growing need for communications and stakeholder engagement. The OLCC public affairs/communications team has been utilizing an external communications partner on a limited basis to support the recreational marijuana program with specialized expertise and capacity the agency doesn't have including: public education campaigns - including the "What's Legal" campaign - and graphic design support. With the addition of responsibilities for regulating OMMP medical marijuana and hemp the need for this specialized support will remain and likely grow over the next few years. Similar to the marijuana programs, communication and outreach related to the liquor program will continue to drive the agency's expansion efforts for retail outlets.

The OLCC has worked to focus its major communication projects to drive value for the mission of the agency and believes investments in communication has tangible payoff for compliance by increasing the coordination with partners in government and business and the participation of the public in the high profile issues impacting every community in Oregon. These are issues of public safety regarding alcohol and marijuana and the impact of the agency's regulatory structure on the economy and the jobs through the hospitality, entertainment and agricultural business sectors in Oregon. Communication with and about our craft wine, beer, and distilled spirits manufacturers works to support the pride, tourism and commerce these sectors bring. Strong avenues of communication are a means to help these businesses grow and remain healthy contributors to the Oregon economy. Lastly, communities are highly effected by OLCC policy making — licensing and sanctioning and providing timely services is important at the individual community level and OLCC believes its communication work helps solve problems through creating understanding of its programs and increasing access to services. If granted, the OLCC will work to prioritize this valued funding to maximize the impact of this important but limited request.

BUDGET NARRATIVE

B. HOW ACHIEVED

OLCC requests funding (\$73,000 biennial allocation) to provide consulting services to aid in building an agency intranet to provide constant, reliable, and secure communications with employees to ensure successful growth. Having centralized, accurate and timely information on an agency intranet is a critical productivity tool. The agency plans to follow the standard in state agencies and utilize enterprise software Share point in Office 365 to build the intranet. Resources are not available in the agency's information technology department to build the site.

OLCC requests to reclassify a Grounds Maintenance Worker 2 to Facilities Engineering Technician 1 (Position 1500.014) to compensate the position according the current duties that being performed at the higher level.

Administration and Communication Outreach - Sr. Policy Advisor and Digital Infrastructure OLCC 2019-21 Budget Policy Option Package No 311, As Modified

Division	Package Description	FTE	One-time	Ongoing	Total
Communications	Funding for Contract Services related to OLCC				
	Contract Services to develop usable Intranet		\$57,610		\$57,610
			\$15,390		\$15,390
		0.00	\$73,000	\$0	\$73,000
Administrative Services	Reclassify Grounds Maintenance Worker 2 to Facilities Energy Technician 2			\$16,192	\$16,192
		0.00	\$0	\$16,192	\$16,192
Subtotal - Administration & Communication Outreach - Package 311		0.00	\$73,000	\$16,192	\$89,192

BUDGET NARRATIVE

a. Benefits to stakeholders

Enhances the agency's ability to communicate with licensees, applicants, permit holders and the public on ever changing statutes, rules and processes.

These investments will aid OLCC in its efforts to educate its partners and customers on compliance by the direct funding to improve internet access and services and through the productivity gains realized through access to well organized agency information

b. Benefits to OLCC

Enhances the agency's policy creation and implementation ability to meet the demands of a consistently changing regulatory environment. Increases employee communication and productivity through the creation of an agency intranet.

C. STAFFING IMPACT

The package adds no positions to OLCC.

D. QUANTIFYING RESULTS

The agency currently regulates 1,766 marijuana licenses, 25,502 marijuana worker permittees, 15,300 liquor licenses, 8,900 alcohol special event licenses, 3,298 out-of-state certificate holders, and 157,600 alcohol service permittees, 278 retail liquor outlets and 102 distillery outlets. These licensees, permittees and certificate holders as well as potential applicants and public stakeholders seek clear policy direction and accurate, timely, and unique information which has become increasing difficult to produce due to the sheer volume of content and the number of departments and stakeholders involved. Having a functioning intranet boosts productivity; a 15 minute a day time savings per employee could result in a biennial productivity gain of \$214,000.

E. REVENUE SOURCE

The Oregon Liquor Control 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 GRB VERSION OF THE PACKAGE WAS NOT APPROVED IN THE LEGISLATIVELY APPROVED BUDGET

Administration and Communication Outreach - Sr. Policy Advisor and Digital Infrastructure **OLCC 2019-21 Budget, Policy Option Package No. 311, Agency Priority No 11, As Modified**

A. PACKAGE PURPOSE

Clear communication and opening channels of communication is a highly effective tool to gain regulatory compliance, increase stakeholder understanding when working with OLCC, and directly impact issues of public concern to the people in the communities of Oregon. The OLCC places a premium on education as a primary tool for compliance and achieving the regulatory and public safety aims of the OLCC's mission. Over the past three years, the efforts the agency has made in this regard have been well received. As the OLCC continues its retail expansion activity and implements the oversight of OMMP and Hemp tracking, there is a growing need for communications and stakeholder engagement. The OLCC public affairs/communications team has been utilizing an external communications partner on a limited basis to support the recreational marijuana program with specialized expertise and capacity the agency doesn't have including: public education campaigns - including the "What's Legal" campaign - and graphic design support. With the addition of responsibilities for regulating OMMP medical marijuana and hemp the need for this specialized support will remain and likely grow over the next few years. Similar to the marijuana programs, communication and outreach related to the liquor program will continue to drive the agency's expansion efforts for retail outlets.

The OLCC has worked to focus its major communication projects to drive value for the mission of the agency and believes investments in communication has tangible payoff for compliance by increasing the coordination with partners in government and business and the participation of the public in the high profile issues impacting every community in Oregon. These are issues of public safety regarding alcohol and marijuana and the impact of the agency's regulatory structure on the economy and the jobs through the hospitality, entertainment and agricultural business sectors in Oregon. Communication with and about our craft wine, beer, and distilled spirits manufacturers works to support the pride, tourism and commerce these sectors bring. Strong avenues of communication are a means to help these businesses grow and remain healthy contributors to the Oregon economy. Lastly, communities are highly effected by OLCC policy making — licensing and sanctioning and providing timely services is important at the individual community level and OLCC believes its communication work helps solve problems through creating understanding of its programs and increasing access to services. If granted, the OLCC will work to prioritize this valued funding to maximize the impact of this important but limited request.

BUDGET NARRATIVE

A. HOW ACHIEVED

OLCC requests funding (\$73,000 biennial allocation) to provide consulting services to aid in building an agency intranet to provide constant, reliable, and secure communications with employees to ensure successful growth. Having centralized, accurate and timely information on an agency intranet is a critical productivity tool. The agency plans to follow the standard in state agencies and utilize enterprise software Share point in Office 365 to build the intranet. Resources are not available in the agency's information technology department to build the site.

Administration and Communication Outreach - Sr. Policy Advisor and Digital Infrastructure OLCC 2019-21 Budget Policy Option Package No 311, As Modified

Division	Package Description	FTE	One-time	Ongoing	Total
Communications	Funding for Contract Services related to OLCC				
	Contract Services to develop usable Intranet		\$57,610		\$57,610
			\$15,390		\$15,390
Subtotal - Administration & Communication Outreach - Package 311		0.00	\$73,000	\$0	\$73,000

a. Benefits to stakeholders

Enhances the agency's ability to communicate with licensees, applicants, permit holders and the public on ever changing statutes, rules and processes.

These investments will aid OLCC in its efforts to educate its partners and customers on compliance by the direct funding to improve internet access and services and through the productivity gains realized through access to well organized agency information

BUDGET NARRATIVE

b. Benefits to OLCC

Enhances the agency's policy creation and implementation ability to meet the demands of a consistently changing regulatory environment. Increases employee communication and productivity through the creation of an agency intranet.

B. STAFFING IMPACT

The package adds no positions to OLCC.

C. QUANTIFYING RESULTS

The agency currently regulates 1,766 marijuana licenses, 25,502 marijuana worker permittees, 15,300 liquor licenses, 8,900 alcohol special event licenses, 3,298 out-of-state certificate holders, and 157,600 alcohol service permittees, 278 retail liquor outlets and 102 distillery outlets. These licensees, permittees and certificate holders as well as potential applicants and public stakeholders seek clear policy direction and accurate, timely, and unique information which has become increasing difficult to produce due to the sheer volume of content and the number of departments and stakeholders involved. Having a functioning intranet boosts productivity; a 15 minute a day time savings per employee could result in a biennial productivity gain of \$214,000.

D. REVENUE SOURCE

The Oregon Liquor Control 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 ARB VERSION OF THE PACKAGE WAS NOT APPROVED IN THE GOVERNOR'S BUDGET

Administration and Communication Outreach - Sr. Policy Advisor and Digital Infrastructure **OLCC 2019-21 Budget, Policy Option Package No. 311, Agency Priority No 11**

A. PACKAGE PURPOSE

With the legalization of adult use marijuana in 2014, the OLCC's scope of duties has grown exponentially. While OLCC has added field staff and management to address this growth, the agency is also facing increased needs in other areas. These needs include developing administrative rules for OLCC's marijuana program, managing implementation of new marijuana laws, developing policy, managing stakeholder communication, and assisting in legislative engagement. For example, OLCC staff has been involved in negotiation of intergovernmental compacts for production of cannabis on tribal lands, increased coordination with other state agencies on issues such as testing and pesticide use, and serving on the Oregon Cannabis Commission. The OLCC is also experiencing growth of its existing role in regulating liquor. The agency has undergone significant expansion of retail sales agents, is currently examining the complicated issue of agent compensation, and is preparing for new policy developments in e-commerce of alcohol beverages.

Clear communication and opening channels of communication is a highly effective tool to gain regulatory compliance, increase stakeholder understanding when working with OLCC, and directly impact issues of public concern to the people in the communities of Oregon. The OLCC places a premium on education as a primary tool for compliance and achieving the regulatory and public safety aims of the OLCC's mission. Over the past three years, the efforts the agency has made in this regard have been well received. As the OLCC continues its retail expansion activity and implements the oversight of OMMP and Hemp tracking, there is a growing need for communications and stakeholder engagement. The OLCC public affairs/communications team has been utilizing an external communications partner on a limited basis to support the recreational marijuana program with specialized expertise and capacity the agency doesn't have including: public education campaigns - including the "What's Legal" campaign - and graphic design support. With the addition of responsibilities for regulating OMMP medical marijuana and hemp the need for this specialized support will remain and likely grow over the next few years. Similar to the marijuana programs, communication and outreach related to the liquor program will continue to drive the agency's expansion efforts for retail outlets.

The OLCC has worked to focus its major communication projects to drive value for the mission of the agency and believes investments in communication has tangible payoff for compliance by increasing the coordination with partners in government and business and the

BUDGET NARRATIVE

participation of the public in the high profile issues impacting every community in Oregon. These are issues of public safety regarding alcohol and marijuana and the impact of the agency's regulatory structure on the economy and the jobs through the hospitality, entertainment and agricultural business sectors in Oregon. Communication with and about our craft wine, beer, and distilled spirits manufacturers works to support the pride, tourism and commerce these sectors bring. Strong avenues of communication are a means to help these businesses grow and remain healthy contributors to the Oregon economy. Lastly, communities are highly effected by OLCC policy making — licensing and sanctioning and providing timely services is important at the individual community level and OLCC believes its communication work helps solve problems through creating understanding of its programs and increasing access to services. If granted, the OLCC will work to prioritize this valued funding to maximize the impact of this important but limited request.

With the passage of Measure 91, and marijuana statutory changes in 2015, 2016, 2017, and 2018, the responsibilities of the agency have changed significantly. New license types, new privileges, new software, and new processes and procedures have necessitated the need for continual training and materials for external stakeholders and employees. In addition, the agency has embarked on a robust retail expansion program and new programs to track hemp and OHA medical registrants in the OLCC's cannabis tracking system necessitating significant demand for external communications. The agency's external website and GovDelivery list serve program has served as critical information hubs for both the alcohol and marijuana programs; however, demand for producing, editing, providing graphical support, and posting content has far outstripped the agency's ability to perform. In the three year period from November 2014 to November 2017 OLCC's external website has had 19.5 million viewers; the Bottle Bill and Marijuana content are new sections of the web within this timeframe. Going forward new sections and content need to be developed and added to the website to address new responsibilities of the agency including the regulation of hemp products processed and sold through OLCC licensees and OLCC tracking of OHA medical marijuana. Investments in the OLCC's primary portal of information saves the agency time and produces efficiency gains in providing the public the knowledge they need to engage our services and to meet regulatory requirements. This is a vital investment in productivity and public service and supports the staff at OLCC that is frequently inundated with calls for information and services.

Due to the triage of critical IT needs focused on warehouse operations and revenue generation, the agency has not had a functioning intranet since 2014. This has become increasingly problematic as the agency has grown from 230 employees to 328 and is likely to grow more as it adjusts to its responsibilities to regulate the sale and distribution of alcohol, marijuana, hemp, and OMMP registrants tracked in the Cannabis Tracking System. In addition, of the 304 positions prior to the 2018 session, 94 employees were new to the agency and 81 moved to a new position within the agency. Demand for internal information is at an all-time high due to the sheer number of new employees, employees new to their jobs, and changing organizational operations. A one stop shop for critical information would ease the onboarding process and assure that employees are getting accurate information necessary to do their jobs.

An intranet will provide a structure for OLCC to effectively provide consistent communication with its employees throughout the state,

BUDGET NARRATIVE

serving as a centralized place to house corporate information and spur collaboration. Intranets gives employees the ability to access the tools and information they need to effectively perform their work, improving productivity. Search capabilities and collaboration tools within the intranet allow employees to find information quickly and electronically collaborate on documents and projects. This is an important investment in the efficiency of operations and development of a customer service quick response culture within the agency. Ready access to internal information and the ability to collaborate with and gain the expertise of other OLCC employees supports the vision for the agency in its work to be of the finest caliber for the provision of public services.

Finally, continued and future growth of the agency has resulted in the need to reorganize internal office space and find new office space. Agency personnel in the Administrative and Support Division have stepped up to be trained and take on new duties to meet the workload. The agency's grounds maintenance worker 2 has taken on the tasks of office reorganizations and relocations including moving offices, setting up workstations, and ordering furniture. This position has saved the agency thousands of dollars in relocations costs. At the direction of agency leadership a decision was made to defer locking in decisions about deployment of personnel to new leased locations until the agency had a better idea about its scale of growth and geographic service demands. Agency employees sacrificed space and accommodated an internal squeeze on workspace to support the agency's deployment of short-term facility and service plans statewide and in the metropolitan area. A reclassification of this position to a Facility and Operation Specialist 1 would right size the current duties of the position and ensure the OLCC remains nimble as personnel continue to be hired and as temporary space and personnel placement gives way to the longer-term organization of the physical space and locations that OLCC requires to be an effective provider of services. This request recognizes and values this position's responsibilities and added duties for the day-to-day work performed.

B. HOW ACHIEVED

OLCC requests addition of one Principle Executive Manager E (Non-Supervisory) as Senior Policy Advisor position. The requested position would reside in OLCC's Administration Division and support the Executive Director and management. With the legalization of adult use marijuana in 2014, changes to marijuana law in 2015, 2016, 2017, and 2018, the addition of responsibilities for OMMP and hemp tracking, and a changing regulatory landscape for distilled spirits including retail expansion and e-commerce, OLCC's scope of duties and subsequent policy considerations have grown and will continue to grow significantly. The responsibility for developing administrative rules for OLCC's marijuana program, managing implementation of new marijuana laws, developing policy, managing stakeholder communication, and assisting in legislative engagement continues to exceed the capacity of existing staff. Examples include the negotiation of intergovernmental compacts for production of cannabis on tribal lands, increased coordination with

BUDGET NARRATIVE

other state agencies on issues such as testing and pesticide use, and serving on the Oregon Cannabis Commission. In addition, the OLCC is also experiencing growth of its existing role for regulating liquor. The agency has undergone significant expansion of retail sales agents, is currently examining the complicated issue of agent and distiller compensation, and is preparing for new policy developments in the e-commerce marketing of alcohol beverages. OLCC is considering innovations for its retail system for sales of alcohol including ordering distilled spirits through phone apps which opens a complicated area for regulation. Many of these additional duties had been assumed by the Director of Administrative Policy & Process Division; however, the volume of work cannot be maintained as these changes have also increased the workload associated with the Administrative Policy and Process Division's core duties including administrative rulemaking, contested case hearings, coordination with DOJ to meet the agencies needs for legal services and providing technical assistance and training to agency staff. The volume and complexity of administrative hearings has increased significantly. While the agency has added case presenter positions to address the volume of hearings, it has not added resources to address the growing complex policy development and oversight needed to manage these changes. The addition of a senior policy advisor in the administration division will provide policy leadership, coordination and support for the Executive Director and management while providing for the continued management of a growing workload within the Administrative Policy and Process Division (AP&P) that has functionally moved from administration into the Public Safety Division. The creation of this agency director level policy advisor position compliments the plans for the AP&P unit to support a growing body of work for policy development and issue coordination across the spectrum of marijuana and alcohol fronts. It positions the OLCC to focus on the magnifying growth in caseload and future production necessary to sanction violators of rules and laws from both lines of OLCC business. With the detailed complexity of both the regulatory regiments for liquor and marijuana, the agency and policy makers will benefit from creation of the position with respect to policy development and agency wide implementation.

OLCC requests funding (\$200,000 biennial allocation) for continuing strategic and tactical support related to alcohol from an external communications partner to provide assistance as the agency takes on additional responsibilities. This request is tied to POP 408 which makes a similar request for the marijuana programs. Adoption of this package will help the agency to more clearly communicate changing laws, rules, and licensee and registrant expectations for participating in the alcohol programs; it will also help the agency's retail expansion efforts to communicate to and engage with prospective licensees, agents and their customers, and community stakeholders.

OLCC requests addition of one Public Affairs Specialist 1 position to oversee the building of an agency intranet and to work with division managers in the development, posting, and maintenance of intranet content. In addition, this position will assist in the development of materials and posting to the agency's internet as well as assist in the required transition to the DAS required internet

BUDGET NARRATIVE

updated format in 2020. Providing timely and beneficial communication to OLCC staff is a key role of the Government Affairs and Communications Division. Approximately two-thirds of the agency staff is new to the agency or new to their jobs. Having a centralized intranet will provide a structure for OLCC to effectively provide consistent communication with its employees throughout the state, serving as a centralized place to house corporate information and spur collaboration. Having centralized, accurate and timely information on the external and internal web is a key compliance strategy. The likelihood of compliance increases when applicants, licensees, permittees and employees have a centralized place to find accurate, up-to-date information. Internal efficiencies increase when employees can easily find the information they seek.

This person would design, write and edit information and educational materials and disseminate the information through the intranet, internet, and public meetings. The requirement for public and internal communications continues to increase as the agency responsibilities grow including new requirements for the bottle bill, electronic licensing and permit processes, OMMP and hemp tracking, retail expansion, adoption of rules, and communications related to the changing regulatory environment. All of these changes require stakeholder engagement and changes to agency's internet which serves as a central clearing house for information and a primary educational tool for licensees, applicants, and permit holders. Since 2014-17 the OLCC website has been accessed close to 19.5 million times. In addition, OLCC's web site is required to convert to a new DAS required format in 2020. This will require significant oversight and coordination between the communications and OLCC departments to design the new site and determine how that migration will happen. To date the external web houses 10,177 pages, 9,363 documents and 2,800 images that need to be reviewed, maintained and converted to the new format.

OLCC requests funding (\$75,000 biennial allocation) to provide consulting services to aid in building an agency intranet to provide constant, reliable, and secure communications with employees to ensure successful growth. Having centralized, accurate and timely information on an agency intranet is a critical productivity tool. The agency plans to follow the standard in state agencies and utilize enterprise software Sharepoint in Office 365 to build the intranet. Resources are not available in the agency's information technology department to build the site.

OLCC requests a reclass Grounds Maintenance Worker 2 to Facilities Engineering Technician 1 (Position 1500.014) to compensate the position according the current duties that being performed at the higher level.

BUDGET NARRATIVE

Administration and Communication Outreach - Sr. Policy Advisor and Digital Infrastructure OLCC 2019-21 Agency Request Budget Policy Option Package No 311

Division	Package Description	FTE	One-time	Ongoing	Total
Administration	Add 1 Senior Policy Advisor position				
	Add 1 Principle Executive Manager E	1.00		\$233,667	\$233,667
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$257,035	\$267,497
Communications	Funding for Contract Services related to Distilled Spirits				
	Contract with PR firm to develop materials and public safety announcements		\$200,000		\$200,000
		0.00	\$200,000	\$0	\$200,000
Communications	Add 1 Public Affairs Specialist to manage Intranet				
	Add 1 Public Affairs Specialist to manage Intranet	1.00		\$165,443	\$165,443
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$188,811	\$199,273
Communications	Funding for Contract Services related to OLCC				
	Contract Services to develop usable Intranet		\$73,000		\$73,000
		0.00	\$73,000	\$0	\$73,000
Administrative Services	Reclassify Grounds Maintenance Worker 2 to Facilities Energy Technician 2			\$16,192	\$16,192
		0.00	\$0	\$16,192	\$16,192
Subtotal - Administration & Communication Outreach - Package 311		2.00	\$293,924	\$462,038	\$755,962

BUDGET NARRATIVE

a. Benefits to stakeholders

Enhances the agency's ability to communicate with licensees, applicants, permit holders and the public on ever changing statutes, rules and processes.

These investments will aid OLCC in its efforts to educate its partners and customers on compliance by the direct funding to improve internet access and services and through the productivity gains realized through access to well organized agency information

b. Benefits to OLCC

Enhances the agency's policy creation and implementation ability to meet the demands of a consistently changing regulatory environment. Increases employee communication and productivity through the creation of an agency intranet.

C. STAFFING IMPACT

The package adds two positions to OLCC.

D. QUANTIFYING RESULTS

The agency currently regulates 1,766 marijuana licenses, 25,502 marijuana worker permittees, 15,300 liquor licenses, 8,900 alcohol special event licenses, 3,298 out-of-state certificate holders, and 157,600 alcohol service permittees, 278 retail liquor outlets and 102 distillery outlets. These licensees, permittees and certificate holders as well as potential applicants and public stakeholders seek clear policy direction and accurate, timely, and unique information which has become increasing difficult to produce due to the sheer volume of content and the number of departments and stakeholders involved. Having a functioning intranet boosts productivity; a 15 minute a day time savings per employee could result in a biennial productivity gain of \$214,000.

BUDGET NARRATIVE

E. REVENUE SOURCE

The Oregon Liquor Control 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

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Personal Services							
Pension Obligation Bond	-	-	(53,276)	-	-	-	(53,276)
Mass Transit Tax	-	-	11,837	-	-	-	11,837
Vacancy Savings	-	-	271,533	-	-	-	271,533
Total Personal Services	-	-	\$230,094	-	-	-	\$230,094
Services & Supplies							
Instate Travel	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-
Facilities Maintenance	-	-	-	-	-	-	-
Agency Program Related S and S	-	-	-	-	-	-	-
Other Services and Supplies	-	-	-	-	-	-	-
Total Services & Supplies	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	230,094	-	-	-	230,094
Total Expenditures	-	-	\$230,094	-	-	-	\$230,094

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	(230,094)	-	-	-	(230,094)
Total Ending Balance	-	-	(\$230,094)	-	-	-	(\$230,094)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 021 - Phase - In

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Data Processing	-	-	-	-	-	-	-
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 Control Comm
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	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	-	-	-	-	-	-	-
Office Expenses	-	-	(14,000)	-	-	-	(14,000)
Professional Services	-	-	(300,000)	-	-	-	(300,000)
IT Professional Services	-	-	(180,000)	-	-	-	(180,000)
Employee Recruitment and Develop	-	-	(1,896)	-	-	-	(1,896)
Facilities Maintenance	-	-	(75,000)	-	-	-	(75,000)
Total Services & Supplies	-	-	(\$570,896)	-	-	-	(\$570,896)
Total Expenditures							
Total Expenditures	-	-	(570,896)	-	-	-	(570,896)
Total Expenditures	-	-	(\$570,896)	-	-	-	(\$570,896)
Ending Balance							
Ending Balance	-	-	570,896	-	-	-	570,896
Total Ending Balance	-	-	\$570,896	-	-	-	\$570,896

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control 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	-	-	3,968	-	-	-	3,968
Out of State Travel	-	-	1,059	-	-	-	1,059
Employee Training	-	-	2,247	-	-	-	2,247
Office Expenses	-	-	11,329	-	-	-	11,329
Telecommunications	-	-	3,992	-	-	-	3,992
State Gov. Service Charges	-	-	33,609	-	-	-	33,609
Data Processing	-	-	14,916	-	-	-	14,916
Publicity and Publications	-	-	426	-	-	-	426
Professional Services	-	-	5,523	-	-	-	5,523
IT Professional Services	-	-	6,570	-	-	-	6,570
Attorney General	-	-	85,720	-	-	-	85,720
Employee Recruitment and Develop	-	-	293	-	-	-	293
Dues and Subscriptions	-	-	495	-	-	-	495
Facilities Rental and Taxes	-	-	43	-	-	-	43
Fuels and Utilities	-	-	13,327	-	-	-	13,327
Facilities Maintenance	-	-	8,363	-	-	-	8,363
Agency Program Related S and S	-	-	513	-	-	-	513
Other Services and Supplies	-	-	6,788	-	-	-	6,788

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Expendable Property	-	-	16,531	-	-	-	16,531
Total Services & Supplies	-	-	\$215,712	-	-	-	\$215,712
Total Expenditures							
Total Expenditures	-	-	215,712	-	-	-	215,712
Total Expenditures	-	-	\$215,712	-	-	-	\$215,712
Ending Balance							
Ending Balance	-	-	(215,712)	-	-	-	(215,712)
Total Ending Balance	-	-	(\$215,712)	-	-	-	(\$215,712)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 032 - Above Standard Inflation

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	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	-	-	-	-	-	-	-
IT Professional Services	-	-	-	-	-	-	-
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 Control Comm
Pkg: 081 - September 2018 Emergency Board

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	-	-	-	-	-
Data Processing	-	-	503,174	-	-	-	503,174
Total Services & Supplies	-	-	\$503,174	-	-	-	\$503,174
Total Expenditures							
Total Expenditures	-	-	503,174	-	-	-	503,174
Total Expenditures	-	-	\$503,174	-	-	-	\$503,174
Ending Balance							
Ending Balance	-	-	(503,174)	-	-	-	(503,174)
Total Ending Balance	-	-	(\$503,174)	-	-	-	(\$503,174)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 090 - Analyst Adjustments

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	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	-	-	-	-	-	-	-
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 Control Comm
Pkg: 091 - Statewide Adjustment DAS Chgs

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	-	-	-	-	-
Professional Services	-	-	-	-	-	-	-
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 Control Comm
Pkg: 092 - Statewide AG Adjustment

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	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 Control Comm
Pkg: 301 - Information Services Enhancement

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	581,088	-	-	-	581,088
Empl. Rel. Bd. Assessments	-	-	244	-	-	-	244
Public Employees' Retire Cont	-	-	105,120	-	-	-	105,120
Social Security Taxes	-	-	44,453	-	-	-	44,453
Worker's Comp. Assess. (WCD)	-	-	232	-	-	-	232
Mass Transit Tax	-	-	-	-	-	-	-
Flexible Benefits	-	-	140,736	-	-	-	140,736
Reconciliation Adjustment	-	-	3,488	-	-	-	3,488
Total Personal Services	-	-	\$875,361	-	-	-	\$875,361
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
IT Professional Services	-	-	4,768,750	-	-	-	4,768,750
Facilities Rental and Taxes	-	-	69,472	-	-	-	69,472
Other Services and Supplies	-	-	4,000	-	-	-	4,000
IT Expendable Property	-	-	9,068	-	-	-	9,068
Total Services & Supplies	-	-	\$4,873,290	-	-	-	\$4,873,290
Capital Outlay							
Office Furniture and Fixtures	-	-	30,780	-	-	-	30,780

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 301 - Information Services Enhancement

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Data Processing Hardware	-	-	-	-	-	-	-
Total Capital Outlay	-	-	\$30,780	-	-	-	\$30,780
Total Expenditures							
Total Expenditures	-	-	5,779,431	-	-	-	5,779,431
Total Expenditures	-	-	\$5,779,431	-	-	-	\$5,779,431
Ending Balance							
Ending Balance	-	-	(5,779,431)	-	-	-	(5,779,431)
Total Ending Balance	-	-	(\$5,779,431)	-	-	-	(\$5,779,431)
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 Control Comm
Pkg: 310 - Financial Services Staff Fulfillment

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	304,704	-	-	-	304,704
Empl. Rel. Bd. Assessments	-	-	183	-	-	-	183
Public Employees' Retire Cont	-	-	55,121	-	-	-	55,121
Social Security Taxes	-	-	23,311	-	-	-	23,311
Worker's Comp. Assess. (WCD)	-	-	174	-	-	-	174
Mass Transit Tax	-	-	450	-	-	-	450
Flexible Benefits	-	-	105,552	-	-	-	105,552
Reconciliation Adjustment	-	-	(19,076)	-	-	-	(19,076)
Total Personal Services	-	-	\$470,419	-	-	-	\$470,419
Services & Supplies							
Employee Training	-	-	2,000	-	-	-	2,000
Office Expenses	-	-	2,415	-	-	-	2,415
Telecommunications	-	-	6,000	-	-	-	6,000
Data Processing	-	-	18,000	-	-	-	18,000
Professional Services	-	-	20,454	-	-	-	20,454
Facilities Rental and Taxes	-	-	34,736	-	-	-	34,736
Other Services and Supplies	-	-	2,499	-	-	-	2,499
IT Expendable Property	-	-	28,636	-	-	-	28,636
Total Services & Supplies	-	-	\$114,740	-	-	-	\$114,740

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 310 - Financial Services Staff Fulfillment

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Office Furniture and Fixtures	-	-	23,085	-	-	-	23,085
Total Capital Outlay	-	-	\$23,085	-	-	-	\$23,085
Total Expenditures							
Total Expenditures	-	-	608,244	-	-	-	608,244
Total Expenditures	-	-	\$608,244	-	-	-	\$608,244
Ending Balance							
Ending Balance	-	-	(608,244)	-	-	-	(608,244)
Total Ending Balance	-	-	(\$608,244)	-	-	-	(\$608,244)
Total Positions							
Total Positions							3
Total Positions	-	-	-	-	-	-	3
Total FTE							
Total FTE							3.00
Total FTE	-	-	-	-	-	-	3.00

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 311 - Administration and Communication Outreach

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	12,816	-	-	-	12,816
Empl. Rel. Bd. Assessments	-	-	-	-	-	-	-
Public Employees' Retire Cont	-	-	2,319	-	-	-	2,319
Social Security Taxes	-	-	980	-	-	-	980
Worker's Comp. Assess. (WCD)	-	-	-	-	-	-	-
Mass Transit Tax	-	-	-	-	-	-	-
Flexible Benefits	-	-	-	-	-	-	-
Reconciliation Adjustment	-	-	77	-	-	-	77
Total Personal Services	-	-	\$16,192	-	-	-	\$16,192
Services & Supplies							
Employee Training	-	-	-	-	-	-	-
Office Expenses	-	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	-	-
Data Processing	-	-	-	-	-	-	-
Publicity and Publications	-	-	-	-	-	-	-
IT Professional Services	-	-	57,610	-	-	-	57,610
Facilities Rental and Taxes	-	-	-	-	-	-	-
Other Services and Supplies	-	-	-	-	-	-	-
IT Expendable Property	-	-	-	-	-	-	-
Total Services & Supplies	-	-	\$57,610	-	-	-	\$57,610
Capital Outlay							
Office Furniture and Fixtures	-	-	-	-	-	-	-

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm

Pkg: 311 - Administration and Communication Outreach

Cross Reference Name: Administration and Support

Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Data Processing Software	-	-	15,390	-	-	-	15,390
Total Capital Outlay	-	-	\$15,390	-	-	-	\$15,390
Total Expenditures							
Total Expenditures	-	-	89,192	-	-	-	89,192
Total Expenditures	-	-	\$89,192	-	-	-	\$89,192
Ending Balance							
Ending Balance	-	-	(89,192)	-	-	-	(89,192)
Total Ending Balance	-	-	(\$89,192)	-	-	-	(\$89,192)
Total Positions							
Total Positions	-	-	-	-	-	-	-
Total Positions	-	-	-	-	-	-	-
Total FTE							
Total FTE	-	-	-	-	-	-	-
Total FTE	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 801 - LFO Analyst Adjustments

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Reconciliation Adjustment	-	-	-	-	-	-	-
Total Personal Services	-	-	-	-	-	-	-
Services & Supplies							
Instate Travel	-	-	(3,968)	-	-	-	(3,968)
Out of State Travel	-	-	(1,059)	-	-	-	(1,059)
Employee Training	-	-	(2,247)	-	-	-	(2,247)
Office Expenses	-	-	(11,329)	-	-	-	(11,329)
Telecommunications	-	-	(3,992)	-	-	-	(3,992)
Data Processing	-	-	(4,260)	-	-	-	(4,260)
Publicity and Publications	-	-	(426)	-	-	-	(426)
Professional Services	-	-	(5,523)	-	-	-	(5,523)
IT Professional Services	-	-	(6,570)	-	-	-	(6,570)
Employee Recruitment and Develop	-	-	(63)	-	-	-	(63)
Dues and Subscriptions	-	-	(268)	-	-	-	(268)
Fuels and Utilities	-	-	(6,000)	-	-	-	(6,000)
Facilities Maintenance	-	-	(8,363)	-	-	-	(8,363)
Agency Program Related S and S	-	-	(513)	-	-	-	(513)
Other Services and Supplies	-	-	(797)	-	-	-	(797)
IT Expendable Property	-	-	(16,531)	-	-	-	(16,531)
Total Services & Supplies	-	-	(\$71,909)	-	-	-	(\$71,909)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 801 - LFO Analyst Adjustments

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	(71,909)	-	-	-	(71,909)
Total Expenditures	-	-	(\$71,909)	-	-	-	(\$71,909)
Ending Balance							
Ending Balance	-	-	71,909	-	-	-	71,909
Total Ending Balance	-	-	\$71,909	-	-	-	\$71,909

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 810 - Statewide Adjustments

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Reconciliation Adjustment	-	-	(73,964)	-	-	-	(73,964)
Total Personal Services	-	-	(\$73,964)	-	-	-	(\$73,964)
Services & Supplies							
State Gov. Service Charges	-	-	(21,976)	-	-	-	(21,976)
Attorney General	-	-	(20,658)	-	-	-	(20,658)
Other Services and Supplies	-	-	(78,508)	-	-	-	(78,508)
Total Services & Supplies	-	-	(\$121,142)	-	-	-	(\$121,142)
Total Expenditures							
Total Expenditures	-	-	(195,106)	-	-	-	(195,106)
Total Expenditures	-	-	(\$195,106)	-	-	-	(\$195,106)
Ending Balance							
Ending Balance	-	-	195,106	-	-	-	195,106
Total Ending Balance	-	-	\$195,106	-	-	-	\$195,106

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 811 - Budget Reconciliation Adjustments

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	149,592	-	-	-	149,592
Empl. Rel. Bd. Assessments	-	-	61	-	-	-	61
Public Employees' Retire Cont	-	-	27,061	-	-	-	27,061
Social Security Taxes	-	-	11,444	-	-	-	11,444
Worker's Comp. Assess. (WCD)	-	-	58	-	-	-	58
Flexible Benefits	-	-	35,184	-	-	-	35,184
Total Personal Services	-	-	\$223,400	-	-	-	\$223,400
Services & Supplies							
Telecommunications	-	-	1,000	-	-	-	1,000
IT Expendable Property	-	-	2,000	-	-	-	2,000
Total Services & Supplies	-	-	\$3,000	-	-	-	\$3,000
Capital Outlay							
Office Furniture and Fixtures	-	-	7,000	-	-	-	7,000
Total Capital Outlay	-	-	\$7,000	-	-	-	\$7,000
Total Expenditures							
Total Expenditures	-	-	233,400	-	-	-	233,400
Total Expenditures	-	-	\$233,400	-	-	-	\$233,400

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 811 - Budget Reconciliation Adjustments

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	(233,400)	-	-	-	(233,400)
Total Ending Balance	-	-	(\$233,400)	-	-	-	(\$233,400)
Total Positions							
Total Positions							1
Total Positions	-	-	-	-	-	-	1
Total FTE							
Total FTE							1.00
Total FTE	-	-	-	-	-	-	1.00

10/15/19 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
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DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 PICS SYSTEM: BUDGET PREPARATION

PACKAGE: 301 - Information Services Enhanceme

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
2600065	AL	C1488	IP INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	02	6,449.00		154,776 75,142			154,776 75,142
2600066	AL	C1487	IP INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	02	5,921.00		142,104 71,881			142,104 71,881
2600067	AL	C1487	IP INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	02	5,921.00		142,104 71,881			142,104 71,881
2600068	AL	C1487	IP INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	02	5,921.00		142,104 71,881			142,104 71,881
TOTAL PICS SALARY										581,088			581,088
TOTAL PICS OPE										290,785			290,785
TOTAL PICS PERSONAL SERVICES =				4	4.00	96.00				871,873			871,873

10/15/19 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
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DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 PICS SYSTEM: BUDGET PREPARATION

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PACKAGE: 310 - Financial Services Staff Fulfi

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1200071	MMN	X1322	AP HUMAN RESOURCE ANALYST 3	1	1.00	24.00	02	5,650.00		135,600 70,207			135,600 70,207
2500145	AL	C1216	AP ACCOUNTANT 2	1	1.00	24.00	02	3,917.00		94,008 59,501			94,008 59,501
2500147	AL	C0211	AP ACCOUNTING TECHNICIAN 2	1	1.00	24.00	02	3,129.00		75,096 54,633			75,096 54,633
TOTAL PICS SALARY										304,704			304,704
TOTAL PICS OPE										184,341			184,341
TOTAL PICS PERSONAL SERVICES =				3	3.00	72.00				489,045			489,045

10/15/19 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:003-00-00 Administration and Support

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 PICS SYSTEM: BUDGET PREPARATION

PACKAGE: 311 - Administration and Communicati

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1500014	AL	C4033	AP FACILITY ENERGY TECHNICIAN 2	1	1.00	24.00	06	4,097.00		98,328 60,613			98,328 60,613
1500014	AL	C4110	AP GROUNDS MAINTENANCE WORKER 2	1-	1.00-	24.00-	06	3,563.00		85,512- 57,314-			85,512- 57,314-
TOTAL PICS SALARY										12,816			12,816
TOTAL PICS OPE										3,299			3,299
TOTAL PICS PERSONAL SERVICES =					---	-----	-----		-----	-----	-----	-----	-----
					.00	.00				16,115			16,115

10/15/19 REPORT NO.: PDPFISCAL
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DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 PICS SYSTEM: BUDGET PREPARATION

PACKAGE: 811 - Budget Reconciliation Adjustme

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1600179	MMN	X5618	AP INTERNAL AUDITOR 3	1	1.00	24.00	02	6,233.00		149,592 73,808			149,592 73,808
TOTAL PICS SALARY										149,592			149,592
TOTAL PICS OPE										73,808			73,808
TOTAL PICS PERSONAL SERVICES =				1	1.00	24.00				223,400			223,400

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

Oregon Liquor Control Comm
2019-21 Biennium

Agency Number: 84500

Cross Reference Number: 84500-003-00-00-00000

<i>Source</i>	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
Other Funds						
Transfer In - Intrafund	16,475,153	16,641,226	17,701,124	26,018,307	19,739,739	23,321,977
Transfer In - Indirect Cost		2,873,896	2,873,896	4,788,487	4,788,486	4,788,486
Total Other Funds	\$16,475,153	\$19,515,122	\$20,575,020	\$30,806,794	\$24,528,225	\$28,110,463

BUDGET NARRATIVE

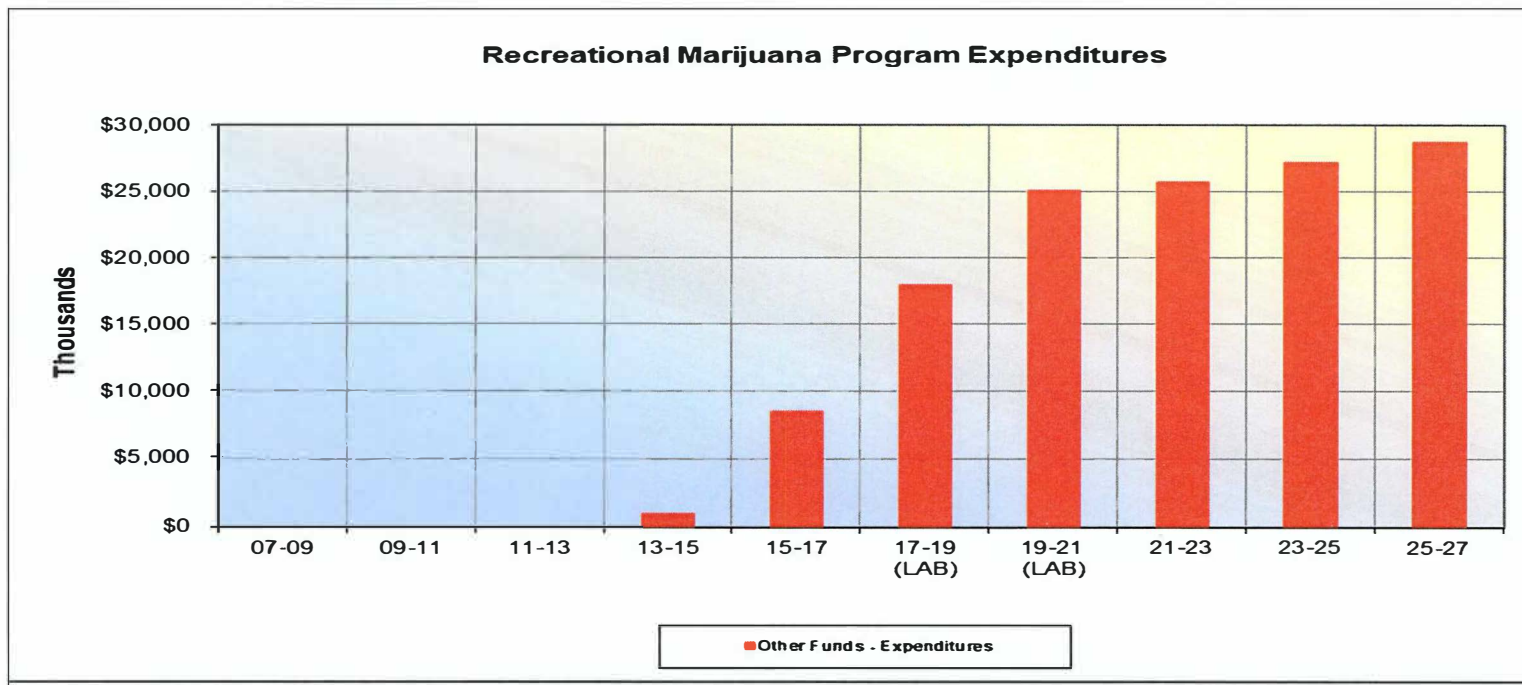
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BUDGET NARRATIVE

OLCC - RECREATIONAL MARIJUANA REGULATION PROGRAM - 004 2019-21 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.

BUDGET NARRATIVE

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. Additionally, stringent regulation supports revenue generation for the state from the sale of recreational marijuana.

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, the addition of more license types that could be issued, the addition 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)

BUDGET NARRATIVE

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 Systems Clean Up
- 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

- Recreational, Medical Marijuana, and Hemp Legislation
- HB 4089 Hemp Legislation
- SB 1544 Medical Marijuana, Hemp and Illegal Marijuana Market Enforcement Grant Program

BUDGET NARRATIVE

- HB 4163 Moves Marijuana Civil Penalties collected to General Fund
- HB 5201 OLCC Budget Additions
- HB 5202 Hemp and Marijuana Fees

The legislation listed above and the program implementation discussed below highlight the dramatic changes of the marijuana program over the past three years. These legislative changes have continually compressed the timeframe for the agency's rulemaking processes as well as the timeframe in which the agency must develop policy and procedures, contract for IT services, communicate with constituents and hire, train, and deploy staff for implementation.

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.

Currently the OLCC has 1,986 active marijuana licensees and an additional 2,436 applications; these numbers are much larger than anticipated by the OLCC and other market research estimates. For comparison, the original estimate of the recreational market was 830 licensees. 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 almost 31,000 worker permit applications. The need for licensing, compliance and analytical staff continues to be a necessity to create a well-regulated marketplace.

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.

BUDGET NARRATIVE

As a result of robust legislative changes the OLCC has been in constant rulemaking for the past three 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 2019-21 the OLCC anticipates marijuana law and rules to continue to be modified to best fit the needs of Oregonians. A current example are legislative mandates from the 2017 and 2018 sessions that go beyond the general scope of recreational marijuana, which brings new policy, licensing and compliance responsibilities to the OLCC.

On July 1, 2018 a subset of registered OMMP growers, processors and dispensaries are required by statute to utilize the same tracking system as the recreational market to track cannabis in Oregon. The OLCC has the authority to conduct investigations and refer findings to the OHA. To implement this the OLCC has completed initial rulemaking, is hiring compliance and support staff, coordinating with the Oregon Health Authority (OHA) and the vendor of the tracking system to ensure all requirements are met in a timely manner. By giving the OLCC limited authority in the medical marketplace the OLCC staff will need to learn OHA's medical rules and regulations and work closely with the OHA on compliance actions.

In the summer of 2018 the OLCC will open rulemaking to implement 2018 legislative changes to the industrial hemp law, related to hemp products entering the OLCC recreational marijuana market. Changes include, but are not limited to, tracking requirements, testing, packaging, and labeling and product flow in the recreational marijuana market. As OLCC finishes rulemaking the agency will be required to educate its licensees, ODA hemp handlers and growers, and the general public. Compliance within this program is critical because industrial hemp and marijuana products are virtually indistinguishable, but are regulated in a very different manner.

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 and the Oregon Water Resources Department. 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. While focusing on compliance the OLCC has realized the need for staff 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.

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Outdoor producer applications are the most complicated and time consuming license type for agency staff to process, as this segment of the industry covers a vast cross section of Oregon's geography and requires unique solutions for technology, reporting, and recording systems necessary to track marijuana production. Applications for outdoor production are also higher in number than all other license types. The OLCC recognized that a one size fits all regulatory structure was inappropriate for all license types, and provided a waiver request process for those applicants with unique operations to proposed alternative means of accomplishing the agency's public safety goals. These waiver requests are heavily utilized by outdoor producers, and require extensive review, inspections and the development of knowledge about industry practices to process and make consistent decisions on them.

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 July 15, 2018, the agency temporarily stopped processing new license applications in order to focus on processing renewals and already submitted applications.

Since 2015-17, the focus in this Program has been 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 programs including the Cannabis Tracking System, License Application System, Packaging & Label Approval System, and Marijuana Server Permit Education and Application System. The Program was also responsible for staffing the Cannabis Best Practices Environmental Task Force and producing a DUIL report for the Oregon legislature. The agency is in process of developing a statutorily required marijuana supply and demand report for the 2019 legislature.

In 2019-21 the OLCC's Marijuana Program will transition from implementation of rules and initial licensure to an annual licensing and compliance focus. The program's focus will be on continued agency integration, compliance activities, licensing, rulemaking, licensee education, and the production and analysis of data from the Cannabis Tracking System to aid in enforcement and compliance activities. In addition, attention will be given to the auditing of tax related information for the Department of Revenue. Processes and procedures will be refined as statutes and rules change, and as the program gains experience. Adaptability, transparency, public engagement and industry engagement will be key to the development of this new industry, public safety, and community livability. 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 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.

BUDGET NARRATIVE

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.

In the fall of 2018, marijuana regulatory officers will focus on outdoor harvests. A large amount of marijuana enters the system during the fall outdoor season. OLCC is enhancing its ability to inspect harvests to make sure diversion out of the legal system is addressed.

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 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.

Goals of the 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
- 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 to support marijuana licensing and inspection
- Transfer funds to the Public Safety Program to train, equip, and provide for the safety of inspectors
- Establish coordination between program areas for the administration of violations in conjunction with the Public Safety Division

BUDGET NARRATIVE

- 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
- Establish 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:

- Facilitate coordinated 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.
- Provide policy analysis, coordinate policy development and prepare issues for necessary leadership decision making
- Develop strategies and plans for program development through the Marijuana Policy Team and agency leadership.
- Review and assess the effectiveness and fairness of fines, suspensions, and license revocations in deterring future violations and protection of overall public safety.
- 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.

BUDGET NARRATIVE

- Engage other state and local agencies involved in marijuana and alcohol control to further develop a statewide approach to alcohol and marijuana compliance.
- Coordinate with external youth outreach groups to address and reverse the reduced perception of harm in minor consumption of access to alcohol and marijuana and to support OHA and public health officials in their focus on this critical prevention issue.

In the 2019-21 biennium, the OLCC's Marijuana Program will continue to transition from the implementation phase to a focus on compliance. The Program in 2019-21 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 2019-21 the Legislatively Approved Budget includes the following packages to meet the challenges of an evolving marijuana regulatory landscape:

- Policy Option Package 205 "Public Safety Statewide Dispatch Services" requests funding to continue the cost of maintaining the Oregon State Police dispatch services for OLCC's inspectors in the field.
- Policy Option Package 209 "Regulatory Specialist Reclassification" requests differential funding for Regulatory Specialists to implement findings by DAS Classification and Compensation unit in a compensation study of the liquor and marijuana regulatory class positions.
- Policy Option Package "408" Marijuana Program Enhancement" requests funding for staff including 8 marijuana regulatory specialists to ensure regulatory compliance, 1 laboratory compliance specialist to focus on laboratory compliance, protocol and regulation, as well as funding for continuing strategic and tactical communications support related to marijuana, reclassification of positions to reflect actual duties, and increasing annual marijuana license fees by \$100 to accommodate the increase in program expense if all the proposed policy option packages for recreational marijuana are approved.

BUDGET NARRATIVE

E. PROGRAM FUNDING REQUEST

The Legislatively Approved Budget is \$19,686,383 Other Funds limitation for the 2019-21 biennium for this program, with 68 positions and 91.00 FTEs.

F. PROGRAM DESCRIPTION

In 2019-21 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:

- Adoption and enforcement of regulations relating to producers, wholesalers, processors, retailers, laboratories, marijuana worker permits and research certificates,
- Management of a product tracking system which must 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,
- Inspections, seizures, citation and arrest authority related to OLCC-licensed marijuana facilities,
- Regulation of all marijuana products sold in OLCC retail stores
- Label and package approval 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.

BUDGET NARRATIVE

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)

G. PROGRAM JUSTIFICATION AND LINK TO LONG TERM OUTCOMES

The budget environment related to regulation of recreational marijuana continues to be best described as “uncertain.” Resources budgeted are predicated on an estimated number of licensees, the *actual* number of which may vary widely from estimates. While the agency has some data for the number of active marijuana licenses and worker permits, applications for both continue to rise. At the same time the persistence of a pre-existing unregulated market, consumer demand, and initial volatility stemming from entrepreneurial enthusiasm, startups versus long-term successful marijuana-related businesses, and regulations both nationally and in neighboring states could all influence the number of licensees, and therefore the resources needed and available for effective regulation. 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 is proposing two metrics for the 2019-21 biennium of operation for the Marijuana Program that will mirror similar metrics in the alcohol side.

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.

BUDGET NARRATIVE

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.

Key Activity Outcomes for Establishing the Marijuana Program include:

There are no current targets for sales to minors. Washington and Colorado are the only states that currently implement recreational marijuana laws and regulations. The target rate for alcohol sales to minors is 82% refusal to sell. Data will be gathered during the 2019-21 biennium and will be used to establish appropriate targets for the new recreational marijuana industry.

In these initial early days of retail operations and first time results from minor decoy missions, the agency was able to gain greater compliance than initial results by persistence of missions, public communications of sales rates for communities and regions and through the adoption of more severe fines.

The OLCC does not have a target proposal for marijuana licensing at this time but does have an ambition to see a faster licensing time. Several factors may impact the time to process a license, and many depend on the individual applicant. Internal factors are driven by unique conditions of limited duration, such as an extremely high volume of initial applications at the same time as OLCC business practices and software systems are being developed. External factors that affect time to issue licenses include local government response rates to statutorily required land use authorizations, complex ownership structures, and individual applicant responsiveness to OLCC license investigators. Regardless of current demand, this measure will be an important tool for future program evaluation and administration.

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 NARRATIVE

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 1	\$ 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 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 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
Research Certificate (three year term)	\$ 4,750	Certificate to conduct research on marijuana but material and product must be tracked similar to other licenses
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
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 expiration	\$ 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 2,300 active marijuana licenses in 2019-21. If this estimate continues to hold, then current license fees in addition to the \$100 increase in Policy Option Package 408 “Marijuana Program Enhancement” will cover 2019-21 Program expenses.

BUDGET NARRATIVE

K. SIGNIFICANT PROPOSED PROGRAM CHANGES FROM 2015-17 and 2017-19

There are significant proposed Program changes from the 2015-17 and 2017-19 budgets. The changes reflect the move from “start-up” in 2015-17 to operations in 2019-21. Several costs in 2015-17 were one-time costs to develop Information Service systems, such as the on-line licensing system and Cannabis Tracking System. Other changes will be increases in personnel services costs that were phased in with hiring during 2015-17 and 2018 that will be 100% filled in 2019-21. New requirements have been added each legislative session, including establishment of additional tiers for small producer licenses, expansion of the marijuana worker permits to include most individuals employed in the industry (not just retail workers), the ability to move product from the medical markets into the recreational market, the ability to have industrial hemp enter the marijuana market, and OMMP registrant tracking and inspection. In addition, OLCC has been looking at its own structure to evaluate how best to license and regulate marijuana, including integration of marijuana support service and public safety functions into existing the alcohol programs.

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.

Fifty-seven new marijuana positions were added to the OLCC as a result of legislation in 2015, 2016, 2017, and 2018 which tasked the agency with oversight of recreational marijuana. These positions include 19 licensing staff, 25 enforcement staff, and 15 administrative staff that perform cannabis tracking system analysis, policy analysis, interagency coordination, rules and training coordination, and marijuana specific administration personnel. These positions are funded by marijuana license fee revenue and will continue to be the core of the Marijuana Program.

BUDGET NARRATIVE

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 will pay for their portion of Support Services program costs through a position-based allocation. The Marijuana Program will be charged 23% of the Support Services program budget. This will total \$3.4 million in the 2019-21 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. The Marijuana Program will pay for 34% of the personal services costs of the Public Safety Services Programs' management and administrative cost to oversee the program. This will total \$1.2 million in the 2019-21 biennium and monies will be transferred to the Liquor Fund from the Marijuana Control and Regulation fund for this allocation.

Funding

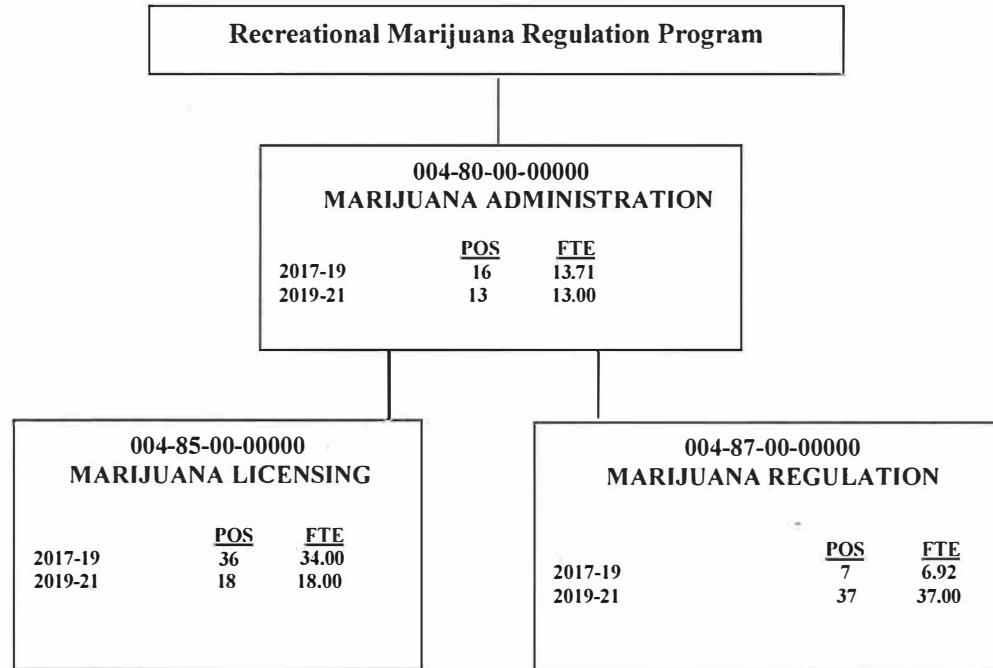
The total allocation to the Liquor Fund from the Marijuana Control and Regulation Fund for Administrative Support Services and Public Safety Services Management will be \$4.7 million for the 2019-21 biennium. The \$4.7 million will be funded through marijuana license fees.

BUDGET NARRATIVE

OLCC - RECREATIONAL MARIJUANA REGULATION PROGRAM (004)

2019-21 BUDGET

Organization Chart



Note: Regulatory Specialist Reclassifications (POP 209) includes 18 positions reclassified from Licensing to Regulation sub-programs within the Recreational Marijuana Program.

BUDGET NARRATIVE

OLCC - MARIJUANA ADMINISTRATION - SUBPROGRAM 80 2019-21 BUDGET

A. PURPOSE, ACTIVITIES & ISSUES

The Marijuana Administration Division will be the primary entity for implementing and administering recreational marijuana as outlined in ORS 475B (Cannabis Regulation) and Oregon Administrative Rules Chapter 845. This Division coordinates rulemaking for all aspects of the law, administers procurement and development of licensing and tracking systems, develops interagency agreements with the Oregon Department of Revenue, Oregon Health Authority, and Oregon Department of Agriculture, establishes standards and procedures for licensing and regulation, assists the Department of Revenue in collection and audit of marijuana taxes, develops worker permit and education programs for persons that sell marijuana at retail locations, and develops packaging and labeling standards for marijuana products.

As the Marijuana Program transitions from “start-up” phase into “administration” phase, the Division is looking to accomplish the following goals:

- Train prospective licensees and the general public on marijuana rules and license process,
- Coordinate government-to-government policy issues (local, state, federal, nation-to-nation),
- Develop special supports for medical operations transitioning to recreational operations,
- Develop accountability among emerging industry using Cannabis Tracking System,
- Deploy five business licenses types and one research certificate type to support emerging 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 Control 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

BUDGET NARRATIVE

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.

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,
- Publish marijuana fees and costs as percentage of sales annually (retail only), and
- Publish a market prices for marijuana product types annually.

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 Control 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 for this Division in 2019-21.

BUDGET NARRATIVE

OLCC - MARIJUANA LICENSING – SUBPROGRAM 85

2019-21 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 2019-21 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.

BUDGET NARRATIVE

B. BACKGROUND

Measure 91 was passed in November of 2014. The Measure legalized recreational marijuana in Oregon and gave authority to the Oregon Liquor Control 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.

C. EXPECTED RESULTS

In the 2019-21 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 both marijuana and alcohol licensees/permit holders as measured by minor decoy checks and issued citations 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 unique 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 Control 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.

BUDGET NARRATIVE

E. PROPOSED LEGISLATIVE CHANGES

Agency Concept 84500-003 – Marijuana Fee Conditional Use of Authority

The OLCC's recreational marijuana program is funded solely by licensing and renewal fees however renewal fees are not realized until the application has been approved. In situations where an existing business applies for renewal shortly before the renewal date or has a particularly complicated renewal application due to changes in business structure or operations, the applicant, agency and local government need additional time after the renewal date to process the application. In these cases the agency issues a Conditional Letter of Authority to allow the business to continue to operate. The agency collects the license fee, however, it cannot expend those funds unless and until the license is approved, even though the licensee is operating and OLCC staff are doing the work. This has created a problem because some licensees are seemingly "gaming" the system, requesting a Conditional Letter of Authority, and then withdrawing their renewal application after harvest and profits are made. In addition, if an agency proposes to deny a license, the licensee can continue to operate without paying a fee. Under this proposal, if a licensee uses their license privileges under a Conditional Letter of Authority (i.e. into a new license year while a renewal is pending), and then later want to surrender their license, the license fee is not refundable.

BUDGET NARRATIVE

OLCC - MARIJUANA REGULATION - SUBPROGRAM 87

2019-21 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. 2019-21 will be the first biennium where licensed businesses will be subject to enforcement. 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 to conduct high risk investigations 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, and 2018 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 2019-21 biennium:

- 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
- 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 Control 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 84500-05 – Electronic Verification of ID

Lack of banking access is a significant problem facing Oregon's legal marijuana industry. One of the primary concerns is ensuring that marijuana businesses are adhering to state law and federal policy. For example, guidance from the Federal Financial

BUDGET NARRATIVE

Crime Enforcement Network states that financial institutions that service MRBs must ensure that they are not selling to minors. In addition, Oregon law imposes daily purchase and possession limits on marijuana transactions. These limitations are easily circumvented by the practice of “smurfing” whereby a consumer makes multiple purchases from multiple retailers in the same day or the practice of “looping” whereby a consumer makes multiple purchases from a single retailer in the same day. Electronic methods of preventing sales to minors by validating ID and the prevention of “smurfing” and “looping” are available; however, the use of electronic methods to provide this service may be prohibited under Oregon law. Oregon law provides that “A marijuana retailer may not transfer any information that may be used to identify a consumer to any other person.” For banks, these types of electronic solutions represent a critical layer of assurance that MRBs are fulfilling their legal obligations and are participating in a process that makes legal marijuana businesses more attractive as potential customers. Amending Section 47B.220 (4) to clarify when and how electronic vendors can be used for age verification and to prevent “smurfing” and “looping” would provide clarity and direction to marijuana businesses in the use of electronic verification equipment and software, and potentially increase the ability of marijuana businesses to secure banking services.

BUDGET NARRATIVE

Information Services Enhancement

OLCC 2019-21 Budget, Policy Option Package No. 301, Agency Priority No 1, As Modified

A. PACKAGE PURPOSE

The Oregon Liquor Control Commission has been evaluating the current state of agency business operations and its technology architecture. Historically, the agency has addressed technology needs on an as-needed basis operating in a constant state of “firefighting”. There has not been enough time, capacity or funding to step back and adequately analyze the future state of agency and constituent needs while aligning technology infrastructure and architecture. This longtime reactionary operational model has resulted in the agency implementing numerous quick fixes and workarounds which was reflected throughout the Secretary of State Audit findings.

OLCC recently 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 has become apparent that the agency OIS division has been significantly lacking in staffing and infrastructure resources in order to maintain even the basic business operations, not to mention the expanding legislative mandates.

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 is required to achieve long-term goals for high performance service delivery.

Until the agency is able to execute on the aforementioned future state of technology, OLCC needs to be able to maintain the current legacy systems and get back into compliance with state and industry technology requirements (contracting, security/privacy, infrastructure, software, change management, disaster recovery, documentation, etc.). Additionally, OLCC will need sufficient staffing to oversee the future state development and maintain those new environments.

The ability to coordinate IT projects and strategically move forward, particularly for a rapidly growing organization supporting both emerging and established industries, is very different from more static organizations with limited change. 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.

BUDGET NARRATIVE

This information Services request is of high importance to the OLCC as the current state of affairs is “high risk.” A day of warehouse downtime reflects \$2.5 million in retail sales value. Operating a marijuana licensing program with a system designed to meet 2019 needs, instead of the basic structure created to immediately process applications for the requirements of 2015, is needed to alleviate pressure on the OLCC to produce complicated licensing renewals and meet three sessions of significant policy and rule changes; the OLCC depends on renewals to fund the program through license fees. Failure to modernize the business transaction capabilities of all aspects of the Distilled Spirits Program, from the purchase from the manufacture to the retail sales to the consumer, hampers the ability to gain operational savings and revenue generation efficiencies. The Information Services Enhancement request aligns necessary staff resources to elevate IT services throughout OLCC. It provides the capacity to plan and execute critical projects and to enhance and maintain services that function on a stable ongoing basis — an acute contrast from today’s condition of primary systems being at risk of episodic failure or residing in the world of manual processes and a low productivity environment. Importantly the request is structured to make resources available to fund projects as necessary while meeting the requirements of accountability for execution of IT projects in Oregon.

The set aside of \$6 million makes it possible to execute work — with stage gate approvals — on a timely basis. Efficiency and enterprise contracts may significantly reduce overall capital expenditure but specific project work has to be advanced to understand available alternatives to achieve savings. With this budget request, OLCC will be in the position to stabilize systems depended upon for operations, elevate planning to execute high priority projects meeting rigorous contract oversight requirements, and introduce greater technology hardware and software solutions to improve OLCC productivity in the cubical and in the field. This request positions the agency for several years and biennia of IT work. It puts the agency in position to aggressively manage a history of neglected investment in IT, to attack urgent mission critical IT software and hardware stabilization issues (including remote services), and to institute management oversight to service the IT needs for the agency into the future. Even as the agency adopts more software as a service platforms and off-sites hardware systems, the agency will need the investment in IT human capital to drive and achieve agency modernization. The agency has taken steps to cover the growing cost of its overall budget requests by capturing administrative efficiencies and proposing increased revenue generation in its requested budget proposals for the next biennium. Liquor revenues alone are the state’s third largest source of revenue, and with marijuana significant additional revenue transfers to education, public safety and health services. Biennial transfers of these two revenue sources in 2019-21 will be around \$700 million without a major policy change disruption. Staffing and providing the means to readily finance necessary improvements to modernize and stabilize operational platforms for OLCC IT service in the context proposed is a sound business decision and it is the OLCC’s highest priority.

BUDGET NARRATIVE

B. HOW ACHIEVED

The Legislature approved the addition of one Data Base Architect (Information Systems Specialist 8) position. OLCC currently does not have a database architect which is severely impacting agency's ability to connect the data from various legacy systems into meaningful agency wide business intelligence information. This gap is a serious detriment for serving OLCC's diverse constituencies, the legislature, and the agency's internal day-to-day operations. Database Architect is a center stone of any data rich ecosystem, starting with data collection assessment and solution design and all the way through more complex analysis, reporting, and data visualization needs. These are all critical components required for OLCC to be successful in maintaining its current services and supporting the development of new services as the agency's regulatory responsibilities grow.

The Legislature approved the addition of two Technical Project Managers (Information Systems Specialist 7) positions and one Business Systems Analyst (Information Systems Specialist 7) position. The rapidly emerging marijuana industry and growing and changing alcohol industry, closely followed by frequent legislative changes needed to match these industry changes, have created an imperative to replace old IT systems that cannot be supported any longer and create new systems for needs that did not exist in the past. OLCC has a desperate need for Technical Project Managers and a Business Systems Analyst to support these system development and integration efforts and manage their operations and maintenance. The Technical Project Managers and Business Systems Analyst are critical resources for the success of the agency in its entire systems development lifecycle, from the initial requirements gathering, analysis, and project initiation, to the final Stage Gate milestones, as well as other required process and documentation when working with OSCIO, ESO, Procurement, DOJ, ETS, and other State offices.

The Legislature approved the addition of one Systems Developers (Information Systems Specialist 7) positions. OLCC's has dozens of old and unsupported alcohol inventory and finance related applications and databases along with a variety of supporting in-between solutions, and they all need frequent care-and-feeding. The agency is currently understaffed to keep maintaining all of these systems along with overseeing (technical reviews and change management) and filling the gaps (creating the missing functionality and compliance pieces) across the variety of new vendor solutions that marijuana industry has brought in the past few years. This problem is further complicated by a lack of staff with quality assurance (manual and automated testing), security, and reporting and data visualization technical skills.

The Legislature approved funding (\$2,500,000) for Beer & Wine Privilege Tax - systems development (all stage gates)

The Legislature approved setting aside funding (\$2,237,000) for Multi-year Software Development Projects Related to Alcohol and Marijuana. OLCC is in need of an integrated and flexible end-to-end web software solution to replace inefficient and disjointed legacy Distilled Spirits Distribution, Marijuana, and Alcohol program technology solutions such as:

BUDGET NARRATIVE

- 1) Beer and wine privilege tax
- 2) Marijuana and liquor licensing
- 3) Online fee collection
- 4) Inventory tracking
- 5) Case management
- 6) Enforcement
- 7) Distilled spirits supply chain
- 8) Retail liquor store management

The Legislature approved funding for the Licensing & Compliance IT Project. (\$ 756,250)

Given the problems described in the current environment, the strategic approach would be to execute a comprehensive plan in stages spanning multiple biennia starting with privilege tax solution as a proof of concept and then moving on to marijuana and liquor licensing including online payments, case management, and enforcement. The distilled spirits supply chain and retail store management solution would follow as separate phases including liquor store order tracking, distillery retail sales tracking, and a modern customer engagement shopping portal. Development and implementation of software solutions for marijuana will be initially financed from liquor funding and then paid back over time out of marijuana funding.

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. 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 and at the same time allow the agency to develop the technology in a timely manner. The agency is requesting the \$6,000,000 be reserved as un-scheduled and allocated with e-Board approval. This strategy allows the agency to acquire and develop information systems critical to agency responsibilities and continuing revenue generation in a timely manner.

With approval of this package, OLCC will reflect this comprehensive approach to the many IT challenges the agency faces in its budget and IT plan. This would include phasing of all projects individually or as distinct work with an enterprise contract, including stage gate processes.

BUDGET NARRATIVE

Information Services Enhancement OLCC 2019-21 Budget, Policy Option Package No 301

Division	Package Description	FTE	One-time	Ongoing	Total
Information Services	Add 1 Data Base Architect to design & oversee agency-wide data warehouse & visualization needs	1.00		\$230,847	\$230,847
	Services & Supplies, including office space @ \$17,368 per employee		\$10,462	\$23,368	\$33,830
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$18,157	\$254,215	\$272,372
Information Services	Add 1 Quality Assurance & Automation Developer for supporting in-house software solutions and COTs change request oversight.	1.00		\$214,838	\$214,838
	Services & Supplies, including office space @ \$17,368 per employee		\$10,462	\$23,368	\$33,830
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$18,157	\$238,206	\$256,363
Information Services	Add 1 Business Systems Analyst for requirements analysis and documentation supporting Stage Gate, ISO, and internal processes.	1.00		\$214,838	\$214,838
	Services & Supplies, including office space @ \$17,368 per employee		\$10,462	\$23,368	\$33,830
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$18,157	\$238,206	\$256,363
Information Services	Add 1 Developer for operations and maintenance of existing liquor warehousing software solutions	1.00		\$214,838	\$214,838
	Services & Supplies, including office space @ \$17,368 per employee		\$10,462	\$23,368	\$33,830
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$18,157	\$238,206	\$256,363
Information Services	Beer & Wine Privilege Tax - systems development (all stage gates)		\$2,500,000		\$2,500,000
Information Services	Distilled Spirits Supply Chain IT Project		\$1,512,500		\$1,512,500
Distilled Spirits Licensing	Licensing & Compliance IT Project		\$756,250		\$756,250
Rec-MJ Licensing	Licensing & Compliance IT Project		\$756,250		\$756,250
Subtotal - Information Services Enhancement - Package 301		4.00	\$4,841,378	\$968,833	\$6,566,461

BUDGET NARRATIVE

a. Benefits to 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 fulfill its legislative mandates. Revenue streams from liquor and marijuana will be preserved. Industry stakeholder for both alcohol and marijuana will be able to conduct more business electronically and reduce the time and paperwork.

b. Benefits to OLCC

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 “workarounds” and resulting in service delays will be reduced.

C. STAFFING IMPACT

The package adds 4.00 FTEs to the Office of Information Services Division.

D. QUANTIFYING RESULTS

Gross liquor sales are forecast to be \$1.4 billion in the upcoming biennium and are critically reliant on information technology to receive, store and sell spirits.

E. REVENUE SOURCE

The Oregon Liquor Control 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. \$3.5 million of the request will be dedicated to liquor systems funded through liquor revenue and \$2.5 million will be dedicated to marijuana systems and borrowed from the liquor fund.

BUDGET NARRATIVE

Public Safety Statewide Dispatch Services

OLCC 2019-21 Budget Policy Option Package No. 205, Agency Priority No 5, As Modified

A. PACKAGE PURPOSE

During the current biennium OLCC entered into an intergovernmental agreement with the Oregon State Police to provide dispatch services and the Oregon Department of Transportation to provide radio maintenance services. In contracting with OSP, OLCC was able to establish a statewide radio and communication plan that allowed our inspectors in the field to communicate in times of need and increased the safety of field inspectors of bars, restaurants and marijuana growers and retailers. OLCC inspectors have limited law enforcement authority and it is an industry standard to have constant communication capabilities. By using OSP dispatch the OLCC knows the exact locations of inspectors and can communicate in times of need with not only OSP, but other local law enforcement partners on a statewide basis.

Historically OLCC had a rudimentary internal dispatch process for the Portland area out of the Portland Regional Office. The dispatch center was not staffed all the time and often inspectors were in the field with no ability to call for radio help. The system was not robust and often inspectors were texting dispatch to be able to notify them of their updated locations. In the other Regional Offices OLCC relied on other law enforcement agencies to agree to let OLCC use their local system in cases of emergency. It was not a standardized, systematic approach to communication across the state and coverage was spotty at best. In some locations there was no communication systems available.

B. HOW ACHIEVED

This request is funding the continued cost of maintaining the Oregon State Police Dispatch Services for OLCC's inspectors in the field. The cost of each inspector using the State Police Dispatch Services per month is \$508 per month per the current agreement.

BUDGET NARRATIVE

Public Safety Statewide Dispatch Services OLCC 2019-21 Budget Policy Option Package No 205, As Modified

Division	Package Description	FTE	One-time	Ongoing	Total
	Public Safety Statewide Dispatch Services				
Public Safety	Oregon State Police Dispatch Services for Distilled Spirits				
	OSP dispatch services for 46 liquor regulatory specialists, managers, and compliance specialists.			\$560,832	\$560,832
		0.00	\$0	\$560,832	\$560,832
Recreational Marijuana	Oregon State Police Dispatch Services for Recreational Marijuana				
	OSP dispatch services for 23 marijuana inspectors and 1 compliance specialist.			\$280,416	\$280,416
		0.00	\$0	\$280,416	\$280,416
Medical Marijuana	Oregon State Police Dispatch Services for Recreational Marijuana				
	OSP dispatch services for 16 liquor regulatory specialists, managers, and compliance specialists.			\$195,072	\$195,072
		0.00	\$0	\$195,072	\$195,072
Subtotal - Statewide Dispatch Services - Package 205		0.00	\$0	\$1,036,320	\$1,036,320

BUDGET NARRATIVE

a. Benefits to stakeholders

OLCC inspectors for alcohol, recreational marijuana and medical marijuana will have constant communication to a statewide system that ensures employee safety in all areas of the state including licensed premises in large metropolitan regions and remote marijuana production operations in rural areas. Oregon State Police will receive funding assistance to provide dispatch services for law enforcement throughout the state. Local law enforcement can coordinate with OLCC inspectors.

b. Benefits to OLCC

OLCC inspectors are better protected and will have better coordination with other state law enforcement agencies.

C. STAFFING IMPACT

The package adds no new staff to OLCC.

D. QUANTIFYING RESULTS

OLCC expects to have 77 inspectors covering over 17,000 licensed alcohol, recreational marijuana and medical marijuana locations in the state.

E. REVENUE SOURCE

The Oregon Liquor Control 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 exclusively from marijuana related license fees collected under OAR 845-625-1060 as authorized under ORS 475B. Funding for OMMP Medical Marijuana Tracking comes from marijuana tax money as distributed to OLCC under ORS 475B.895 (7).

BUDGET NARRATIVE

THE ARB VERSION OF THE PACKAGE WAS NOT IN THE GOVERNOR'S or LEGISLATIVELY APPROVED BUDGET

Public Safety Statewide Dispatch Services

OLCC 2019-21 Budget Policy Option Package No. 205, Agency Priority No 5

A. PACKAGE PURPOSE

During the current biennium OLCC entered into an intergovernmental agreement with the Oregon State Police to provide dispatch services and the Oregon Department of Transportation to provide radio maintenance services. In contracting with OSP, OLCC was able to establish a statewide radio and communication plan that allowed our inspectors in the field to communicate in times of need and increased the safety of field inspectors of bars, restaurants and marijuana growers and retailers. OLCC inspectors have limited law enforcement authority and it is an industry standard to have constant communication capabilities. By using OSP dispatch the OLCC knows the exact locations of inspectors and can communicate in times of need with not only OSP, but other local law enforcement partners on a statewide basis.

Historically OLCC had a rudimentary internal dispatch process for the Portland area out of the Portland Regional Office. The dispatch center was not staffed all the time and often inspectors were in the field with no ability to call for radio help. The system was not robust and often inspectors were texting dispatch to be able to notify them of their updated locations. In the other Regional Offices OLCC relied on other law enforcement agencies to agree to let OLCC use their local system in cases of emergency. It was not a standardized, systematic approach to communication across the state and coverage was spotty at best. In some locations there was no communication systems available.

F. HOW ACHIEVED

This request is funding the continued cost of maintaining the Oregon State Police Dispatch Services for OLCC's inspectors in the field. The cost of each inspector using the State Police Dispatch Services per month is \$508 per month per the current agreement.

BUDGET NARRATIVE

Public Safety Statewide Dispatch Services OLCC 2019-21 Budget Policy Option Package No 205

Division	Package Description	FTE	One-time	Ongoing	Total
Public Safety Statewide Dispatch Services					
Public Safety	Oregon State Police Dispatch Services for Distilled Spirits OSP dispatch services for 46 liquor regulatory specialists, managers, and compliance specialists.	0.00	\$0	\$584,916	\$584,916
Recreational Marijuana	Oregon State Police Dispatch Services for Recreational Marijuana OSP dispatch services for 23 marijuana inspectors and 1 compliance specialist.	0.00	\$0	\$292,608	\$292,608
Medical Marijuana	Oregon State Police Dispatch Services for Recreational Marijuana OSP dispatch services for 16 liquor regulatory specialists, managers, and compliance specialists.	0.00	\$0	\$195,072	\$195,072
Subtotal - Statewide Dispatch Services - Package 205		0.00	\$0	\$1,072,596	\$1,072,596

BUDGET NARRATIVE

a. Benefits to stakeholders

OLCC inspectors for alcohol, recreational marijuana and medical marijuana will have constant communication to a statewide system that ensures employee safety in all areas of the state including licensed premises in large metropolitan regions and remote marijuana production operations in rural areas. Oregon State Police will receive funding assistance to provide dispatch services for law enforcement throughout the state. Local law enforcement can coordinate with OLCC inspectors.

b. Benefits to OLCC

OLCC inspectors are better protected and will have better coordination with other state law enforcement agencies.

G. STAFFING IMPACT

The package adds no new staff to OLCC.

H. QUANTIFYING RESULTS

OLCC expects to have 77 inspectors covering over 17,000 licensed alcohol, recreational marijuana and medical marijuana locations in the state.

I. REVENUE SOURCE

The Oregon Liquor Control 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 exclusively from marijuana related license fees collected under OAR 845-625-1060 as authorized under ORS 475B. Funding for OMMP Medical Marijuana Tracking comes from marijuana tax money as distributed to OLCC under ORS 475B.895 (7).

BUDGET NARRATIVE

Marijuana Program Enhancement

OLCC 2019-21 Budget Policy Option Package No. 408, Agency Priority No 8, As Modified

A. PACKAGE PURPOSE

The recreational marijuana program in Oregon continues to grow and outpace initial estimates. During the beginning of the program agency's inspectors who normally do enforcement were tasked with assisting licensees come into the licensed program. During the last year the agency has slowly transitioned its inspectors back to compliance work. To date, most of the compliance work is driven by complaints received at OLCC; however, the Public Safety Program has implemented and carried out new inspection protocols for marijuana minor decoy missions and for retail inspections. All inspections for producers, processors, wholesalers and labs will have active inspections under protocols specific to the issues of compliance of the specific license type and all inspectors will have training to carry out each type of inspection or investigation. The OLCC is developing the internal process to utilize data from the Cannabis Tracking System (CTS - METRC) to create priorities for inspection, oversight, and the issuance of warnings and violations. The CTS is a powerful tool and manual and automated analysis of data within CTS can be utilized to detect potential problems or violations of specific marijuana licensees and license types. With the hiring of additional staff, the OLCC will be analyzing and programing reports to detect potential patterns of deceptive behavior and inaccurate reporting. This intelligence will be used to monitor licensee activities and task inspection missions and surveillance by inspectors.

The compliance work in the recreational marijuana program continues to evolve. OLCC is building a comprehensive compliance program, aligning internal processes for complaint driven investigations with data driven compliance efforts and developing schedules for periodic inspections of all license types to stop diversion, deter behavior and practices leading to diversion, and ensuring the integrity of tracking of product for quality control, tax collections, and consumer protection. This level of comprehensive oversight is an expectation of the state laws creating the program and is designed with the full recognition that marijuana remains a Schedule I regulated drug that is federally illegal.

Laboratory oversight and regulation is technical and mired in the necessary analysis of data and reports from hundreds, maybe thousands of test results and associated reporting. This specialized work requires detailed and specific knowledge and skills. The OLCC recognizes the need for specialized expertise to aid inspectors in the oversight of laboratory licensees and to assist the agency in developing future policies concerning laboratory regulation in conjunction with OHA, the ORLAP lab certification board, industry members, and public health officials. This area of regulation is important to ensuring a level playing field in the industry and to protect consumers. Some of the many

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issues in this area include: ensuring that existing and future testing procedures are properly carried out; falsification of results and technical equipment malfunctions are detected; and record keeping is accurate.

The recreational marijuana program continues to create demand for information and education to be delivered to multiple stakeholder groups, and specifically, OLCC marijuana licensees. The comprehensive regulation and rules being put in place by OLCC and partner agencies is critical to communicate to licensees to ensure compliance. Frequently information is of interest and concern to the general public, and there is high demand for clarification on issues such as developments on social consumption, clarifications about the prohibition of use in many environments, or about the legal consequences of activities. The OLCC public affairs/communications team has been utilizing an external communications partner on a limited basis to support the recreational marijuana program with specialized communication expertise to assist the agency's efforts in creating effective messaging and public outreach materials when those projects are beyond the capacity of existing staff. These efforts include: stakeholder engagement, public education campaigns like the well-received "What's Legal" campaign, and graphic design support. For instance, for some time now the agency has wanted to create an education and reward campaign that focus on the dangers of unlicensed butane hash oil, or BHO extraction of THC happening in neighborhood home and apartments — this is a very real and deadly practice and partnering with public safety and public health partners on communications on this topic is an example of specialize communication projects. Given expanding regulatory authority for medical marijuana tracking and complicated hemp regulations the OLCC audiences for specialized communication support are growing and will continue to grow over several years.

B. HOW ACHIEVED

The Legislatively Approved Budget includes a re-class of an Administrative Specialist 2 to Operations Policy Analyst 1 (Position 8000.407). This position was originally established at an AS2 level, prior to having any knowledge of the MJ licensing rules, processes and computer systems, based loosely on the corresponding AS2 position in liquor. It became apparent after a few months that the duties were going to be nothing like the liquor AS2. This request is to fund the reclassification of the position to the appropriate level of an OPA1. As the current work of this position is significantly different than expected, the new duties have been assessed by HR staff and determined to be appropriately classed at an Operations Policy Analyst 1. The revised tasks fall under three general categories;

- 1) Systems improvement including assessing system operations and resolving system functional problem.
- 2) Operational evaluation and support including: monitoring application processing in the NIC-USA application system, researching impacts of statutory and administrative rule changes on the system and evaluating the benefits and consequences of policy option proposals.

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- 3) Administrative Services and Support including tracking of application and design processes to maintain efficient flows of licensing work.

The Legislatively Approved Budget includes one Compliance Specialist 3 for Marijuana Laboratory Regulation to focus on laboratory compliance, protocol and regulation. The marijuana program has many areas where state agency collaboration is required. One large area of overlap is the complex regulatory environment for overseeing laboratory licensees testing of marijuana products for pesticides and other dangerous compounds that can taint the safety and quality of the product intended for human consumption by smoking, vaping, consuming in edibles, or used as topical treatments. 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 is responsible for licensing laboratories. The OLCC is turning its focus to laboratory compliance now that the overall marijuana market is up and running. The OLCC is ready to engage with partner agencies in providing the level of necessary oversight of this complex and highly technical area of licensure and compliance. Specialized scientific knowledge and analytical skills are necessary to support OLCC's work with ORELAP and OHA to conduct audits, investigations, and make sure the laboratories are held to the same standards of other licensees and the focus on consumer safety is met. This area of regulation is important to ensuring a level playing field in the industry and to protect consumers. Some of the many issues focused in this area include: assuring that existing and future testing procedures are properly carried out; falsification of results and technical equipment malfunctions are detected; and record keeping is accurate.

Compliance staff can spend an exorbitant amount of time researching complaints against laboratories. Having a dedicated staff member to focus on laboratory compliance, protocol and regulation will assist the overall efficiency of OLCC's compliance program. Regulatory inspectors can get needed assistance in the field and OLCC will have the capacity to work with OHA and ORELAP on detailed investigations and audits (provided OHA and ORELAP are also provided resources). ORELAP will benefit having a contact person at the OLCC who understands laboratory protocol and the OLCC rules and regulations. OHA will benefit by having a staff member who works directly with labs and can track modifications of testing requirements and train and educate other inspectors on these change.

Even with its considerable imperfections, Oregon's aggressive testing standards are nation leading and important to marijuana regulation across the nation and internationally. Laboratory regulation is an important policy area for all states regulating both medical and recreational marijuana because it is important to human consumption of marijuana products. Protecting health and safety in this area, and the consistency of standards between jurisdictions for measuring product qualities, is important to harmonize. Today, testing methodology varies from laboratory to laboratory and state to state. Regulators and the industry are looking to improve and standardize testing to protect consumers through consistent regulation. Even though interstate commerce is not available today, brands that consumers are familiar with

BUDGET NARRATIVE

are available through each state's regulatory systems and these products, with respect to testing are not equivalent for consumer use. This position will help the OLCC continue to manage to a best practices level of service.

The Legislatively Approved Budget includes a re-class of an Operations & Policy Analyst 3 to Principle Executive Manager D (800.407) to lead development by a team of analysts in the process of creating a system of violation prevention, deterrence and detection through automated and manual detection of data anomalies in the Cannabis Tracking System (CTS - Metrc). This is at the heart of a systematic system of flagging activities for warning and violation tickets and the missioning of inspectors in the field to inspect or survey license activities. Utilizing basic algorithms and programing the regular production of data reports will unleash the tremendous value of the data reported into the CTS system. This position will manage technicians that will analyze data, complete reports, and cause the issuance of warnings and violation notices that will be automatically be sent from the CTS system based on predetermined criteria. This technical unit will also review videos to enhance OLCC's ability to proactively assist the program's compliance efforts, this will provide an efficiency to field operations that will focus on conducting inspections. Technicians will be asked to review supplied video for evidence of infractions and frequency during a specific time period. The reports created by the unit will be sent directly to the OLCC's statewide regional managers using a commercial off-the-shelf program and will be used to establish compliance priorities for their regions. This manager would also be responsible for making non-protected data available to researchers and to those communicating data on behalf of the agency. Eight positions would report directly to this position including compliance data analyst and video watchers — also included in this policy option package — for both the Recreational and OMMP Medical Marijuana Tracking programs.

The Legislatively Approved Budget includes the addition of eight Regulatory Specialists (Inspectors) for the Recreational Marijuana program to ensure regulatory compliance of license. The work of marijuana compliance is more detailed and intricate than in liquor and there are expectations in law and from the federal government about the need for comprehensive efforts to control marijuana production and sales. Inspections in rural Oregon involve significant travel times and inspections of retail establishments can take two inspectors up to four hours to complete. Likewise, organizing and carrying out minor decoy missions is a time consuming process and it is a vital expectation of law that the OLCC works aggressively to prevent marijuana from being sold to minors.

Currently OLCC has 1,909 active marijuana licensees with a forecast to grow to 2,300 licensees in the next biennium based on the current number of applications in the system. OLCC's current ratio of licensees to inspector is 100 to 1. By adding 8 inspectors the ratio of licensees to inspector would be reduced to 75 to 1. This is greater than established ratios used for alcohol inspections, but is directly responsive to the growing demand for services to the industry and is commensurate with the high degree of public safety concern

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surrounding Oregon's nascent program of marijuana regulation. This is an important time in the establishment of expectations for professionalization of the industry and application of OLCC rules. In this early stage in the program, constant education, communication and presence is critical. OLCC is aware the importance of compliance is not equal amongst its licensees. While most OLCC licensees value their license and make significant investments to be a part of the system and meet OLCC stringent standards, other licensees are not exhibiting the same operational dedication to meeting those standards. A strong regulatory enforcement structure is needed to protect the industry and make sure that Oregon is doing its due diligence in stopping diversion to the illegal market and having an effective compliance program. This request is directed at satisfying the overall concern for public safety and control as the program develops.

The Legislatively Approved Budget includes a re-class of an Operations & Policy Analyst 3 to Principle Executive Manager D (800.407) to lead development by a team of analysts in the process of creating a system of violation prevention, deterrence and detection through automated and manual detection of data anomalies in the Cannabis Tracking System (CTS - Metrc). This is at the heart of a systematic system of flagging activities for warning and violation tickets and the missioning of inspectors in the field to inspect or survey license activities. Utilizing basic algorithms and programing the regular production of data reports will unleash the tremendous value of the data reported into the CTS system. This position will manage technicians that will analyze data, complete reports, and cause the issuance of warnings and violation notices that will be automatically be sent from the CTS system based on predetermined criteria. This technical unit will also review videos to enhance OLCC's ability to proactively assist the program's compliance efforts, this will provide an efficiency to field operations that will focus on conducting inspections. Technicians will be asked to review supplied video for evidence of infractions and frequency during a specific time period. The reports created by the unit will be sent directly to the OLCC's statewide regional managers using a commercial off-the-shelf program and will be used to establish compliance priorities for their regions. This manager would also be responsible for making non-protected data available to researchers and to those communicating data on behalf of the agency. Eight positions would report directly to this position including compliance data analyst and video watchers — also included in this policy option package — for both the Recreational and OMMP Medical Marijuana Tracking programs.

OLCC proposed to raise fees for annual marijuana licenses by \$100 to accommodate increase in program expense if all the proposed policy option packages for recreational marijuana are approved. Fee increases are done by rule and would be implemented to accommodate increases in personal services and costs associated with inflation.

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Marijuana Program Enhancement **OLCC 2019-21 Budget Policy Option Package No 408, As Modified**

Division	Package Description	FTE	One-time	Ongoing	Total
Marijuana - Regulation	Add 8 Regulatory Specialists for Marijuana	8.00		\$1,439,040	\$1,439,040
	Services & Supplies, including office space @ \$17,368 per employee		\$131,456	\$187,304	\$318,760
	Work station furniture & chair		\$288,224		\$288,224
		8.00	\$419,680	\$1,626,344	\$2,046,024
Marijuana - Regulation	Add 1 Compliance Specialist 3 for Marijuana Laboratory Regulation	1.00		\$192,611	\$192,611
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$215,979	\$226,441
Marijuana - Administration	Reclassify Admin Specialist 2 to Operations & Policy Analyst 1			\$15,586	\$15,586
	Reclassify OPA3 to PEM-D to manage data operations for Marijuana			\$10,704	\$10,704
		0.00	\$0	\$26,290	\$26,290
Subtotal - Marijuana Program Enhancement - Package 408		9.00	\$430,142	\$1,868,613	\$2,298,755

a. Benefits to stakeholders

Creation of a well-regulated marijuana industry will benefit all licensees in Oregon and reduce the risk of federal scrutiny.

b. Benefits to OLCC

A well-regulated industry poses less reputational risk to the agency.

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C. STAFFING IMPACT

The package adds nine positions to OLCC.

D. QUANTIFYING RESULTS

OLCC's marijuana program has two key performance measures; Time to License and Sales to Minors compliance rate.

E. REVENUE SOURCE

The Oregon Liquor Control 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 exclusively from marijuana related license fees collected under OAR 845-625-1060 as authorized under ORS 475B. Funding for Medical Marijuana Tracking comes from marijuana tax money as distributed to OLCC under ORS 475B.895 (7).

BUDGET NARRATIVE

THE GRB VERSION OF THE PACKAGE WAS NOT APPROVED IN THE LEGISLATIVELY APPROVED BUDGET

Marijuana Program Enhancement

OLCC 2019-21 Budget Policy Option Package No. 408, Agency Priority No 8

A. PACKAGE PURPOSE

The recreational marijuana program in Oregon continues to grow and outpace initial estimates. During the beginning of the program agency's inspectors who normally do enforcement were tasked with assisting licensees come into the licensed program. During the last year the agency has slowly transitioned its inspectors back to compliance work. To date, most of the compliance work is driven by complaints received at OLCC; however, the Public Safety Program has implemented and carried out new inspection protocols for marijuana minor decoy missions and for retail inspections. All inspections for producers, processors, wholesalers and labs will have active inspections under protocols specific to the issues of compliance of the specific license type and all inspectors will have training to carry out each type of inspection or investigation. The OLCC is developing the internal process to utilize data from the Cannabis Tracking System (CTS - METRC) to create priorities for inspection, oversight, and the issuance of warnings and violations. The CTS is a powerful tool and manual and automated analysis of data within CTS can be utilized to detect potential problems or violations of specific marijuana licensees and license types. With the hiring of additional staff, the OLCC will be analyzing and programing reports to detect potential patterns of deceptive behavior and inaccurate reporting. This intelligence will be used to monitor licensee activities and task inspection missions and surveillance by inspectors.

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F. HOW ACHIEVED

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Marijuana Program Enhancement OLCC 2019-21 Budget Policy Option Package No 408, As Modified

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	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$215,979	\$226,441
Marijuana - Regulation	Add 8 Regulatory Specialists for Marijuana	8.00		\$1,428,336	\$1,428,336
	Services & Supplies, including office space @ \$17,368 per employee		\$131,816	\$186,944	\$318,760
	Work station furniture & chair		\$288,224		\$288,224
		8.00	\$420,040	\$1,615,280	\$2,035,320
Subtotal - Marijuana Prog Expenditures		9.00	\$430,502	\$1,831,259	\$2,261,761

a. Benefits to stakeholders

Creation of a well-regulated marijuana industry will benefit all licensees in Oregon and reduce the risk of federal scrutiny.

b. Benefits to OLCC

A well-regulated industry poses less reputational risk to the agency.

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G. STAFFING IMPACT

The package adds nine positions to OLCC.

H. QUANTIFYING RESULTS

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I. REVENUE SOURCE

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Marijuana Program Enhancement

OLCC 2019-21 Budget, Policy Option Package No. 408, Agency Priority No 8

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1. Systems improvement including assessing system operations and resolving system functional problem.

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2. Operational evaluation and support including: monitoring application processing in the NIC-USA application system, researching impacts of statutory and administrative rule changes on the system and evaluating the benefits and consequences of policy option proposals.
3. Administrative Services and Support including tracking of application and design processes to maintain efficient flows of licensing work.

OLCC requests one Compliance Specialist 3 for Marijuana Laboratory Regulation to focus on laboratory compliance, protocol and regulation. The marijuana program has many areas where state agency collaboration is required. One large area of overlap is the complex regulatory environment for overseeing laboratory licensees testing of marijuana products for pesticides and other dangerous compounds that can taint the safety and quality of the product intended for human consumption by smoking, vaping, consuming in edibles, or used as topical treatments. 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 is responsible for licensing laboratories. The OLCC is turning its focus to laboratory compliance now that the overall marijuana market is up and running. The OLCC is ready to engage with partner agencies in providing the level of necessary oversight of this complex and highly technical area of licensure and compliance. Specialized scientific knowledge and analytical skills are necessary to support OLCC's work with ORELAP and OHA to conduct audits, investigations, and make sure the laboratories are held to the same standards of other licensees and the focus on consumer safety is met. This area of regulation is important to ensuring a level playing field in the industry and to protect consumers. Some of the many issues focused in this area include: assuring that existing and future testing procedures are properly carried out; falsification of results and technical equipment malfunctions are detected; and record keeping is accurate.

Compliance staff can spend an exorbitant amount of time researching complaints against laboratories. Having a dedicated staff member to focus on laboratory compliance, protocol and regulation will assist the overall efficiency of OLCC's compliance program. Regulatory inspectors can get needed assistance in the field and OLCC will have the capacity to work with OHA and ORELAP on detailed investigations and audits (provided OHA and ORELAP are also provided resources). ORELAP will benefit having a contact person at the OLCC who understands laboratory protocol and the OLCC rules and regulations. OHA will benefit by having a staff member who works directly with labs and can track modifications of testing requirements and train and educate other inspectors on these change.

Even with its considerable imperfections, Oregon's aggressive testing standards are nation leading and important to marijuana regulation across the nation and internationally. Laboratory regulation is an important policy area for all states regulating both medical and recreational marijuana because it is important to human consumption of marijuana products. Protecting health and safety in this area, and

BUDGET NARRATIVE

the consistency of standards between jurisdictions for measuring product qualities, is important to harmonize. Today, testing methodology varies from laboratory to laboratory and state to state. Regulators and the industry are looking to improve and standardize testing to protect consumers through consistent regulation. Even though interstate commerce is not available today, brands that consumers are familiar with are available through each state's regulatory systems and these products, with respect to testing are not equivalent for consumer use. This position will help the OLCC continue to manage to a best practices level of service.

OLCC requests a re-class of an Operations & Policy Analyst 3 to Principle Executive Manager D (800.407) to lead development by a team of analysts in the process of creating a system of violation prevention, deterrence and detection through automated and manual detection of data anomalies in the Cannabis Tracking System (CTS - Metrc). This is at the heart of a systematic system of flagging activities for warning and violation tickets and the missioning of inspectors in the field to inspect or survey license activities. Utilizing basic algorithms and programming the regular production of data reports will unleash the tremendous value of the data reported into the CTS system. This position will manage technicians that will analyze data, complete reports, and cause the issuance of warnings and violation notices that will be automatically be sent from the CTS system based on predetermined criteria. This technical unit will also review videos to enhance OLCC's ability to proactively assist the program's compliance efforts, this will provide an efficiency to field operations that will focus on conducting inspections. Technicians will be asked to review supplied video for evidence of infractions and frequency during a specific time period. The reports created by the unit will be sent directly to the OLCC's statewide regional managers using a commercial off-the-shelf program and will be used to establish compliance priorities for their regions. This manager would also be responsible for making non-protected data available to researchers and to those communicating data on behalf of the agency. Eight positions would report directly to this position including compliance data analyst and video watchers — also included in this policy option package — for both the Recreational and OMMP Medical Marijuana Tracking programs.

OLCC requests addition of eight Regulatory Specialists (Inspectors) for the Recreational Marijuana program to ensure regulatory compliance of license. The work of marijuana compliance is more detailed and intricate than in liquor and there are expectations in law and from the federal government about the need for comprehensive efforts to control marijuana production and sales. Inspections in rural Oregon involve significant travel times and inspections of retail establishments can take two inspectors up to four hours to complete. Likewise, organizing and carrying out minor decoy missions is a time consuming process and it is a vital expectation of law that the OLCC works aggressively to prevent marijuana from being sold to minors.

BUDGET NARRATIVE

Currently OLCC has 1,909 active marijuana licensees with a forecast to grow to 2,300 licensees in the next biennium based on the current number of applications in the system. OLCC's current ratio of licensees to inspector is 100 to 1. By adding 8 inspectors the ratio of licensees to inspector would be reduced to 75 to 1. This is greater than established ratios used for alcohol inspections, but is directly responsive to the growing demand for services to the industry and is commensurate with the high degree of public safety concern surrounding Oregon's nascent program of marijuana regulation. This is an important time in the establishment of expectations for professionalization of the industry and application of OLCC rules. In this early stage in the program, constant education, communication and presence is critical. OLCC is aware the importance of compliance is not equal amongst its licensees. While most OLCC licensees value their license and make significant investments to be a part of the system and meet OLCC stringent standards, other licensees are not exhibiting the same operational dedication to meeting those standards. A strong regulatory enforcement structure is needed to protect the industry and make sure that Oregon is doing its due diligence in stopping diversion to the illegal market and having an effective compliance program. This request is directed at satisfying the overall concern for public safety and control as the program develops.

OLCC requests addition of three Office Specialists 2's to enable the agency to utilize the information stored on video to enforce compliance and prevent or detect diversion of marijuana. These specialist will watch and report on surveillance videos obtained from field investigations. Providing this oversight is an important part of the agency evolution in that it ensures the capability to gain the benefit of requiring important public safety camera coverage rules. Camera coverage and the retention of back-up video is a major requirement of OLCC rules and simply failing to meet this requirement can result in the loss of a license. It is not just a key feature of the program's current enforcement model to require licensees to maintain and operate video surveillance equipment, video is important in determining violations and video examination has provided evidence and proof of violations for many OLCC administrative cases.

These requirements are in Oregon Administrative Rule under Chapter 825-025-1430 through 1460. Any licensee licensed prior to August 31, 2016 is required to maintain the prior 30 days of recordings and licensees licensed after August 31, 2016 are required to maintain 90 days of recordings. The extension of time of recordings was a direct result of public safety concerns expressed at rule making and the fact that it has been used to prove violations and sanction licensees is evidence itself of the importance of using this common technology to prove allegations of misconduct. As the OLCC moves from a more reactive, complaint driven enforcement approach to a more disciplined data driven approach, seizing and watching video for compliance issues will become a regular, frequently used method of ensuring oversight of licenses. Often inspectors have an idea of the date that a violation occurred, but looking for additional violations once an illegal practice has been identified is very time intensive. The requested positions will watch video for specific violations that were suspected through an inspector investigation or through data driven metrics that were obtained from the Cannabis Tracking System (CTS - Metrc). Once a video has been identified that needs to be reviewed, an inspector will respond to the licensed location and obtain copies of

BUDGET NARRATIVE

the video. The OS2s will then watch the videos and flag any suspicious activity found and send the video back to the inspector's for review and additional investigation. The addition of these positions will free up inspector's to continue to work in the field and not spend inordinate amounts of time reviewing video surveillance.

OLCC requests funding (\$200,000 biennial allocation) for continuing strategic and tactical support related to marijuana from an external communications partner to provide assistance as the agency takes on additional responsibilities. This support will be used as the agency continues to adapt to changes in laws and rules regulating recreational marijuana, medical marijuana, and hemp that must be communicated to large groups of licensees, registrants, and stakeholders. The support will build upon existing work and compliment a similar request for the agency's distilled spirits retail expansion, particularly communications and engagement with alcohol licensees and stakeholders. There is simply high value in having the capability to educate the public and license about the changing landscape of regulation in the dynamic areas of OLCC regulation. The OLCC has a statewide presence and statewide responsibilities and while considerable investments are made in licensing and enforcement staff, expenditures on communication that helps licensees comply with ever changing regulation and that educates the public are effective in helping OLCC achieve its public safety mission.

OLCC proposes to raise fees for annual marijuana licenses by \$100 to accommodate increase in program expense if all the proposed policy option packages for recreational marijuana are approved. Fee increases are done by rule and would be implemented to accommodate increases in personal services and costs associated with inflation.

BUDGET NARRATIVE

Marijuana Program Enhancement OLCC 2019-21 Agency Request Budget Policy Option Package No 408

Division	Package Description	FTE	One-time	Ongoing	Total
Marijuana - Administration	Reclassify Admin Specialist 2 to Operations & Policy Analyst			\$15,586	\$15,586
	Reclassify OPA3 to PEM-D to manage data operations for Marijuana			\$10,704	\$10,704
		0.00	\$0	\$26,290	\$26,290
Marijuana - Regulation	Add 1 Compliance Specialist 3 for Marijuana Laboratory Regulation	1.00		\$192,611	\$192,611
	Services & Supplies, including office space @ \$17,368 per employee		\$2,767	\$23,368	\$26,135
	Work station furniture & chair		\$7,695		\$7,695
		1.00	\$10,462	\$215,979	\$226,441
Marijuana - Regulation	Add 8 Regulatory Specialists for Marijuana	8.00		\$1,428,336	\$1,428,336
	Services & Supplies, including office space @ \$17,368 per employee		\$131,456	\$186,944	\$318,400
	Work station furniture & chair		\$288,224		\$288,224
		8.00	\$419,680	\$1,615,280	\$2,034,960
Marijuana - Administration	Add 3 Office Specialist 2s to watch & investigate Marijuana video	3.00		\$363,432	\$363,432
	Services & Supplies, including office space @ \$17,368 per employee		\$8,301	\$70,104	\$78,405
	Work station furniture & chair		\$23,085		\$23,085
		3.00	\$31,386	\$433,536	\$464,922
Marijuana - Administration	Funding for Contract Services related to Marijuana Outreach		\$200,000		\$200,000
	Contract with PR firm to develop materials and public safety announcements				
		0.00	\$200,000	\$0	\$200,000
	Expenditures	12.00	\$661,528	\$2,291,085	\$2,952,613
	Revenue				
Marijuana - Administration	Proposed Fee Increase of \$100 per license x 4,600 licenses			\$460,000	\$460,000
		0.00	\$0	\$460,000	\$460,000
Subtotal - Marijuana Program Enhancement - Package 408		12.00	\$661,528	\$1,831,085	\$2,492,613

BUDGET NARRATIVE

a. Benefits to stakeholders

Creation of a well-regulated marijuana industry will benefit all licensees in Oregon and reduce the risk of federal scrutiny.

b. Benefits to OLCC

A well-regulated industry poses less reputational risk to the agency.

C. STAFFING IMPACT

The package adds twelve positions to OLCC.

D. QUANTIFYING RESULTS

OLCC's marijuana program has two key performance measures; Time to License and Sales to Minors compliance rate.

E. REVENUE SOURCE

The Oregon Liquor Control 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 exclusively from marijuana related license fees collected under OAR 845-625-1060 as authorized under ORS 475B. Funding for Medical Marijuana Tracking comes from marijuana tax money as distributed to OLCC under ORS 475B.895 (7).

BUDGET NARRATIVE

Regulatory Specialist Reclassification

OLCC 2019-21 Budget Policy Option Package No. 209, Agency Priority No 9, As Modified

A. PACKAGE PURPOSE

In 2017 the Classification and Compensation unit of the Department of Administrative Services completed a compensation study of the Liquor and Marijuana Regulatory class positions. The study concluded that Regulatory Specialists who were sworn inspectors should be raised from a salary level 25 to a salary level 27. It also concluded that unsworn Regulatory Specialists who are classified as license investigators would remain at the salary level 25. The study resulted in a splitting the of the Regulatory Specialist positions into two positions: Regulatory Specialist (Level 27) and Licensing Specialist (Level 25).

The change of the salary ranges was implemented with a least cost process meaning that for most employees their salary in the new range is the same salary as the old range. Those regulatory specialists who moved from Level 25 to Level 27 have the same salary but at a lower step in the new range with one exception: those employees who moved from a salary Level 25 to Level 27 who have already reached or will reach the top step of Level 27 during the 2019-21 biennium. This package adjusts the agency's budget to account for cost of reclassification.

B. HOW ACHIEVED

Provide funding for differential of Regulatory Specialist that moved from a Salary Level 25 to a Salary Level 27 who have reached or will reach the top step of the 27 level during the 2019-21 biennium.

BUDGET NARRATIVE

Regulatory Specialist Reclassification OLCC 2019-21 Budget Policy Option Package No 209, As Modified

Division	Package Description	FTE	One-time	Ongoing	Total
	Regulatory Specialist Position Study Reclassifications				
Public Safety	Personal Services cost for Reclassification of 38 Liquor Regulatory Specialists from salary level 25 to 27			\$53,588	\$53,588
Marijuana	Personal Services cost for Reclassification of 23 Liquor Regulatory Specialists from salary level 25 to 27			\$53,588	\$53,588
Subtotal - Regulatory Specialist Study Reclassifications - Package 209		0.00	\$0	\$107,176	\$107,176

a. Benefits to stakeholders

Regulatory Specialists at the OLCC will receive the compensation that was granted to them as a result of the position study and reclassification.

b. Benefits to OLCC

OLCC's budget limitation will accommodate the required additional salary steps.

C. STAFFING IMPACT

The package adds no positions to the agency

BUDGET NARRATIVE

D. QUANTIFYING RESULTS

OLCC's budget will accurately reflect the salary differentials.

E. REVENUE SOURCE

The Oregon Liquor Control 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 will pay its proportional share of costs for the salary adjustment. No salary adjustment is needed for the OMMP tracking program as those regulatory specialists were hired at Level 27.

BUDGET NARRATIVE

THE ARB VERSION OF THE PACKAGE WAS NOT APPROVED IN THE GOVERNOR'S or LEGISLATIVELY ADOPTED BUDGET

Regulatory Specialist Reclassification

OLCC 2019-21 Budget, Policy Option Package No. 209, Agency Priority No 9

A. PACKAGE PURPOSE

In 2017 the Classification and Compensation unit of the Department of Administrative Services completed a compensation study of the Liquor and Marijuana Regulatory class positions. The study concluded that Regulatory Specialists who were sworn inspectors should be raised from a salary level 25 to a salary level 27. It also concluded that unsworn Regulatory Specialists who are classified as license investigators would remain at the salary level 25. The study resulted in a splitting the of the Regulatory Specialist positions into two positions: Regulatory Specialist (Level 27) and Licensing Specialist (Level 25).

The change of the salary ranges was implemented with a least cost process meaning that for most employees their salary in the new range is the same salary as the old range. Those regulatory specialists who moved from Level 25 to Level 27 have the same salary but at a lower step in the new range with one exception: those employees who moved from a salary Level 25 to Level 27 who have already reached or will reach the top step of Level 27 during the 2019-21 biennium. This package adjusts the agency's budget to account for cost of reclassification.

B. HOW ACHIEVED

Provide funding for differential of Regulatory Specialist that moved from a Salary Level 25 to a Salary Level 27 who have reached or will reach the top step of the 27 level during the 2019-21 biennium.

BUDGET NARRATIVE

Regulatory Specialist Reclassification OLCC 2019-21 Budget Policy Option Package No 209

Division	Package Description	FTE	One-time	Ongoing	Total
Regulatory Specialist Position Study Reclassifications					
Public Safety	Personal Services cost for Reclassification of 38 Liquor Regulatory Specialists from salary level 25 to 27			\$404,617	\$404,617
Marijuana	Personal Services cost for Reclassification of 23 Liquor Regulatory Specialists from salary level 25 to 27			\$252,157	\$252,157
Subtotal - Regulatory Specialist Study Reclassifications - Package 209		0.00	\$0	\$656,774	\$656,774

a. Benefits to stakeholders

Regulatory Specialists at the OLCC will receive the compensation that was granted to them as a result of the position study and reclassification.

b. Benefits to OLCC

OLCC's budget limitation will accommodate the required additional salary steps.

C. STAFFING IMPACT

The package adds no positions to the agency

BUDGET NARRATIVE

D. QUANTIFYING RESULTS

OLCC's budget will accurately reflect the salary differentials.

E. REVENUE SOURCE

The Oregon Liquor Control 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 will pay its proportional share of costs for the salary adjustment. No salary adjustment is needed for the OMMP tracking program as those regulatory specialists were hired at Level 27.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 032 - Above Standard Inflation

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	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	-	-	-	-	-	-	-
IT Professional Services	-	-	-	-	-	-	-
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 Control Comm
Pkg: 033 - Exceptional Inflation

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Services & Supplies							
IT Professional Services	-	-	1,471,010	-	-	-	1,471,010
Total Services & Supplies	-	-	\$1,471,010	-	-	-	\$1,471,010
Total Expenditures							
Total Expenditures	-	-	1,471,010	-	-	-	1,471,010
Total Expenditures	-	-	\$1,471,010	-	-	-	\$1,471,010
Ending Balance							
Ending Balance	-	-	(1,471,010)	-	-	-	(1,471,010)
Total Ending Balance	-	-	(\$1,471,010)	-	-	-	(\$1,471,010)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 060 - Technical Adjustments

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Transfers Out							
Tsfr To Agriculture, Dept of	-	-	(292,593)	-	-	-	(292,593)
Total Transfers Out	-	-	(\$292,593)	-	-	-	(\$292,593)
Special Payments							
Spc Pmt to Agriculture, Dept of	-	-	(268,493)	-	-	-	(268,493)
Total Special Payments	-	-	(\$268,493)	-	-	-	(\$268,493)
Total Expenditures							
Total Expenditures	-	-	(268,493)	-	-	-	(268,493)
Total Expenditures	-	-	(\$268,493)	-	-	-	(\$268,493)
Ending Balance							
Ending Balance	-	-	(24,100)	-	-	-	(24,100)
Total Ending Balance	-	-	(\$24,100)	-	-	-	(\$24,100)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 090 - Analyst 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
Revenues							
Business Lic and Fees	-	-	(3,177,770)	-	-	-	(3,177,770)
Total Revenues	-	-	(\$3,177,770)	-	-	-	(\$3,177,770)
Services & Supplies							
Data Processing	-	-	-	-	-	-	-
IT Professional Services	-	-	(425,884)	-	-	-	(425,884)
Total Services & Supplies	-	-	(\$425,884)	-	-	-	(\$425,884)
Total Expenditures							
Total Expenditures	-	-	(425,884)	-	-	-	(425,884)
Total Expenditures	-	-	(\$425,884)	-	-	-	(\$425,884)
Ending Balance							
Ending Balance	-	-	(2,751,886)	-	-	-	(2,751,886)
Total Ending Balance	-	-	(\$2,751,886)	-	-	-	(\$2,751,886)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 091 - Statewide Adjustment DAS Chgs

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	-	-	-	-	-
Professional Services	-	-	-	-	-	-	-
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 Control Comm
Pkg: 092 - Statewide AG Adjustment

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	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 Control Comm
Pkg: 205 - Statewide Dispatch Services

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Transfers Out							
Tsfr To Police, Dept of State	-	-	-	-	-	-	-
Total Transfers Out	-	-	-	-	-	-	-
Services & Supplies							
Telecommunications	-	-	280,416	-	-	-	280,416
Total Services & Supplies	-	-	\$280,416	-	-	-	\$280,416
Total Expenditures							
Total Expenditures	-	-	280,416	-	-	-	280,416
Total Expenditures	-	-	\$280,416	-	-	-	\$280,416
Ending Balance							
Ending Balance	-	-	(280,416)	-	-	-	(280,416)
Total Ending Balance	-	-	(\$280,416)	-	-	-	(\$280,416)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 209 - Regulatory Specialist Reclass

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	41,472	-	-	-	41,472
Empl. Rel. Bd. Assessments	-	-	-	-	-	-	-
Public Employees' Retire Cont	-	-	7,504	-	-	-	7,504
Social Security Taxes	-	-	3,172	-	-	-	3,172
Worker's Comp. Assess. (WCD)	-	-	-	-	-	-	-
Mass Transit Tax	-	-	1,440	-	-	-	1,440
Flexible Benefits	-	-	-	-	-	-	-
Total Personal Services	-	-	\$53,588	-	-	-	\$53,588
Total Expenditures							
Total Expenditures	-	-	53,588	-	-	-	53,588
Total Expenditures	-	-	\$53,588	-	-	-	\$53,588
Ending Balance							
Ending Balance	-	-	(53,588)	-	-	-	(53,588)
Total Ending Balance	-	-	(\$53,588)	-	-	-	(\$53,588)
Total Positions							
Total Positions	-	-	-	-	-	-	-
Total Positions	-	-	-	-	-	-	-

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 209 - Regulatory Specialist Reclass

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total FTE							-
Total FTE							-
Total FTE	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 301 - Information Services Enhancement

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Professional Services	-	-	756,250	-	-	-	756,250
IT Expendable Property	-	-	-	-	-	-	-
Total Services & Supplies	-	-	\$756,250	-	-	-	\$756,250
Total Expenditures							
Total Expenditures	-	-	756,250	-	-	-	756,250
Total Expenditures	-	-	\$756,250	-	-	-	\$756,250
Ending Balance							
Ending Balance	-	-	(756,250)	-	-	-	(756,250)
Total Ending Balance	-	-	(\$756,250)	-	-	-	(\$756,250)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 408 - Marijuana Program Enhancement

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Business Lic and Fees	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Personal Services							
Class/Unclash Sal. and Per Diem	-	-	1,052,328	-	-	-	1,052,328
Empl. Rel. Bd. Assessments	-	-	549	-	-	-	549
Public Employees' Retire Cont	-	-	190,369	-	-	-	190,369
Social Security Taxes	-	-	80,501	-	-	-	80,501
Worker's Comp. Assess. (WCD)	-	-	522	-	-	-	522
Mass Transit Tax	-	-	6,187	-	-	-	6,187
Flexible Benefits	-	-	316,656	-	-	-	316,656
Reconciliation Adjustment	-	-	10,829	-	-	-	10,829
Total Personal Services	-	-	\$1,657,941	-	-	-	\$1,657,941
Services & Supplies							
Instate Travel	-	-	24,000	-	-	-	24,000
Employee Training	-	-	50,696	-	-	-	50,696
Office Expenses	-	-	5,000	-	-	-	5,000
Telecommunications	-	-	52,480	-	-	-	52,480
Data Processing	-	-	9,500	-	-	-	9,500
Publicity and Publications	-	-	-	-	-	-	-
Facilities Rental and Taxes	-	-	156,312	-	-	-	156,312
Agency Program Related S and S	-	-	21,504	-	-	-	21,504
Other Services and Supplies	-	-	5,000	-	-	-	5,000

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✓ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 408 - Marijuana Program Enhancement

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Expendable Property	-	-	20,403	-	-	-	20,403
Total Services & Supplies	-	-	\$344,895	-	-	-	\$344,895
Capital Outlay							
Office Furniture and Fixtures	-	-	69,255	-	-	-	69,255
Automotive and Aircraft	-	-	226,664	-	-	-	226,664
Total Capital Outlay	-	-	\$295,919	-	-	-	\$295,919
Special Payments							
Dist to Cities	-	-	-	-	-	-	-
Total Special Payments	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	2,298,755	-	-	-	2,298,755
Total Expenditures	-	-	\$2,298,755	-	-	-	\$2,298,755
Ending Balance							
Ending Balance	-	-	(2,298,755)	-	-	-	(2,298,755)
Total Ending Balance	-	-	(\$2,298,755)	-	-	-	(\$2,298,755)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 408 - Marijuana Program Enhancement

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Positions							
Total Positions							9
Total Positions	-	-	-	-	-	-	9
Total FTE							
Total FTE							9.00
Total FTE	-	-	-	-	-	-	9.00

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 801 - LFO Analyst Adjustments

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	(3,375)	-	-	-	(3,375)
Out of State Travel	-	-	(602)	-	-	-	(602)
Employee Training	-	-	(3,191)	-	-	-	(3,191)
Office Expenses	-	-	(7,124)	-	-	-	(7,124)
Telecommunications	-	-	(3,181)	-	-	-	(3,181)
Data Processing	-	-	(3,800)	-	-	-	(3,800)
Publicity and Publications	-	-	(117)	-	-	-	(117)
Professional Services	-	-	(15,999)	-	-	-	(15,999)
IT Professional Services	-	-	(21,598)	-	-	-	(21,598)
Employee Recruitment and Develop	-	-	(3,645)	-	-	-	(3,645)
Dues and Subscriptions	-	-	(117)	-	-	-	(117)
Facilities Maintenance	-	-	(34,296)	-	-	-	(34,296)
Agency Program Related S and S	-	-	(4,177)	-	-	-	(4,177)
Other Services and Supplies	-	-	(2,703)	-	-	-	(2,703)
Expendable Prop 250 - 5000	-	-	(3,040)	-	-	-	(3,040)
IT Expendable Property	-	-	(112)	-	-	-	(112)
Total Services & Supplies	-	-	(\$107,077)	-	-	-	(\$107,077)
Total Expenditures							
Total Expenditures	-	-	(107,077)	-	-	-	(107,077)
Total Expenditures	-	-	(\$107,077)	-	-	-	(\$107,077)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 801 - LFO Analyst Adjustments

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	107,077	-	-	-	107,077
Total Ending Balance	-	-	\$107,077	-	-	-	\$107,077

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 810 - Statewide Adjustments

Cross Reference Name: Recreational Marijuana Program
Cross Reference Number: 84500-004-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Reconciliation Adjustment	-	-	(52,941)	-	-	-	(52,941)
Total Personal Services	-	-	(\$52,941)	-	-	-	(\$52,941)
Services & Supplies							
State Gov. Service Charges	-	-	(34,315)	-	-	-	(34,315)
Attorney General	-	-	(18,152)	-	-	-	(18,152)
Other Services and Supplies	-	-	(541)	-	-	-	(541)
Total Services & Supplies	-	-	(\$53,008)	-	-	-	(\$53,008)
Total Expenditures							
Total Expenditures	-	-	(105,949)	-	-	-	(105,949)
Total Expenditures	-	-	(\$105,949)	-	-	-	(\$105,949)
Ending Balance							
Ending Balance	-	-	105,949	-	-	-	105,949
Total Ending Balance	-	-	\$105,949	-	-	-	\$105,949

10/15/19 REPORT NO.: PPDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:004-00-00 Recreational Marijuana Program

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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PACKAGE: 209 - Regulatory Specialist Reclass

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
8000050	AL	C5723 AP	LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	04	4,724.00		113,376- 64,486-			113,376- 64,486-
8000050	AL	C5733 AP	REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8000452	AL	C5723 AP	LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	07	5,437.00		130,488- 68,890-			130,488- 68,890-
8000452	AL	C5733 AP	REGULATORY SPECIALIST	1	1.00	24.00	05	5,437.00		130,488 68,890			130,488 68,890
8000453	AL	C5723 AP	LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	07	5,437.00		130,488- 68,890-			130,488- 68,890-
8000453	AL	C5733 AP	REGULATORY SPECIALIST	1	1.00	24.00	05	5,437.00		130,488 68,890			130,488 68,890
8000454	AL	C5723 AP	LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8000454	AL	C5733 AP	REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8000455	AL	C5723 AP	LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8000455	AL	C5733 AP	REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8000456	AL	C5723 AP	LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8000456	AL	C5733 AP	REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8000457	AL	C5723 AP	LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	05	4,948.00		118,752- 65,869-			118,752- 65,869-

10/15/19 REPORT NO.: PDPDFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:004-00-00 Recreational Marijuana Program

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2019-21
 PICS SYSTEM: BUDGET PREPARATION

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PACKAGE: 209 - Regulatory Specialist Reclass

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
8000457	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	03	4,948.00		118,752 65,869			118,752 65,869
8000458	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	07	5,437.00		130,488- 68,890-			130,488- 68,890-
8000458	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	05	5,437.00		130,488 68,890			130,488 68,890
8000471	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	05	4,948.00		118,752- 65,869-			118,752- 65,869-
8000471	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	03	4,948.00		118,752 65,869			118,752 65,869
8000472	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8000472	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8000473	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	04	4,724.00		113,376- 64,486-			113,376- 64,486-
8000473	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8000474	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-
8000474	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8500106	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8500106	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295

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 REPORT: PACKAGE FISCAL IMPACT REPORT
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PICS SYSTEM: BUDGET PREPARATION

PACKAGE: 209 - Regulatory Specialist Reclass

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
8500107	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8500107	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8500108	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8500108	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8500109	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8500109	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8500110	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	06	5,188.00		124,512- 67,352-			124,512- 67,352-
8500110	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	04	5,188.00		124,512 67,352			124,512 67,352
8500111	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8500111	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8500112	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8500112	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8500113	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	05	4,948.00		118,752- 65,869-			118,752- 65,869-

10/15/19 REPORT NO.: PDPDFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:004-00-00 Recreational Marijuana Program

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PICS SYSTEM: BUDGET PREPARATION

PACKAGE: 209 - Regulatory Specialist Reclass

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
8500113	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	03	4,948.00		118,752 65,869			118,752 65,869
8500114	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-
8500114	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8500115	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-
8500115	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8500116	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-
8500116	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
TOTAL PICS SALARY										41,472			41,472
TOTAL PICS OPE										10,676			10,676
TOTAL PICS PERSONAL SERVICES =					.00	.00				52,148			52,148

10/15/19 REPORT NO.: PDPDFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:004-00-00 Recreational Marijuana Program

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 PICS SYSTEM: BUDGET PREPARATION
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PACKAGE: 408 - Marijuana Program Enhancement

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
8000407	AL	C0108	AP ADMINISTRATIVE SPECIALIST 2	1-	1.00-	24.00-	02	3,403.00		81,672- 56,325-			81,672- 56,325-
8000407	AL	C0870	AP OPERATIONS & POLICY ANALYST 1	1	1.00	24.00	02	3,917.00		94,008 59,501			94,008 59,501
8000416	MMN	X0872	AP OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	06	7,208.00		172,992- 79,831-			172,992- 79,831-
8000416	MMS	X7006	AP PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	07	7,561.00		181,464 82,012			181,464 82,012
8700133	AL	C5248	AP COMPLIANCE SPECIALIST 3	1	1.00	24.00	02	5,188.00		124,512 67,352			124,512 67,352
8700134	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8700135	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8700136	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8700137	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8700138	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8700139	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8700140	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8700141	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
TOTAL PICS SALARY										1,052,328			1,052,328
TOTAL PICS OPE										588,597			588,597
				---	-----	-----			-----	-----	-----	-----	-----
TOTAL PICS PERSONAL SERVICES =				9	9.00	216.00				1,640,925			1,640,925

BUDGET NARRATIVE

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

Oregon Liquor Control Comm
2019-21 Biennium

Agency Number: 84500

Cross Reference Number: 84500-004-00-00-00000

<i>Source</i>	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
Other Funds						
Business Lic and Fees	7,925,905	19,300,000	19,300,000	28,637,770	25,000,000	25,000,000
Tsfr From Revenue, Dept of	5,492,950	-	-	-	-	-
Transfer Out - Indirect Cost	-	(3,926,427)	(3,926,427)	(4,671,785)	(4,671,784)	(4,671,784)
Tsfr To Administrative Svcs	-	-	(44,175)	-	-	-
Tsfr To Oregon Health Authority	-	-	(51,122)	(169,324)	(169,324)	(169,324)
Tsfr To Agriculture, Dept of	(212,641)	-	-	(292,593)	(292,593)	(292,593)
Total Other Funds	\$13,206,214	\$15,373,573	\$15,278,276	\$23,504,068	\$19,866,299	\$19,866,299

BUDGET NARRATIVE

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BUDGET NARRATIVE

OLCC - STORE OPERATING EXPENSES PROGRAM - 005 2019-21 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 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 Approved Budget is \$135,385,704 Other Funds limitation for the 2019-21 biennium. No FTE or positions are requested.

F. PROGRAM DESCRIPTION

OLCC expects to generate an estimated \$1.5 billion in liquor sales in 2019-21. In 2019-21 the Store Operating Expenses Program funds sales compensation for more than 279 liquor retail locations of which 86 are exclusive stand-alone liquor stores and 193 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. In addition, the Program funds sales compensation for 89 distillery retail locations.

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 important 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 percent of the spirits sold by the liquor stores. Additionally, the craft distillery industry has been growing in Oregon, and hopes to gain more national momentum and recognition. OLCC ensures that

BUDGET NARRATIVE

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 licensed liquor stores are part of an in-state supply chain. They deliver spirits to bar and restaurants who 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 exclusive and nonexclusive stores located throughout Oregon and the state funding of inventory, results in a very special 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 key 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 retail expansion first-time and already-existing agents are opening new and exciting stores located for convenience of Oregonians.

H. PROGRAM PERFORMANCE

BUDGET NARRATIVE

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 fiscal year 2017.

Fiscal Year	Number of Stores	Cases of Spirits Sold, millions	Distilled Spirits Gross Sales, Millions	Net Distribution as a Percent of Sales	OLCC KPM, Rate of Return (Distributed per Expenditure)	Cost of Store Operations Expenses as a percent of Sales
2003-05	241	4.12	\$607	40.62%	\$2.70	8.88%
2005-07	241	4.73	\$730	39.10%	\$2.47	8.88%
2007-09	240	5.12	\$827	40.19%	\$2.72	8.82%
2009-11	247	5.25	\$870	40.80%	\$2.73	8.88%
2011-13	249	5.70	\$974	41.19%	\$2.90	8.88%
2013-15	248	5.98	\$1,075	41.72%	\$2.88	8.88%
2015-17	272	6.33	\$1,148	42.12%	\$2.88	8.93%
2017-19	310	6.83	\$1,291	42.12%	\$2.88	8.93%
2019-21	320	7.07	\$1,376	42.12%	\$2.88	8.93%
2021-23	330	7.22	\$1,463	41.04%	\$2.88	8.93%
2023-25	340	7.41	\$1,565	41.04%	\$2.88	8.93%
2025-27	340	7.84	\$1,640	41.04%	\$2.88	8.93%

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 moneys to the state General Fund, cities, counties, and Mental Health.

BUDGET NARRATIVE

K. SIGNIFICANT PROPOSED PROGRAM CHANGES FROM 2017-19

None

BUDGET NARRATIVE

OLCC - STORE OPERATING EXPENSES PROGRAM - 005

2019-21 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. For example, 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 Emergency Board authority to cover these costs if sales grow greater than forecasted.

BUDGET NARRATIVE

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 37 new stores; 18 have opened, 13 are in process of opening and 6 have withdrawn. Phase 5 of the expansion was approved at the June 2018 Commission meeting and will focus on the Willamette Valley and northern coast. Targeted expansion will continue during the 2019-21 biennium to support customers and enhance revenue stability and growth. By the end of the biennium, the Commission expects to have close to 300 retail liquor locations and 89 distillery agent retail locations statewide. If increases in 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 greater than forecasted.

For 2019-21, the budget provides liquor and distillery agents statewide a store expenses fund calculated as an average rate of 8.93 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 the 8.88 percent. The 2015 Legislature increased the average rate to 8.93 percent for the 2015-17 biennium. The agency will continue examining 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.

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 8.93 percent of actual statewide sales.

BUDGET NARRATIVE

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 percent of 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 8.93% compensation rate

8.15 percent of all monthly consumer sales

6.36 percent 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.

BUDGET NARRATIVE

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

<u>Sales Class</u>	<u>Annual Sales</u>	<u>Compensation Base</u>
I	up to \$209,999	14.25 percent of first \$10,000 monthly sales
II	\$210,000 - \$449,999	\$1,660
III	\$450,000 - \$749,999	\$1,920
IV	\$750,000 - \$1,049,999	\$2,348
V	\$1,050,000 - \$1,649,999	\$2,440
VI	\$1,650,000 and up	\$2,700

PLUS

Sales Commission

8.15 percent of all monthly consumer sales

6.36 percent 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.

BUDGET NARRATIVE

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 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 2017-19 with the goal to create incentives for agents to improve service to the public, upgrade their facilities, and invest in remodels or move to better locations. To address agent compensation for the 2019-21 biennium, the agency submitted three Policy Option Packages:

- Policy Option Package 112 "Move Agency Bank Card Costs to Liquor Store Agents"
- Policy Option Package 113 "Increase Rate for Sales to Licensees"
- Policy Option Package 114 "Separate Distillery Agent Compensation"

C. EXPECTED RESULTS

The OLCC expects to generate an estimated \$1.5 billion in liquor (spirits) sales in 2019-21. 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 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.

BUDGET NARRATIVE

D. REVENUE SOURCE

The Oregon Liquor Control 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.

BUDGET NARRATIVE

THE AGENCY REQUEST PACKAGE WAS NOT IN THE LEGISLATIVELY APPROVED BUDGET

Move Agency Bank Card Costs to Liquor Store Agents

OLCC 2019-21 Agency Request Budget

Policy Option Package No. 112, Agency Priority No 12

A. PACKAGE PURPOSE

OLCC liquor stores have been accepting bank cards (credit cards and debit cards) since 1999. The state pays for all costs related to purchases made with bank cards in OLCC liquor stores. The total forecasted amount of costs to the state is expected to be \$14.3 million in the 2019-21 biennium. Bank card costs for items other than liquor (cigarettes, beer, wine and other related items) are reimbursed to the agency. This requires accounting resources from the agency's end to reconcile the cards costs on a monthly basis. OLCC must also purchase the credit card machines for all liquor stores and ensure that they are PCI compliant with Treasury standards.

Bank card costs are normally borne by the businesses that incur them. OLCC proposes to pass the bank card costs borne by the state to the liquor store agents. This will enable the store agents to manage them more appropriately between liquor purchases and related items and will relieve the agency of the need to reconcile bank card purchases. In exchange, OLCC proposes to raise the amount of overall compensation paid to agents to offset the additional costs and work needed by them to purchase machines, manage accounts, achieve PCI compliance with Treasury and pay the amount of costs incurred for liquor purchases

B. HOW ACHIEVED

OLCC will begin working with liquor agents and Treasury to develop the options necessary to make the transition happen. Liquor store agents will have to purchase credit card machines that are compliant with Treasury standards and rules. ACH transfers to Treasury from liquor stores are now allowed which should allow the agents to assume responsibility for bank card costs. OLCC estimates that the full transition will be completed by July 1, 2020. At that time agents compensation will be increased from 8.93% to 9.94% to offset the estimated credit cards costs of \$7.4 million for the Fiscal Year 2021.

Bank card costs are expected to continue to increase as more consumers elect to use them. OLCC will need to look at overall bank card costs on a biennial basis to ensure that liquor agents are being compensated fairly. For the purposes of determining ongoing agent compensation funding, the OLCC will account for credit card rate adjustments and increased usage as a factor in establishing OLCC sales compensation rates.

BUDGET NARRATIVE

Move Agency Bank Card Costs to Liquor Agents OLCC 2019-21 Agency Request Budget Policy Option Package No 112

Division	Package Description	FTE	One-time	Ongoing	Total
	Move Agency Bank Card Costs to Liquor Store Agents				
Distilled Spirits	Transfer Bank Card Costs from Distilled Spirits Program to Store Operating Expense Program		\$0	(\$7,350,000)	(\$7,350,000)
Store Operating Expenses	Increase Agents Compensation Rate from 8.93% to 9.94% in FY2021		\$0	\$7,350,000	\$7,350,000
Subtotal - Move Agency Bank Card Costs - Package 112		0.00	\$0	\$7,350,000	\$7,350,000

1. Benefits to stakeholders

Liquor agents will manage their own bank card costs and will be compensated for the additional expense.

2. Benefits to OLCC

OLCC will not have to account for bank card costs and management of bank card machines. Liquor agents will account for all costs incurred by the stores.

C. STAFFING IMPACT

The package adds no new staff to OLCC.

BUDGET NARRATIVE

D. QUANTIFYING RESULTS

OLCC will transfer the total costs to agents by the middle of next biennium. Bank card costs have been increasing at an average rate of 7% per year.

E. REVENUE SOURCE

The Oregon Liquor Control 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 PACKAGE WAS NOT IN THE GOVERNOR'S or LEGISLATIVELY APPROVED BUDGET

Increase Rate for Sales to Licensees

OLCC 2019-21 Agency Request Budget

Policy Option Package No. 113, Agency Priority No 13

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. Oregon is the only control state that pays two different rates for compensation related to consumer and licensee liquor sales. The current rate for consumer sales is 8.15% and the current rate for sales to licensees (bars and restaurants) is 6.36%. The rationale for this differential, established over 40 years ago, was that sales to bars and restaurants should cost less than sales to consumers due to the larger volumes going to licensees. This premise is no longer the case as sales to licensees which were once almost 30% of total sales are now less than 24% of total sales. OLCC liquor stores incur similar costs to deliver product to licensees as they do to sell products to consumers off of their store shelves. Many of these additional costs are related to transportation where stores are providing delivery services to bars and restaurants. In addition, recent increases to Oregon's minimum wage have increased labor costs for liquor store operators.

B. HOW ACHIEVED

OLCC proposes raising the rate that liquor agents are compensated for licensee sales to the same rate of compensation for consumer sales. Currently the rate paid for licensee sales is 6.36%. This would be raised to 8.15% or the same level as liquor agents are compensated for consumer sales. This will have a potential impact of adding \$6.4 million to the forecast of total agents' compensation in the 2019-2021 biennium. Raising the licensee sales rate will require that the overall compensation rate be raised from the current 8.93% to 9.37% to accommodate the additional compensation being paid out.

BUDGET NARRATIVE

Division	Package Description	FTE	One-time	Ongoing	Total
	Equalize variable compensation rate for Licensee sales & Consumer sales				
Store Operating Expenses	Change variable compensation rate from current 6.36% to 8.15% for sales to licensees. Increase overall effective compensation rate from 8.93% to 9.37%.		\$0	\$6,400,000	\$6,400,000
Subtotal - Increase Licensee Compensation Rates - Package 113		0.00	\$0	\$6,400,000	\$6,400,000

1. Benefits to stakeholders

Providing more compensation for licensee sales to liquor agents will help them to offset added costs for delivery and other services provided to bars and restaurants. Oregon's bars and restaurants will receive a higher level of service as a more liquor stores will compete to provide sales to these businesses. Raising the licensee compensation rate to the same level as the consumer compensation rate ensures that no liquor stores are harmed financially in this change.

2. Benefits to OLCC

Unifying the compensation rates paid for licensee and consumer sales will simplify the overall agent compensation formula. This change may set the stage for further simplification of the how the OLCC compensates liquor agents and provide more equity to the compensation process. Oregon will also achieve conformity with how other control states compensate their liquor stores and how most businesses are compensated for alcohol sales.

BUDGET NARRATIVE

C. STAFFING IMPACT

The package adds no new staff to OLCC.

D. QUANTIFYING RESULTS

Liquor sales in Oregon are expected to approach \$1.45 Billion in 2019-21 with \$347 million being sold through bars and restaurants. Liquor store labor costs are expected to increase 24% into the 2019-21 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 Control 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 PACKAGE WAS NOT IN THE GOVERNOR'S or LEGISLATIVELY APPROVED BUDGET

Separate Distillery Agent Compensation **OLCC 2019-21 Agency Request Budget** **Policy Option Package No. 114, Agency Priority No 14**

A. PACKAGE PURPOSE

Distillery agents are retail sales agents that sell product out of their own distillery tasting rooms and up to five alternative locations. In addition, distilleries may distribute their products through OLCC's warehouse to retail sales agents throughout the state. Those distillery licensees who chose to operate and sell their product out of tasting rooms are compensated for that sale 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. Distillery agents are manufacturers who sell their own product, inventory in the tasting room is owned by the distillery agent until it is sold, products in the tasting room are not shipped out of the OLCC warehouse, and they cover their own bank card costs. Since OLCC has the sole right to distribute and sell distilled liquor in Oregon through appointed agents, distillery agents electronically transfer the product to OLCC as products are sold. Retail liquor agents do not own the inventory in their stores; they remit the entire proceeds to the state from each sale, and receive a monthly commission. Distillery agents own their inventory until it is sold, retain their manufacturing cost and commission, and then remit the state markup.

Currently there are 97 distillery licensees in Oregon who operate 89 distillery tasting rooms. In the 2015-17 biennium distillery agents recorded \$14.8 million in sales and remitted \$4.8 million to the state in profit for distribution to cities, counties and the general fund. Distillery agents were paid \$2.4 million in compensation at an average rate of 16.67% of sales. There is an equity gap into how distillery agents are compensated for their liquor sales compared to liquor stores. 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

In order to provide more equity to distillery agents in the OLCC system the agency is proposing to create a separate limitation for distillery agents in the 2019-21 biennium outside of the current total agents' compensation. The current forecast for total agent compensation is \$129.2 million. The forecasted compensation for distillery agents is \$2.9 million based on an average compensation rate of 16.67% of \$17.3 million in

BUDGET NARRATIVE

sales in the 2019-21 biennium with \$5.7 million remitted to the state. OLCC also proposes to raise the overall compensation rate for distillery agents from 16.67% to 25.00% to offset additional costs that are absorbed by OLCC for regular liquor stores but not for distillery agents. OLCC also proposes to create a new compensation system for distillery agent that is based on gross sales with the total compensation being paid to distillery agents to not exceed or be under 25% of gross sales. The expected costs in additional compensation paid to the distillery agents in the next biennium with this proposal is forecasted to be \$1.4 million.

Division	Package Description	FTE	One-time	Ongoing	Total
	Separate Distillery Agent Compensation				
Store Operating Expenses	Breakout compensation for Distillery agents from Total Agents compensation. Raise average compensation rate from 16.67% to 25.00%. Change compensation formula to simple tiered system based on total sales.		\$0	(\$1,441,000)	(\$1,441,000)
Store Operating Expenses	Projected Distillery agents compensation		\$0	\$1,441,000	\$1,441,000
Subtotal - Separate Distillery Agent Compensation - Package 114		0.00	\$0	\$1,441,000	\$1,441,000

1. 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.

2. Benefits to OLCC

Separating out distillery agent compensation from total agent compensation for Oregon liquor stores will allow the agency to develop better oversight directed to the unique nature of these businesses. The compensation formula for distillery agents will be simplified allowing these business 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 increase overall compensation in the system related to the high proportion being paid to distillery agents as base compensation.

BUDGET NARRATIVE

C. STAFFING IMPACT

The package adds no new staff to OLCC.

D. QUANTIFYING RESULTS

Sales in Distillery Retail Outlets are forecast to be \$17.3 million in the 2019-21 biennium. Total sales of Oregon distilled spirits in the state is about 13% of all spirits sales and expected to exceed \$174.0 million in the next biennium. A similar amount of sales by Oregon distilleries outside of the state is also expected.

E. REVENUE SOURCE

The Oregon Liquor Control 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.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Agents Compensation Program
Cross Reference Number: 84500-005-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Professional Services	-	-	5,204,951	-	-	-	5,204,951
Total Services & Supplies	-	-	\$5,204,951	-	-	-	\$5,204,951
Total Expenditures							
Total Expenditures	-	-	5,204,951	-	-	-	5,204,951
Total Expenditures	-	-	\$5,204,951	-	-	-	\$5,204,951
Ending Balance							
Ending Balance	-	-	(5,204,951)	-	-	-	(5,204,951)
Total Ending Balance	-	-	(\$5,204,951)	-	-	-	(\$5,204,951)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 032 - Above Standard Inflation

Cross Reference Name: Agents Compensation Program
Cross Reference Number: 84500-005-00-00-00000

<i>Description</i>	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	-	-	-	-	-	-	-
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 Control Comm
Pkg: 090 - Analyst Adjustments

Cross Reference Name: Agents Compensation Program
Cross Reference Number: 84500-005-00-00-00000

<i>Description</i>	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	-	-	4,913,338	-	-	-	4,913,338
Total Services & Supplies	-	-	\$4,913,338	-	-	-	\$4,913,338
Total Expenditures							
Total Expenditures	-	-	4,913,338	-	-	-	4,913,338
Total Expenditures	-	-	\$4,913,338	-	-	-	\$4,913,338
Ending Balance							
Ending Balance	-	-	(4,913,338)	-	-	-	(4,913,338)
Total Ending Balance	-	-	(\$4,913,338)	-	-	-	(\$4,913,338)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
 Pkg: 112 - Move Agency Bank Card Costs

Cross Reference Name: Agents Compensation Program
 Cross Reference Number: 84500-005-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Office Expenses	-	-	-	-	-	-	-
Professional Services	-	-	-	-	-	-	-
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 Control Comm
 Pkg: 113 - Increase Licensee Comp Rates

Cross Reference Name: Agents Compensation Program
 Cross Reference Number: 84500-005-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Professional Services	-	-	-	-	-	-	-
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 Control Comm
Pkg: 114 - Separate Distillery Agent Compensation

Cross Reference Name: Agents Compensation Program
Cross Reference Number: 84500-005-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Professional Services	-	-	-	-	-	-	-
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 Control Comm
Pkg: 801 - LFO Analyst Adjustments

Cross Reference Name: Agents Compensation Program
Cross Reference Number: 84500-005-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Professional Services	-	-	1,340,000	-	-	-	1,340,000
Total Services & Supplies	-	-	\$1,340,000	-	-	-	\$1,340,000
Total Expenditures							
Total Expenditures	-	-	1,340,000	-	-	-	1,340,000
Total Expenditures	-	-	\$1,340,000	-	-	-	\$1,340,000
Ending Balance							
Ending Balance	-	-	(1,340,000)	-	-	-	(1,340,000)
Total Ending Balance	-	-	(\$1,340,000)	-	-	-	(\$1,340,000)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 810 - Statewide Adjustments

Cross Reference Name: Agents Compensation Program
Cross Reference Number: 84500-005-00-00-00000

<i>Description</i>	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	-	-	-	-	-	-	-

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

Oregon Liquor Control Comm
2019-21 Biennium

Agency Number: 84500

Cross Reference Number: 84500-005-00-00-00000

<i>Source</i>	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
Other Funds						
Transfer In - Intrafund	105,588,568	123,927,415	123,927,415	142,882,366	144,961,847	135,385,704
Total Other Funds	\$105,588,568	\$123,927,415	\$123,927,415	\$142,882,366	\$144,961,847	\$135,385,704

BUDGET NARRATIVE

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BUDGET NARRATIVE

OLCC - CAPITAL IMPROVEMENTS PROGRAM - 088 2019-21 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 248 employees; 80 employees are located in eleven 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 124,000 square feet and the central office was expanded in 1991 to 50,361 square feet for a total footprint of 174,361 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

	Square Foot	Construction	Years Since Last Roof Replacement
McLoughlin	174,361		
*Warehouse	124,000	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

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 267 liquor stores in Oregon; 12 additional stores are set to open shortly. This is an increase from 248 stores prior to retail expansion. The fifth phase of retail expansion is currently underway with additional stores expected to be added in 2019. The Milport facility serves as a delivery hub for inbound products from manufacturers and fulfillment center to support distribution from the main warehouse. Combined, these two facilities are expected to distribute 7.4 million cases of distilled liquor in the 2019-21 biennium, accommodating a case growth rate of 2.5% 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 \$1.45 billion in total sales during the 2019-21 biennium and \$594.5 million in 2019-21 distributed revenue for state, counties and cities.

The central office located in the McLoughlin building serves as the primary customer service hub for 14,085 liquor licensees, 3,846 out of state certificate holders, 165,000 alcohol service permittees, 1,960 marijuana licensees, 31,000 marijuana worker permittees and 9,500 temporary sales license holders in 2018 as well as 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.

BUDGET NARRATIVE

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. With the 2015-17 legislature-approved \$5.1 million for Phase I of the roofing project, OLCC accomplished:

- Engineer assessments of the building roof systems
- Replacement of the Milport roof
- Partial replacement and repair of the McLoughlin roof
- Replacement of the HVAC units, both locations
- Structural and seismic repairs and upgrades for Milport and McLoughlin office facilities

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 2017-19, 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.

2017-19

- **Current Service Level**
 - Safety and operational related repairs such as electrical, plumbing, mechanical and maintenance.

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
- **Policy Option Package**
 - Replace and repair primary McLoughlin Warehouse roof (POP 304)

BUDGET NARRATIVE

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)
- **Policy Option Package**
 - Repair deteriorating/cracking concrete (McLoughlin)
 - Replace water heater (electric - McLoughlin)
 - Repair/resurface/reseal - strip parking lot (McLoughlin)
 - Install conduit for future ZEV charging stations (McLoughlin parking lot)
 - Complete electrical repairs/replacements at both locations

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)
- **Policy Option Package**
 - Replace fire alarm system and panel (both)
 - Install occupancy sensors (McLoughlin)
 - Replace concrete steps, ADA compliance (Milport)
 - Restroom ADA upgrades (McLoughlin)
 - Replace door handles to meet ADA codes (McLoughlin)
 - Replace aluminum windows at warehouse (McLoughlin)
 - Energy conservation projects
 - Security system replacement at both buildings
 - Install charging stations for zero emission vehicles

BUDGET NARRATIVE

2025-2027

- **Current Service Level**
 - Repair/replace concrete paving (Milport)
 - Bark mulch/landscaping - both locations
- **Policy Option Package**
 - Modernization for McLoughlin and Milport
 - Replace doors and windows for office area (McLoughlin)
 - Repair/repaint sun canopies (McLoughlin)
 - Repair or replace overhead doors at 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
- **Policy Option Package**
 - Replace fixed windows (Milport)
 - Replace all hard floor covering and carpet (McLoughlin)
 - Crack repair, seal coating and restriping in both parking lots
 - Replace window blinds for improved energy conservation (both buildings)
 - Replace McLoughlin vinyl flooring in cafeteria
 - Upgrade and remodel restrooms (fixtures)
 - Purchase and install charging stations for zero emission vehicles
 - Facility Condition Assessments both locations

BUDGET NARRATIVE

D. REVENUE SOURCE

The Oregon Liquor Control 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 Governor's Budget request is \$227,943 Other Funds limitation for the 2019-21 biennium. No Positions or FTE are requested.

F. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

BUDGET NARRATIVE

Roof Repairs and Replacement to Main Warehouse

OLCC 2019-21 Agency Request Budget

Policy Option Package No. 304, Agency Priority No 4

A. PACKAGE PURPOSE

Through the Capital Improvements Program, the OLCC provides effective stewardship of its buildings and grounds. OLCC owns its main office and distribution center complex on McLoughlin Blvd in Milwaukie and a second receiving warehouse on Milport Ave. also in Milwaukie. Both facilities house 248 employees working in Distilled Spirits, Public Safety, Marijuana, OMMP Tracking, and Support Services.

In 2014, OLCC hired Professional Roof Consultants (PRC) to evaluate roofs of the two Milwaukie facilities. Their findings indicated that 10 areas of the McLoughlin roof office were failing and had to be repaired and that the Milport facility roof had to be replaced. Extensive repairs were done on the McLoughlin office facility and the Milport warehouse in the 2015-17 biennium under Phase one of the remediation plan to correct the deficiencies. Important lessons were learned in that process about the structural issues and contingencies needed when working on aging buildings. The study also found that three large areas over the main McLoughlin warehouse had three years of useful life left and should be repaired or replaced in Phase two. The Phase two plan identifies roof replacement in the 2019-21 budget. The main warehouse roof of the McLoughlin building is 64 years old. The addition to the main warehouse has a roof that is 41 years old.

Phase two will be a repair and/or replacement of the primary warehouse roof at McLoughlin. Three sections of the roof totaling 124,000 square feet have been identified for this project. The company that completed Phase one for OLCC (Anderson Roofing) provided the cost estimates for Phase two. The largest part of the project will focus on the primary roof which was built in 1954. Two smaller sections attached to the 1954 warehouse were added in 1977 and are also part of Phase two. Contingent upon replacement of the main warehouse roof is a requirement to upgrade the facility for any and all seismic requirements which have been deferred until this project could be started. There is also a 45% contingency for possible structural issues that cannot be identified until construction is underway. Water incursion resulting in dry rot to support structures was discovered during the Milport roof replacement in 2016 so a contingency has been added in the event that similar issues have occurred at the McLoughlin warehouse.

BUDGET NARRATIVE

B. HOW ACHIEVED

If approved, OLCC will issue a request for proposal that will elicit bids for the project. Work will begin in late spring and completion will be required by fall before the winter rains begin. It will be important that the warehouse remain functioning during construction because the McLoughlin warehouse is the only distribution point for liquor to all stores in Oregon.

Repair OLCC Facilities Phase 2 OLCC 2019-21 Agency Request Budget Policy Option Package No 304

Division	Package Description	FTE	One-time	Ongoing	Total
	CAPITAL OUTLAY				
	ROOF Repairs & Replacement to Main Warehouse				
Capital Improvements	Phase II Roof Membrane Patching		\$150,000	\$0	\$150,000
Subtotal - Capital Improvements - Maintain & Replace - Package 304		0.00	\$150,000	\$0	\$150,000

a. Benefits to stakeholders

OLCC's McLoughlin warehouse houses \$80 million of liquor inventory at any given time. This product is in the care of OLCC as it is a bonded warehouse and the state does not pay for the liquor until shipped or cases are opened in the warehouse. Warehousing and shipment of liquor out of the McLoughlin facility is core to the OLCC mission of generating revenue for the state and retailing liquor.

b. Benefits to OLCC

State liquor inventories are protected. Worker safety in the event of a large seismic event is enhanced. Capital value of the state's asset is maintained and enhanced.

BUDGET NARRATIVE

C. STAFFING IMPACT

The package adds no new staff to OLCC.

D. QUANTIFYING RESULTS

OLCC will be able to continue its business without interruptions from building or system failure.

E. REVENUE SOURCE

The Oregon Liquor Control 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

THIS PACKAGE WAS NOT APPROVED FOR THE GOVERNOR'S BUDGET

Roof Repairs and Replacement to Main Warehouse

OLCC 2019-21 Agency Request Budget

Policy Option Package No. 304, Agency Priority No 4

F. PACKAGE PURPOSE

Through the Capital Improvements Program, the OLCC provides effective stewardship of its buildings and grounds. OLCC owns its main office and distribution center complex on McLoughlin Blvd in Milwaukie and a second receiving warehouse on Milport Ave. also in Milwaukie. Both facilities house 248 employees working in Distilled Spirits, Public Safety, Marijuana, OMMP Tracking, and Support Services.

In 2014, OLCC hired Professional Roof Consultants (PRC) to evaluate roofs of the two Milwaukie facilities. Their findings indicated that 10 areas of the McLoughlin roof office were failing and had to be repaired and that the Milport facility roof had to be replaced. Extensive repairs were done on the McLoughlin office facility and the Milport warehouse in the 2015-17 biennium under Phase one of the remediation plan to correct the deficiencies. Important lessons were learned in that process about the structural issues and contingencies needed when working on aging buildings. The study also found that three large areas over the main McLoughlin warehouse had three years of useful life left and should be repaired or replaced in Phase two. The Phase two plan identifies roof replacement in the 2019-21 budget. The main warehouse roof of the McLoughlin building is 64 years old. The addition to the main warehouse has a roof that is 41 years old.

Phase two will be a repair and/or replacement of the primary warehouse roof at McLoughlin. Three sections of the roof totaling 124,000 square feet have been identified for this project. The company that completed Phase one for OLCC (Anderson Roofing) provided the cost estimates for Phase two. The largest part of the project will focus on the primary roof which was built in 1954. Two smaller sections attached to the 1954 warehouse were added in 1977 and are also part of Phase two. Contingent upon replacement of the main warehouse roof is a requirement to upgrade the facility for any and all seismic requirements which have been deferred until this project could be started. There is also a 45% contingency for possible structural issues that cannot be identified until construction is underway. Water incursion resulting in dry rot to support structures was discovered during the Milport roof replacement in 2016 so a contingency has been added in the event that similar issues have occurred at the McLoughlin warehouse.

BUDGET NARRATIVE

G. HOW ACHIEVED

If approved, OLCC will issue a request for proposal that will elicit bids for the project. Work will begin in late spring and completion will be required by fall before the winter rains begin. It will be important that the warehouse remain functioning during construction because the McLoughlin warehouse is the only distribution point for liquor to all stores in Oregon.

Repair OLCC Facilities Phase 2 OLCC 2019-21 Agency Request Budget Policy Option Package No 304

Division	Package Description	FTE	One-time	Ongoing	Total
	CAPITAL OUTLAY				
	ROOF Repairs & Replacement to Main Warehouse				
Capital Improvements	Phase II roof replacement and repair (sections A, B, & C)		\$3,300,000	\$0	\$3,300,000
	Earthquake remediation to warehouse (required with replacement)		\$1,000,000		\$1,000,000
	Contingency for unexpected structural and other issues		\$1,934,000		\$1,934,000
Subtotal - Capital Improvements - Maintain & Replace - Package 304		0.00	\$6,234,000	\$0	\$6,234,000

BUDGET NARRATIVE

a. Benefits to stakeholders

OLCC's McLoughlin warehouse houses \$80 million of liquor inventory at any given time. This product is in the care of OLCC as it is a bonded warehouse and the state does not pay for the liquor until shipped or cases are opened in the warehouse. Warehousing and shipment of liquor out of the McLoughlin facility is core to the OLCC mission of generating revenue for the state and retailing liquor.

b. Benefits to OLCC

State liquor inventories are protected. Worker safety in the event of a large seismic event is enhanced. Capital value of the state's asset is maintained and enhanced.

H. STAFFING IMPACT

The package adds no new staff to OLCC.

I. QUANTIFYING RESULTS

OLCC will be able to continue its business without interruptions from building or system failure.

J. REVENUE SOURCE

The Oregon Liquor Control 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.

Facilities Summary Report

2019-21 Biennium

Agency Name:

OR Liquor Control Commission

Owned Facilities Over \$1 million

Number of Facilities
Current Replacement Value \$ (CRV)¹
Gross Square Feet (GSF)
Usable Square Feet (USF)²
Occupants Position Count (PC)³

FY 2018 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	280

Source⁴ Risk Risk or FCA

Estimate/Actual⁵ 40 % USF/GSF

USF/PC⁶ 413

Or Agency Measure⁷ n/a

Owned Facilities Under \$1 million

Number of Facilities
CRV¹
GSF

Number of Facilities	not applicable
CRV ¹	not applicable
GSF	not applicable

Leased Facilities

Total Rentable SF⁸
Biennial Lease Cost
Additional Costs for Lease Properties (O&M)⁹
Usable Square Feet (USF)²
Occupants Position Count (PC)³

Total Rentable SF ⁸	34,921
Biennial Lease Cost	1,382,619
Additional Costs for Lease Properties (O&M) ⁹	28,128
Usable Square Feet (USF) ²	not available
Occupants Position Count (PC) ³	84

Estimate/Actual⁵ 100 % RSF/GSF

USF/PC⁶ n/a

Definitions

CRV
USF

Current Replacement Value Reported to Risk Management **or** Calculated Replacement Value Reported from

1 iPlan Facility Conditions Assessment (FCA)

2 Usable Square Feet per BOMA definition for office/administrative uses. Area of a floor occupiable by a tenant where

Occupant Position Count (PC)

3 Total Legislatively Approved Budget (LAB) Position Count within the buildings or leases as applicable.

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 your space use, fill in N/A and fill in

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 the floor and building common

O&M

9 Total Operations and Maintenance Costs for facilities including all maintenance, utilities and janitorial

X

LEGISLATIVELY APPROVED BUDGET

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Facilities Operations and Maintenance and Deferred Maintenance Report

2019-21 Biennium

Facility Plan - Facility O&M/DM Report 107B16b
2019-21 Biennium

Agency Name

Oregon Liquor Control Commission

Facilities Operations and Maintenance (O&M)
Budget excluding Capital Improvements and
Deferred Maintenance¹

2019-21
Legislatively
Approved Budget

	2015-17 ACTUAL	2017-19 Budgeted	2017-19 Projected	
Personal Services (PS) Operations and Maintenance	404,498	432,797	432,797	474,192
Services and Supplies (S&S) Operations and Maintenance	416,697	432,115	432,115	645,128
Utilities not included in PS and S&S above	349,478	362,409	362,409	363,416
Total O&M	1,170,673	1,227,321	1,227,321	1,482,736
O&M \$/SF	4.13	4.33	4.33	5.23

Total O&M SF 283,714

Include only the SF for which your agency provides O&M funding.

O&M Estimated Fund Split Percentage % ²	General Fund	Lottery Fund	Other Funds	Federal Funds
			100%	

Total Short and Long Term Deferred Maintenance
Plan for Facilities Value Over \$1M³

2019-21
Legislatively
Approved Budget

	Current Costs (2015)	Ten Year Projection	2017-19 Budgeted	
Priorities 1-3 - Currently, Potentially and Not Yet Critical ^{4,5,6}	\$ 227,943	\$ 14,421,894	\$ 227,943	377,943
priority 4 - Seismic & Natural Hazard ⁷				
Priority 5 - Modernization ⁸				
Total Priority Need				
Facility Condition Index (Need/CRV)⁹	227,943	14,421,894	227,943	377,943

Buildings Over \$1M CRV 51,883,592

Current Replacement Value Reported to Risk *or* Calculated Replacement Value
Reported from Facility Conditions Assessment (FCA)

Process/Software for routine maintenance (O&M)	OLCC Administrative Services is now using iPlan© software to track building assets and components, maintenance schedules and forecasts of remaining useful life and to project costs. In addition, the maintenance staff and manager use Excel to manually track all scheduled maintenance.
Process/Software for deferred maintenance/renewal	In addition to the FAC, OLCC maintenance staff performs regular inspections of the buildings, components and the grounds, including parking lots. Needed repairs are identified and documented. If funding is unavailable, these repairs will become deferred maintenance.
Process for funding facilities maintenance	Facility maintenance is included as a separate item in the agency request budget on a biennial basis. Per ORS 276.285(1), maintenance is essential to maintain and protect State of Oregon's investments.

LEGISLATIVELY APPROVED BUDGET

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Definitions

The Facilities Operations and Maintenance budget includes costs to operate and maintain facilities and keep them in repair including utilities, janitorial and maintenance costs. Maintenance costs are categorized as external building (roof, siding, windows, etc.); interior systems (electrical, mechanical, interior walls, doors, etc.); roads and ground (groundskeeper, parking lots, sidewalks, etc.) and centrally operated systems (electrical, mechanical, etc.). Agencies with significant facilities may include support staff if directly associated with facilities maintenance activities. Do not include other overhead costs such as accounting, central government charges, etc.

Facilities Operations and Maintenance Budget¹

O&M Estimated Fund Split Percentage %²

Total Short and Long Term Maintenance and Deferred Maintenance Plan for Facilities Value

Over \$1M³

All Maintenance excluding routine O&M costs

Priority One: Currently Critical⁴

From the Budget Instruction: Priority One projects are conditions that require immediate action in order to address code and accessibility violations that affect life safety. Building envelope issues (roof, sides, windows and doors) that pose immediate safety concerns should be included in this category.

Priority Two: Potentially Critical⁵

From the Budget Instruction: Priority Two projects are to be undertaken in the near future to maintain the integrity of the facility and accommodate current agency program requirements. Included are systems that are functioning improperly or at limited capacity, and if not addressed, will cause additional system deterioration and added repair costs. Also included are significant building envelope issues (roof, sides, windows and doors) that, if not addressed, will cause additional system deterioration and added repair costs.

Priority Three: Necessary - Not yet Critical⁶

From the Budget Instructions: Priority Three projects could be undertaken in the near to mid-term future to maintain the integrity of a building and to address building systems, building components and site work that have reached or exceeded their useful life based on industry standards, but are still functioning in some capacity. These projects may require attention currently to avoid deterioration, potential downtime and consequently higher costs if corrective action is deferred.

Priority Four: Seismic and Natural Hazard Remediation⁷

From the Budget Instructions: Priority Four projects improve seismic performance of buildings constructed prior to 1995 building code changes to protect occupants, minimize building damage and speed recovery after a major earthquake. Projects also include those that mitigate significant flood hazards.

Priority Five: Modernization⁸

From the Budget Instructions: Priority Five projects are alterations or replacement of facilities solely to implement new or higher standards to accommodate new functions, significantly improve existing functionality as well as replacement of building components that typically last more than 50 years (such as the building structure or foundations). These standards include system and aesthetic upgrades which represent sensible improvements to the existing condition. These projects improve the overall usability and reduce long-term maintenance requirements. Given the significant nature of these projects, the work typically addresses deficiencies that do not conform to current codes, but are 'grandfathered' in their existing condition to the extent feasible.

Facility Condition Index⁹

A calculated measure of facility condition relative to its current replacement value (expressed as a percentage)

LEGISLATIVELY APPROVED BUDGET

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BUDGET NARRATIVE

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
 Pkg: 304 - Distilled Spirits Shipping Capacity & Svcs

Cross Reference Name: Capital Improvements
 Cross Reference Number: 84500-088-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Building Structures	-	-	150,000	-	-	-	150,000
Contingencies	-	-	-	-	-	-	-
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)

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

Oregon Liquor Control Comm
2019-21 Biennium

Agency Number: 84500

Cross Reference Number: 84500-088-00-00-00000

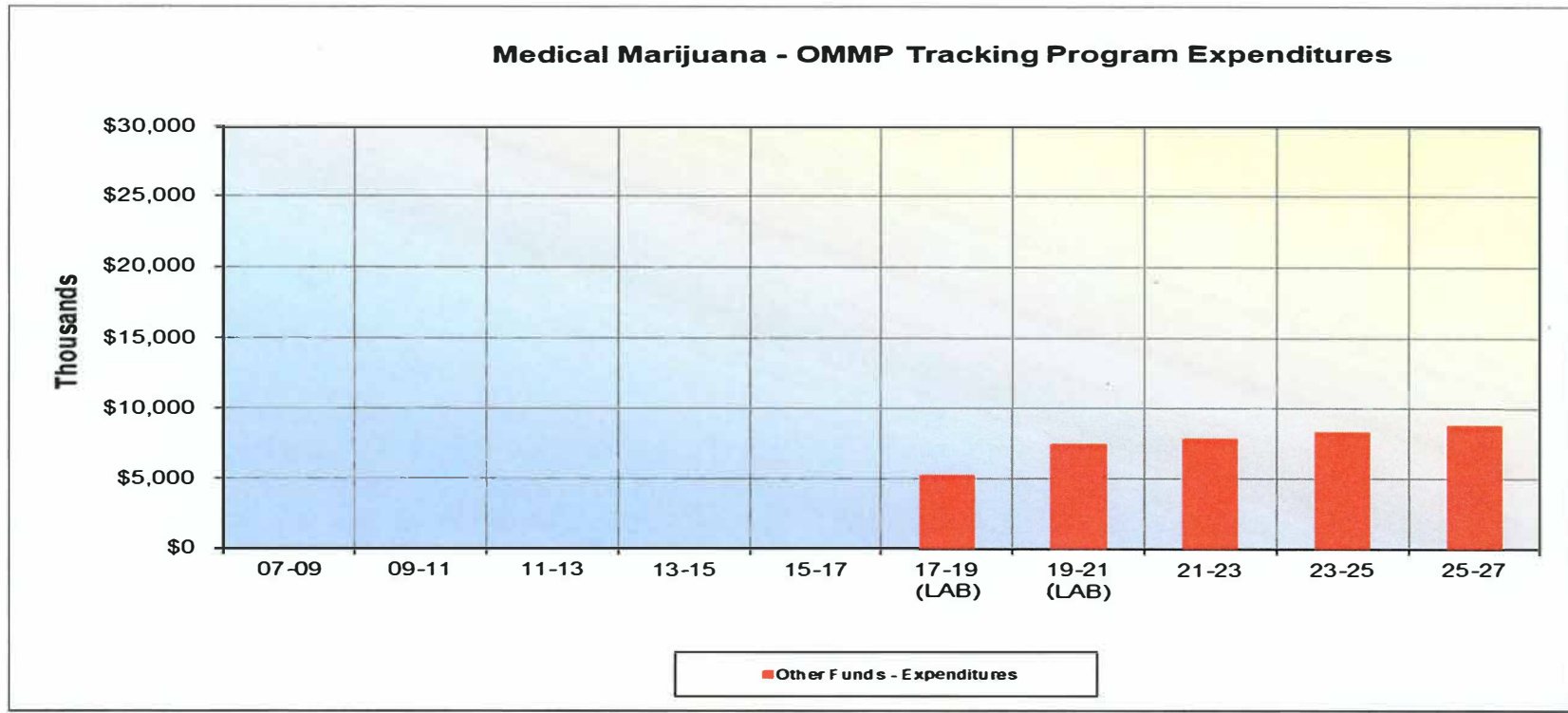
<i>Source</i>	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
Other Funds						
Transfer In - Intrafund	4,953,678	227,943	227,943	6,461,943	227,943	377,943
Total Other Funds	\$4,953,678	\$227,943	\$227,943	\$6,461,943	\$227,943	\$377,943

BUDGET NARRATIVE

OLCC - MEDICAL MARIJUANA OMMP TRACKING PROGRAM - 006 2019-21 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



BUDGET NARRATIVE

D. PROGRAM OVERVIEW

OLCC's Medical Marijuana Tracking Program results from the passage of SB 1057 (2017) which requires the propagation, production, process, 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. 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 July 15 approximately 729 grow site administrators have initiated their registration in the Cannabis Tracking System and approximately 500 have indicated they are no longer growing or have changed their operations such that they will not be required to report to OLCC. The remaining registrants who have yet to set up the proper accounts as required are receiving follow-up from OHA communicating the intended penalties should they fail to meet the necessary deadlines.

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.

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.

BUDGET NARRATIVE

2017-19 Program Focus

- Hiring and onboarding staff
- Contributing to the OLCC Marijuana Policy Team
- Securing equipment and office space
- DPSST training
- Coordination with OMMP
- Implementing OMMP tracking
- Coordination with OLCC licensing and regulatory staff
- Revising Cannabis Tracking System Software
- Public and registrant outreach and policy and administrative rule adoption
- Registrant inspections

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

2017 Legislation

- Senate Bill 1057 (2017) requires marijuana produced and transferred within the OMMP system to be tracked by the OLCC tracking system starting July 1, 2018; OLCC will administer tracking and inspections and share information with OHA for appropriate follow-up and potential enforcement; sets plant limits and immature plant limits for cardholders; and directs OHA to share OMMP registrant information with OLCC and the Department of Revenue.

BUDGET NARRATIVE

E. PROGRAM FUNDING REQUEST

The Agency Request Budget is \$5,623,748 Other Funds limitation for the 2019-21 biennium for this program, with 23 positions and 23.00 FTEs.

F. PROGRAM DESCRIPTION

The passage of SB 1057 modified the recreational and medical marijuana programs administered by the Oregon Liquor Control Commission and the Oregon Health Authority, including requiring the OLCC to track OMMP medical marijuana growers, processors, wholesalers and retailers.

In 2019-21 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

The budget environment related to the regulation of OMMP registrants is best described as “uncertain”. Resources budgeted are predicated on an estimated number of registrants, the *actual* number of which may vary widely from estimates. Better certainty of the resources needed to track and inspect OMMP registrants will be found at the end of the 2017-19 biennium, when the agency has actual experience of the requirements for inspections, coordination with OMMP, and a better indication of how many registrants will be tracked. Compliance is likely to be a continuing issue for both agencies 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 likely to be required as registrants become aware of the tracking requirements. Many questions

BUDGET NARRATIVE

are expected as registrants are typically unfamiliar with utilizing a robust tracking system. The agency will make every effort to make the transition as easy as possible; however, as with any new program modifications in process, procedures and policies will need to be made as the agency and registrants gain more experience.

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.

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 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 \$2.3 million for the 2019-21 biennium.

BUDGET NARRATIVE

K. SIGNIFICANT PROPOSED PROGRAM CHANGES FROM 2017-19

There are no significant proposed program changes for this Program in the 2019-21 biennium.

L. ORGANIZATION CHART

Medical Marijuana - OMMP Tracking Program

006-91-00-00000 MEDICAL MARIJUANA ADMINISTRATION

	<u>POS</u>	<u>FTE</u>
2017-19	23	16.72
2019-21	23	23.00

BUDGET NARRATIVE

Public Safety Statewide Dispatch Services

OLCC 2019-21 Budget Policy Option Package No. 205, Agency Priority No 5, As Modified

A. PACKAGE PURPOSE

During the current biennium OLCC entered into an intergovernmental agreement with the Oregon State Police to provide dispatch services and the Oregon Department of Transportation to provide radio maintenance services. In contracting with OSP, OLCC was able to establish a statewide radio and communication plan that allowed our inspectors in the field to communicate in times of need and increased the safety of field inspectors of bars, restaurants and marijuana growers and retailers. OLCC inspectors have limited law enforcement authority and it is an industry standard to have constant communication capabilities. By using OSP dispatch the OLCC knows the exact locations of inspectors and can communicate in times of need with not only OSP, but other local law enforcement partners on a statewide basis.

Historically OLCC had a rudimentary internal dispatch process for the Portland area out of the Portland Regional Office. The dispatch center was not staffed all the time and often inspectors were in the field with no ability to call for radio help. The system was not robust and often inspectors were texting dispatch to be able to notify them of their updated locations. In the other Regional Offices OLCC relied on other law enforcement agencies to agree to let OLCC use their local system in cases of emergency. It was not a standardized, systematic approach to communication across the state and coverage was spotty at best. In some locations there was no communication systems available.

B. HOW ACHIEVED

This request is funding the continued cost of maintaining the Oregon State Police Dispatch Services for OLCC's inspectors in the field. The cost of each inspector using the State Police Dispatch Services per month is \$508 per month per the current agreement.

BUDGET NARRATIVE

Public Safety Statewide Dispatch Services OLCC 2019-21 Agency Request Budget Policy Option Package No 205, As Modified

Division	Package Description	FTE	One-time	Ongoing	Total
	Public Safety Statewide Dispatch Services				
Public Safety	Oregon State Police Dispatch Services for Distilled Spirits OSP dispatch services for 46 liquor regulatory specialists, managers, and compliance specialists.			\$560,832	\$560,832
		0.00	\$0	\$560,832	\$560,832
Recreational Marijuana	Oregon State Police Dispatch Services for Recreational Marijuana OSP dispatch services for 23 marijuana inspectors and 1 compliance specialist.			\$280,416	\$280,416
		0.00	\$0	\$280,416	\$280,416
Medical Marijuana	Oregon State Police Dispatch Services for Recreational Marijuana OSP dispatch services for 16 liquor regulatory specialists, managers, and compliance specialists.			\$195,072	\$195,072
		0.00	\$0	\$195,072	\$195,072
Subtotal - Statewide Dispatch Services - Package 205		0.00	\$0	\$1,036,320	\$1,036,320

BUDGET NARRATIVE

a. Benefits to stakeholders

OLCC inspectors for alcohol, recreational marijuana and medical marijuana will have constant communication to a statewide system that ensures employee safety in all areas of the state including licensed premises in large metropolitan regions and remote marijuana production operations in rural areas. Oregon State Police will receive funding assistance to provide dispatch services for law enforcement throughout the state. Local law enforcement can coordinate with OLCC inspectors.

b. Benefits to OLCC

OLCC inspectors are better protected and will have better coordination with other state law enforcement agencies.

C. STAFFING IMPACT

The package adds no new staff to OLCC.

D. QUANTIFYING RESULTS

OLCC expects to have 77 inspectors covering over 17,000 licensed alcohol, recreational marijuana and medical marijuana locations in the state.

E. REVENUE SOURCE

The Oregon Liquor Control 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 exclusively from marijuana related license fees collected under OAR 845-625-1060 as authorized under ORS 475B. Funding for OMMP Medical Marijuana Tracking comes from marijuana tax money as distributed to OLCC under ORS 475B.895 (7).

BUDGET NARRATIVE

THIS VERSION OF THE PACKAGE WAS NOT APPROVED IN THE GOVERNOR'S BUDGET

Public Safety Statewide Dispatch Services

OLCC 2019-21 Budget Policy Option Package No. 205, Agency Priority No 5

A. PACKAGE PURPOSE

During the current biennium OLCC entered into an intergovernmental agreement with the Oregon State Police to provide dispatch services and the Oregon Department of Transportation to provide radio maintenance services. In contracting with OSP, OLCC was able to establish a statewide radio and communication plan that allowed our inspectors in the field to communicate in times of need and increased the safety of field inspectors of bars, restaurants and marijuana growers and retailers. OLCC inspectors have limited law enforcement authority and it is an industry standard to have constant communication capabilities. By using OSP dispatch the OLCC knows the exact locations of inspectors and can communicate in times of need with not only OSP, but other local law enforcement partners on a statewide basis.

Historically OLCC had a rudimentary internal dispatch process for the Portland area out of the Portland Regional Office. The dispatch center was not staffed all the time and often inspectors were in the field with no ability to call for radio help. The system was not robust and often inspectors were texting dispatch to be able to notify them of their updated locations. In the other Regional Offices OLCC relied on other law enforcement agencies to agree to let OLCC use their local system in cases of emergency. It was not a standardized, systematic approach to communication across the state and coverage was spotty at best. In some locations there was no communication systems available.

B. HOW ACHIEVED

This request is funding the continued cost of maintaining the Oregon State Police Dispatch Services for OLCC's inspectors in the field. The cost of each inspector using the State Police Dispatch Services per month is \$508 per month per the current agreement.

BUDGET NARRATIVE

Public Safety Statewide Dispatch Services OLCC 2019-21 Agency Request Budget Policy Option Package No 205

Division	Package Description	FTE	One-time	Ongoing	Total
Public Safety Statewide Dispatch Services					
Public Safety	Oregon State Police Dispatch Services for Distilled Spirits OSP dispatch services for 46 liquor regulatory specialists, managers, and compliance specialists.			\$584,916	\$584,916
		0.00	\$0	\$584,916	\$584,916
Recreational Marijuana	Oregon State Police Dispatch Services for Recreational Marijuana OSP dispatch services for 23 marijuana inspectors and 1 compliance specialist.			\$292,608	\$292,608
		0.00	\$0	\$292,608	\$292,608
Medical Marijuana	Oregon State Police Dispatch Services for Recreational Marijuana OSP dispatch services for 16 liquor regulatory specialists, managers, and compliance specialists.			\$195,072	\$195,072
		0.00	\$0	\$195,072	\$195,072
Subtotal - Statewide Dispatch Services - Package 205		0.00	\$0	\$1,072,596	\$1,072,596

BUDGET NARRATIVE

a. Benefits to stakeholders

OLCC inspectors for alcohol, recreational marijuana and medical marijuana will have constant communication to a statewide system that ensures employee safety in all areas of the state including licensed premises in large metropolitan regions and remote marijuana production operations in rural areas. Oregon State Police will receive funding assistance to provide dispatch services for law enforcement throughout the state. Local law enforcement can coordinate with OLCC inspectors.

b. Benefits to OLCC

OLCC inspectors are better protected and will have better coordination with other state law enforcement agencies.

C. STAFFING IMPACT

The package adds no new staff to OLCC.

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OLCC expects to have 77 inspectors covering over 17,000 licensed alcohol, recreational marijuana and medical marijuana locations in the state.

E. REVENUE SOURCE

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Personal Services							
Pension Obligation Bond	-	-	112,102	-	-	-	112,102
Mass Transit Tax	-	-	9,508	-	-	-	9,508
Vacancy Savings	-	-	(30,179)	-	-	-	(30,179)
Total Personal Services	-	-	\$91,431	-	-	-	\$91,431
Total Expenditures							
Total Expenditures	-	-	91,431	-	-	-	91,431
Total Expenditures	-	-	\$91,431	-	-	-	\$91,431
Ending Balance							
Ending Balance	-	-	(91,431)	-	-	-	(91,431)
Total Ending Balance	-	-	(\$91,431)	-	-	-	(\$91,431)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Tsfr From Revenue, Dept of	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Services & Supplies							
Instate Travel	-	-	(6,000)	-	-	-	(6,000)
Employee Training	-	-	(144,690)	-	-	-	(144,690)
Office Expenses	-	-	(170,706)	-	-	-	(170,706)
Telecommunications	-	-	(12,930)	-	-	-	(12,930)
IT Professional Services	-	-	(400,000)	-	-	-	(400,000)
Employee Recruitment and Develop	-	-	(3,200)	-	-	-	(3,200)
Agency Program Related S and S	-	-	(99,572)	-	-	-	(99,572)
Total Services & Supplies	-	-	(\$837,098)	-	-	-	(\$837,098)
Capital Outlay							
Other Capital Outlay	-	-	(413,000)	-	-	-	(413,000)
Total Capital Outlay	-	-	(\$413,000)	-	-	-	(\$413,000)
Total Expenditures							
Total Expenditures	-	-	(1,250,098)	-	-	-	(1,250,098)
Total Expenditures	-	-	(\$1,250,098)	-	-	-	(\$1,250,098)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	1,250,098	-	-	-	1,250,098
Total Ending Balance	-	-	\$1,250,098	-	-	-	\$1,250,098

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

<i>Description</i>	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	-	-	1,773	-	-	-	1,773
Employee Training	-	-	-	-	-	-	-
Office Expenses	-	-	874	-	-	-	874
Telecommunications	-	-	494	-	-	-	494
State Gov. Service Charges	-	-	58,404	-	-	-	58,404
Data Processing	-	-	43,375	-	-	-	43,375
Professional Services	-	-	574	-	-	-	574
Employee Recruitment and Develop	-	-	53	-	-	-	53
Facilities Rental and Taxes	-	-	5,625	-	-	-	5,625
Agency Program Related S and S	-	-	-	-	-	-	-
Other Services and Supplies	-	-	1,077	-	-	-	1,077
Total Services & Supplies	-	-	\$112,249	-	-	-	\$112,249
Total Expenditures							
Total Expenditures	-	-	112,249	-	-	-	112,249
Total Expenditures	-	-	\$112,249	-	-	-	\$112,249

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	(112,249)	-	-	-	(112,249)
Total Ending Balance	-	-	(\$112,249)	-	-	-	(\$112,249)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 032 - Above Standard Inflation

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Professional Services	-	-	-	-	-	-	-
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 Control Comm
Pkg: 033 - Exceptional Inflation

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Services & Supplies							
Data Processing	-	-	1,115,520	-	-	-	1,115,520
Total Services & Supplies	-	-	\$1,115,520	-	-	-	\$1,115,520
Total Expenditures							
Total Expenditures	-	-	1,115,520	-	-	-	1,115,520
Total Expenditures	-	-	\$1,115,520	-	-	-	\$1,115,520
Ending Balance							
Ending Balance	-	-	(1,115,520)	-	-	-	(1,115,520)
Total Ending Balance	-	-	(\$1,115,520)	-	-	-	(\$1,115,520)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 090 - Analyst Adjustments

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Business Lic and Fees	-	-	(888,082)	-	-	-	(888,082)
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	-	-	(\$888,082)	-	-	-	(\$888,082)
Services & Supplies							
Data Processing	-	-	(1,344,000)	-	-	-	(1,344,000)
Total Services & Supplies	-	-	(\$1,344,000)	-	-	-	(\$1,344,000)
Total Expenditures							
Total Expenditures	-	-	(1,344,000)	-	-	-	(1,344,000)
Total Expenditures	-	-	(\$1,344,000)	-	-	-	(\$1,344,000)
Ending Balance							
Ending Balance	-	-	455,918	-	-	-	455,918
Total Ending Balance	-	-	\$455,918	-	-	-	\$455,918

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 091 - Statewide Adjustment DAS Chgs

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	-	-	-	-	-
Professional Services	-	-	-	-	-	-	-
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 Control Comm
Pkg: 205 - Statewide Dispatch Services

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Transfers Out							
Tsfr To Police, Dept of State	-	-	-	-	-	-	-
Total Transfers Out	-	-	-	-	-	-	-
Services & Supplies							
Telecommunications	-	-	195,072	-	-	-	195,072
Total Services & Supplies	-	-	\$195,072	-	-	-	\$195,072
Total Expenditures							
Total Expenditures	-	-	195,072	-	-	-	195,072
Total Expenditures	-	-	\$195,072	-	-	-	\$195,072
Ending Balance							
Ending Balance	-	-	(195,072)	-	-	-	(195,072)
Total Ending Balance	-	-	(\$195,072)	-	-	-	(\$195,072)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 801 - LFO Analyst Adjustments

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	6,408	-	-	-	6,408
Public Employees' Retire Cont	-	-	1,159	-	-	-	1,159
Social Security Taxes	-	-	490	-	-	-	490
Reconciliation Adjustment	-	-	1,410	-	-	-	1,410
Total Personal Services	-	-	\$9,467	-	-	-	\$9,467
Services & Supplies							
Data Processing	-	-	(3,777)	-	-	-	(3,777)
Total Services & Supplies	-	-	(\$3,777)	-	-	-	(\$3,777)
Total Expenditures							
Total Expenditures	-	-	5,690	-	-	-	5,690
Total Expenditures	-	-	\$5,690	-	-	-	\$5,690
Ending Balance							
Ending Balance	-	-	(5,690)	-	-	-	(5,690)
Total Ending Balance	-	-	(\$5,690)	-	-	-	(\$5,690)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 810 - Statewide Adjustments

Cross Reference Name: Medical Marijuana Program
Cross Reference Number: 84500-006-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Reconciliation Adjustment	-	-	(19,495)	-	-	-	(19,495)
Total Personal Services	-	-	(\$19,495)	-	-	-	(\$19,495)
Services & Supplies							
State Gov. Service Charges	-	-	(13,372)	-	-	-	(13,372)
Other Services and Supplies	-	-	(209)	-	-	-	(209)
Total Services & Supplies	-	-	(\$13,581)	-	-	-	(\$13,581)
Total Expenditures							
Total Expenditures	-	-	(33,076)	-	-	-	(33,076)
Total Expenditures	-	-	(\$33,076)	-	-	-	(\$33,076)
Ending Balance							
Ending Balance	-	-	33,076	-	-	-	33,076
Total Ending Balance	-	-	\$33,076	-	-	-	\$33,076

10/15/19 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:006-00-00 Medical Marijuana Program

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 PROD FILE

2019-21
 PICS SYSTEM: BUDGET PREPARATION

PACKAGE: 801 - LFO Analyst Adjustments

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
6000156	AL	C0872	AP OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	05	6,275.00		150,600- 74,068-			150,600- 74,068-
6000156	MMN	X0872	AP OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	04	6,542.00		157,008 75,717			157,008 75,717
TOTAL PICS SALARY										6,408			6,408
TOTAL PICS OPE										1,649			1,649
					---	-----	-----		-----	-----	-----	-----	-----
TOTAL PICS PERSONAL SERVICES =						.00	.00			8,057			8,057

BUDGET NARRATIVE

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

Oregon Liquor Control Comm
2019-21 Biennium

Agency Number: 84500

Cross Reference Number: 84500-006-00-00-00000

<i>Source</i>	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
Other Funds						
Business Lic and Fees	-	-	-	1,656,082	768,000	629,662
Transfer In - Intrafund	-	-	-	125,836	-	-
Tsfr From Revenue, Dept of	-	9,300,000	9,300,000	7,000,000	7,000,000	7,000,000
Transfer Out - Indirect Cost	-	-	-	(1,800,418)	(1,800,418)	(1,800,418)
Total Other Funds	-	\$9,300,000	\$9,300,000	\$6,981,500	\$5,967,582	\$5,829,244

BUDGET NARRATIVE

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BUDGET NARRATIVE

SUMMARY CROSS REFERENCE LISTING & PACKAGES

Oregon Liquor Control Comm

Summary Cross Reference Listing and Packages

2019-21 Biennium

Agency Number: 84500

BAM Analyst: Heath, Patrick

Budget Coordinator: Carberry, Patrick - (503)872-5171

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	040	0	Mandated Caseload	Essential Packages
001-00-00-00000	Distilled Spirits Program	060	0	Technical Adjustments	Essential Packages
001-00-00-00000	Distilled Spirits Program	081	0	September 2018 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	Statewide Adjustment DAS Chgs	Policy Packages
001-00-00-00000	Distilled Spirits Program	092	0	Statewide AG Adjustment	Policy Packages
001-00-00-00000	Distilled Spirits Program	801	0	LFO Analyst Adjustments	Policy Packages
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	102	2	Distilled Spirits Shipping Capacity & Svcs	Policy Packages
001-00-00-00000	Distilled Spirits Program	112	12	Move Agency Bank Card Costs	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

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Summary Cross Reference Listing and Packages

BSU-003A

Oregon Liquor Control Comm**Summary Cross Reference Listing and Packages****2019-21 Biennium****Agency Number: 84500****BAM Analyst: Heath, Patrick****Budget Coordinator: Carberry, Patrick - (503)872-5171**

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
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	040	0	Mandated Caseload	Essential Packages
002-00-00-00000	Public Safety Services Program	060	0	Technical Adjustments	Essential Packages
002-00-00-00000	Public Safety Services Program	081	0	September 2018 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	Statewide Adjustment DAS Chgs	Policy Packages
002-00-00-00000	Public Safety Services Program	092	0	Statewide AG Adjustment	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	203	3	License Fees Increase	Policy Packages
002-00-00-00000	Public Safety Services Program	205	5	Statewide Dispatch Services	Policy Packages
002-00-00-00000	Public Safety Services Program	206	6	Licensing Staff Fulfillment	Policy Packages
002-00-00-00000	Public Safety Services Program	207	7	Public Safety Staff Fulfillment	Policy Packages
002-00-00-00000	Public Safety Services Program	209	9	Regulatory Specialist Reclass	Policy Packages
002-00-00-00000	Public Safety Services Program	215	15	Bottle Bill Regulation & Funding	Policy Packages

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Summary Cross Reference Listing and Packages

BSU-003A

Oregon Liquor Control Comm**Summary Cross Reference Listing and Packages****2019-21 Biennium****Agency Number: 84500****BAM Analyst: Heath, Patrick****Budget Coordinator: Carberry, Patrick - (503)872-5171**

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
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	040	0	Mandated Caseload	Essential Packages
003-00-00-00000	Administration and Support	060	0	Technical Adjustments	Essential Packages
003-00-00-00000	Administration and Support	081	0	September 2018 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	Statewide Adjustment DAS Chgs	Policy Packages
003-00-00-00000	Administration and Support	092	0	Statewide AG Adjustment	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	301	1	Information Services Enhancement	Policy Packages
003-00-00-00000	Administration and Support	310	10	Financial Services Staff Fulfillment	Policy Packages
003-00-00-00000	Administration and Support	311	11	Administration and Communication Outreach	Policy Packages
004-00-00-00000	Recreational Marijuana Program	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages

10/15/19**3:49 PM****Page 3 of 8****Summary Cross Reference Listing and Packages****BSU-003A**

Oregon Liquor Control Comm**Summary Cross Reference Listing and Packages****2019-21 Biennium****Agency Number: 84500****BAM Analyst: Heath, Patrick****Budget Coordinator: Carberry, Patrick - (503)872-5171**

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
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	040	0	Mandated Caseload	Essential Packages
004-00-00-00000	Recreational Marijuana Program	060	0	Technical Adjustments	Essential Packages
004-00-00-00000	Recreational Marijuana Program	081	0	September 2018 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	Statewide Adjustment DAS Chgs	Policy Packages
004-00-00-00000	Recreational Marijuana Program	092	0	Statewide AG Adjustment	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	205	5	Statewide Dispatch Services	Policy Packages
004-00-00-00000	Recreational Marijuana Program	209	9	Regulatory Specialist Reclass	Policy Packages
004-00-00-00000	Recreational Marijuana Program	301	1	Information Services Enhancement	Policy Packages
004-00-00-00000	Recreational Marijuana Program	408	8	Marijuana Program Enhancement	Policy Packages
005-00-00-00000	Agents Compensation Program	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages

10/15/19**Page 4 of 8****Summary Cross Reference Listing and Packages****3:49 PM****BSU-003A**

Oregon Liquor Control Comm**Summary Cross Reference Listing and Packages****2019-21 Biennium****Agency Number: 84500****BAM Analyst: Heath, Patrick****Budget Coordinator: Carberry, Patrick - (503)872-5171**

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
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	040	0	Mandated Caseload	Essential Packages
005-00-00-00000	Agents Compensation Program	060	0	Technical Adjustments	Essential Packages
005-00-00-00000	Agents Compensation Program	081	0	September 2018 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	Statewide Adjustment DAS Chgs	Policy Packages
005-00-00-00000	Agents Compensation Program	092	0	Statewide AG Adjustment	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	112	12	Move Agency Bank Card Costs	Policy Packages
005-00-00-00000	Agents Compensation Program	113	13	Increase Licensee Comp Rates	Policy Packages
005-00-00-00000	Agents Compensation Program	114	14	Separate 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

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Oregon Liquor Control Comm

Summary Cross Reference Listing and Packages

2019-21 Biennium

Agency Number: 84500

BAM Analyst: Heath, Patrick

Budget Coordinator: Carberry, Patrick - (503)872-5171

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
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
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	040	0	Mandated Caseload	Essential Packages
006-00-00-00000	Medical Marijuana Program	060	0	Technical Adjustments	Essential Packages
006-00-00-00000	Medical Marijuana Program	081	0	September 2018 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	Statewide Adjustment DAS Chgs	Policy Packages
006-00-00-00000	Medical Marijuana Program	092	0	Statewide AG Adjustment	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
006-00-00-00000	Medical Marijuana Program	850	0	Program Change Bill	Policy Packages
006-00-00-00000	Medical Marijuana Program	205	5	Statewide Dispatch Services	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

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Summary Cross Reference Listing and Packages

BSU-003A

Oregon Liquor Control Comm**Summary Cross Reference Listing and Packages****2019-21 Biennium****Agency Number: 84500****BAM Analyst: Heath, Patrick****Budget Coordinator: Carberry, Patrick - (503)872-5171**

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
088-00-00-00000	Capital Improvements	033	0	Exceptional Inflation	Essential Packages
088-00-00-00000	Capital Improvements	040	0	Mandated Caseload	Essential Packages
088-00-00-00000	Capital Improvements	060	0	Technical Adjustments	Essential Packages
088-00-00-00000	Capital Improvements	081	0	September 2018 Emergency Board	Policy Packages
088-00-00-00000	Capital Improvements	090	0	Analyst Adjustments	Policy Packages
088-00-00-00000	Capital Improvements	091	0	Statewide Adjustment DAS Chgs	Policy Packages
088-00-00-00000	Capital Improvements	092	0	Statewide AG Adjustment	Policy Packages
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
088-00-00-00000	Capital Improvements	304	4	Distilled Spirits Shipping Capacity & Svcs	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	040	0	Mandated Caseload	Essential Packages
990-00-00-00000	Agency-Wide Consolidation	060	0	Technical Adjustments	Essential Packages

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Oregon Liquor Control Comm

Summary Cross Reference Listing and Packages

2019-21 Biennium

Agency Number: 84500

BAM Analyst: Heath, Patrick

Budget Coordinator: Carberry, Patrick - (503)872-5171

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
990-00-00-00000	Agency-Wide Consolidation	081	0	September 2018 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	Statewide Adjustment DAS Chgs	Policy Packages
990-00-00-00000	Agency-Wide Consolidation	092	0	Statewide AG Adjustment	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

BUDGET NARRATIVE

POLICY PACKAGE LIST by PRIORITY

Oregon Liquor Control Comm

Policy Package List by Priority
2019-21 Biennium

Agency Number: 84500

BAM Analyst: Heath, Patrick

Budget Coordinator: Carberry, Patrick - (503)872-5171

<i>Priority</i>	<i>Policy Pkg Number</i>	<i>Policy Pkg Description</i>	<i>Summary Cross Reference Number</i>	<i>Cross Reference Description</i>
0	081	September 2018 Emergency Board	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
			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
			990-00-00-00000	Agency-Wide Consolidation
	091	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

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Policy Package List by Priority
BSU-004A

Oregon Liquor Control Comm**Policy Package List by Priority
2019-21 Biennium**

Agency Number: 84500

BAM Analyst: Heath, Patrick

Budget Coordinator: Carberry, Patrick - (503)872-5171

<i>Priority</i>	<i>Policy Pkg Number</i>	<i>Policy Pkg Description</i>	<i>Summary Cross Reference Number</i>	<i>Cross Reference Description</i>
0	091	Statewide Adjustment DAS Chgs	990-00-00-00000	Agency-Wide Consolidation
	092	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
			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
			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
			004-00-00-00000	Recreational Marijuana Program
			005-00-00-00000	Agents Compensation Program
			006-00-00-00000	Medical Marijuana Program

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Policy Package List by Priority
BSU-004A

Oregon Liquor Control Comm

Policy Package List by Priority
2019-21 Biennium

Agency Number: 84500

BAM Analyst: Heath, Patrick

Budget Coordinator: Carberry, Patrick - (503)872-5171

<i>Priority</i>	<i>Policy Pkg Number</i>	<i>Policy Pkg Description</i>	<i>Summary Cross Reference Number</i>	<i>Cross Reference Description</i>
0	810	Statewide Adjustments	088-00-00-00000	Capital Improvements
			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
			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
			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

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Policy Package List by Priority
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Oregon Liquor Control Comm**Policy Package List by Priority
2019-21 Biennium****Agency Number: 84500****BAM Analyst: Heath, Patrick****Budget Coordinator: Carberry, Patrick - (503)872-5171**

<i>Priority</i>	<i>Policy Pkg Number</i>	<i>Policy Pkg Description</i>	<i>Summary Cross Reference Number</i>	<i>Cross Reference Description</i>
0	816	Capital Construction	006-00-00-00000	Medical Marijuana Program
			088-00-00-00000	Capital Improvements
			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
			990-00-00-00000	Agency-Wide Consolidation
1	301	Information Services Enhancement	003-00-00-00000	Administration and Support
			004-00-00-00000	Recreational Marijuana Program
2	102	Distilled Spirits Shipping Capacity & Svcs	001-00-00-00000	Distilled Spirits Program
3	203	License Fees Increase	002-00-00-00000	Public Safety Services Program
4	304	Distilled Spirits Shipping Capacity & Svcs	088-00-00-00000	Capital Improvements
5	205	Statewide Dispatch Services	002-00-00-00000	Public Safety Services Program
			004-00-00-00000	Recreational Marijuana Program
			006-00-00-00000	Medical Marijuana Program
6	206	Licensing Staff Fulfillment	002-00-00-00000	Public Safety Services Program
7	207	Public Safety Staff Fulfillment	002-00-00-00000	Public Safety Services Program
8	408	Marijuana Program Enhancement	004-00-00-00000	Recreational Marijuana Program
9	209	Regulatory Specialist Reclass	002-00-00-00000	Public Safety Services Program

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Oregon Liquor Control Comm

Policy Package List by Priority
2019-21 Biennium

Agency Number: 84500

BAM Analyst: Heath, Patrick

Budget Coordinator: Carberry, Patrick - (503)872-5171

<i>Priority</i>	<i>Policy Pkg Number</i>	<i>Policy Pkg Description</i>	<i>Summary Cross Reference Number</i>	<i>Cross Reference Description</i>
9	209	Regulatory Specialist Reclass	004-00-00-00000	Recreational Marijuana Program
10	310	Financial Services Staff Fulfillment	003-00-00-00000	Administration and Support
11	311	Administration and Communication Outreach	003-00-00-00000	Administration and Support
12	112	Move Agency Bank Card Costs	001-00-00-00000	Distilled Spirits Program
			005-00-00-00000	Agents Compensation Program
13	113	Increase Licensee Comp Rates	005-00-00-00000	Agents Compensation Program
14	114	Separate Distillery Agent Compensation	005-00-00-00000	Agents Compensation Program
15	215	Bottle Bill Regulation & Funding	002-00-00-00000	Public Safety Services Program

BUDGET NARRATIVE

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BUDGET NARRATIVE

BUDGET SUPPORT - DETAILED REVENUES & EXPENDITURES

Oregon Liquor Control Comm**Agency Number: 84500****Budget Support - Detail Revenues and Expenditures****Cross Reference Number: 84500-000-00-00-00000****2019-21 Biennium****Oregon Liquor Control Comm**

<i>Description</i>	<i>2015-17 Actuals</i>	<i>2017-19 Leg Adopted Budget</i>	<i>2017-19 Leg Approved Budget</i>	<i>2019-21 Agency Request Budget</i>	<i>2019-21 Governor's Budget</i>	<i>2019-21 Leg. Adopted Audit</i>
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
0030 Beginning Balance Adjustment						
3400 Other Funds Ltd	-	-	-	-	6,017,643	6,017,643
BEGINNING BALANCE						
3400 Other Funds Ltd	1,500,000	1,500,000	1,500,000	1,500,000	7,517,643	7,517,643
TOTAL BEGINNING BALANCE	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$7,517,643	\$7,517,643
REVENUE CATEGORIES						
TAXES						
0185 Privilege Taxes						
3400 Other Funds Ltd	26,540,406	27,586,400	27,586,400	28,676,503	32,203,952	29,008,456
8800 General Fund Revenue	10,564,911	10,470,600	10,470,600	11,424,497	7,813,048	11,008,544
All Funds	37,105,317	38,057,000	38,057,000	40,101,000	40,017,000	40,017,000
LICENSES AND FEES						
0205 Business Lic and Fees						
3400 Other Funds Ltd	15,899,430	23,131,680	23,131,680	43,789,415	51,773,020	44,005,282
8800 General Fund Revenue	11,303,400	7,558,320	7,558,320	7,498,840	4,083,786	11,713,186
All Funds	27,202,830	30,690,000	30,690,000	51,288,255	55,856,806	55,718,468
CHARGES FOR SERVICES						
0410 Charges for Services						
3400 Other Funds Ltd	-	6,000	6,000	6,000	6,000	6,000
FINES, RENTS AND ROYALTIES						

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Oregon Liquor Control Comm

Agency Number: 84500

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Oregon Liquor Control Comm

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
0505 Fines and Forfeitures						
3400 Other Funds Ltd	-	1,292,000	1,292,000	831,786	831,786	362,626
8800 General Fund Revenue	-	-	-	-	-	469,160
All Funds	-	1,292,000	1,292,000	831,786	831,786	831,786
SALES INCOME						
0705 Sales Income						
3400 Other Funds Ltd	907,718	784,000	784,000	784,000	784,000	784,000
8800 General Fund Revenue	-	35,442,000	35,442,000	-	-	39,331,575
All Funds	907,718	36,226,000	36,226,000	784,000	784,000	40,115,575
0710 Liquor Sales						
3010 Other Funds Cap Improve	4,953,678	227,943	227,943	6,461,943	227,943	377,943
3400 Other Funds Ltd	938,141,701	1,018,197,144	1,018,197,144	1,066,498,352	1,188,661,413	1,222,160,393
8800 General Fund Revenue	242,568,584	272,675,661	272,675,661	336,311,259	353,605,648	278,533,382
All Funds	1,185,663,963	1,291,100,748	1,291,100,748	1,409,271,554	1,542,495,004	1,501,071,718
SALES INCOME						
3010 Other Funds Cap Improve	4,953,678	227,943	227,943	6,461,943	227,943	377,943
3400 Other Funds Ltd	939,049,419	1,018,981,144	1,018,981,144	1,067,282,352	1,189,445,413	1,222,944,393
8800 General Fund Revenue	242,568,584	308,117,661	308,117,661	336,311,259	353,605,648	317,864,957
TOTAL SALES INCOME	\$1,186,571,681	\$1,327,326,748	\$1,327,326,748	\$1,410,055,554	\$1,543,279,004	\$1,541,187,293
COST OF GOODS SOLD						
0755 Liquor Cost of Goods Sold						
3400 Other Funds Ltd	(586,662,279)	(599,768,759)	(599,768,759)	(704,782,181)	(731,021,927)	(731,021,927)
0760 Cost of Goods Sold						

Oregon Liquor Control Comm

Agency Number: 84500

Budget Support - Detail Revenues and Expenditures

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Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3400 Other Funds Ltd	(14,195,721)	(7,874,579)	(7,874,579)	(16,969,469)	(18,075,205)	(18,075,205)
COST OF GOODS SOLD						
3400 Other Funds Ltd	(600,858,000)	(607,643,338)	(607,643,338)	(721,751,650)	(749,097,132)	(749,097,132)
TOTAL COST OF GOODS SOLD	(\$600,858,000)	(\$607,643,338)	(\$607,643,338)	(\$721,751,650)	(\$749,097,132)	(\$749,097,132)
OTHER						
0975 Other Revenues						
3400 Other Funds Ltd	39	25,000	25,000	7,000,025,000	-	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
3010 Other Funds Cap Improve	4,953,678	227,943	227,943	6,461,943	227,943	377,943
3400 Other Funds Ltd	169,425,522	187,757,791	189,795,563	224,920,586	213,585,494	214,900,028
All Funds	174,379,200	187,985,734	190,023,506	231,382,529	213,813,437	215,277,971
1020 Transfer In - Indirect Cost						
3400 Other Funds Ltd	-	3,926,427	3,926,427	6,472,203	6,472,202	6,472,202
1150 Tsfr From Revenue, Dept of						
3400 Other Funds Ltd	5,492,950	9,300,000	10,800,000	7,000,000	7,000,000	7,000,000
TRANSFERS IN						
3010 Other Funds Cap Improve	4,953,678	227,943	227,943	6,461,943	227,943	377,943
3400 Other Funds Ltd	174,918,472	200,984,218	204,521,990	238,392,789	227,057,696	228,372,230
TOTAL TRANSFERS IN	\$179,872,150	\$201,212,161	\$204,749,933	\$244,854,732	\$227,285,639	\$228,750,173
REVENUE CATEGORIES						
3010 Other Funds Cap Improve	9,907,356	455,886	455,886	12,923,886	455,886	755,886
3400 Other Funds Ltd	555,549,766	664,363,104	667,900,876	7,657,252,195	752,220,735	775,601,855

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Agency Number: 84500

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Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Oregon Liquor Control Comm

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
8800 General Fund Revenue	264,436,895	326,146,581	326,146,581	355,234,596	365,502,482	341,055,847
TOTAL REVENUE CATEGORIES	\$829,894,017	\$990,965,571	\$994,503,343	\$8,025,410,677	\$1,118,179,103	\$1,117,413,588
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
3010 Other Funds Cap Improve	(4,953,678)	(227,943)	(227,943)	(6,461,943)	(227,943)	(377,943)
3400 Other Funds Ltd	(169,425,522)	(187,757,791)	(189,795,563)	(224,920,586)	(213,585,494)	(214,900,028)
All Funds	(174,379,200)	(187,985,734)	(190,023,506)	(231,382,529)	(213,813,437)	(215,277,971)
2020 Transfer Out - Indirect Cost						
3400 Other Funds Ltd	-	(3,926,427)	(3,926,427)	(6,472,203)	(6,472,202)	(6,472,202)
2050 Transfer to Other						
3400 Other Funds Ltd	(626,506)	(662,000)	(662,000)	(700,773)	(8,274,429)	(700,773)
2060 Transfer to General Fund						
8800 General Fund Revenue	(264,436,895)	(326,146,581)	(326,146,581)	(355,234,596)	(365,502,482)	(341,055,847)
2070 Transfer to Cities						
3400 Other Funds Ltd	(82,697,106)	(104,086,149)	(104,086,149)	(99,314,400)	(108,918,181)	(107,789,736)
2080 Transfer to Counties						
3400 Other Funds Ltd	(41,348,553)	(51,911,534)	(51,911,534)	(49,657,200)	(58,244,805)	(53,879,334)
2107 Tsfr To Administrative Svcs						
3400 Other Funds Ltd	(57,887,974)	(73,111,058)	(73,155,233)	(69,520,080)	(81,542,727)	(75,400,000)
2443 Tsfr To Oregon Health Authority						
3400 Other Funds Ltd	(22,219,688)	(18,697,500)	(18,748,622)	(20,253,141)	(19,826,324)	(19,827,438)
2603 Tsfr To Agriculture, Dept of						
3400 Other Funds Ltd	(212,641)	-	-	(292,593)	(292,593)	(292,593)

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Budget Support - Detail Revenues and Expenditures

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Oregon Liquor Control Comm

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
TRANSFERS OUT						
3010 Other Funds Cap Improve	(4,953,678)	(227,943)	(227,943)	(6,461,943)	(227,943)	(377,943)
3400 Other Funds Ltd	(374,417,990)	(440,152,459)	(442,285,528)	(471,130,976)	(497,156,755)	(479,262,104)
8800 General Fund Revenue	(264,436,895)	(326,146,581)	(326,146,581)	(355,234,596)	(365,502,482)	(341,055,847)
TOTAL TRANSFERS OUT	(\$643,808,563)	(\$766,526,983)	(\$768,660,052)	(\$832,827,515)	(\$862,887,180)	(\$820,695,894)
AVAILABLE REVENUES						
3010 Other Funds Cap Improve	4,953,678	227,943	227,943	6,461,943	227,943	377,943
3400 Other Funds Ltd	182,631,776	225,710,645	227,115,348	7,187,621,219	262,581,623	303,857,394
TOTAL AVAILABLE REVENUES	\$187,585,454	\$225,938,588	\$227,343,291	\$7,194,083,162	\$262,809,566	\$304,235,337
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	25,065,505	32,970,895	35,865,365	45,293,544	43,001,088	44,227,896
3160 Temporary Appointments						
3400 Other Funds Ltd	958,689	73,157	73,157	373,157	373,157	373,157
3170 Overtime Payments						
3400 Other Funds Ltd	1,096,000	355,267	355,267	355,267	355,267	355,267
3180 Shift Differential						
3400 Other Funds Ltd	76,619	65,080	65,080	65,080	65,080	65,080
3190 All Other Differential						
3400 Other Funds Ltd	393,582	60,604	60,604	60,604	60,604	60,604
SALARIES & WAGES						

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Budget Support - Detail Revenues and Expenditures

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Oregon Liquor Control Comm

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3400 Other Funds Ltd	27,590,395	33,525,003	36,419,473	46,147,652	43,855,196	45,082,004
TOTAL SALARIES & WAGES	\$27,590,395	\$33,525,003	\$36,419,473	\$46,147,652	\$43,855,196	\$45,082,004
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	10,166	17,090	17,877	22,570	21,533	22,143
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	4,445,238	6,867,466	7,146,334	8,274,567	7,859,857	8,081,788
3221 Pension Obligation Bond						
3400 Other Funds Ltd	1,564,856	1,729,844	1,900,435	2,290,352	2,290,352	2,290,352
3230 Social Security Taxes						
3400 Other Funds Ltd	2,085,820	2,560,805	2,664,618	3,526,383	3,351,005	3,444,856
3240 Unemployment Assessments						
3400 Other Funds Ltd	48,715	29,443	30,394	30,394	30,394	30,394
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	14,603	20,745	20,745	21,518	20,532	21,112
3260 Mass Transit Tax						
3400 Other Funds Ltd	157,731	175,638	183,776	275,088	262,926	262,925
3270 Flexible Benefits						
3400 Other Funds Ltd	7,130,191	10,027,191	10,491,582	13,053,264	12,455,136	12,806,976
3280 Other OPE						
3400 Other Funds Ltd	400	-	-	-	-	-
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	15,457,720	21,428,222	22,455,761	27,494,136	26,291,735	26,960,546

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Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 84500-000-00-00-00000

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Oregon Liquor Control Comm

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
TOTAL OTHER PAYROLL EXPENSES	\$15,457,720	\$21,428,222	\$22,455,761	\$27,494,136	\$26,291,735	\$26,960,546
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
3400 Other Funds Ltd	-	(1,493,704)	(1,493,704)	(584,245)	(584,245)	(584,245)
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	(4,743)	(4,743)	-	27,915	(281,779)
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(1,498,447)	(1,498,447)	(584,245)	(556,330)	(866,024)
TOTAL P.S. BUDGET ADJUSTMENTS	-	(\$1,498,447)	(\$1,498,447)	(\$584,245)	(\$556,330)	(\$866,024)
PERSONAL SERVICES						
3400 Other Funds Ltd	43,048,115	53,454,778	57,376,787	73,057,543	69,590,601	71,176,526
TOTAL PERSONAL SERVICES	\$43,048,115	\$53,454,778	\$57,376,787	\$73,057,543	\$69,590,601	\$71,176,526
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	432,538	458,798	515,464	558,821	558,821	549,329
4125 Out of State Travel						
3400 Other Funds Ltd	60,113	61,453	61,453	63,789	63,789	61,930
4150 Employee Training						
3400 Other Funds Ltd	155,018	460,646	569,336	507,730	490,090	493,500
4175 Office Expenses						
3010 Other Funds Cap Improve	2,349	-	-	-	-	-
3400 Other Funds Ltd	12,573,613	14,848,607	15,059,901	15,402,365	16,316,771	15,787,959
All Funds	12,575,962	14,848,607	15,059,901	15,402,365	16,316,771	15,787,959

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Oregon Liquor Control Comm**Agency Number: 84500****Budget Support - Detail Revenues and Expenditures****Cross Reference Number: 84500-000-00-00-00000****2019-21 Biennium****Oregon Liquor Control Comm**

<i>Description</i>	<i>2015-17 Actuals</i>	<i>2017-19 Leg Adopted Budget</i>	<i>2017-19 Leg Approved Budget</i>	<i>2019-21 Agency Request Budget</i>	<i>2019-21 Governor's Budget</i>	<i>2019-21 Leg. Adopted Audit</i>
4200 Telecommunications						
3400 Other Funds Ltd	623,332	528,566	570,413	1,864,782	1,816,890	1,828,401
4225 State Gov. Service Charges						
3010 Other Funds Cap Improve	5,300	-	-	-	-	-
3400 Other Funds Ltd	2,235,934	3,219,618	3,219,618	3,519,844	3,339,214	3,348,982
All Funds	2,241,234	3,219,618	3,219,618	3,519,844	3,339,214	3,348,982
4250 Data Processing						
3400 Other Funds Ltd	1,017,511	597,884	1,839,324	3,087,238	2,219,412	2,214,376
4275 Publicity and Publications						
3400 Other Funds Ltd	636,878	92,362	92,362	495,870	95,870	94,661
4300 Professional Services						
3010 Other Funds Cap Improve	911	-	-	-	-	-
3400 Other Funds Ltd	106,385,636	124,794,122	125,094,122	136,434,250	138,513,731	136,245,247
All Funds	106,386,547	124,794,122	125,094,122	136,434,250	138,513,731	136,245,247
4315 IT Professional Services						
3400 Other Funds Ltd	1,224,753	1,564,116	1,845,503	8,862,664	4,921,390	7,917,615
4325 Attorney General						
3400 Other Funds Ltd	643,318	800,016	800,016	961,139	903,951	922,329
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	22,482	122,855	128,951	127,522	127,522	123,466
4400 Dues and Subscriptions						
3400 Other Funds Ltd	26,644	27,524	27,524	28,571	28,571	28,099
4425 Facilities Rental and Taxes						

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Oregon Liquor Control Comm

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3400 Other Funds Ltd	489,178	808,644	978,059	1,623,107	1,310,483	1,464,386
4450 Fuels and Utilities						
3400 Other Funds Ltd	571,345	599,595	599,595	622,379	622,379	607,771
4475 Facilities Maintenance						
3010 Other Funds Cap Improve	59,704	-	-	-	-	-
3400 Other Funds Ltd	318,364	1,924,579	1,924,579	1,214,542	1,214,542	1,170,758
All Funds	378,068	1,924,579	1,924,579	1,214,542	1,214,542	1,170,758
4575 Agency Program Related S and S						
3400 Other Funds Ltd	495,147	367,566	467,138	678,634	678,634	668,986
4650 Other Services and Supplies						
3010 Other Funds Cap Improve	212	-	-	-	-	-
3400 Other Funds Ltd	291,737	247,584	298,706	388,059	292,322	254,858
All Funds	291,949	247,584	298,706	388,059	292,322	254,858
4700 Expendable Prop 250 - 5000						
3400 Other Funds Ltd	16,737	80,000	80,000	83,040	83,040	80,000
4715 IT Expendable Property						
3400 Other Funds Ltd	347,840	481,256	481,256	600,222	559,416	567,468
SERVICES & SUPPLIES						
3010 Other Funds Cap Improve	68,476	-	-	-	-	-
3400 Other Funds Ltd	128,568,118	152,085,791	154,653,320	177,124,568	174,156,838	174,430,121
TOTAL SERVICES & SUPPLIES	\$128,636,594	\$152,085,791	\$154,653,320	\$177,124,568	\$174,156,838	\$174,430,121
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						

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Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3400 Other Funds Ltd	-	-	-	269,325	145,955	214,515
5150 Telecommunications Equipment						
3400 Other Funds Ltd	41,983	-	-	-	-	-
5200 Technical Equipment						
3400 Other Funds Ltd	21,032	17,418	17,418	107,418	107,418	107,418
5350 Industrial and Heavy Equipment						
3400 Other Funds Ltd	26,638	23,305	23,305	143,305	143,305	143,305
5400 Automotive and Aircraft						
3400 Other Funds Ltd	-	166,427	166,427	434,757	434,757	434,757
5550 Data Processing Software						
3400 Other Funds Ltd	1,138,786	-	-	-	-	15,390
5600 Data Processing Hardware						
3400 Other Funds Ltd	7,705	15,696	15,696	215,696	15,696	15,696
5650 Land Improvements						
3010 Other Funds Cap Improve	-	5,342	5,342	5,342	5,342	5,342
5700 Building Structures						
3010 Other Funds Cap Improve	4,859,978	222,601	222,601	4,522,601	222,601	372,601
3400 Other Funds Ltd	4,889,541	-	-	131,000	131,000	131,000
All Funds	9,749,519	222,601	222,601	4,653,601	353,601	503,601
5850 Contingencies						
3010 Other Funds Cap Improve	-	-	-	1,934,000	-	-
5900 Other Capital Outlay						
3010 Other Funds Cap Improve	25,224	-	-	-	-	-

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Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3400 Other Funds Ltd	215,135	-	413,000	-	-	-
All Funds	240,359	-	413,000	-	-	-
CAPITAL OUTLAY						
3010 Other Funds Cap Improve	4,885,202	227,943	227,943	6,461,943	227,943	377,943
3400 Other Funds Ltd	6,340,820	222,846	635,846	1,301,501	978,131	1,062,081
TOTAL CAPITAL OUTLAY	\$11,226,022	\$450,789	\$863,789	\$7,763,444	\$1,206,074	\$1,440,024
SPECIAL PAYMENTS						
6603 Spc Pmt to Agriculture, Dept of						
3400 Other Funds Ltd	-	258,664	258,664	-	-	-
EXPENDITURES						
3010 Other Funds Cap Improve	4,953,678	227,943	227,943	6,461,943	227,943	377,943
3400 Other Funds Ltd	177,957,053	206,022,079	212,924,617	251,483,612	244,725,570	246,668,728
TOTAL EXPENDITURES	\$182,910,731	\$206,250,022	\$213,152,560	\$257,945,555	\$244,953,513	\$247,046,671
ENDING BALANCE						
3400 Other Funds Ltd	4,674,723	19,688,566	14,190,731	6,936,137,607	17,856,053	57,188,666
TOTAL ENDING BALANCE	\$4,674,723	\$19,688,566	\$14,190,731	\$6,936,137,607	\$17,856,053	\$57,188,666
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	265	304	326	371	354	364
TOTAL AUTHORIZED POSITIONS	265	304	326	371	354	364
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	254.91	298.92	312.72	369.00	352.00	362.00
8280 FTE Reconciliation	-	(0.10)	(0.10)	-	-	-
TOTAL AUTHORIZED FTE	254.91	298.82	312.62	369.00	352.00	362.00

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Distilled Spirits Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
REVENUE CATEGORIES						
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	28,292,146	25,681,292	26,028,759	29,226,560	23,293,627	29,997,381
AVAILABLE REVENUES						
3400 Other Funds Ltd	28,292,146	25,681,292	26,028,759	29,226,560	23,293,627	29,997,381
TOTAL AVAILABLE REVENUES	\$28,292,146	\$25,681,292	\$26,028,759	\$29,226,560	\$23,293,627	\$29,997,381
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	5,423,950	6,231,528	6,573,255	7,894,632	7,894,632	7,894,632
3160 Temporary Appointments						
3400 Other Funds Ltd	654,800	26,108	26,108	326,108	326,108	326,108
3170 Overtime Payments						
3400 Other Funds Ltd	455,328	205,285	205,285	205,285	205,285	205,285
3180 Shift Differential						
3400 Other Funds Ltd	37,490	2,374	2,374	2,374	2,374	2,374
3190 All Other Differential						
3400 Other Funds Ltd	174,116	8,549	8,549	8,549	8,549	8,549
SALARIES & WAGES						
3400 Other Funds Ltd	6,745,684	6,473,844	6,815,571	8,436,948	8,436,948	8,436,948
TOTAL SALARIES & WAGES	\$6,745,684	\$6,473,844	\$6,815,571	\$8,436,948	\$8,436,948	\$8,436,948

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<i>Description</i>	<i>2015-17 Actuals</i>	<i>2017-19 Leg Adopted Budget</i>	<i>2017-19 Leg Approved Budget</i>	<i>2019-21 Agency Request Budget</i>	<i>2019-21 Governor's Budget</i>	<i>2019-21 Leg. Adopted Audit</i>
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	2,793	3,876	3,876	4,819	4,819	4,819
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	910,253	1,325,019	1,325,019	1,467,259	1,467,259	1,467,259
3221 Pension Obligation Bond						
3400 Other Funds Ltd	372,721	360,563	366,303	409,177	409,177	409,177
3230 Social Security Taxes						
3400 Other Funds Ltd	514,171	495,131	495,131	645,357	645,357	645,357
3240 Unemployment Assessments						
3400 Other Funds Ltd	12,736	6,337	6,337	6,337	6,337	6,337
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	4,596	4,692	4,692	4,582	4,582	4,582
3260 Mass Transit Tax						
3400 Other Funds Ltd	39,779	36,757	36,757	48,820	48,820	48,820
3270 Flexible Benefits						
3400 Other Funds Ltd	1,958,958	2,266,848	2,266,848	2,779,536	2,779,536	2,779,536
3280 Other OPE						
3400 Other Funds Ltd	122	-	-	-	-	-
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	3,816,129	4,499,223	4,504,963	5,365,887	5,365,887	5,365,887
TOTAL OTHER PAYROLL EXPENSES	\$3,816,129	\$4,499,223	\$4,504,963	\$5,365,887	\$5,365,887	\$5,365,887
P.S. BUDGET ADJUSTMENTS						

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Distilled Spirits Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3455 Vacancy Savings						
3400 Other Funds Ltd	-	(331,996)	(331,996)	(121,867)	(121,867)	(121,867)
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	-	-	-	-	(55,176)
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(331,996)	(331,996)	(121,867)	(121,867)	(177,043)
TOTAL P.S. BUDGET ADJUSTMENTS	-	(\$331,996)	(\$331,996)	(\$121,867)	(\$121,867)	(\$177,043)
PERSONAL SERVICES						
3400 Other Funds Ltd	10,561,813	10,641,071	10,988,538	13,680,968	13,680,968	13,625,792
TOTAL PERSONAL SERVICES	\$10,561,813	\$10,641,071	\$10,988,538	\$13,680,968	\$13,680,968	\$13,625,792
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	93,871	56,541	56,541	58,690	58,690	56,541
4125 Out of State Travel						
3400 Other Funds Ltd	8,680	5,197	5,197	5,395	5,395	5,197
4150 Employee Training						
3400 Other Funds Ltd	1,170	3,996	3,996	5,148	5,148	4,996
4175 Office Expenses						
3400 Other Funds Ltd	11,826,417	14,001,648	14,001,648	7,178,482	8,110,888	14,941,114
4200 Telecommunications						
3400 Other Funds Ltd	59,249	60,937	60,937	65,253	65,253	62,937
4225 State Gov. Service Charges						
3400 Other Funds Ltd	70,911	136,051	136,051	182,297	144,359	142,748

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Distilled Spirits Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
4250 Data Processing						
3400 Other Funds Ltd	40,107	176,288	176,288	184,487	184,487	177,788
4275 Publicity and Publications						
3400 Other Funds Ltd	45,437	17,531	17,531	18,197	18,197	17,531
4300 Professional Services						
3400 Other Funds Ltd	12,987	14,581	14,581	15,217	15,217	14,581
4315 IT Professional Services						
3400 Other Funds Ltd	133,748	14,445	14,445	15,052	15,052	14,445
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	9,850	9,174	9,174	9,522	9,522	9,174
4400 Dues and Subscriptions						
3400 Other Funds Ltd	4,359	2,265	2,265	2,352	2,352	2,265
4425 Facilities Rental and Taxes						
3400 Other Funds Ltd	20,698	63,396	63,396	83,173	83,173	80,764
4450 Fuels and Utilities						
3400 Other Funds Ltd	184,978	226,527	226,527	235,135	235,135	226,527
4475 Facilities Maintenance						
3400 Other Funds Ltd	43,195	29,583	29,583	30,708	30,708	29,583
4575 Agency Program Related S and S						
3400 Other Funds Ltd	182,764	136,484	136,484	135,442	135,442	130,484
4650 Other Services and Supplies						
3400 Other Funds Ltd	35,698	9,058	9,058	58,403	55,685	17,433
4700 Expendable Prop 250 - 5000						

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Distilled Spirits Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3400 Other Funds Ltd	8,662	-	-	-	-	-
4715 IT Expendable Property						
3400 Other Funds Ltd	33,313	12,518	12,518	15,260	15,260	14,785
SERVICES & SUPPLIES						
3400 Other Funds Ltd	12,816,094	14,976,220	14,976,220	8,298,213	9,189,963	15,948,893
TOTAL SERVICES & SUPPLIES	\$12,816,094	\$14,976,220	\$14,976,220	\$8,298,213	\$9,189,963	\$15,948,893
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						
3400 Other Funds Ltd	-	-	-	7,695	7,695	7,695
5200 Technical Equipment						
3400 Other Funds Ltd	-	-	-	90,000	90,000	90,000
5350 Industrial and Heavy Equipment						
3400 Other Funds Ltd	26,638	23,305	23,305	143,305	143,305	143,305
5400 Automotive and Aircraft						
3400 Other Funds Ltd	-	25,000	25,000	35,000	35,000	35,000
5600 Data Processing Hardware						
3400 Other Funds Ltd	-	15,696	15,696	15,696	15,696	15,696
5700 Building Structures						
3400 Other Funds Ltd	4,887,601	-	-	131,000	131,000	131,000
CAPITAL OUTLAY						
3400 Other Funds Ltd	4,914,239	64,001	64,001	422,696	422,696	422,696
TOTAL CAPITAL OUTLAY	\$4,914,239	\$64,001	\$64,001	\$422,696	\$422,696	\$422,696
EXPENDITURES						

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<i>Description</i>	<i>2015-17 Actuals</i>	<i>2017-19 Leg Adopted Budget</i>	<i>2017-19 Leg Approved Budget</i>	<i>2019-21 Agency Request Budget</i>	<i>2019-21 Governor's Budget</i>	<i>2019-21 Leg. Adopted Audit</i>
3400 Other Funds Ltd	28,292,146	25,681,292	26,028,759	22,401,877	23,293,627	29,997,381
TOTAL EXPENDITURES	\$28,292,146	\$25,681,292	\$26,028,759	\$22,401,877	\$23,293,627	\$29,997,381
ENDING BALANCE						
3400 Other Funds Ltd	-	-	-	6,824,683	-	-
TOTAL ENDING BALANCE	-	-	-	\$6,824,683	-	-
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	66	68	68	79	79	79
TOTAL AUTHORIZED POSITIONS	66	68	68	79	79	79
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	66.00	68.00	68.00	79.00	79.00	79.00
TOTAL AUTHORIZED FTE	66.00	68.00	68.00	79.00	79.00	79.00

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Public Safety Services Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
REVENUE CATEGORIES						
LICENSES AND FEES						
0205 Business Lic and Fees						
3400 Other Funds Ltd	-	-	-	9,250,403	9,172,403	9,172,403
OTHER						
0975 Other Revenues						
3400 Other Funds Ltd	39	-	-	-	-	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	19,069,655	21,507,858	22,138,265	26,667,517	25,590,281	26,194,966
1020 Transfer In - Indirect Cost						
3400 Other Funds Ltd	-	1,052,531	1,052,531	1,683,716	1,683,716	1,683,716
TRANSFERS IN						
3400 Other Funds Ltd	19,069,655	22,560,389	23,190,796	28,351,233	27,273,997	27,878,682
TOTAL TRANSFERS IN	\$19,069,655	\$22,560,389	\$23,190,796	\$28,351,233	\$27,273,997	\$27,878,682
REVENUE CATEGORIES						
3400 Other Funds Ltd	19,069,694	22,560,389	23,190,796	37,601,636	36,446,400	37,051,085
TOTAL REVENUE CATEGORIES	\$19,069,694	\$22,560,389	\$23,190,796	\$37,601,636	\$36,446,400	\$37,051,085
AVAILABLE REVENUES						
3400 Other Funds Ltd	19,069,694	22,560,389	23,190,796	37,601,636	36,446,400	37,051,085
TOTAL AVAILABLE REVENUES	\$19,069,694	\$22,560,389	\$23,190,796	\$37,601,636	\$36,446,400	\$37,051,085

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Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	9,939,064	12,515,166	13,122,783	15,191,976	14,607,408	14,983,488
3160 Temporary Appointments						
3400 Other Funds Ltd	186,297	39,994	39,994	39,994	39,994	39,994
3170 Overtime Payments						
3400 Other Funds Ltd	493,626	102,874	102,874	102,874	102,874	102,874
3180 Shift Differential						
3400 Other Funds Ltd	36,901	59,789	59,789	59,789	59,789	59,789
3190 All Other Differential						
3400 Other Funds Ltd	155,658	40,189	40,189	40,189	40,189	40,189
SALARIES & WAGES						
3400 Other Funds Ltd	10,811,546	12,758,012	13,365,629	15,434,822	14,850,254	15,226,334
TOTAL SALARIES & WAGES	\$10,811,546	\$12,758,012	\$13,365,629	\$15,434,822	\$14,850,254	\$15,226,334
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	4,082	6,137	6,137	7,198	6,954	7,198
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	1,832,690	2,613,559	2,613,559	2,784,939	2,679,190	2,747,222
3221 Pension Obligation Bond						
3400 Other Funds Ltd	623,654	690,471	713,261	891,428	891,428	891,428
3230 Social Security Taxes						
3400 Other Funds Ltd	816,951	975,854	975,854	1,180,760	1,136,038	1,164,808

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Public Safety Services Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3240 Unemployment Assessments						
3400 Other Funds Ltd	35,173	9,599	9,599	9,599	9,599	9,599
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	5,319	7,428	7,428	6,844	6,612	6,844
3260 Mass Transit Tax						
3400 Other Funds Ltd	57,661	70,979	70,979	92,610	90,272	90,272
3270 Flexible Benefits						
3400 Other Funds Ltd	2,787,847	3,589,176	3,589,176	4,151,712	4,010,976	4,151,712
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	6,163,377	7,963,203	7,985,993	9,125,090	8,831,069	9,069,083
TOTAL OTHER PAYROLL EXPENSES	\$6,163,377	\$7,963,203	\$7,985,993	\$9,125,090	\$8,831,069	\$9,069,083
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
3400 Other Funds Ltd	-	(611,665)	(611,665)	(193,553)	(193,553)	(193,553)
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	(2,806)	(2,806)	-	-	(104,846)
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(614,471)	(614,471)	(193,553)	(193,553)	(298,399)
TOTAL P.S. BUDGET ADJUSTMENTS	-	(\$614,471)	(\$614,471)	(\$193,553)	(\$193,553)	(\$298,399)
PERSONAL SERVICES						
3400 Other Funds Ltd	16,974,923	20,106,744	20,737,151	24,366,359	23,487,770	23,997,018
TOTAL PERSONAL SERVICES	\$16,974,923	\$20,106,744	\$20,737,151	\$24,366,359	\$23,487,770	\$23,997,018
SERVICES & SUPPLIES						

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Public Safety Services Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
4100 Instate Travel						
3400 Other Funds Ltd	126,922	212,976	212,976	227,068	227,068	227,068
4125 Out of State Travel						
3400 Other Funds Ltd	11,671	12,534	12,534	13,011	13,011	13,011
4150 Employee Training						
3400 Other Funds Ltd	87,547	258,550	258,550	288,708	284,708	288,708
4175 Office Expenses						
3400 Other Funds Ltd	275,406	322,221	322,221	325,818	321,818	325,818
4200 Telecommunications						
3400 Other Funds Ltd	232,848	288,923	288,923	1,019,996	1,012,296	1,020,296
4225 State Gov. Service Charges						
3400 Other Funds Ltd	96,732	192,433	192,433	269,132	209,991	207,482
4250 Data Processing						
3400 Other Funds Ltd	21,565	29,061	29,061	44,165	38,165	44,165
4275 Publicity and Publications						
3400 Other Funds Ltd	40,800	60,517	60,517	62,816	62,816	62,816
4300 Professional Services						
3400 Other Funds Ltd	262,210	364,103	364,103	376,548	376,548	335,911
4315 IT Professional Services						
3400 Other Funds Ltd	250,000	70,762	70,762	73,734	73,734	73,734
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	6,006	8,640	8,640	8,968	8,968	8,968
4400 Dues and Subscriptions						

Oregon Liquor Control Comm**Agency Number: 84500****Budget Support - Detail Revenues and Expenditures****Cross Reference Number: 84500-002-00-00-00000****2019-21 Biennium****Public Safety Services Program**

<i>Description</i>	<i>2015-17 Actuals</i>	<i>2017-19 Leg Adopted Budget</i>	<i>2017-19 Leg Approved Budget</i>	<i>2019-21 Agency Request Budget</i>	<i>2019-21 Governor's Budget</i>	<i>2019-21 Leg. Adopted Audit</i>
3400 Other Funds Ltd	4,291	9,159	9,159	9,507	9,507	9,507
4425 Facilities Rental and Taxes						
3400 Other Funds Ltd	425,204	472,278	472,278	663,905	594,433	663,905
4450 Fuels and Utilities						
3400 Other Funds Ltd	18,450	22,334	22,334	23,183	23,183	23,183
4475 Facilities Maintenance						
3400 Other Funds Ltd	17,534	17,897	17,897	18,576	18,576	18,576
4575 Agency Program Related S and S						
3400 Other Funds Ltd	198,764	66,165	66,165	350,505	350,505	350,505
4650 Other Services and Supplies						
3400 Other Funds Ltd	4,782	11,589	11,589	21,029	12,793	20,057
4715 IT Expendable Property						
3400 Other Funds Ltd	14,039	30,751	30,751	54,589	45,521	54,589
SERVICES & SUPPLIES						
3400 Other Funds Ltd	2,094,771	2,450,893	2,450,893	3,851,258	3,683,641	3,748,299
TOTAL SERVICES & SUPPLIES	\$2,094,771	\$2,450,893	\$2,450,893	\$3,851,258	\$3,683,641	\$3,748,299
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						
3400 Other Funds Ltd	-	-	-	76,950	45,920	76,700
5400 Automotive and Aircraft						
3400 Other Funds Ltd	-	-	-	56,666	56,666	56,666
CAPITAL OUTLAY						
3400 Other Funds Ltd	-	-	-	133,616	102,586	133,366

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Budget Support - Detail Revenues and Expenditures

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Public Safety Services Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
TOTAL CAPITAL OUTLAY	-	-	-	\$133,616	\$102,586	\$133,366
EXPENDITURES						
3400 Other Funds Ltd	19,069,694	22,557,637	23,188,044	28,351,233	27,273,997	27,878,683
TOTAL EXPENDITURES	\$19,069,694	\$22,557,637	\$23,188,044	\$28,351,233	\$27,273,997	\$27,878,683
ENDING BALANCE						
3400 Other Funds Ltd	-	2,752	2,752	9,250,403	9,172,403	9,172,402
TOTAL ENDING BALANCE	-	\$2,752	\$2,752	\$9,250,403	\$9,172,403	\$9,172,402
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	103	108	108	118	114	118
TOTAL AUTHORIZED POSITIONS	103	108	108	118	114	118
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	100.75	105.68	105.68	116.00	112.00	116.00
TOTAL AUTHORIZED FTE	100.75	105.68	105.68	116.00	112.00	116.00

Oregon Liquor Control Comm**Agency Number: 84500****Budget Support - Detail Revenues and Expenditures****Cross Reference Number: 84500-003-00-00-00000****2019-21 Biennium****Administration and Support**

<i>Description</i>	<i>2015-17 Actuals</i>	<i>2017-19 Leg Adopted Budget</i>	<i>2017-19 Leg Approved Budget</i>	<i>2019-21 Agency Request Budget</i>	<i>2019-21 Governor's Budget</i>	<i>2019-21 Leg. Adopted Audit</i>
REVENUE CATEGORIES						
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	16,475,153	16,641,226	17,701,124	26,018,307	19,739,739	23,321,977
1020 Transfer In - Indirect Cost						
3400 Other Funds Ltd	-	2,873,896	2,873,896	4,788,487	4,788,486	4,788,486
TRANSFERS IN						
3400 Other Funds Ltd	16,475,153	19,515,122	20,575,020	30,806,794	24,528,225	28,110,463
TOTAL TRANSFERS IN	\$16,475,153	\$19,515,122	\$20,575,020	\$30,806,794	\$24,528,225	\$28,110,463
AVAILABLE REVENUES						
3400 Other Funds Ltd	16,475,153	19,515,122	20,575,020	30,806,794	24,528,225	28,110,463
TOTAL AVAILABLE REVENUES	\$16,475,153	\$19,515,122	\$20,575,020	\$30,806,794	\$24,528,225	\$28,110,463
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	7,093,559	8,679,212	9,146,580	11,220,144	9,895,008	10,718,520
3160 Temporary Appointments						
3400 Other Funds Ltd	117,592	7,055	7,055	7,055	7,055	7,055
3170 Overtime Payments						
3400 Other Funds Ltd	20,479	47,108	47,108	47,108	47,108	47,108
3180 Shift Differential						
3400 Other Funds Ltd	666	2,917	2,917	2,917	2,917	2,917

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<i>Description</i>	<i>2015-17 Actuals</i>	<i>2017-19 Leg Adopted Budget</i>	<i>2017-19 Leg Approved Budget</i>	<i>2019-21 Agency Request Budget</i>	<i>2019-21 Governor's Budget</i>	<i>2019-21 Leg. Adopted Audit</i>
3190 All Other Differential						
3400 Other Funds Ltd	43,269	11,866	11,866	11,866	11,866	11,866
SALARIES & WAGES						
3400 Other Funds Ltd	7,275,565	8,748,158	9,215,526	11,289,090	9,963,954	10,787,466
TOTAL SALARIES & WAGES	\$7,275,565	\$8,748,158	\$9,215,526	\$11,289,090	\$9,963,954	\$10,787,466
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	2,299	3,757	3,795	4,819	4,209	4,575
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	1,311,186	1,789,399	1,814,763	2,034,844	1,795,124	1,944,099
3221 Pension Obligation Bond						
3400 Other Funds Ltd	422,608	467,076	505,855	452,579	452,579	452,579
3230 Social Security Taxes						
3400 Other Funds Ltd	545,195	665,626	675,068	859,782	758,409	821,408
3240 Unemployment Assessments						
3400 Other Funds Ltd	806	13,507	13,553	13,553	13,553	13,553
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	3,292	4,617	4,617	4,640	4,060	4,408
3260 Mass Transit Tax						
3400 Other Funds Ltd	43,752	45,991	46,732	67,738	59,020	59,019
3270 Flexible Benefits						
3400 Other Funds Ltd	1,732,598	2,230,734	2,252,958	2,814,720	2,462,880	2,673,984
3280 Other OPE						

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Budget Support - Detail Revenues and Expenditures

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Administration and Support

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3400 Other Funds Ltd	278	-	-	-	-	-
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	4,062,014	5,220,707	5,317,341	6,252,675	5,549,834	5,973,625
TOTAL OTHER PAYROLL EXPENSES	\$4,062,014	\$5,220,707	\$5,317,341	\$6,252,675	\$5,549,834	\$5,973,625
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
3400 Other Funds Ltd	-	(393,400)	(393,400)	(121,867)	(121,867)	(121,867)
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	(17,412)	(17,412)	-	27,915	(61,560)
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(410,812)	(410,812)	(121,867)	(93,952)	(183,427)
TOTAL P.S. BUDGET ADJUSTMENTS	-	(\$410,812)	(\$410,812)	(\$121,867)	(\$93,952)	(\$183,427)
PERSONAL SERVICES						
3400 Other Funds Ltd	11,337,579	13,558,053	14,122,055	17,419,898	15,419,836	16,577,664
TOTAL PERSONAL SERVICES	\$11,337,579	\$13,558,053	\$14,122,055	\$17,419,898	\$15,419,836	\$16,577,664
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	146,508	104,469	104,469	108,437	108,437	104,469
4125 Out of State Travel						
3400 Other Funds Ltd	24,952	27,871	27,871	28,930	28,930	27,871
4150 Employee Training						
3400 Other Funds Ltd	38,114	59,103	59,103	73,350	62,350	65,103
4175 Office Expenses						

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Administration and Support

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3400 Other Funds Ltd	274,731	300,226	312,226	321,555	310,555	304,641
4200 Telecommunications						
3400 Other Funds Ltd	245,835	103,005	105,005	132,997	110,997	120,005
4225 State Gov. Service Charges						
3400 Other Funds Ltd	2,042,393	2,826,602	2,826,602	2,860,211	2,822,412	2,838,235
4250 Data Processing						
3400 Other Funds Ltd	455,430	392,535	392,535	440,451	927,125	930,365
4275 Publicity and Publications						
3400 Other Funds Ltd	9,866	11,203	11,203	211,629	11,629	11,203
4300 Professional Services						
3400 Other Funds Ltd	114,996	121,381	421,381	126,904	126,904	141,835
4315 IT Professional Services						
3400 Other Funds Ltd	214,005	156,424	336,424	6,235,994	2,720,604	4,982,784
4325 Attorney General						
3400 Other Funds Ltd	261,597	425,622	425,622	511,342	480,917	490,684
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	4,338	7,718	9,614	8,011	8,011	7,948
4400 Dues and Subscriptions						
3400 Other Funds Ltd	16,608	12,989	12,989	13,484	13,484	13,216
4425 Facilities Rental and Taxes						
3400 Other Funds Ltd	1,560	1,120	1,120	209,579	18,531	105,371
4450 Fuels and Utilities						
3400 Other Funds Ltd	365,988	350,734	350,734	364,061	364,061	358,061

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Administration and Support

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
4475 Facilities Maintenance						
3400 Other Funds Ltd	244,899	295,076	295,076	228,439	228,439	220,076
4575 Agency Program Related S and S						
3400 Other Funds Ltd	1,328	13,515	13,515	14,028	14,028	13,515
4650 Other Services and Supplies						
3400 Other Funds Ltd	239,363	178,604	178,604	197,392	118,885	112,586
4700 Expendable Prop 250 - 5000						
3400 Other Funds Ltd	8,075	-	-	-	-	-
4715 IT Expendable Property						
3400 Other Funds Ltd	252,792	435,027	435,027	500,097	475,160	474,731
SERVICES & SUPPLIES						
3400 Other Funds Ltd	4,963,378	5,823,224	6,319,120	12,586,891	8,951,459	11,322,699
TOTAL SERVICES & SUPPLIES	\$4,963,378	\$5,823,224	\$6,319,120	\$12,586,891	\$8,951,459	\$11,322,699
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						
3400 Other Funds Ltd	-	-	-	92,340	23,085	60,865
5150 Telecommunications Equipment						
3400 Other Funds Ltd	41,983	-	-	-	-	-
5200 Technical Equipment						
3400 Other Funds Ltd	-	17,418	17,418	17,418	17,418	17,418
5400 Automotive and Aircraft						
3400 Other Funds Ltd	-	116,427	116,427	116,427	116,427	116,427
5550 Data Processing Software						

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Administration and Support

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3400 Other Funds Ltd	-	-	-	-	-	15,390
5600 Data Processing Hardware						
3400 Other Funds Ltd	7,705	-	-	200,000	-	-
5700 Building Structures						
3400 Other Funds Ltd	1,940	-	-	-	-	-
5900 Other Capital Outlay						
3400 Other Funds Ltd	122,568	-	-	-	-	-
CAPITAL OUTLAY						
3400 Other Funds Ltd	174,196	133,845	133,845	426,185	156,930	210,100
TOTAL CAPITAL OUTLAY	\$174,196	\$133,845	\$133,845	\$426,185	\$156,930	\$210,100
EXPENDITURES						
3400 Other Funds Ltd	16,475,153	19,515,122	20,575,020	30,432,974	24,528,225	28,110,463
TOTAL EXPENDITURES	\$16,475,153	\$19,515,122	\$20,575,020	\$30,432,974	\$24,528,225	\$28,110,463
ENDING BALANCE						
3400 Other Funds Ltd	-	-	-	373,820	-	-
TOTAL ENDING BALANCE	-	-	-	\$373,820	-	-
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	59	67	68	80	70	76
TOTAL AUTHORIZED POSITIONS	59	67	68	80	70	76
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	59.00	66.92	67.59	80.00	70.00	76.00
TOTAL AUTHORIZED FTE	59.00	66.92	67.59	80.00	70.00	76.00

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Recreational Marijuana Program

<i>Description</i>	<i>2015-17 Actuals</i>	<i>2017-19 Leg Adopted Budget</i>	<i>2017-19 Leg Approved Budget</i>	<i>2019-21 Agency Request Budget</i>	<i>2019-21 Governor's Budget</i>	<i>2019-21 Leg. Adopted Audit</i>
BEGINNING BALANCE						
0030 Beginning Balance Adjustment						
3400 Other Funds Ltd	-	-	-	-	6,017,643	6,017,643
REVENUE CATEGORIES						
LICENSES AND FEES						
0205 Business Lic and Fees						
3400 Other Funds Ltd	7,925,905	19,300,000	19,300,000	28,637,770	25,000,000	25,000,000
TRANSFERS IN						
1150 Tsfr From Revenue, Dept of						
3400 Other Funds Ltd	5,492,950	-	-	-	-	-
REVENUE CATEGORIES						
3400 Other Funds Ltd	13,418,855	19,300,000	19,300,000	28,637,770	25,000,000	25,000,000
TOTAL REVENUE CATEGORIES	\$13,418,855	\$19,300,000	\$19,300,000	\$28,637,770	\$25,000,000	\$25,000,000
TRANSFERS OUT						
2020 Transfer Out - Indirect Cost						
3400 Other Funds Ltd	-	(3,926,427)	(3,926,427)	(4,671,785)	(4,671,784)	(4,671,784)
2107 Tsfr To Administrative Svcs						
3400 Other Funds Ltd	-	-	(44,175)	-	-	-
2443 Tsfr To Oregon Health Authority						
3400 Other Funds Ltd	-	-	(51,122)	(169,324)	(169,324)	(169,324)
2603 Tsfr To Agriculture, Dept of						
3400 Other Funds Ltd	(212,641)	-	-	(292,593)	(292,593)	(292,593)
TRANSFERS OUT						

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Recreational Marijuana Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3400 Other Funds Ltd	(212,641)	(3,926,427)	(4,021,724)	(5,133,702)	(5,133,701)	(5,133,701)
TOTAL TRANSFERS OUT	(\$212,641)	(\$3,926,427)	(\$4,021,724)	(\$5,133,702)	(\$5,133,701)	(\$5,133,701)
AVAILABLE REVENUES						
3400 Other Funds Ltd	13,206,214	15,373,573	15,278,276	23,504,068	25,883,942	25,883,942
TOTAL AVAILABLE REVENUES	\$13,206,214	\$15,373,573	\$15,278,276	\$23,504,068	\$25,883,942	\$25,883,942
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	2,608,932	4,973,473	5,455,371	8,421,672	8,038,920	8,059,728
3170 Overtime Payments						
3400 Other Funds Ltd	126,567	-	-	-	-	-
3180 Shift Differential						
3400 Other Funds Ltd	1,562	-	-	-	-	-
3190 All Other Differential						
3400 Other Funds Ltd	20,539	-	-	-	-	-
SALARIES & WAGES						
3400 Other Funds Ltd	2,757,600	4,973,473	5,455,371	8,421,672	8,038,920	8,059,728
TOTAL SALARIES & WAGES	\$2,757,600	\$4,973,473	\$5,455,371	\$8,421,672	\$8,038,920	\$8,059,728
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	992	2,956	3,118	4,331	4,148	4,148
3220 Public Employees' Retire Cont						

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Recreational Marijuana Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3400 Other Funds Ltd	391,109	1,022,043	1,073,886	1,523,490	1,454,249	1,458,014
3221 Pension Obligation Bond						
3400 Other Funds Ltd	145,873	211,734	282,548	392,598	392,598	392,598
3230 Social Security Taxes						
3400 Other Funds Ltd	209,503	380,471	399,770	644,255	614,972	616,564
3240 Unemployment Assessments						
3400 Other Funds Ltd	-	-	196	196	196	196
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	1,396	3,567	3,567	4,118	3,944	3,944
3260 Mass Transit Tax						
3400 Other Funds Ltd	16,539	21,911	23,425	50,529	49,423	49,423
3270 Flexible Benefits						
3400 Other Funds Ltd	650,788	1,726,527	1,827,873	2,498,064	2,392,512	2,392,512
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	1,416,200	3,369,209	3,614,383	5,117,581	4,912,042	4,917,399
TOTAL OTHER PAYROLL EXPENSES	\$1,416,200	\$3,369,209	\$3,614,383	\$5,117,581	\$4,912,042	\$4,917,399
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
3400 Other Funds Ltd	-	(145,602)	(145,602)	(105,738)	(105,738)	(105,738)
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	12,099	12,099	-	-	(42,112)
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(133,503)	(133,503)	(105,738)	(105,738)	(147,850)

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Recreational Marijuana Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
TOTAL P.S. BUDGET ADJUSTMENTS	-	(\$133,503)	(\$133,503)	(\$105,738)	(\$105,738)	(\$147,850)
PERSONAL SERVICES						
3400 Other Funds Ltd	4,173,800	8,209,179	8,936,251	13,433,515	12,845,224	12,829,277
TOTAL PERSONAL SERVICES	\$4,173,800	\$8,209,179	\$8,936,251	\$13,433,515	\$12,845,224	\$12,829,277
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	65,237	72,812	88,812	116,187	116,187	112,812
4125 Out of State Travel						
3400 Other Funds Ltd	14,810	15,851	15,851	16,453	16,453	15,851
4150 Employee Training						
3400 Other Funds Ltd	28,187	83,997	102,997	140,524	137,884	134,693
4175 Office Expenses						
3400 Other Funds Ltd	197,059	182,512	230,100	202,636	199,636	192,512
4200 Telecommunications						
3400 Other Funds Ltd	85,400	75,701	89,618	437,970	419,778	416,597
4225 State Gov. Service Charges						
3400 Other Funds Ltd	25,743	64,532	64,532	149,800	116,883	115,485
4250 Data Processing						
3400 Other Funds Ltd	500,409		100,000	117,800	113,300	109,500
4275 Publicity and Publications						
3400 Other Funds Ltd	540,775	3,111	3,111	203,228	3,228	3,111
4300 Professional Services						
3400 Other Funds Ltd	407,030	366,642	366,642	382,641	382,641	366,642

Budget Support - Detail Revenues and Expenditures

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Recreational Marijuana Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
4315 IT Professional Services						
3400 Other Funds Ltd	627,000	922,485	1,023,872	2,537,884	2,112,000	2,846,652
4325 Attorney General						
3400 Other Funds Ltd	381,721	374,394	374,394	449,797	423,034	431,645
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	2,288	95,923	96,923	99,568	99,568	95,923
4400 Dues and Subscriptions						
3400 Other Funds Ltd	1,386	3,111	3,111	3,228	3,228	3,111
4425 Facilities Rental and Taxes						
3400 Other Funds Ltd	41,716	259,250	293,248	512,808	460,704	460,704
4450 Fuels and Utilities						
3400 Other Funds Ltd	1,929	-	-	-	-	-
4475 Facilities Maintenance						
3400 Other Funds Ltd	12,736	1,582,023	1,582,023	936,819	936,819	902,523
4575 Agency Program Related S and S						
3400 Other Funds Ltd	112,291	151,402	151,402	178,659	178,659	174,482
4650 Other Services and Supplies						
3400 Other Funds Ltd	11,894	20,000	71,122	81,825	76,466	75,581
4700 Expendable Prop 250 - 5000						
3400 Other Funds Ltd	-	80,000	80,000	83,040	83,040	80,000
4715 IT Expendable Property						
3400 Other Funds Ltd	47,696	2,960	2,960	30,276	23,475	23,363
SERVICES & SUPPLIES						

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Budget Support - Detail Revenues and Expenditures

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Recreational Marijuana Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3400 Other Funds Ltd	3,105,307	4,356,706	4,740,718	6,681,143	5,902,983	6,561,187
TOTAL SERVICES & SUPPLIES	\$3,105,307	\$4,356,706	\$4,740,718	\$6,681,143	\$5,902,983	\$6,561,187
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						
3400 Other Funds Ltd	-	-	-	92,340	69,255	69,255
5200 Technical Equipment						
3400 Other Funds Ltd	21,032	-	-	-	-	-
5400 Automotive and Aircraft						
3400 Other Funds Ltd	-	25,000	25,000	226,664	226,664	226,664
5550 Data Processing Software						
3400 Other Funds Ltd	1,138,786	-	-	-	-	-
5900 Other Capital Outlay						
3400 Other Funds Ltd	92,567	-	-	-	-	-
CAPITAL OUTLAY						
3400 Other Funds Ltd	1,252,385	25,000	25,000	319,004	295,919	295,919
TOTAL CAPITAL OUTLAY	\$1,252,385	\$25,000	\$25,000	\$319,004	\$295,919	\$295,919
SPECIAL PAYMENTS						
6603 Spc Pmt to Agriculture, Dept of						
3400 Other Funds Ltd	-	258,664	258,664	-	-	-
EXPENDITURES						
3400 Other Funds Ltd	8,531,492	12,849,549	13,960,633	20,433,662	19,044,126	19,686,383
TOTAL EXPENDITURES	\$8,531,492	\$12,849,549	\$13,960,633	\$20,433,662	\$19,044,126	\$19,686,383
ENDING BALANCE						

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<i>Description</i>	<i>2015-17 Actuals</i>	<i>2017-19 Leg Adopted Budget</i>	<i>2017-19 Leg Approved Budget</i>	<i>2019-21 Agency Request Budget</i>	<i>2019-21 Governor's Budget</i>	<i>2019-21 Leg. Adopted Audit</i>
3400 Other Funds Ltd	4,674,722	2,524,024	1,317,643	3,070,406	6,839,816	6,197,559
TOTAL ENDING BALANCE	\$4,674,722	\$2,524,024	\$1,317,643	\$3,070,406	\$6,839,816	\$6,197,559
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	37	54	59	71	68	68
TOTAL AUTHORIZED POSITIONS	37	54	59	71	68	68
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	29.16	51.88	54.71	71.00	68.00	68.00
8280 FTE Reconciliation	-	(0.08)	(0.08)	-	-	-
TOTAL AUTHORIZED FTE	29.16	51.80	54.63	71.00	68.00	68.00

Oregon Liquor Control Comm**Agency Number: 84500****Budget Support - Detail Revenues and Expenditures****Cross Reference Number: 84500-005-00-00-00000****2019-21 Biennium****Agents Compensation Program**

<i>Description</i>	<i>2015-17 Actuals</i>	<i>2017-19 Leg Adopted Budget</i>	<i>2017-19 Leg Approved Budget</i>	<i>2019-21 Agency Request Budget</i>	<i>2019-21 Governor's Budget</i>	<i>2019-21 Leg. Adopted Audit</i>
REVENUE CATEGORIES						
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	105,588,568	123,927,415	123,927,415	142,882,366	144,961,847	135,385,704
AVAILABLE REVENUES						
3400 Other Funds Ltd	105,588,568	123,927,415	123,927,415	142,882,366	144,961,847	135,385,704
TOTAL AVAILABLE REVENUES	\$105,588,568	\$123,927,415	\$123,927,415	\$142,882,366	\$144,961,847	\$135,385,704
EXPENDITURES						
SERVICES & SUPPLIES						
4175 Office Expenses						
3400 Other Funds Ltd	-	-	-	7,350,000	7,350,000	-
4225 State Gov. Service Charges						
3400 Other Funds Ltd	155	-	-	-	-	-
4300 Professional Services						
3400 Other Funds Ltd	105,588,413	123,927,415	123,927,415	135,532,366	137,611,847	135,385,704
SERVICES & SUPPLIES						
3400 Other Funds Ltd	105,588,568	123,927,415	123,927,415	142,882,366	144,961,847	135,385,704
TOTAL SERVICES & SUPPLIES	\$105,588,568	\$123,927,415	\$123,927,415	\$142,882,366	\$144,961,847	\$135,385,704

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 84500-006-00-00-00000

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Medical Marijuana Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
REVENUE CATEGORIES						
LICENSES AND FEES						
0205 Business Lic and Fees						
3400 Other Funds Ltd	-	-	-	1,656,082	768,000	629,662
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	-	-	-	125,836	-	-
1150 Tsfr From Revenue, Dept of						
3400 Other Funds Ltd	-	9,300,000	9,300,000	7,000,000	7,000,000	7,000,000
TRANSFERS IN						
3400 Other Funds Ltd	-	9,300,000	9,300,000	7,125,836	7,000,000	7,000,000
TOTAL TRANSFERS IN	-	\$9,300,000	\$9,300,000	\$7,125,836	\$7,000,000	\$7,000,000
REVENUE CATEGORIES						
3400 Other Funds Ltd	-	9,300,000	9,300,000	8,781,918	7,768,000	7,629,662
TOTAL REVENUE CATEGORIES	-	\$9,300,000	\$9,300,000	\$8,781,918	\$7,768,000	\$7,629,662
TRANSFERS OUT						
2020 Transfer Out - Indirect Cost						
3400 Other Funds Ltd	-	-	-	(1,800,418)	(1,800,418)	(1,800,418)
AVAILABLE REVENUES						
3400 Other Funds Ltd	-	9,300,000	9,300,000	6,981,500	5,967,582	5,829,244
TOTAL AVAILABLE REVENUES	-	\$9,300,000	\$9,300,000	\$6,981,500	\$5,967,582	\$5,829,244

EXPENDITURES**PERSONAL SERVICES**

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Medical Marijuana Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	-	571,516	1,567,376	2,565,120	2,565,120	2,571,528
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	-	364	951	1,403	1,403	1,403
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	-	117,446	319,107	464,035	464,035	465,194
3221 Pension Obligation Bond						
3400 Other Funds Ltd	-	-	32,468	144,570	144,570	144,570
3230 Social Security Taxes						
3400 Other Funds Ltd	-	43,723	118,795	196,229	196,229	196,719
3240 Unemployment Assessments						
3400 Other Funds Ltd	-	-	709	709	709	709
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	-	441	441	1,334	1,334	1,334
3260 Mass Transit Tax						
3400 Other Funds Ltd	-	-	5,883	15,391	15,391	15,391
3270 Flexible Benefits						
3400 Other Funds Ltd	-	213,906	554,727	809,232	809,232	809,232
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	-	375,880	1,033,081	1,632,903	1,632,903	1,634,552
TOTAL OTHER PAYROLL EXPENSES	-	\$375,880	\$1,033,081	\$1,632,903	\$1,632,903	\$1,634,552

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Medical Marijuana Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
3400 Other Funds Ltd	-	(11,041)	(11,041)	(41,220)	(41,220)	(41,220)
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	3,376	3,376	-	-	(18,085)
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(7,665)	(7,665)	(41,220)	(41,220)	(59,305)
TOTAL P.S. BUDGET ADJUSTMENTS	-	(\$7,665)	(\$7,665)	(\$41,220)	(\$41,220)	(\$59,305)
PERSONAL SERVICES						
3400 Other Funds Ltd	-	939,731	2,592,792	4,156,803	4,156,803	4,146,775
TOTAL PERSONAL SERVICES	-	\$939,731	\$2,592,792	\$4,156,803	\$4,156,803	\$4,146,775
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	-	12,000	52,666	48,439	48,439	48,439
4150 Employee Training						
3400 Other Funds Ltd	-	55,000	144,690	-	-	-
4175 Office Expenses						
3400 Other Funds Ltd	-	42,000	193,706	23,874	23,874	23,874
4200 Telecommunications						
3400 Other Funds Ltd	-	-	25,930	208,566	208,566	208,566
4225 State Gov. Service Charges						
3400 Other Funds Ltd	-	-	-	58,404	45,569	45,032
4250 Data Processing						

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Medical Marijuana Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3400 Other Funds Ltd	-	-	1,141,440	2,300,335	956,335	952,558
4300 Professional Services						
3400 Other Funds Ltd	-	-	-	574	574	574
4315 IT Professional Services						
3400 Other Funds Ltd	-	400,000	400,000	-	-	-
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	-	1,400	4,600	1,453	1,453	1,453
4425 Facilities Rental and Taxes						
3400 Other Funds Ltd	-	12,600	148,017	153,642	153,642	153,642
4575 Agency Program Related S and S						
3400 Other Funds Ltd	-	-	99,572	-	-	-
4650 Other Services and Supplies						
3400 Other Funds Ltd	-	28,333	28,333	29,410	28,493	29,201
SERVICES & SUPPLIES						
3400 Other Funds Ltd	-	551,333	2,238,954	2,824,697	1,466,945	1,463,339
TOTAL SERVICES & SUPPLIES	-	\$551,333	\$2,238,954	\$2,824,697	\$1,466,945	\$1,463,339
CAPITAL OUTLAY						
5900 Other Capital Outlay						
3400 Other Funds Ltd	-	-	413,000	-	-	-
EXPENDITURES						
3400 Other Funds Ltd	-	1,491,064	5,244,746	6,981,500	5,623,748	5,610,114
TOTAL EXPENDITURES	-	\$1,491,064	\$5,244,746	\$6,981,500	\$5,623,748	\$5,610,114
ENDING BALANCE						

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Medical Marijuana Program

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
3400 Other Funds Ltd	-	7,808,936	4,055,254	-	343,834	219,130
TOTAL ENDING BALANCE	-	\$7,808,936	\$4,055,254	-	\$343,834	\$219,130
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	-	7	23	23	23	23
TOTAL AUTHORIZED POSITIONS	-	7	23	23	23	23
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	-	6.44	16.74	23.00	23.00	23.00
8280 FTE Reconciliation	-	(0.02)	(0.02)	-	-	-
TOTAL AUTHORIZED FTE	-	6.42	16.72	23.00	23.00	23.00

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Budget Support - Detail Revenues and Expenditures

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Capital Improvements

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
REVENUE CATEGORIES						
TRANSFERS IN						
1010 Transfer In - Intrafund						
3010 Other Funds Cap Improve	4,953,678	227,943	227,943	6,461,943	227,943	377,943
AVAILABLE REVENUES						
3010 Other Funds Cap Improve	4,953,678	227,943	227,943	6,461,943	227,943	377,943
TOTAL AVAILABLE REVENUES	\$4,953,678	\$227,943	\$227,943	\$6,461,943	\$227,943	\$377,943
EXPENDITURES						
SERVICES & SUPPLIES						
4175 Office Expenses						
3010 Other Funds Cap Improve	2,349	-	-	-	-	-
4225 State Gov. Service Charges						
3010 Other Funds Cap Improve	5,300	-	-	-	-	-
4300 Professional Services						
3010 Other Funds Cap Improve	911	-	-	-	-	-
4475 Facilities Maintenance						
3010 Other Funds Cap Improve	59,704	-	-	-	-	-
4650 Other Services and Supplies						
3010 Other Funds Cap Improve	212	-	-	-	-	-
SERVICES & SUPPLIES						
3010 Other Funds Cap Improve	68,476	-	-	-	-	-
TOTAL SERVICES & SUPPLIES	\$68,476	-	-	-	-	-
CAPITAL OUTLAY						

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<i>Description</i>	<i>2015-17 Actuals</i>	<i>2017-19 Leg Adopted Budget</i>	<i>2017-19 Leg Approved Budget</i>	<i>2019-21 Agency Request Budget</i>	<i>2019-21 Governor's Budget</i>	<i>2019-21 Leg. Adopted Audit</i>
5650 Land Improvements						
3010 Other Funds Cap Improve	-	5,342	5,342	5,342	5,342	5,342
5700 Building Structures						
3010 Other Funds Cap Improve	4,859,978	222,601	222,601	4,522,601	222,601	372,601
5850 Contingencies						
3010 Other Funds Cap Improve	-	-	-	1,934,000	-	-
5900 Other Capital Outlay						
3010 Other Funds Cap Improve	25,224	-	-	-	-	-
CAPITAL OUTLAY						
3010 Other Funds Cap Improve	4,885,202	227,943	227,943	6,461,943	227,943	377,943
TOTAL CAPITAL OUTLAY	\$4,885,202	\$227,943	\$227,943	\$6,461,943	\$227,943	\$377,943
EXPENDITURES						
3010 Other Funds Cap Improve	4,953,678	227,943	227,943	6,461,943	227,943	377,943
TOTAL EXPENDITURES	\$4,953,678	\$227,943	\$227,943	\$6,461,943	\$227,943	\$377,943

Budget Support - Detail Revenues and Expenditures

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Agency-Wide Consolidation

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	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	26,540,406	27,586,400	27,586,400	28,676,503	32,203,952	29,008,456
8800 General Fund Revenue	10,564,911	10,470,600	10,470,600	11,424,497	7,813,048	11,008,544
All Funds	37,105,317	38,057,000	38,057,000	40,101,000	40,017,000	40,017,000
LICENSES AND FEES						
0205 Business Lic and Fees						
3400 Other Funds Ltd	7,973,525	3,831,680	3,831,680	4,245,160	16,832,617	9,203,217
8800 General Fund Revenue	11,303,400	7,558,320	7,558,320	7,498,840	4,083,786	11,713,186
All Funds	19,276,925	11,390,000	11,390,000	11,744,000	20,916,403	20,916,403
CHARGES FOR SERVICES						
0410 Charges for Services						
3400 Other Funds Ltd	-	6,000	6,000	6,000	6,000	6,000
FINES, RENTS AND ROYALTIES						
0505 Fines and Forfeitures						
3400 Other Funds Ltd	-	1,292,000	1,292,000	831,786	831,786	362,626
8800 General Fund Revenue	-	-	-	-	-	469,160
All Funds	-	1,292,000	1,292,000	831,786	831,786	831,786
SALES INCOME						

Budget Support - Detail Revenues and Expenditures

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Agency-Wide Consolidation

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
0705 Sales Income						
3400 Other Funds Ltd	907,718	784,000	784,000	784,000	784,000	784,000
8800 General Fund Revenue	-	35,442,000	35,442,000	-	-	39,331,575
All Funds	907,718	36,226,000	36,226,000	784,000	784,000	40,115,575
0710 Liquor Sales						
3010 Other Funds Cap Improve	4,953,678	227,943	227,943	6,461,943	227,943	377,943
3400 Other Funds Ltd	938,141,701	1,018,197,144	1,018,197,144	1,066,498,352	1,188,661,413	1,222,160,393
8800 General Fund Revenue	242,568,584	272,675,661	272,675,661	336,311,259	353,605,648	278,533,382
All Funds	1,185,663,963	1,291,100,748	1,291,100,748	1,409,271,554	1,542,495,004	1,501,071,718
SALES INCOME						
3010 Other Funds Cap Improve	4,953,678	227,943	227,943	6,461,943	227,943	377,943
3400 Other Funds Ltd	939,049,419	1,018,981,144	1,018,981,144	1,067,282,352	1,189,445,413	1,222,944,393
8800 General Fund Revenue	242,568,584	308,117,661	308,117,661	336,311,259	353,605,648	317,864,957
TOTAL SALES INCOME	\$1,186,571,681	\$1,327,326,748	\$1,327,326,748	\$1,410,055,554	\$1,543,279,004	\$1,541,187,293
COST OF GOODS SOLD						
0755 Liquor Cost of Goods Sold						
3400 Other Funds Ltd	(586,662,279)	(599,768,759)	(599,768,759)	(704,782,181)	(731,021,927)	(731,021,927)
0760 Cost of Goods Sold						
3400 Other Funds Ltd	(14,195,721)	(7,874,579)	(7,874,579)	(16,969,469)	(18,075,205)	(18,075,205)
COST OF GOODS SOLD						
3400 Other Funds Ltd	(600,858,000)	(607,643,338)	(607,643,338)	(721,751,650)	(749,097,132)	(749,097,132)
TOTAL COST OF GOODS SOLD	(\$600,858,000)	(\$607,643,338)	(\$607,643,338)	(\$721,751,650)	(\$749,097,132)	(\$749,097,132)
OTHER						

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Agency-Wide Consolidation

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg. Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
0975 Other Revenues						
3400 Other Funds Ltd	-	25,000	25,000	7,000,025,000	-	-
TRANSFERS IN						
1150 Tsfr From Revenue, Dept of						
3400 Other Funds Ltd	-	-	1,500,000	-	-	-
REVENUE CATEGORIES						
3010 Other Funds Cap Improve	4,953,678	227,943	227,943	6,461,943	227,943	377,943
3400 Other Funds Ltd	372,705,350	444,078,886	445,578,886	7,379,315,151	490,222,636	512,427,560
8800 General Fund Revenue	264,436,895	326,146,581	326,146,581	355,234,596	365,502,482	341,055,847
TOTAL REVENUE CATEGORIES	\$642,095,923	\$770,453,410	\$771,953,410	\$7,741,011,690	\$855,953,061	\$853,861,350
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
3010 Other Funds Cap Improve	(4,953,678)	(227,943)	(227,943)	(6,461,943)	(227,943)	(377,943)
3400 Other Funds Ltd	(169,425,522)	(187,757,791)	(189,795,563)	(224,920,586)	(213,585,494)	(214,900,028)
All Funds	(174,379,200)	(187,985,734)	(190,023,506)	(231,382,529)	(213,813,437)	(215,277,971)
2050 Transfer to Other						
3400 Other Funds Ltd	(626,506)	(662,000)	(662,000)	(700,773)	(8,274,429)	(700,773)
2060 Transfer to General Fund						
8800 General Fund Revenue	(264,436,895)	(326,146,581)	(326,146,581)	(355,234,596)	(365,502,482)	(341,055,847)
2070 Transfer to Cities						
3400 Other Funds Ltd	(82,697,106)	(104,086,149)	(104,086,149)	(99,314,400)	(108,918,181)	(107,789,736)
2080 Transfer to Counties						
3400 Other Funds Ltd	(41,348,553)	(51,911,534)	(51,911,534)	(49,657,200)	(58,244,805)	(53,879,334)

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BDV103A - Budget Support - Detail Revenues & Expenditures
BDV103A

Oregon Liquor Control Comm

Agency Number: 84500

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 84500-990-00-00-00000

2019-21 Biennium

Agency-Wide Consolidation

Description	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Budget	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
2107 Tsfr To Administrative Svcs						
3400 Other Funds Ltd	(57,887,974)	(73,111,058)	(73,111,058)	(69,520,080)	(81,542,727)	(75,400,000)
2443 Tsfr To Oregon Health Authority						
3400 Other Funds Ltd	(22,219,688)	(18,697,500)	(18,697,500)	(20,083,817)	(19,657,000)	(19,658,114)
TRANSFERS OUT						
3010 Other Funds Cap Improve	(4,953,678)	(227,943)	(227,943)	(6,461,943)	(227,943)	(377,943)
3400 Other Funds Ltd	(374,205,349)	(436,226,032)	(438,263,804)	(464,196,856)	(490,222,636)	(472,327,985)
8800 General Fund Revenue	(264,436,895)	(326,146,581)	(326,146,581)	(355,234,596)	(365,502,482)	(341,055,847)
TOTAL TRANSFERS OUT	(\$643,595,922)	(\$762,600,556)	(\$764,638,328)	(\$825,893,395)	(\$855,953,061)	(\$813,761,775)
AVAILABLE REVENUES						
3400 Other Funds Ltd	1	9,352,854	8,815,082	6,916,618,295	1,500,000	41,599,575
TOTAL AVAILABLE REVENUES	\$1	\$9,352,854	\$8,815,082	\$6,916,618,295	\$1,500,000	\$41,599,575
ENDING BALANCE						
3400 Other Funds Ltd	1	9,352,854	8,815,082	6,916,618,295	1,500,000	41,599,575
TOTAL ENDING BALANCE	\$1	\$9,352,854	\$8,815,082	\$6,916,618,295	\$1,500,000	\$41,599,575

BUDGET NARRATIVE

VERSION / COLUMN COMPARISON - DETAIL

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved 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	-
0030 Beginning Balance Adjustment				
3400 Other Funds Ltd	6,017,643	6,017,643	0	-
TOTAL BEGINNING BALANCE				
3400 Other Funds Ltd	7,517,643	7,517,643	0	-
REVENUE CATEGORIES				
TAXES				
0185 Privilege Taxes				
3400 Other Funds Ltd	29,008,456	29,008,456	0	-
8800 General Fund Revenue	11,008,544	11,008,544	0	-
All Funds	40,017,000	40,017,000	0	-
LICENSES AND FEES				
0205 Business Lic and Fees				
3400 Other Funds Ltd	38,898,731	44,005,282	5,106,551	13.13%
8800 General Fund Revenue	11,713,186	11,713,186	0	-
All Funds	50,611,917	55,718,468	5,106,551	10.09%
CHARGES FOR SERVICES				
0410 Charges for Services				
3400 Other Funds Ltd	6,000	6,000	0	-
FINES, RENTS AND ROYALTIES				
0505 Fines and Forfeitures				
3400 Other Funds Ltd	362,626	362,626	0	-

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8800 General Fund Revenue	469,160	469,160	0	-
All Funds	831,786	831,786	0	-
SALES INCOME				
0705 Sales Income				
3400 Other Funds Ltd	784,000	784,000	0	-
8800 General Fund Revenue	39,331,575	39,331,575	0	-
All Funds	40,115,575	40,115,575	0	-
0710 Liquor Sales				
3010 Other Funds Cap Improve	377,943	377,943	0	-
3400 Other Funds Ltd	1,222,160,393	1,222,160,393	0	-
8800 General Fund Revenue	278,533,382	278,533,382	0	-
All Funds	1,501,071,718	1,501,071,718	0	-
TOTAL SALES INCOME				
3010 Other Funds Cap Improve	377,943	377,943	0	-
3400 Other Funds Ltd	1,222,944,393	1,222,944,393	0	-
8800 General Fund Revenue	317,864,957	317,864,957	0	-
TOTAL SALES INCOME	\$1,541,187,293	\$1,541,187,293	0	-
COST OF GOODS SOLD				
0755 Liquor Cost of Goods Sold				
3400 Other Funds Ltd	(731,021,927)	(731,021,927)	0	-
0760 Cost of Goods Sold				
3400 Other Funds Ltd	(18,075,205)	(18,075,205)	0	-
TOTAL COST OF GOODS SOLD				
3400 Other Funds Ltd	(749,097,132)	(749,097,132)	0	-

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TRANSFERS IN				
1010 Transfer In - Intrafund				
3010 Other Funds Cap Improve	377,943	377,943	0	-
3400 Other Funds Ltd	214,900,028	214,900,028	0	-
All Funds	215,277,971	215,277,971	0	-
1020 Transfer In - Indirect Cost				
3400 Other Funds Ltd	6,472,202	6,472,202	0	-
1150 Tsfr From Revenue, Dept of				
3400 Other Funds Ltd	7,000,000	7,000,000	0	-
TOTAL TRANSFERS IN				
3010 Other Funds Cap Improve	377,943	377,943	0	-
3400 Other Funds Ltd	228,372,230	228,372,230	0	-
TOTAL TRANSFERS IN	\$228,750,173	\$228,750,173	0	-
TOTAL REVENUES				
3010 Other Funds Cap Improve	755,886	755,886	0	-
3400 Other Funds Ltd	770,495,304	775,601,855	5,106,551	0.66%
8800 General Fund Revenue	341,055,847	341,055,847	0	-
TOTAL REVENUES	\$1,112,307,037	\$1,117,413,588	\$5,106,551	0.46%
TRANSFERS OUT				
2010 Transfer Out - Intrafund				
3010 Other Funds Cap Improve	(377,943)	(377,943)	0	-
3400 Other Funds Ltd	(214,900,028)	(214,900,028)	0	-
All Funds	(215,277,971)	(215,277,971)	0	-
2020 Transfer Out - Indirect Cost				

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(6,472,202)	(6,472,202)	0	-
2050 Transfer to Other				
3400 Other Funds Ltd	(700,773)	(700,773)	0	-
2060 Transfer to General Fund				
8800 General Fund Revenue	(341,055,847)	(341,055,847)	0	-
2070 Transfer to Cities				
3400 Other Funds Ltd	(107,789,736)	(107,789,736)	0	-
2080 Transfer to Counties				
3400 Other Funds Ltd	(53,879,334)	(53,879,334)	0	-
2107 Tsfr To Administrative Svcs				
3400 Other Funds Ltd	(75,400,000)	(75,400,000)	0	-
2443 Tsfr To Oregon Health Authority				
3400 Other Funds Ltd	(19,827,438)	(19,827,438)	0	-
2603 Tsfr To Agriculture, Dept of				
3400 Other Funds Ltd	-	(292,593)	(292,593)	100.00%
TOTAL TRANSFERS OUT				
3010 Other Funds Cap Improve	(377,943)	(377,943)	0	-
3400 Other Funds Ltd	(478,969,511)	(479,262,104)	(292,593)	-0.06%
8800 General Fund Revenue	(341,055,847)	(341,055,847)	0	-
TOTAL TRANSFERS OUT	(\$820,403,301)	(\$820,695,894)	(\$292,593)	-0.04%
AVAILABLE REVENUES				
3010 Other Funds Cap Improve	377,943	377,943	0	-
3400 Other Funds Ltd	299,043,436	303,857,394	4,813,958	1.61%
TOTAL AVAILABLE REVENUES	\$299,421,379	\$304,235,337	\$4,813,958	1.61%

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	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	40,134,912	44,227,896	4,092,984	10.20%
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3160 Temporary Appointments

3400 Other Funds Ltd	73,157	373,157	300,000	410.08%
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3170 Overtime Payments

3400 Other Funds Ltd	355,267	355,267	0	-
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3180 Shift Differential

3400 Other Funds Ltd	65,080	65,080	0	-
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3190 All Other Differential

3400 Other Funds Ltd	60,604	60,604	0	-
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TOTAL SALARIES & WAGES

3400 Other Funds Ltd	40,689,020	45,082,004	4,392,984	10.80%
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OTHER PAYROLL EXPENSES

3210 Empl. Rel. Bd. Assessments

3400 Other Funds Ltd	19,825	22,143	2,318	11.69%
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3220 Public Employees' Retire Cont

3400 Other Funds Ltd	7,341,359	8,081,788	740,429	10.09%
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3221 Pension Obligation Bond

3400 Other Funds Ltd	1,900,435	2,290,352	389,917	20.52%
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3230 Social Security Taxes

3400 Other Funds Ltd	3,108,795	3,444,856	336,061	10.81%
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Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3240 Unemployment Assessments				
3400 Other Funds Ltd	30,394	30,394	0	-
3250 Worker's Comp. Assess. (WCD)				
3400 Other Funds Ltd	18,908	21,112	2,204	11.66%
3260 Mass Transit Tax				
3400 Other Funds Ltd	183,776	262,925	79,149	43.07%
3270 Flexible Benefits				
3400 Other Funds Ltd	11,469,984	12,806,976	1,336,992	11.66%
TOTAL OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	24,073,476	26,960,546	2,887,070	11.99%
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(1,493,704)	(584,245)	909,459	60.89%
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	27,915	(281,779)	(309,694)	-1,109.42%
TOTAL P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(1,465,789)	(866,024)	599,765	40.92%
TOTAL PERSONAL SERVICES				
3400 Other Funds Ltd	63,296,707	71,176,526	7,879,819	12.45%
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	515,464	549,329	33,865	6.57%
4125 Out of State Travel				
3400 Other Funds Ltd	61,453	61,930	477	0.78%

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4150 Employee Training				
3400 Other Funds Ltd	569,336	493,500	(75,836)	-13.32%
4175 Office Expenses				
3400 Other Funds Ltd	15,059,901	15,787,959	728,058	4.83%
4200 Telecommunications				
3400 Other Funds Ltd	570,413	1,828,401	1,257,988	220.54%
4225 State Gov. Service Charges				
3400 Other Funds Ltd	3,219,618	3,348,982	129,364	4.02%
4250 Data Processing				
3400 Other Funds Ltd	1,839,324	2,214,376	375,052	20.39%
4275 Publicity and Publications				
3400 Other Funds Ltd	92,362	.94,661	2,299	2.49%
4300 Professional Services				
3400 Other Funds Ltd	125,094,122	136,245,247	11,151,125	8.91%
4315 IT Professional Services				
3400 Other Funds Ltd	1,845,503	7,917,615	6,072,112	329.02%
4325 Attorney General				
3400 Other Funds Ltd	800,016	922,329	122,313	15.29%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	128,951	123,466	(5,485)	-4.25%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	27,524	28,099	575	2.09%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	978,059	1,464,386	486,327	49.72%

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved 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	599,595	607,771	8,176	1.36%
4475 Facilities Maintenance				
3400 Other Funds Ltd	1,924,579	1,170,758	(753,821)	-39.17%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	467,138	668,986	201,848	43.21%
4650 Other Services and Supplies				
3400 Other Funds Ltd	298,706	254,858	(43,848)	-14.68%
4700 Expendable Prop 250 - 5000				
3400 Other Funds Ltd	80,000	80,000	0	-
4715 IT Expendable Property				
3400 Other Funds Ltd	481,256	567,468	86,212	17.91%
TOTAL SERVICES & SUPPLIES				
3400 Other Funds Ltd	154,653,320	174,430,121	19,776,801	12.79%
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	-	214,515	214,515	100.00%
5200 Technical Equipment				
3400 Other Funds Ltd	17,418	107,418	90,000	516.71%
5350 Industrial and Heavy Equipment				
3400 Other Funds Ltd	23,305	143,305	120,000	514.91%
5400 Automotive and Aircraft				
3400 Other Funds Ltd	166,427	434,757	268,330	161.23%
5550 Data Processing Software				

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Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	-	15,390	15,390	100.00%
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	222,601	372,601	150,000	67.39%
3400 Other Funds Ltd	-	131,000	131,000	100.00%
All Funds	222,601	503,601	281,000	126.23%
5900 Other Capital Outlay				
3400 Other Funds Ltd	413,000	-	(413,000)	-100.00%
TOTAL CAPITAL OUTLAY				
3010 Other Funds Cap Improve	227,943	377,943	150,000	65.81%
3400 Other Funds Ltd	635,846	1,062,081	426,235	67.03%
TOTAL CAPITAL OUTLAY	\$863,789	\$1,440,024	\$576,235	66.71%
SPECIAL PAYMENTS				
6603 Spc Pmt to Agriculture, Dept of				
3400 Other Funds Ltd	258,664	-	(258,664)	-100.00%
TOTAL EXPENDITURES				
3010 Other Funds Cap Improve	227,943	377,943	150,000	65.81%
3400 Other Funds Ltd	218,844,537	246,668,728	27,824,191	12.71%
TOTAL EXPENDITURES	\$219,072,480	\$247,046,671	\$27,974,191	12.77%
ENDING BALANCE				
3010 Other Funds Cap Improve	150,000	-	(150,000)	-100.00%

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Oregon Liquor Control Comm

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	80,198,899	57,188,666	(23,010,233)	-28.69%
TOTAL ENDING BALANCE	\$80,348,899	\$57,188,666	(\$23,160,233)	-28.82%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	326	364	38	11.66%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	324.00	362.00	38.00	11.73%

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved 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	29,997,381	29,997,381	0	-
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AVAILABLE REVENUES

3400 Other Funds Ltd	29,997,381	29,997,381	0	-
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EXPENDITURES

PERSONAL SERVICES

SALARIES & WAGES

3110 Class/Unclash Sal. and Per Diem

3400 Other Funds Ltd	7,043,880	7,894,632	850,752	12.08%
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3160 Temporary Appointments

3400 Other Funds Ltd	26,108	326,108	300,000	1,149.07%
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3170 Overtime Payments

3400 Other Funds Ltd	205,285	205,285	0	-
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3180 Shift Differential

3400 Other Funds Ltd	2,374	2,374	0	-
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3190 All Other Differential

3400 Other Funds Ltd	8,549	8,549	0	-
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TOTAL SALARIES & WAGES

3400 Other Funds Ltd	7,286,196	8,436,948	1,150,752	15.79%
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OTHER PAYROLL EXPENSES

3210 Empl. Rel. Bd. Assessments

3400 Other Funds Ltd	4,148	4,819	671	16.18%
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Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved 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	1,313,357	1,467,259	153,902	11.72%
3221 Pension Obligation Bond				
3400 Other Funds Ltd	366,303	409,177	42,874	11.70%
3230 Social Security Taxes				
3400 Other Funds Ltd	557,323	645,357	88,034	15.80%
3240 Unemployment Assessments				
3400 Other Funds Ltd	6,337	6,337	0	-
3250 Worker's Comp. Assess. (WCD)				
3400 Other Funds Ltd	3,944	4,582	638	16.18%
3260 Mass Transit Tax				
3400 Other Funds Ltd	36,757	48,820	12,063	32.82%
3270 Flexible Benefits				
3400 Other Funds Ltd	2,392,512	2,779,536	387,024	16.18%
TOTAL OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	4,680,681	5,365,887	685,206	14.64%
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(331,996)	(121,867)	210,129	63.29%
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	(55,176)	(55,176)	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(331,996)	(177,043)	154,953	46.67%
TOTAL PERSONAL SERVICES				

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Distilled Spirits Program

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	11,634,881	13,625,792	1,990,911	17.11%
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	3,996	4,996	1,000	25.03%
4175 Office Expenses				
3400 Other Funds Ltd	14,001,648	14,941,114	939,466	6.71%
4200 Telecommunications				
3400 Other Funds Ltd	60,937	62,937	2,000	3.28%
4225 State Gov. Service Charges				
3400 Other Funds Ltd	136,051	142,748	6,697	4.92%
4250 Data Processing				
3400 Other Funds Ltd	176,288	177,788	1,500	0.85%
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	-

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Distilled Spirits Program

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved 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	63,396	80,764	17,368	27.40%
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	136,484	130,484	(6,000)	-4.40%
4650 Other Services and Supplies				
3400 Other Funds Ltd	9,058	17,433	8,375	92.46%
4715 IT Expendable Property				
3400 Other Funds Ltd	12,518	14,785	2,267	18.11%
TOTAL SERVICES & SUPPLIES				
3400 Other Funds Ltd	14,976,220	15,948,893	972,673	6.49%
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	-	7,695	7,695	100.00%
5200 Technical Equipment				
3400 Other Funds Ltd	-	90,000	90,000	100.00%
5350 Industrial and Heavy Equipment				
3400 Other Funds Ltd	23,305	143,305	120,000	514.91%
5400 Automotive and Aircraft				

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	25,000	35,000	10,000	40.00%
5600 Data Processing Hardware				
3400 Other Funds Ltd	15,696	15,696	0	-
5700 Building Structures				
3400 Other Funds Ltd	-	131,000	131,000	100.00%
TOTAL CAPITAL OUTLAY				
3400 Other Funds Ltd	64,001	422,696	358,695	560.45%
TOTAL EXPENDITURES				
3400 Other Funds Ltd	26,675,102	29,997,381	3,322,279	12.45%
ENDING BALANCE				
3400 Other Funds Ltd	3,322,279	-	(3,322,279)	-100.00%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	68	79	11	16.18%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	68.00	79.00	11.00	16.18%

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Public Safety Services Program

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

REVENUE CATEGORIES

LICENSES AND FEES

0205 Business Lic and Fees

3400 Other Funds Ltd	-	9,172,403	9,172,403	100.00%
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TRANSFERS IN

1010 Transfer In - Intrafund

3400 Other Funds Ltd	26,194,966	26,194,966	0	-
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1020 Transfer In - Indirect Cost

3400 Other Funds Ltd	1,683,716	1,683,716	0	-
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TOTAL TRANSFERS IN

3400 Other Funds Ltd	27,878,682	27,878,682	0	-
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TOTAL REVENUES

3400 Other Funds Ltd	27,878,682	37,051,085	9,172,403	32.90%
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AVAILABLE REVENUES

3400 Other Funds Ltd	27,878,682	37,051,085	9,172,403	32.90%
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EXPENDITURES

PERSONAL SERVICES

SALARIES & WAGES

3110 Class/Unclass Sal. and Per Diem

3400 Other Funds Ltd	13,889,664	14,983,488	1,093,824	7.88%
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3160 Temporary Appointments

3400 Other Funds Ltd	39,994	39,994	0	-
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3170 Overtime Payments

3400 Other Funds Ltd	102,874	102,874	0	-
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Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
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	14,132,510	15,226,334	1,093,824	7.74%
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	6,588	7,198	610	9.26%
3220 Public Employees' Retire Cont				
3400 Other Funds Ltd	2,549,348	2,747,222	197,874	7.76%
3221 Pension Obligation Bond				
3400 Other Funds Ltd	713,261	891,428	178,167	24.98%
3230 Social Security Taxes				
3400 Other Funds Ltd	1,081,132	1,164,808	83,676	7.74%
3240 Unemployment Assessments				
3400 Other Funds Ltd	9,599	9,599	0	-
3250 Worker's Comp. Assess. (WCD)				
3400 Other Funds Ltd	6,264	6,844	580	9.26%
3260 Mass Transit Tax				
3400 Other Funds Ltd	70,979	90,272	19,293	27.18%
3270 Flexible Benefits				
3400 Other Funds Ltd	3,799,872	4,151,712	351,840	9.26%
TOTAL OTHER PAYROLL EXPENSES				

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Public Safety Services Program

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	8,237,043	9,069,083	832,040	10.10%
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(611,665)	(193,553)	418,112	68.36%
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	(104,846)	(104,846)	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(611,665)	(298,399)	313,266	51.22%
TOTAL PERSONAL SERVICES				
3400 Other Funds Ltd	21,757,888	23,997,018	2,239,130	10.29%
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	212,976	227,068	14,092	6.62%
4125 Out of State Travel				
3400 Other Funds Ltd	12,534	13,011	477	3.81%
4150 Employee Training				
3400 Other Funds Ltd	258,550	288,708	30,158	11.66%
4175 Office Expenses				
3400 Other Funds Ltd	322,221	325,818	3,597	1.12%
4200 Telecommunications				
3400 Other Funds Ltd	288,923	1,020,296	731,373	253.14%
4225 State Gov. Service Charges				
3400 Other Funds Ltd	192,433	207,482	15,049	7.82%
4250 Data Processing				

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Public Safety Services Program

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	29,061	44,165	15,104	51.97%
4275 Publicity and Publications				
3400 Other Funds Ltd	60,517	62,816	2,299	3.80%
4300 Professional Services				
3400 Other Funds Ltd	364,103	335,911	(28,192)	-7.74%
4315 IT Professional Services				
3400 Other Funds Ltd	70,762	73,734	2,972	4.20%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	8,640	8,968	328	3.80%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	9,159	9,507	348	3.80%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	472,278	663,905	191,627	40.58%
4450 Fuels and Utilities				
3400 Other Funds Ltd	22,334	23,183	849	3.80%
4475 Facilities Maintenance				
3400 Other Funds Ltd	17,897	18,576	679	3.79%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	66,165	350,505	284,340	429.74%
4650 Other Services and Supplies				
3400 Other Funds Ltd	11,589	20,057	8,468	73.07%
4715 IT Expendable Property				
3400 Other Funds Ltd	30,751	54,589	23,838	77.52%
TOTAL SERVICES & SUPPLIES				

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Public Safety Services Program

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	2,450,893	3,748,299	1,297,406	52.94%
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	-	76,700	76,700	100.00%
5400 Automotive and Aircraft				
3400 Other Funds Ltd	-	56,666	56,666	100.00%
TOTAL CAPITAL OUTLAY				
3400 Other Funds Ltd	-	133,366	133,366	100.00%
TOTAL EXPENDITURES				
3400 Other Funds Ltd	24,208,781	27,878,683	3,669,902	15.16%
ENDING BALANCE				
3400 Other Funds Ltd	3,669,901	9,172,402	5,502,501	149.94%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	108	118	10	9.26%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	106.00	116.00	10.00	9.43%

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved 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	23,321,977	23,321,977	0	-
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1020 Transfer In - Indirect Cost

3400 Other Funds Ltd	4,788,486	4,788,486	0	-
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TOTAL TRANSFERS IN

3400 Other Funds Ltd	28,110,463	28,110,463	0	-
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AVAILABLE REVENUES

3400 Other Funds Ltd	28,110,463	28,110,463	0	-
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EXPENDITURES**PERSONAL SERVICES****SALARIES & WAGES****3110 Class/Unclass Sal. and Per Diem**

3400 Other Funds Ltd	9,670,320	10,718,520	1,048,200	10.84%
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3160 Temporary Appointments

3400 Other Funds Ltd	7,055	7,055	0	-
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3170 Overtime Payments

3400 Other Funds Ltd	47,108	47,108	0	-
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3180 Shift Differential

3400 Other Funds Ltd	2,917	2,917	0	-
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3190 All Other Differential

3400 Other Funds Ltd	11,866	11,866	0	-
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TOTAL SALARIES & WAGES

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Administration and Support

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	9,739,266	10,787,466	1,048,200	10.76%
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	4,087	4,575	488	11.94%
3220 Public Employees' Retire Cont				
3400 Other Funds Ltd	1,754,478	1,944,099	189,621	10.81%
3221 Pension Obligation Bond				
3400 Other Funds Ltd	505,855	452,579	(53,276)	-10.53%
3230 Social Security Taxes				
3400 Other Funds Ltd	741,220	821,408	80,188	10.82%
3240 Unemployment Assessments				
3400 Other Funds Ltd	13,553	13,553	0	-
3250 Worker's Comp. Assess. (WCD)				
3400 Other Funds Ltd	3,944	4,408	464	11.76%
3260 Mass Transit Tax				
3400 Other Funds Ltd	46,732	59,019	12,287	26.29%
3270 Flexible Benefits				
3400 Other Funds Ltd	2,392,512	2,673,984	281,472	11.76%
TOTAL OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	5,462,381	5,973,625	511,244	9.36%
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(393,400)	(121,867)	271,533	69.02%
3465 Reconciliation Adjustment				

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	27,915	(61,560)	(89,475)	-320.53%
TOTAL P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(365,485)	(183,427)	182,058	49.81%
TOTAL PERSONAL SERVICES				
3400 Other Funds Ltd	14,836,162	16,577,664	1,741,502	11.74%
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	59,103	65,103	6,000	10.15%
4175 Office Expenses				
3400 Other Funds Ltd	312,226	304,641	(7,585)	-2.43%
4200 Telecommunications				
3400 Other Funds Ltd	105,005	120,005	15,000	14.29%
4225 State Gov. Service Charges				
3400 Other Funds Ltd	2,826,602	2,838,235	11,633	0.41%
4250 Data Processing				
3400 Other Funds Ltd	392,535	930,365	537,830	137.01%
4275 Publicity and Publications				
3400 Other Funds Ltd	11,203	11,203	0	-
4300 Professional Services				
3400 Other Funds Ltd	421,381	141,835	(279,546)	-66.34%

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4315 IT Professional Services				
3400 Other Funds Ltd	336,424	4,982,784	4,646,360	1,381.10%
4325 Attorney General				
3400 Other Funds Ltd	425,622	490,684	65,062	15.29%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	9,614	7,948	(1,666)	-17.33%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	12,989	13,216	227	1.75%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	1,120	105,371	104,251	9,308.13%
4450 Fuels and Utilities				
3400 Other Funds Ltd	350,734	358,061	7,327	2.09%
4475 Facilities Maintenance				
3400 Other Funds Ltd	295,076	220,076	(75,000)	-25.42%
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	178,604	112,586	(66,018)	-36.96%
4715 IT Expendable Property				
3400 Other Funds Ltd	435,027	474,731	39,704	9.13%
TOTAL SERVICES & SUPPLIES				
3400 Other Funds Ltd	6,319,120	11,322,699	5,003,579	79.18%
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				

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Administration and Support

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	-	60,865	60,865	100.00%
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	100.00%
TOTAL CAPITAL OUTLAY				
3400 Other Funds Ltd	133,845	210,100	76,255	56.97%
TOTAL EXPENDITURES				
3400 Other Funds Ltd	21,289,127	28,110,463	6,821,336	32.04%
ENDING BALANCE				
3400 Other Funds Ltd	6,821,336	-	(6,821,336)	-100.00%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	68	76	8	11.76%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	68.00	76.00	8.00	11.76%

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
BEGINNING BALANCE				
0030 Beginning Balance Adjustment				
3400 Other Funds Ltd	6,017,643	6,017,643	0	-
REVENUE CATEGORIES				
LICENSES AND FEES				
0205 Business Lic and Fees				
3400 Other Funds Ltd	28,177,770	25,000,000	(3,177,770)	-11.28%
TRANSFERS OUT				
2020 Transfer Out - Indirect Cost				
3400 Other Funds Ltd	(4,671,784)	(4,671,784)	0	-
2443 Tsfr To Oregon Health Authority				
3400 Other Funds Ltd	(169,324)	(169,324)	0	-
2603 Tsfr To Agriculture, Dept of				
3400 Other Funds Ltd	-	(292,593)	(292,593)	100.00%
TOTAL TRANSFERS OUT				
3400 Other Funds Ltd	(4,841,108)	(5,133,701)	(292,593)	-6.04%
AVAILABLE REVENUES				
3400 Other Funds Ltd	29,354,305	25,883,942	(3,470,363)	-11.82%
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	6,965,928	8,059,728	1,093,800	15.70%
OTHER PAYROLL EXPENSES				

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Recreational Marijuana Program

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	3,599	4,148	549	15.25%
3220 Public Employees' Retire Cont				
3400 Other Funds Ltd	1,260,141	1,458,014	197,873	15.70%
3221 Pension Obligation Bond				
3400 Other Funds Ltd	282,548	392,598	110,050	38.95%
3230 Social Security Taxes				
3400 Other Funds Ltd	532,891	616,564	83,673	15.70%
3240 Unemployment Assessments				
3400 Other Funds Ltd	196	196	0	-
3250 Worker's Comp. Assess. (WCD)				
3400 Other Funds Ltd	3,422	3,944	522	15.25%
3260 Mass Transit Tax				
3400 Other Funds Ltd	23,425	49,423	25,998	110.98%
3270 Flexible Benefits				
3400 Other Funds Ltd	2,075,856	2,392,512	316,656	15.25%
TOTAL OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	4,182,078	4,917,399	735,321	17.58%
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(145,602)	(105,738)	39,864	27.38%
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	(42,112)	(42,112)	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS				

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Recreational Marijuana Program

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(145,602)	(147,850)	(2,248)	-1.54%
TOTAL PERSONAL SERVICES				
3400 Other Funds Ltd	11,002,404	12,829,277	1,826,873	16.60%
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	88,812	112,812	24,000	27.02%
4125 Out of State Travel				
3400 Other Funds Ltd	15,851	15,851	0	-
4150 Employee Training				
3400 Other Funds Ltd	102,997	134,693	31,696	30.77%
4175 Office Expenses				
3400 Other Funds Ltd	230,100	192,512	(37,588)	-16.34%
4200 Telecommunications				
3400 Other Funds Ltd	89,618	416,597	326,979	364.86%
4225 State Gov. Service Charges				
3400 Other Funds Ltd	64,532	115,485	50,953	78.96%
4250 Data Processing				
3400 Other Funds Ltd	100,000	109,500	9,500	9.50%
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	1,023,872	2,846,652	1,822,780	178.03%

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Recreational Marijuana Program

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4325 Attorney General				
3400 Other Funds Ltd	374,394	431,645	57,251	15.29%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	96,923	95,923	(1,000)	-1.03%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	3,111	3,111	0	-
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	293,248	460,704	167,456	57.10%
4475 Facilities Maintenance				
3400 Other Funds Ltd	1,582,023	902,523	(679,500)	-42.95%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	151,402	174,482	23,080	15.24%
4650 Other Services and Supplies				
3400 Other Funds Ltd	71,122	75,581	4,459	6.27%
4700 Expendable Prop 250 - 5000				
3400 Other Funds Ltd	80,000	80,000	0	-
4715 IT Expendable Property				
3400 Other Funds Ltd	2,960	23,363	20,403	689.29%
TOTAL SERVICES & SUPPLIES				
3400 Other Funds Ltd	4,740,718	6,561,187	1,820,469	38.40%
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	-	69,255	69,255	100.00%
5400 Automotive and Aircraft				

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Recreational Marijuana Program

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	25,000	226,664	201,664	806.66%
TOTAL CAPITAL OUTLAY				
3400 Other Funds Ltd	25,000	295,919	270,919	1,083.68%
SPECIAL PAYMENTS				
6603 Spc Pmt to Agriculture, Dept of				
3400 Other Funds Ltd	258,664	-	(258,664)	-100.00%
TOTAL EXPENDITURES				
3400 Other Funds Ltd	16,026,786	19,686,383	3,659,597	22.83%
ENDING BALANCE				
3400 Other Funds Ltd	13,327,519	6,197,559	(7,129,960)	-53.50%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	59	68	9	15.25%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	59.00	68.00	9.00	15.25%

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Agents Compensation Program

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved 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	135,385,704	135,385,704	0	-
AVAILABLE REVENUES				
3400 Other Funds Ltd	135,385,704	135,385,704	0	-
EXPENDITURES				
SERVICES & SUPPLIES				
4300 Professional Services				
3400 Other Funds Ltd	123,927,415	135,385,704	11,458,289	9.25%
ENDING BALANCE				
3400 Other Funds Ltd	11,458,289	-	(11,458,289)	-100.00%

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Cross Reference Number:84500-006-00-00-00000

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Medical Marijuana Program

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
LICENSES AND FEES				
0205 Business Lic and Fees				
3400 Other Funds Ltd	1,517,744	629,662	(888,082)	-58.51%
TRANSFERS IN				
1150 Tsfr From Revenue, Dept of				
3400 Other Funds Ltd	7,000,000	7,000,000	0	-
TOTAL REVENUES				
3400 Other Funds Ltd	8,517,744	7,629,662	(888,082)	-10.43%
TRANSFERS OUT				
2020 Transfer Out - Indirect Cost				
3400 Other Funds Ltd	(1,800,418)	(1,800,418)	0	-
AVAILABLE REVENUES				
3400 Other Funds Ltd	6,717,326	5,829,244	(888,082)	-13.22%
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	2,565,120	2,571,528	6,408	0.25%
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	1,403	1,403	0	-
3220 Public Employees' Retire Cont				
3400 Other Funds Ltd	464,035	465,194	1,159	0.25%

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Medical Marijuana Program

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3221 Pension Obligation Bond				
3400 Other Funds Ltd	32,468	144,570	112,102	345.27%
3230 Social Security Taxes				
3400 Other Funds Ltd	196,229	196,719	490	0.25%
3240 Unemployment Assessments				
3400 Other Funds Ltd	709	709	0	-
3250 Worker's Comp. Assess. (WCD)				
3400 Other Funds Ltd	1,334	1,334	0	-
3260 Mass Transit Tax				
3400 Other Funds Ltd	5,883	15,391	9,508	161.62%
3270 Flexible Benefits				
3400 Other Funds Ltd	809,232	809,232	0	-
TOTAL OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	1,511,293	1,634,552	123,259	8.16%
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(11,041)	(41,220)	(30,179)	-273.34%
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	(18,085)	(18,085)	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(11,041)	(59,305)	(48,264)	-437.13%
TOTAL PERSONAL SERVICES				
3400 Other Funds Ltd	4,065,372	4,146,775	81,403	2.00%
SERVICES & SUPPLIES				

Version / Column Comparison Report - Detail

Cross Reference Number:84500-006-00-00-00000

2019-21 Biennium

Medical Marijuana Program

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4100 Instate Travel				
3400 Other Funds Ltd	52,666	48,439	(4,227)	-8.03%
4150 Employee Training				
3400 Other Funds Ltd	144,690	-	(144,690)	-100.00%
4175 Office Expenses				
3400 Other Funds Ltd	193,706	23,874	(169,832)	-87.68%
4200 Telecommunications				
3400 Other Funds Ltd	25,930	208,566	182,636	704.34%
4225 State Gov. Service Charges				
3400 Other Funds Ltd	-	45,032	45,032	100.00%
4250 Data Processing				
3400 Other Funds Ltd	1,141,440	952,558	(188,882)	-16.55%
4300 Professional Services				
3400 Other Funds Ltd	-	574	574	100.00%
4315 IT Professional Services				
3400 Other Funds Ltd	400,000	-	(400,000)	-100.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	4,600	1,453	(3,147)	-68.41%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	148,017	153,642	5,625	3.80%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	99,572	-	(99,572)	-100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	28,333	29,201	868	3.06%

Version / Column Comparison Report - Detail

Cross Reference Number:84500-006-00-00-00000

2019-21 Biennium

Medical Marijuana Program

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL SERVICES & SUPPLIES				
3400 Other Funds Ltd	2,238,954	1,463,339	(775,615)	-34.64%
CAPITAL OUTLAY				
5900 Other Capital Outlay				
3400 Other Funds Ltd	413,000	-	(413,000)	-100.00%
TOTAL EXPENDITURES				
3400 Other Funds Ltd	6,717,326	5,610,114	(1,107,212)	-16.48%
ENDING BALANCE				
3400 Other Funds Ltd	-	219,130	219,130	100.00%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	23	23	0	-
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	23.00	23.00	0	-

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved 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	377,943	377,943	0	-
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AVAILABLE REVENUES

3010 Other Funds Cap Improve	377,943	377,943	0	-
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EXPENDITURES**CAPITAL OUTLAY****5650 Land Improvements**

3010 Other Funds Cap Improve	5,342	5,342	0	-
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5700 Building Structures

3010 Other Funds Cap Improve	222,601	372,601	150,000	67.39%
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TOTAL CAPITAL OUTLAY

3010 Other Funds Cap Improve	227,943	377,943	150,000	65.81%
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ENDING BALANCE

3010 Other Funds Cap Improve	150,000	-	(150,000)	-100.00%
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Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved 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	-
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REVENUE CATEGORIES**TAXES****0185 Privilege Taxes**

3400 Other Funds Ltd	29,008,456	29,008,456	0	-
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8800 General Fund Revenue	11,008,544	11,008,544	0	-
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All Funds	40,017,000	40,017,000	0	-
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LICENSES AND FEES**0205 Business Lic and Fees**

3400 Other Funds Ltd	9,203,217	9,203,217	0	-
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8800 General Fund Revenue	11,713,186	11,713,186	0	-
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All Funds	20,916,403	20,916,403	0	-
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CHARGES FOR SERVICES**0410 Charges for Services**

3400 Other Funds Ltd	6,000	6,000	0	-
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FINES, RENTS AND ROYALTIES**0505 Fines and Forfeitures**

3400 Other Funds Ltd	362,626	362,626	0	-
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8800 General Fund Revenue	469,160	469,160	0	-
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All Funds	831,786	831,786	0	-
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SALES INCOME**0705 Sales Income**

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	784,000	784,000	0	-
8800 General Fund Revenue	39,331,575	39,331,575	0	-
All Funds	40,115,575	40,115,575	0	-
0710 Liquor Sales				
3010 Other Funds Cap Improve	377,943	377,943	0	-
3400 Other Funds Ltd	1,222,160,393	1,222,160,393	0	-
8800 General Fund Revenue	278,533,382	278,533,382	0	-
All Funds	1,501,071,718	1,501,071,718	0	-
TOTAL SALES INCOME				
3010 Other Funds Cap Improve	377,943	377,943	0	-
3400 Other Funds Ltd	1,222,944,393	1,222,944,393	0	-
8800 General Fund Revenue	317,864,957	317,864,957	0	-
TOTAL SALES INCOME	\$1,541,187,293	\$1,541,187,293	0	-
COST OF GOODS SOLD				
0755 Liquor Cost of Goods Sold				
3400 Other Funds Ltd	(731,021,927)	(731,021,927)	0	-
0760 Cost of Goods Sold				
3400 Other Funds Ltd	(18,075,205)	(18,075,205)	0	-
TOTAL COST OF GOODS SOLD				
3400 Other Funds Ltd	(749,097,132)	(749,097,132)	0	-
TOTAL REVENUES				
3010 Other Funds Cap Improve	377,943	377,943	0	-
3400 Other Funds Ltd	512,427,560	512,427,560	0	-
8800 General Fund Revenue	341,055,847	341,055,847	0	-

Version / Column Comparison Report - Detail

Cross Reference Number:84500-990-00-00-00000

2019-21 Biennium

Agency-Wide Consolidation

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL REVENUES	\$853,861,350	\$853,861,350	0	-
TRANSFERS OUT				
2010 Transfer Out - Intrafund				
3010 Other Funds Cap Improve	(377,943)	(377,943)	0	-
3400 Other Funds Ltd	(214,900,028)	(214,900,028)	0	-
All Funds	(215,277,971)	(215,277,971)	0	-
2050 Transfer to Other				
3400 Other Funds Ltd	(700,773)	(700,773)	0	-
2060 Transfer to General Fund				
8800 General Fund Revenue	(341,055,847)	(341,055,847)	0	-
2070 Transfer to Cities				
3400 Other Funds Ltd	(107,789,736)	(107,789,736)	0	-
2080 Transfer to Counties				
3400 Other Funds Ltd	(53,879,334)	(53,879,334)	0	-
2107 Tsfr To Administrative Svcs				
3400 Other Funds Ltd	(75,400,000)	(75,400,000)	0	-
2443 Tsfr To Oregon Health Authority				
3400 Other Funds Ltd	(19,658,114)	(19,658,114)	0	-
TOTAL TRANSFERS OUT				
3010 Other Funds Cap Improve	(377,943)	(377,943)	0	-
3400 Other Funds Ltd	(472,327,985)	(472,327,985)	0	-
8800 General Fund Revenue	(341,055,847)	(341,055,847)	0	-
TOTAL TRANSFERS OUT	(\$813,761,775)	(\$813,761,775)	0	-
AVAILABLE REVENUES				

Version / Column Comparison Report - Detail

Cross Reference Number:84500-990-00-00-00000

2019-21 Biennium

Agency-Wide Consolidation

Description	Leg. Adopted Budget (Z-01) 2019-21 Base Budget	Leg. Adopted Budget (Z-01) 2019-21 Leg Approved Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	41,599,575	41,599,575	0	-
ENDING BALANCE				
3400 Other Funds Ltd	41,599,575	41,599,575	0	-

BUDGET NARRATIVE

PACKAGE COMPARISON - ESSENTIAL PACKAGES

Oregon Liquor Control Comm

Agency Number: 84500

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Non-PICS Psnl Svc / Vacancy Factor

Oregon Liquor Control Comm

Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-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	389,917	389,917	0	0.00%
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3260 Mass Transit Tax

3400 Other Funds Ltd	60,491	60,491	0	0.00%
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OTHER PAYROLL EXPENSES

3400 Other Funds Ltd	450,408	450,408	0	0.00%
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TOTAL OTHER PAYROLL EXPENSES

\$450,408	\$450,408	\$0	0.00%
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P.S. BUDGET ADJUSTMENTS

3455 Vacancy Savings

3400 Other Funds Ltd	909,459	909,459	0	0.00%
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PERSONAL SERVICES

3400 Other Funds Ltd	1,359,867	1,359,867	0	0.00%
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TOTAL PERSONAL SERVICES

\$1,359,867	\$1,359,867	\$0	0.00%
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EXPENDITURES

3400 Other Funds Ltd	1,359,867	1,359,867	0	0.00%
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TOTAL EXPENDITURES

\$1,359,867	\$1,359,867	\$0	0.00%
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Oregon Liquor Control Comm**Agency Number: 84500**

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Non-PICS Psnl Svc / Vacancy Factor

Oregon Liquor Control Comm

Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-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	(1,359,867)	(1,359,867)	0	0.00%
TOTAL ENDING BALANCE	(\$1,359,867)	(\$1,359,867)	\$0	0.00%

Description	Agency Request Budget (V-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	(6,000)	(6,000)	0	0.00%
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4150 Employee Training

3400 Other Funds Ltd	(163,690)	(163,690)	0	0.00%
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4175 Office Expenses

3400 Other Funds Ltd	(250,294)	(250,294)	0	0.00%
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4200 Telecommunications

3400 Other Funds Ltd	(18,847)	(18,847)	0	0.00%
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4300 Professional Services

3400 Other Funds Ltd	(300,000)	(300,000)	0	0.00%
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4315 IT Professional Services

3400 Other Funds Ltd	(580,000)	(580,000)	0	0.00%
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4375 Employee Recruitment and Develop

3400 Other Funds Ltd	(6,096)	(6,096)	0	0.00%
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4475 Facilities Maintenance

3400 Other Funds Ltd	(754,500)	(754,500)	0	0.00%
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4575 Agency Program Related S and S

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Phase-out Pgm & One-time Costs

Oregon Liquor Control Comm

Pkg Group: ESS Pkg Type: 020 Pkg Number: 022

Description	Agency Request Budget (V-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	(130,572)	(130,572)	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(2,209,999)	(2,209,999)	0	0.00%
TOTAL SERVICES & SUPPLIES	(\$2,209,999)	(\$2,209,999)	\$0	0.00%
CAPITAL OUTLAY				
5400 Automotive and Aircraft				
3400 Other Funds Ltd	(50,000)	(50,000)	0	0.00%
5900 Other Capital Outlay				
3400 Other Funds Ltd	(413,000)	(413,000)	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	(463,000)	(463,000)	0	0.00%
TOTAL CAPITAL OUTLAY	(\$463,000)	(\$463,000)	\$0	0.00%
EXPENDITURES				
3400 Other Funds Ltd	(2,672,999)	(2,672,999)	0	0.00%
TOTAL EXPENDITURES	(\$2,672,999)	(\$2,672,999)	\$0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	2,672,999	2,672,999	0	0.00%
TOTAL ENDING BALANCE	\$2,672,999	\$2,672,999	\$0	0.00%

Oregon Liquor Control Comm**Agency Number: 84500**

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Standard Inflation

Oregon Liquor Control Comm

Pkg Group: ESS

Pkg Type: 030

Pkg Number: 031

Description	Agency Request Budget (V-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	19,357	19,357	0	0.00%
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4125 Out of State Travel

3400 Other Funds Ltd	2,336	2,336	0	0.00%
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4150 Employee Training

3400 Other Funds Ltd	15,414	15,414	0	0.00%
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4175 Office Expenses

3400 Other Funds Ltd	562,758	562,758	0	0.00%
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4200 Telecommunications

3400 Other Funds Ltd	20,960	20,960	0	0.00%
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4225 State Gov. Service Charges

3400 Other Funds Ltd	300,226	300,226	0	0.00%
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4250 Data Processing

3400 Other Funds Ltd	69,894	69,894	0	0.00%
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4275 Publicity and Publications

3400 Other Funds Ltd	3,508	3,508	0	0.00%
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4300 Professional Services

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Oregon Liquor Control Comm**Agency Number: 84500****Package Comparison Report - Detail****Cross Reference Number: 84500-000-00-00-00000****2019-21 Biennium****Package: Standard Inflation****Oregon Liquor Control Comm****Pkg Group: ESS Pkg Type: 030 Pkg Number: 031**

Description	Agency Request Budget (V-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	5,240,128	5,240,128	0	0.00%
4315 IT Professional Services				
3400 Other Funds Ltd	53,151	53,151	0	0.00%
4325 Attorney General				
3400 Other Funds Ltd	161,123	161,123	0	0.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	4,667	4,667	0	0.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	1,047	1,047	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	37,168	37,168	0	0.00%
4450 Fuels and Utilities				
3400 Other Funds Ltd	22,784	22,784	0	0.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	44,463	44,463	0	0.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	12,788	12,788	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	11,353	11,353	0	0.00%

Oregon Liquor Control Comm

Agency Number: 84500

Package Comparison Report - Detail
2019-21 Biennium
Oregon Liquor Control Comm

Cross Reference Number: 84500-000-00-00-00000

Package: Standard Inflation

Pkg Group: ESS Pkg Type: 030 Pkg Number: 031

Description	Agency Request Budget (V-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	3,040	3,040	0	0.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	18,286	18,286	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	6,604,451	6,604,451	0	0.00%
TOTAL SERVICES & SUPPLIES	\$6,604,451	\$6,604,451	\$0	0.00%
SPECIAL PAYMENTS				
6603 Spc Pmt to Agriculture, Dept of				
3400 Other Funds Ltd	9,829	9,829	0	0.00%
EXPENDITURES				
3400 Other Funds Ltd	6,614,280	6,614,280	0	0.00%
TOTAL EXPENDITURES	\$6,614,280	\$6,614,280	\$0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	(6,614,280)	(6,614,280)	0	0.00%
TOTAL ENDING BALANCE	(\$6,614,280)	(\$6,614,280)	\$0	0.00%

Oregon Liquor Control Comm

Agency Number: 84500

Package Comparison Report - Detail
2019-21 Biennium
Oregon Liquor Control Comm

Cross Reference Number: 84500-000-00-00-00000
Package: Exceptional Inflation
Pkg Group: ESS Pkg Type: 030 Pkg Number: 033

Description	Agency Request Budget (V-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	1,115,520	1,115,520	0	0.00%
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4315 IT Professional Services

3400 Other Funds Ltd	1,471,010	1,471,010	0	0.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	2,586,530	2,586,530	0	0.00%
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TOTAL SERVICES & SUPPLIES	\$2,586,530	\$2,586,530	\$0	0.00%
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EXPENDITURES

3400 Other Funds Ltd	2,586,530	2,586,530	0	0.00%
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TOTAL EXPENDITURES	\$2,586,530	\$2,586,530	\$0	0.00%
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ENDING BALANCE

3400 Other Funds Ltd	(2,586,530)	(2,586,530)	0	0.00%
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TOTAL ENDING BALANCE	(\$2,586,530)	(\$2,586,530)	\$0	0.00%
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Oregon Liquor Control Comm**Agency Number: 84500****Package Comparison Report - Detail****Cross Reference Number: 84500-000-00-00-00000****2019-21 Biennium****Package: Technical Adjustments****Oregon Liquor Control Comm****Pkg Group: ESS Pkg Type: 060 Pkg Number: 060**

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
2000				
2603 Tsfr To Agriculture, Dept of				
3400 Other Funds Ltd	(292,593)	(292,593)	0	0.00%
AVAILABLE REVENUES				
3400 Other Funds Ltd	(292,593)	(292,593)	0	0.00%
TOTAL AVAILABLE REVENUES	(\$292,593)	(\$292,593)	\$0	0.00%
EXPENDITURES				
SPECIAL PAYMENTS				
6603 Spc Pmt to Agriculture, Dept of				
3400 Other Funds Ltd	(268,493)	(268,493)	0	0.00%
EXPENDITURES				
3400 Other Funds Ltd	(268,493)	(268,493)	0	0.00%
TOTAL EXPENDITURES	(\$268,493)	(\$268,493)	\$0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	(24,100)	(24,100)	0	0.00%
TOTAL ENDING BALANCE	(\$24,100)	(\$24,100)	\$0	0.00%

Package Comparison Report - Detail
 2019-21 Biennium
 Distilled Spirits Program

Cross Reference Number: 84500-001-00-00-00000

Package: Non-PICS Psnl Svc / Vacancy Factor

Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-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	42,874	42,874	0	0.00%
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3260 Mass Transit Tax

3400 Other Funds Ltd	6,959	6,959	0	0.00%
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OTHER PAYROLL EXPENSES

3400 Other Funds Ltd	49,833	49,833	0	0.00%
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TOTAL OTHER PAYROLL EXPENSES	\$49,833	\$49,833	\$0	0.00%
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P.S. BUDGET ADJUSTMENTS**3455 Vacancy Savings**

3400 Other Funds Ltd	210,129	210,129	0	0.00%
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PERSONAL SERVICES

3400 Other Funds Ltd	259,962	259,962	0	0.00%
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TOTAL PERSONAL SERVICES	\$259,962	\$259,962	\$0	0.00%
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EXPENDITURES

3400 Other Funds Ltd	259,962	259,962	0	0.00%
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TOTAL EXPENDITURES	\$259,962	\$259,962	\$0	0.00%
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Oregon Liquor Control Comm**Agency Number: 84500**

Package Comparison Report - Detail

Cross Reference Number: 84500-001-00-00-00000

2019-21 Biennium

Package: Non-PICS Psnl Svc / Vacancy Factor

Distilled Spirits Program

Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-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	(259,962)	(259,962)	0	0.00%
TOTAL ENDING BALANCE	(\$259,962)	(\$259,962)	\$0	0.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-001-00-00-00000

2019-21 Biennium

Package: Phase-out Pgm & One-time Costs

Distilled Spirits Program

Pkg Group: ESS Pkg Type: 020 Pkg Number: 022

Description	Agency Request Budget (V-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	(6,000)	(6,000)	0	0.00%
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4575 Agency Program Related S and S

3400 Other Funds Ltd	(6,000)	(6,000)	0	0.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	(12,000)	(12,000)	0	0.00%
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TOTAL SERVICES & SUPPLIES

(\$12,000)	(\$12,000)	\$0	0.00%
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CAPITAL OUTLAY**5400 Automotive and Aircraft**

3400 Other Funds Ltd	(25,000)	(25,000)	0	0.00%
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EXPENDITURES

3400 Other Funds Ltd	(37,000)	(37,000)	0	0.00%
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TOTAL EXPENDITURES

(\$37,000)	(\$37,000)	\$0	0.00%
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ENDING BALANCE

3400 Other Funds Ltd	37,000	37,000	0	0.00%
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TOTAL ENDING BALANCE

\$37,000	\$37,000	\$0	0.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-001-00-00-00000

2019-21 Biennium

Package: Standard Inflation

Distilled Spirits Program

Pkg Group: ESS Pkg Type: 030 Pkg Number: 031

Description	Agency Request Budget (V-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	2,149	2,149	0	0.00%
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4125 Out of State Travel

3400 Other Funds Ltd	198	198	0	0.00%
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4150 Employee Training

3400 Other Funds Ltd	152	152	0	0.00%
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4175 Office Expenses

3400 Other Funds Ltd	531,834	531,834	0	0.00%
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4200 Telecommunications

3400 Other Funds Ltd	2,316	2,316	0	0.00%
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4225 State Gov. Service Charges

3400 Other Funds Ltd	46,246	46,246	0	0.00%
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4250 Data Processing

3400 Other Funds Ltd	6,699	6,699	0	0.00%
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4275 Publicity and Publications

3400 Other Funds Ltd	666	666	0	0.00%
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4300 Professional Services

Description	Agency Request Budget (V-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	636	636	0	0.00%
4315 IT Professional Services				
3400 Other Funds Ltd	607	607	0	0.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	348	348	0	0.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	87	87	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	2,409	2,409	0	0.00%
4450 Fuels and Utilities				
3400 Other Funds Ltd	8,608	8,608	0	0.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	1,125	1,125	0	0.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	4,958	4,958	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	345	345	0	0.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	475	475	0	0.00%

Description	Agency Request Budget (V-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	609,858	609,858	0	0.00%
TOTAL SERVICES & SUPPLIES	\$609,858	\$609,858	\$0	0.00%
EXPENDITURES				
3400 Other Funds Ltd	609,858	609,858	0	0.00%
TOTAL EXPENDITURES	\$609,858	\$609,858	\$0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	(609,858)	(609,858)	0	0.00%
TOTAL ENDING BALANCE	(\$609,858)	(\$609,858)	\$0	0.00%

Package Comparison Report - Detail
 2019-21 Biennium
 Public Safety Services Program

Cross Reference Number: 84500-002-00-00-00000
 Package: Non-PICS Psnl Svc / Vacancy Factor
 Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-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	178,167	178,167	0	0.00%
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3260 Mass Transit Tax

3400 Other Funds Ltd	13,816	13,816	0	0.00%
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OTHER PAYROLL EXPENSES

3400 Other Funds Ltd	191,983	191,983	0	0.00%
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TOTAL OTHER PAYROLL EXPENSES	\$191,983	\$191,983	\$0	0.00%
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P.S. BUDGET ADJUSTMENTS**3455 Vacancy Savings**

3400 Other Funds Ltd	418,112	418,112	0	0.00%
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PERSONAL SERVICES

3400 Other Funds Ltd	610,095	610,095	0	0.00%
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TOTAL PERSONAL SERVICES	\$610,095	\$610,095	\$0	0.00%
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EXPENDITURES

3400 Other Funds Ltd	610,095	610,095	0	0.00%
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TOTAL EXPENDITURES	\$610,095	\$610,095	\$0	0.00%
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Oregon Liquor Control Comm**Agency Number: 84500**

Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Non-PICS Psnl Svc / Vacancy Factor

Public Safety Services Program

Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-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	(610,095)	(610,095)	0	0.00%
TOTAL ENDING BALANCE	(\$610,095)	(\$610,095)	\$0	0.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Phase-out Pgm & One-time Costs

Public Safety Services Program

Pkg Group: ESS Pkg Type: 020 Pkg Number: 022

Description	Agency Request Budget (V-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	(17,000)	(17,000)	0	0.00%
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4575 Agency Program Related S and S

3400 Other Funds Ltd	(25,000)	(25,000)	0	0.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	(42,000)	(42,000)	0	0.00%
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TOTAL SERVICES & SUPPLIES

(\$42,000)	(\$42,000)	\$0	0.00%
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EXPENDITURES

3400 Other Funds Ltd	(42,000)	(42,000)	0	0.00%
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TOTAL EXPENDITURES

(\$42,000)	(\$42,000)	\$0	0.00%
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ENDING BALANCE

3400 Other Funds Ltd	42,000	42,000	0	0.00%
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TOTAL ENDING BALANCE

\$42,000	\$42,000	\$0	0.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Standard Inflation

Public Safety Services Program

Pkg Group: ESS

Pkg Type: 030

Pkg Number: 031

Description	Agency Request Budget (V-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	8,092	8,092	0	0.00%
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4125 Out of State Travel

3400 Other Funds Ltd	477	477	0	0.00%
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4150 Employee Training

3400 Other Funds Ltd	9,824	9,824	0	0.00%
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4175 Office Expenses

3400 Other Funds Ltd	11,597	11,597	0	0.00%
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4200 Telecommunications

3400 Other Funds Ltd	10,977	10,977	0	0.00%
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4225 State Gov. Service Charges

3400 Other Funds Ltd	76,699	76,699	0	0.00%
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4250 Data Processing

3400 Other Funds Ltd	1,104	1,104	0	0.00%
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4275 Publicity and Publications

3400 Other Funds Ltd	2,299	2,299	0	0.00%
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4300 Professional Services

Description	Agency Request Budget (V-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	12,445	12,445	0	0.00%
4315 IT Professional Services				
3400 Other Funds Ltd	2,972	2,972	0	0.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	328	328	0	0.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	348	348	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	17,947	17,947	0	0.00%
4450 Fuels and Utilities				
3400 Other Funds Ltd	849	849	0	0.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	679	679	0	0.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	1,564	1,564	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	440	440	0	0.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	1,168	1,168	0	0.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Standard Inflation

Public Safety Services Program

Pkg Group: ESS Pkg Type: 030 Pkg Number: 031

Description	Agency Request Budget (V-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	159,809	159,809	0	0.00%
TOTAL SERVICES & SUPPLIES	\$159,809	\$159,809	\$0	0.00%
EXPENDITURES				
3400 Other Funds Ltd	159,809	159,809	0	0.00%
TOTAL EXPENDITURES	\$159,809	\$159,809	\$0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	(159,809)	(159,809)	0	0.00%
TOTAL ENDING BALANCE	(\$159,809)	(\$159,809)	\$0	0.00%

Package Comparison Report - Detail
 2019-21 Biennium
 Administration and Support

Cross Reference Number: 84500-003-00-00-00000
 Package: Non-PICS Psnl Svc / Vacancy Factor
 Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-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	(53,276)	(53,276)	0	0.00%
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3260 Mass Transit Tax

3400 Other Funds Ltd	11,837	11,837	0	0.00%
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OTHER PAYROLL EXPENSES

3400 Other Funds Ltd	(41,439)	(41,439)	0	0.00%
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TOTAL OTHER PAYROLL EXPENSES	(\$41,439)	(\$41,439)	\$0	0.00%
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P. S. BUDGET ADJUSTMENTS**3455 Vacancy Savings**

3400 Other Funds Ltd	271,533	271,533	0	0.00%
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PERSONAL SERVICES

3400 Other Funds Ltd	230,094	230,094	0	0.00%
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TOTAL PERSONAL SERVICES	\$230,094	\$230,094	\$0	0.00%
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EXPENDITURES

3400 Other Funds Ltd	230,094	230,094	0	0.00%
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TOTAL EXPENDITURES	\$230,094	\$230,094	\$0	0.00%
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Oregon Liquor Control Comm**Agency Number: 84500****Package Comparison Report - Detail****Cross Reference Number: 84500-003-00-00-00000****2019-21 Biennium****Package: Non-PICS Psnl Svc / Vacancy Factor****Administration and Support****Pkg Group: ESS Pkg Type: 010 Pkg Number: 010**

Description	Agency Request Budget (V-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	(230,094)	(230,094)	0	0.00%
TOTAL ENDING BALANCE	(\$230,094)	(\$230,094)	\$0	0.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-003-00-00-00000

2019-21 Biennium

Package: Phase-out Pgm & One-time Costs

Administration and Support

Pkg Group: ESS Pkg Type: 020 Pkg Number: 022

Description	Agency Request Budget (V-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	(14,000)	(14,000)	0	0.00%
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4300 Professional Services

3400 Other Funds Ltd	(300,000)	(300,000)	0	0.00%
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4315 IT Professional Services

3400 Other Funds Ltd	(180,000)	(180,000)	0	0.00%
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4375 Employee Recruitment and Develop

3400 Other Funds Ltd	(1,896)	(1,896)	0	0.00%
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4475 Facilities Maintenance

3400 Other Funds Ltd	(75,000)	(75,000)	0	0.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	(570,896)	(570,896)	0	0.00%
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TOTAL SERVICES & SUPPLIES

(570,896)	(570,896)	\$0	0.00%
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EXPENDITURES

3400 Other Funds Ltd	(570,896)	(570,896)	0	0.00%
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TOTAL EXPENDITURES

(570,896)	(570,896)	\$0	0.00%
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ENDING BALANCE

Package Comparison Report - Detail
2019-21 Biennium
Administration and Support

Cross Reference Number: 84500-003-00-00-00000
Package: Phase-out Pgm & One-time Costs
Pkg Group: ESS Pkg Type: 020 Pkg Number: 022

Description	Agency Request Budget (V-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	570,896	570,896	0	0.00%
TOTAL ENDING BALANCE	\$570,896	\$570,896	\$0	0.00%

Description	Agency Request Budget (V-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	3,968	3,968	0	0.00%
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4125 Out of State Travel

3400 Other Funds Ltd	1,059	1,059	0	0.00%
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4150 Employee Training

3400 Other Funds Ltd	2,247	2,247	0	0.00%
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4175 Office Expenses

3400 Other Funds Ltd	11,329	11,329	0	0.00%
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4200 Telecommunications

3400 Other Funds Ltd	3,992	3,992	0	0.00%
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4225 State Gov. Service Charges

3400 Other Funds Ltd	33,609	33,609	0	0.00%
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4250 Data Processing

3400 Other Funds Ltd	14,916	14,916	0	0.00%
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4275 Publicity and Publications

3400 Other Funds Ltd	426	426	0	0.00%
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4300 Professional Services

Description	Agency Request Budget (V-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	5,523	5,523	0	0.00%
4315 IT Professional Services				
3400 Other Funds Ltd	6,570	6,570	0	0.00%
4325 Attorney General				
3400 Other Funds Ltd	85,720	85,720	0	0.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	293	293	0	0.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	495	495	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	43	43	0	0.00%
4450 Fuels and Utilities				
3400 Other Funds Ltd	13,327	13,327	0	0.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	8,363	8,363	0	0.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	513	513	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	6,788	6,788	0	0.00%

Oregon Liquor Control Comm**Agency Number: 84500****Package Comparison Report - Detail****Cross Reference Number: 84500-003-00-00-00000****2019-21 Biennium****Package: Standard Inflation****Administration and Support****Pkg Group: ESS Pkg Type: 030 Pkg Number: 031**

Description	Agency Request Budget (V-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	16,531	16,531	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	215,712	215,712	0	0.00%
TOTAL SERVICES & SUPPLIES	\$215,712	\$215,712	\$0	0.00%
EXPENDITURES				
3400 Other Funds Ltd	215,712	215,712	0	0.00%
TOTAL EXPENDITURES	\$215,712	\$215,712	\$0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	(215,712)	(215,712)	0	0.00%
TOTAL ENDING BALANCE	(\$215,712)	(\$215,712)	\$0	0.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-004-00-00-00000

2019-21 Biennium

Package: Non-PICS Psnl Svc / Vacancy Factor

Recreational Marijuana Program

Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-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	110,050	110,050	0	0.00%
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3260 Mass Transit Tax

3400 Other Funds Ltd	18,371	18,371	0	0.00%
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OTHER PAYROLL EXPENSES

3400 Other Funds Ltd	128,421	128,421	0	0.00%
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TOTAL OTHER PAYROLL EXPENSES

\$128,421	\$128,421	\$0	0.00%
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P.S. BUDGET ADJUSTMENTS**3455 Vacancy Savings**

3400 Other Funds Ltd	39,864	39,864	0	0.00%
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PERSONAL SERVICES

3400 Other Funds Ltd	168,285	168,285	0	0.00%
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TOTAL PERSONAL SERVICES

\$168,285	\$168,285	\$0	0.00%
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EXPENDITURES

3400 Other Funds Ltd	168,285	168,285	0	0.00%
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TOTAL EXPENDITURES

\$168,285	\$168,285	\$0	0.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-004-00-00-00000

2019-21 Biennium

Package: Non-PICS Psnl Svc / Vacancy Factor

Recreational Marijuana Program

Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-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	(168,285)	(168,285)	0	0.00%
TOTAL ENDING BALANCE	(\$168,285)	(\$168,285)	\$0	0.00%

Package Comparison Report - Detail
2019-21 Biennium
Recreational Marijuana Program

Cross Reference Number: 84500-004-00-00-00000

Package: Phase-out Pgm & One-time Costs

Pkg Group: ESS Pkg Type: 020 Pkg Number: 022

Description	Agency Request Budget (V-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	(19,000)	(19,000)	0	0.00%
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4175 Office Expenses

3400 Other Funds Ltd	(42,588)	(42,588)	0	0.00%
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4200 Telecommunications

3400 Other Funds Ltd	(5,917)	(5,917)	0	0.00%
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4375 Employee Recruitment and Develop

3400 Other Funds Ltd	(1,000)	(1,000)	0	0.00%
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4475 Facilities Maintenance

3400 Other Funds Ltd	(679,500)	(679,500)	0	0.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	(748,005)	(748,005)	0	0.00%
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TOTAL SERVICES & SUPPLIES

(\$748,005)	(\$748,005)	\$0	0.00%
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CAPITAL OUTLAY

5400 Automotive and Aircraft

3400 Other Funds Ltd	(25,000)	(25,000)	0	0.00%
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EXPENDITURES

Oregon Liquor Control Comm**Agency Number: 84500****Package Comparison Report - Detail
2019-21 Biennium
Recreational Marijuana Program****Cross Reference Number: 84500-004-00-00-00000
Package: Phase-out Pgm & One-time Costs
Pkg Group: ESS Pkg Type: 020 Pkg Number: 022**

Description	Agency Request Budget (V-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	(773,005)	(773,005)	0	0.00%
TOTAL EXPENDITURES	(\$773,005)	(\$773,005)	\$0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	773,005	773,005	0	0.00%
TOTAL ENDING BALANCE	\$773,005	\$773,005	\$0	0.00%

Description	Agency Request Budget (V-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	3,375	3,375	0	0.00%
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4125 Out of State Travel

3400 Other Funds Ltd	602	602	0	0.00%
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4150 Employee Training

3400 Other Funds Ltd	3,191	3,191	0	0.00%
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4175 Office Expenses

3400 Other Funds Ltd	7,124	7,124	0	0.00%
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4200 Telecommunications

3400 Other Funds Ltd	3,181	3,181	0	0.00%
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4225 State Gov. Service Charges

3400 Other Funds Ltd	85,268	85,268	0	0.00%
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4250 Data Processing

3400 Other Funds Ltd	3,800	3,800	0	0.00%
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4275 Publicity and Publications

3400 Other Funds Ltd	117	117	0	0.00%
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4300 Professional Services

Package Comparison Report - Detail

Cross Reference Number: 84500-004-00-00-00000

2019-21 Biennium

Package: Standard Inflation

Recreational Marijuana Program

Pkg Group: ESS Pkg Type: 030 Pkg Number: 031

Description	Agency Request Budget (V-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	15,999	15,999	0	0.00%
4315 IT Professional Services				
3400 Other Funds Ltd	43,002	43,002	0	0.00%
4325 Attorney General				
3400 Other Funds Ltd	75,403	75,403	0	0.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	3,645	3,645	0	0.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	117	117	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	11,144	11,144	0	0.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	34,296	34,296	0	0.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	5,753	5,753	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	2,703	2,703	0	0.00%
4700 Expendable Prop 250 - 5000				
3400 Other Funds Ltd	3,040	3,040	0	0.00%

Oregon Liquor Control Comm

Agency Number: 84500

**Package Comparison Report - Detail
2019-21 Biennium
Recreational Marijuana Program**

Cross Reference Number: 84500-004-00-00-00000

Package: Standard Inflation

Pkg Group: ESS Pkg Type: 030 Pkg Number: 031

Description	Agency Request Budget (V-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	112	112	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	301,872	301,872	0	0.00%
TOTAL SERVICES & SUPPLIES	\$301,872	\$301,872	\$0	0.00%
SPECIAL PAYMENTS				
6603 Spc Pmt to Agriculture, Dept of				
3400 Other Funds Ltd	9,829	9,829	0	0.00%
EXPENDITURES				
3400 Other Funds Ltd	311,701	311,701	0	0.00%
TOTAL EXPENDITURES	\$311,701	\$311,701	\$0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	(311,701)	(311,701)	0	0.00%
TOTAL ENDING BALANCE	(\$311,701)	(\$311,701)	\$0	0.00%

Oregon Liquor Control Comm**Agency Number: 84500**

Package Comparison Report - Detail

Cross Reference Number: 84500-004-00-00-00000

2019-21 Biennium

Package: Exceptional Inflation

Recreational Marijuana Program

Pkg Group: ESS

Pkg Type: 030

Pkg Number: 033

Description	Agency Request Budget (V-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	1,471,010	1,471,010	0	0.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	1,471,010	1,471,010	0	0.00%
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TOTAL SERVICES & SUPPLIES	\$1,471,010	\$1,471,010	\$0	0.00%
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EXPENDITURES

3400 Other Funds Ltd	1,471,010	1,471,010	0	0.00%
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TOTAL EXPENDITURES	\$1,471,010	\$1,471,010	\$0	0.00%
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ENDING BALANCE

3400 Other Funds Ltd	(1,471,010)	(1,471,010)	0	0.00%
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TOTAL ENDING BALANCE	(\$1,471,010)	(\$1,471,010)	\$0	0.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-004-00-00-00000

2019-21 Biennium

Package: Technical Adjustments

Recreational Marijuana Program

Pkg Group: ESS Pkg Type: 060 Pkg Number: 060

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
2000				
2603 Tsfr To Agriculture, Dept of				
3400 Other Funds Ltd	(292,593)	(292,593)	0	0.00%
AVAILABLE REVENUES				
3400 Other Funds Ltd	(292,593)	(292,593)	0	0.00%
TOTAL AVAILABLE REVENUES	(\$292,593)	(\$292,593)	\$0	0.00%
EXPENDITURES				
SPECIAL PAYMENTS				
6603 Spc Pmt to Agriculture, Dept of				
3400 Other Funds Ltd	(268,493)	(268,493)	0	0.00%
EXPENDITURES				
3400 Other Funds Ltd	(268,493)	(268,493)	0	0.00%
TOTAL EXPENDITURES	(\$268,493)	(\$268,493)	\$0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	(24,100)	(24,100)	0	0.00%
TOTAL ENDING BALANCE	(\$24,100)	(\$24,100)	\$0	0.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-005-00-00-00000

2019-21 Biennium

Package: Standard Inflation

Agents Compensation Program

Pkg Group: ESS Pkg Type: 030 Pkg Number: 031

Description	Agency Request Budget (V-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	5,204,951	5,204,951	0	0.00%
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ENDING BALANCE

3400 Other Funds Ltd	(5,204,951)	(5,204,951)	0	0.00%
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TOTAL ENDING BALANCE	(\$5,204,951)	(\$5,204,951)	\$0	0.00%
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Package Comparison Report - Detail
 2019-21 Biennium
 Medical Marijuana Program

Cross Reference Number: 84500-006-00-00-00000
 Package: Non-PICS Psnl Svc / Vacancy Factor
 Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-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	112,102	112,102	0	0.00%
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3260 Mass Transit Tax

3400 Other Funds Ltd	9,508	9,508	0	0.00%
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OTHER PAYROLL EXPENSES

3400 Other Funds Ltd	121,610	121,610	0	0.00%
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TOTAL OTHER PAYROLL EXPENSES	\$121,610	\$121,610	\$0	0.00%
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P.S. BUDGET ADJUSTMENTS**3455 Vacancy Savings**

3400 Other Funds Ltd	(30,179)	(30,179)	0	0.00%
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PERSONAL SERVICES

3400 Other Funds Ltd	91,431	91,431	0	0.00%
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TOTAL PERSONAL SERVICES	\$91,431	\$91,431	\$0	0.00%
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EXPENDITURES

3400 Other Funds Ltd	91,431	91,431	0	0.00%
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TOTAL EXPENDITURES	\$91,431	\$91,431	\$0	0.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-006-00-00-00000

2019-21 Biennium

Package: Non-PICS Psnl Svc / Vacancy Factor

Medical Marijuana Program

Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-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	(91,431)	(91,431)	0	0.00%
TOTAL ENDING BALANCE	(\$91,431)	(\$91,431)	\$0	0.00%

Oregon Liquor Control Comm

Agency Number: 84500

Package Comparison Report - Detail

Cross Reference Number: 84500-006-00-00-00000

2019-21 Biennium

Package: Phase-out Pgm & One-time Costs

Medical Marijuana Program

Pkg Group: ESS Pkg Type: 020 Pkg Number: 022

Description	Agency Request Budget (V-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	(6,000)	(6,000)	0	0.00%
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4150 Employee Training

3400 Other Funds Ltd	(144,690)	(144,690)	0	0.00%
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4175 Office Expenses

3400 Other Funds Ltd	(170,706)	(170,706)	0	0.00%
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4200 Telecommunications

3400 Other Funds Ltd	(12,930)	(12,930)	0	0.00%
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4315 IT Professional Services

3400 Other Funds Ltd	(400,000)	(400,000)	0	0.00%
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4375 Employee Recruitment and Develop

3400 Other Funds Ltd	(3,200)	(3,200)	0	0.00%
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4575 Agency Program Related S and S

3400 Other Funds Ltd	(99,572)	(99,572)	0	0.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	(837,098)	(837,098)	0	0.00%
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TOTAL SERVICES & SUPPLIES

(\$837,098)	(\$837,098)	\$0	0.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-006-00-00-00000

2019-21 Biennium

Package: Phase-out Pgm & One-time Costs

Medical Marijuana Program

Pkg Group: ESS Pkg Type: 020 Pkg Number: 022

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
CAPITAL OUTLAY				
5900 Other Capital Outlay				
3400 Other Funds Ltd	(413,000)	(413,000)	0	0.00%
EXPENDITURES				
3400 Other Funds Ltd	(1,250,098)	(1,250,098)	0	0.00%
TOTAL EXPENDITURES	(\$1,250,098)	(\$1,250,098)	\$0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	1,250,098	1,250,098	0	0.00%
TOTAL ENDING BALANCE	\$1,250,098	\$1,250,098	\$0	0.00%

Package Comparison Report - Detail
 2019-21 Biennium
 Medical Marijuana Program

Cross Reference Number: 84500-006-00-00-00000

Package: Standard Inflation

Pkg Group: ESS Pkg Type: 030 Pkg Number: 031

Description	Agency Request Budget (V-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	1,773	1,773	0	0.00%
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4175 Office Expenses

3400 Other Funds Ltd	874	874	0	0.00%
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4200 Telecommunications

3400 Other Funds Ltd	494	494	0	0.00%
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4225 State Gov. Service Charges

3400 Other Funds Ltd	58,404	58,404	0	0.00%
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4250 Data Processing

3400 Other Funds Ltd	43,375	43,375	0	0.00%
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4300 Professional Services

3400 Other Funds Ltd	574	574	0	0.00%
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4375 Employee Recruitment and Develop

3400 Other Funds Ltd	53	53	0	0.00%
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4425 Facilities Rental and Taxes

3400 Other Funds Ltd	5,625	5,625	0	0.00%
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4650 Other Services and Supplies

Package Comparison Report - Detail
2019-21 Biennium

Cross Reference Number: 84500-006-00-00-00000

Package: Standard Inflation

Medical Marijuana Program

Pkg Group: ESS Pkg Type: 030 Pkg Number: 031

Description	Agency Request Budget (V-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	1,077	1,077	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	112,249	112,249	0	0.00%
TOTAL SERVICES & SUPPLIES	\$112,249	\$112,249	\$0	0.00%
EXPENDITURES				
3400 Other Funds Ltd	112,249	112,249	0	0.00%
TOTAL EXPENDITURES	\$112,249	\$112,249	\$0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	(112,249)	(112,249)	0	0.00%
TOTAL ENDING BALANCE	(\$112,249)	(\$112,249)	\$0	0.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-006-00-00-00000

2019-21 Biennium

Package: Exceptional Inflation

Medical Marijuana Program

Pkg Group: ESS Pkg Type: 030 Pkg Number: 033

Description	Agency Request Budget (V-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	1,115,520	1,115,520	0	0.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	1,115,520	1,115,520	0	0.00%
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TOTAL SERVICES & SUPPLIES	\$1,115,520	\$1,115,520	\$0	0.00%
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EXPENDITURES

3400 Other Funds Ltd	1,115,520	1,115,520	0	0.00%
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TOTAL EXPENDITURES	\$1,115,520	\$1,115,520	\$0	0.00%
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ENDING BALANCE

3400 Other Funds Ltd	(1,115,520)	(1,115,520)	0	0.00%
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TOTAL ENDING BALANCE	(\$1,115,520)	(\$1,115,520)	\$0	0.00%
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BUDGET NARRATIVE

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BUDGET NARRATIVE

PACKAGE COMPARISON - POLICY PACKAGES

Oregon Liquor Control Comm**Agency Number: 84500**

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: September 2018 Emergency Board

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: 080 Pkg Number: 081

Description	Agency Request Budget (V-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	-	503,174	503,174	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	503,174	503,174	100.00%
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TOTAL SERVICES & SUPPLIES	-	\$503,174	\$503,174	100.00%
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EXPENDITURES

3400 Other Funds Ltd	-	503,174	503,174	100.00%
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TOTAL EXPENDITURES	-	\$503,174	\$503,174	100.00%
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ENDING BALANCE

3400 Other Funds Ltd	-	(503,174)	(503,174)	100.00%
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TOTAL ENDING BALANCE	-	(\$503,174)	(\$503,174)	100.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Analyst Adjustments

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: 090 Pkg Number: 090

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

REVENUE CATEGORIES

LICENSES AND FEES

0205 Business Lic and Fees

3400 Other Funds Ltd	-	(4,065,852)	(4,065,852)	100.00%
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AVAILABLE REVENUES

3400 Other Funds Ltd	-	(4,065,852)	(4,065,852)	100.00%
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TOTAL AVAILABLE REVENUES	-	(\$4,065,852)	(\$4,065,852)	100.00%
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EXPENDITURES

SERVICES & SUPPLIES

4175 Office Expenses

3400 Other Funds Ltd	-	932,406	932,406	100.00%
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4250 Data Processing

3400 Other Funds Ltd	-	(1,344,000)	(1,344,000)	100.00%
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4300 Professional Services

3400 Other Funds Ltd	-	4,913,338	4,913,338	100.00%
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4315 IT Professional Services

3400 Other Funds Ltd	-	(425,884)	(425,884)	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	4,075,860	4,075,860	100.00%
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Oregon Liquor Control Comm**Agency Number: 84500**

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Analyst Adjustments

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: 090 Pkg Number: 090

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL SERVICES & SUPPLIES	-	\$4,075,860	\$4,075,860	100.00%
EXPENDITURES				
3400 Other Funds Ltd	-	4,075,860	4,075,860	100.00%
TOTAL EXPENDITURES	-	\$4,075,860	\$4,075,860	100.00%
ENDING BALANCE				
3400 Other Funds Ltd	-	(8,141,712)	(8,141,712)	100.00%
TOTAL ENDING BALANCE	-	(\$8,141,712)	(\$8,141,712)	100.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Distilled Spirits Shipping Capacity & Svcs

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 102

Description	Agency Request Budget (V-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	850,752	850,752	0	0.00%
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3160 Temporary Appointments

3400 Other Funds Ltd	300,000	300,000	0	0.00%
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SALARIES & WAGES

3400 Other Funds Ltd	1,150,752	1,150,752	0	0.00%
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TOTAL SALARIES & WAGES	\$1,150,752	\$1,150,752	\$0	0.00%
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OTHER PAYROLL EXPENSES**3210 Empl. Rel. Bd. Assessments**

3400 Other Funds Ltd	671	671	0	0.00%
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	153,902	153,902	0	0.00%
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3230 Social Security Taxes

3400 Other Funds Ltd	88,034	88,034	0	0.00%
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3250 Workers Comp. Assess. (WCD)

3400 Other Funds Ltd	638	638	0	0.00%
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Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3260 Mass Transit Tax				
3400 Other Funds Ltd	5,104	5,104	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	387,024	387,024	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	635,373	635,373	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	\$635,373	\$635,373	\$0	0.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	1,786,125	1,786,125	0	0.00%
TOTAL PERSONAL SERVICES	\$1,786,125	\$1,786,125	\$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	1,500	1,500	0	0.00%

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	17,368	17,368	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	49,000	9,000	(40,000)	(81.63%)
4715 IT Expendable Property				
3400 Other Funds Ltd	2,267	2,267	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	74,135	34,135	(40,000)	(53.96%)
TOTAL SERVICES & SUPPLIES	\$74,135	\$34,135	(\$40,000)	(53.96%)
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				
3400 Other Funds Ltd	35,000	35,000	0	0.00%
5700 Building Structures				

Oregon Liquor Control Comm**Agency Number: 84500****Package Comparison Report - Detail****Cross Reference Number: 84500-000-00-00-00000****2019-21 Biennium****Package: Distilled Spirits Shipping Capacity & Svcs****Oregon Liquor Control Comm****Pkg Group: POL Pkg Type: POL Pkg Number: 102**

Description	Agency Request Budget (V-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	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	2,243,955	2,203,955	(40,000)	(1.78%)
TOTAL EXPENDITURES	\$2,243,955	\$2,203,955	(\$40,000)	(1.78%)
ENDING BALANCE				
3400 Other Funds Ltd	(2,243,955)	(2,203,955)	40,000	1.78%
TOTAL ENDING BALANCE	(\$2,243,955)	(\$2,203,955)	\$40,000	1.78%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	11	11	0	0.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	11.00	11.00	0.00	0.00%

Package Comparison Report - Detail
 2019-21 Biennium
 Oregon Liquor Control Comm

Cross Reference Number: 84500-000-00-00-00000
 Package: Increase Licensee Comp Rates
 Pkg Group: POL Pkg Type: POL Pkg Number: 113

Description	Agency Request Budget (V-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	6,400,000	-	(6,400,000)	(100.00%)
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SERVICES & SUPPLIES

3400 Other Funds Ltd	6,400,000	-	(6,400,000)	(100.00%)
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TOTAL SERVICES & SUPPLIES	\$6,400,000	-	(\$6,400,000)	(100.00%)
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EXPENDITURES

3400 Other Funds Ltd	6,400,000	-	(6,400,000)	(100.00%)
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TOTAL EXPENDITURES	\$6,400,000	-	(\$6,400,000)	(100.00%)
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ENDING BALANCE

3400 Other Funds Ltd	(6,400,000)	-	6,400,000	100.00%
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TOTAL ENDING BALANCE	(\$6,400,000)	-	\$6,400,000	100.00%
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Package Comparison Report - Detail
2019-21 Biennium

Cross Reference Number: 84500-000-00-00-00000

Package: License Fees Increase

Oregon Liquor Control Comm

Pkg Group: POL

Pkg Type: POL

Pkg Number: 203

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

REVENUE CATEGORIES

LICENSES AND FEES

0205 Business Lic and Fees

3400 Other Funds Ltd	9,172,403	9,172,403	0	0.00%
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AVAILABLE REVENUES

3400 Other Funds Ltd	9,172,403	9,172,403	0	0.00%
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TOTAL AVAILABLE REVENUES	\$9,172,403	\$9,172,403	\$0	0.00%
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ENDING BALANCE

3400 Other Funds Ltd	9,172,403	9,172,403	0	0.00%
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TOTAL ENDING BALANCE	\$9,172,403	\$9,172,403	\$0	0.00%
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Package Comparison Report - Detail
 2019-21 Biennium
 Oregon Liquor Control Comm

Cross Reference Number: 84500-000-00-00-00000

Package: Statewide Dispatch Services

Pkg Group: POL Pkg Type: POL Pkg Number: 205

Description	Agency Request Budget (V-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	1,072,596	1,036,320	(36,276)	(3.38%)
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SERVICES & SUPPLIES

3400 Other Funds Ltd	1,072,596	1,036,320	(36,276)	(3.38%)
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TOTAL SERVICES & SUPPLIES	\$1,072,596	\$1,036,320	(\$36,276)	(3.38%)
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EXPENDITURES

3400 Other Funds Ltd	1,072,596	1,036,320	(36,276)	(3.38%)
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TOTAL EXPENDITURES	\$1,072,596	\$1,036,320	(\$36,276)	(3.38%)
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ENDING BALANCE

3400 Other Funds Ltd	(1,072,596)	(1,036,320)	36,276	3.38%
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TOTAL ENDING BALANCE	(\$1,072,596)	(\$1,036,320)	\$36,276	3.38%
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Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Licensing Staff Fulfillment

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 206

Description	Agency Request Budget (V-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	673,632	537,744	(135,888)	(20.17%)
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SALARIES & WAGES

3400 Other Funds Ltd	673,632	537,744	(135,888)	(20.17%)
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TOTAL SALARIES & WAGES

\$673,632	\$537,744	(\$135,888)	(20.17%)
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OTHER PAYROLL EXPENSES**3210 Empl. Rel. Bd. Assessments**

3400 Other Funds Ltd	427	305	(122)	(28.57%)
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	121,860	97,278	(24,582)	(20.17%)
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3230 Social Security Taxes

3400 Other Funds Ltd	51,533	41,137	(10,396)	(20.17%)
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3250 Workers Comp. Assess. (WCD)

3400 Other Funds Ltd	406	290	(116)	(28.57%)
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3260 Mass Transit Tax

3400 Other Funds Ltd	4,042	2,677	(1,365)	(33.77%)
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Package Comparison Report - Detail
2019-21 Biennium

Cross Reference Number: 84500-000-00-00-00000

Package: Licensing Staff Fulfillment

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 206

Description	Agency Request Budget (V-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	246,288	175,920	(70,368)	(28.57%)
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	424,556	317,607	(106,949)	(25.19%)
TOTAL OTHER PAYROLL EXPENSES	\$424,556	\$317,607	(\$106,949)	(25.19%)
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	529	529	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	1,098,188	855,880	(242,308)	(22.06%)
TOTAL PERSONAL SERVICES	\$1,098,188	\$855,880	(\$242,308)	(22.06%)
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	7,000	5,000	(2,000)	(28.57%)
4175 Office Expenses				
3400 Other Funds Ltd	7,000	5,000	(2,000)	(28.57%)
4200 Telecommunications				
3400 Other Funds Ltd	14,000	10,000	(4,000)	(28.57%)
4250 Data Processing				

Package Comparison Report - Detail
 2019-21 Biennium
 Oregon Liquor Control Comm

Cross Reference Number: 84500-000-00-00-00000
 Package: Licensing Staff Fulfillment
 Pkg Group: POL Pkg Type: POL Pkg Number: 206

Description	Agency Request Budget (V-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	10,500	7,500	(3,000)	(28.57%)
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	121,576	86,840	(34,736)	(28.57%)
4650 Other Services and Supplies				
3400 Other Funds Ltd	7,000	5,000	(2,000)	(28.57%)
4715 IT Expendable Property				
3400 Other Funds Ltd	15,869	11,335	(4,534)	(28.57%)
SERVICES & SUPPLIES				
3400 Other Funds Ltd	182,945	130,675	(52,270)	(28.57%)
TOTAL SERVICES & SUPPLIES	\$182,945	\$130,675	(\$52,270)	(28.57%)
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	53,865	38,225	(15,640)	(29.04%)
CAPITAL OUTLAY				
3400 Other Funds Ltd	53,865	38,225	(15,640)	(29.04%)
TOTAL CAPITAL OUTLAY	\$53,865	\$38,225	(\$15,640)	(29.04%)
EXPENDITURES				
3400 Other Funds Ltd	1,334,998	1,024,780	(310,218)	(23.24%)
TOTAL EXPENDITURES	\$1,334,998	\$1,024,780	(\$310,218)	(23.24%)

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Licensing Staff Fulfillment

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 206

Description	Agency Request Budget (V-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	(1,334,998)	(1,024,780)	310,218	23.24%
TOTAL ENDING BALANCE	(\$1,334,998)	(\$1,024,780)	\$310,218	23.24%

AUTHORIZED POSITIONS

8150 Class/Unclass Positions	7	5	(2)	(28.57%)
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AUTHORIZED FTE

8250 Class/Unclass FTE Positions	7.00	5.00	(2.00)	(28.57%)
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Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Public Safety Staff Fulfillment

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 207

Description	Agency Request Budget (V-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	226,752	432,936	206,184	90.93%
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SALARIES & WAGES

3400 Other Funds Ltd	226,752	432,936	206,184	90.93%
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TOTAL SALARIES & WAGES	\$226,752	\$432,936	\$206,184	90.93%
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OTHER PAYROLL EXPENSES**3210 Empl. Rel. Bd. Assessments**

3400 Other Funds Ltd	122	244	122	100.00%
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	41,020	78,318	37,298	90.93%
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3230 Social Security Taxes

3400 Other Funds Ltd	17,346	33,119	15,773	90.93%
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3250 Workers Comp. Assess. (WCD)

3400 Other Funds Ltd	116	232	116	100.00%
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3260 Mass Transit Tax

3400 Other Funds Ltd	1,360	1,360	0	0.00%
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Oregon Liquor Control Comm

Agency Number: 84500

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Public Safety Staff Fulfillment

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 207

Description	Agency Request Budget (V-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	70,368	140,736	70,368	100.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	130,332	254,009	123,677	94.89%
TOTAL OTHER PAYROLL EXPENSES	\$130,332	\$254,009	\$123,677	94.89%
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	1,237	1,237	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	357,084	688,182	331,098	92.72%
TOTAL PERSONAL SERVICES	\$357,084	\$688,182	\$331,098	92.72%
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	6,000	6,000	0	0.00%
4150 Employee Training				
3400 Other Funds Ltd	12,334	14,334	2,000	16.22%
4175 Office Expenses				
3400 Other Funds Ltd	1,000	3,000	2,000	200.00%
4200 Telecommunications				

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Oregon Liquor Control Comm**Agency Number: 84500**

Package Comparison Report - Detail

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2019-21 Biennium

Package: Public Safety Staff Fulfillment

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 207

Description	Agency Request Budget (V-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	119,180	147,564	28,384	23.82%
4250 Data Processing				
3400 Other Funds Ltd	2,000	5,000	3,000	150.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	34,736	69,472	34,736	100.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	307,776	307,776	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	1,000	3,000	2,000	200.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	4,534	9,068	4,534	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	488,560	565,214	76,654	15.69%
TOTAL SERVICES & SUPPLIES	\$488,560	\$565,214	\$76,654	15.69%
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	15,390	30,780	15,390	100.00%
5400 Automotive and Aircraft				
3400 Other Funds Ltd	56,666	56,666	0	0.00%

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Oregon Liquor Control Comm**Agency Number: 84500**

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Public Safety Staff Fulfillment

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 207

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
CAPITAL OUTLAY				
3400 Other Funds Ltd	72,056	87,446	15,390	21.36%
TOTAL CAPITAL OUTLAY	\$72,056	\$87,446	\$15,390	21.36%
EXPENDITURES				
3400 Other Funds Ltd	917,700	1,340,842	423,142	46.11%
TOTAL EXPENDITURES	\$917,700	\$1,340,842	\$423,142	46.11%
ENDING BALANCE				
3400 Other Funds Ltd	(917,700)	(1,340,842)	(423,142)	(46.11%)
TOTAL ENDING BALANCE	(\$917,700)	(\$1,340,842)	(\$423,142)	(46.11%)
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	2	4	2	100.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	2.00	4.00	2.00	100.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Regulatory Specialist Reclass

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 209

Description	Agency Request Budget (V-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	519,840	82,944	(436,896)	(84.04%)
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SALARIES & WAGES

3400 Other Funds Ltd	519,840	82,944	(436,896)	(84.04%)
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TOTAL SALARIES & WAGES	\$519,840	\$82,944	(\$436,896)	(84.04%)
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OTHER PAYROLL EXPENSES**3220 Public Employees Retire Cont**

3400 Other Funds Ltd	94,044	15,008	(79,036)	(84.04%)
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3230 Social Security Taxes

3400 Other Funds Ltd	39,770	6,344	(33,426)	(84.05%)
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3260 Mass Transit Tax

3400 Other Funds Ltd	3,120	2,880	(240)	(7.69%)
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OTHER PAYROLL EXPENSES

3400 Other Funds Ltd	136,934	24,232	(112,702)	(82.30%)
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TOTAL OTHER PAYROLL EXPENSES	\$136,934	\$24,232	(\$112,702)	(82.30%)
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PERSONAL SERVICES

Oregon Liquor Control Comm

Agency Number: 84500

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Regulatory Specialist Reclass

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 209

Description	Agency Request Budget (V-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	656,774	107,176	(549,598)	(83.68%)
TOTAL PERSONAL SERVICES	\$656,774	\$107,176	(\$549,598)	(83.68%)
EXPENDITURES				
3400 Other Funds Ltd	656,774	107,176	(549,598)	(83.68%)
TOTAL EXPENDITURES	\$656,774	\$107,176	(\$549,598)	(83.68%)
ENDING BALANCE				
3400 Other Funds Ltd	(656,774)	(107,176)	549,598	83.68%
TOTAL ENDING BALANCE	(\$656,774)	(\$107,176)	\$549,598	83.68%

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Bottle Bill Regulation & Funding

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 215

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

REVENUE CATEGORIES**LICENSES AND FEES****0205 Business Lic and Fees**

3400 Other Funds Ltd	78,000	-	(78,000)	(100.00%)
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AVAILABLE REVENUES

3400 Other Funds Ltd	78,000	-	(78,000)	(100.00%)
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TOTAL AVAILABLE REVENUES	\$78,000	-	(\$78,000)	(100.00%)
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EXPENDITURES**PERSONAL SERVICES****SALARIES & WAGES****3110 Class/Unclass Sal. and Per Diem**

3400 Other Funds Ltd	81,672	81,672	0	0.00%
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SALARIES & WAGES

3400 Other Funds Ltd	81,672	81,672	0	0.00%
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TOTAL SALARIES & WAGES	\$81,672	\$81,672	\$0	0.00%
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OTHER PAYROLL EXPENSES**3210 Empl. Rel. Bd. Assessments**

3400 Other Funds Ltd	61	61	0	0.00%
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3220 Public Employees Retire Cont

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Bottle Bill Regulation & Funding

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 215

Description	Agency Request Budget (V-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	14,774	14,774	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	6,248	6,248	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	58	58	0	0.00%
3260 Mass Transit Tax				
3400 Other Funds Ltd	490	-	(490)	(100.00%)
3270 Flexible Benefits				
3400 Other Funds Ltd	35,184	35,184	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	56,815	56,325	(490)	(0.86%)
TOTAL OTHER PAYROLL EXPENSES	\$56,815	\$56,325	(\$490)	(0.86%)
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	490	490	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	138,487	138,487	0	0.00%
TOTAL PERSONAL SERVICES	\$138,487	\$138,487	\$0	0.00%
SERVICES & SUPPLIES				

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Bottle Bill Regulation & Funding

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 215

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
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	1,500	1,500	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	17,368	17,368	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	1,000	1,000	0	0.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	2,267	2,267	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	26,135	26,135	0	0.00%
TOTAL SERVICES & SUPPLIES	\$26,135	\$26,135	\$0	0.00%
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Bottle Bill Regulation & Funding

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 215

Description	Agency Request Budget (V-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	7,695	7,695	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	7,695	7,695	0	0.00%
TOTAL CAPITAL OUTLAY	\$7,695	\$7,695	\$0	0.00%
EXPENDITURES				
3400 Other Funds Ltd	172,317	172,317	0	0.00%
TOTAL EXPENDITURES	\$172,317	\$172,317	\$0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	(94,317)	(172,317)	(78,000)	(82.70%)
TOTAL ENDING BALANCE	(\$94,317)	(\$172,317)	(\$78,000)	(82.70%)
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	1	1	0	0.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	1.00	1.00	0.00	0.00%

Description	Agency Request Budget (V-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	1,007,400	581,088	(426,312)	(42.32%)
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SALARIES & WAGES

3400 Other Funds Ltd	1,007,400	581,088	(426,312)	(42.32%)
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TOTAL SALARIES & WAGES	\$1,007,400	\$581,088	(\$426,312)	(42.32%)
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OTHER PAYROLL EXPENSES

3210 Empl. Rel. Bd. Assessments

3400 Other Funds Ltd	427	244	(183)	(42.86%)
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	182,241	105,120	(77,121)	(42.32%)
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3230 Social Security Taxes

3400 Other Funds Ltd	77,066	44,453	(32,613)	(42.32%)
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3250 Workers Comp. Assess. (WCD)

3400 Other Funds Ltd	406	232	(174)	(42.86%)
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3260 Mass Transit Tax

3400 Other Funds Ltd	6,047	-	(6,047)	(100.00%)
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Description	Agency Request Budget (V-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	246,288	140,736	(105,552)	(42.86%)
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	512,475	290,785	(221,690)	(43.26%)
TOTAL OTHER PAYROLL EXPENSES	\$512,475	\$290,785	(\$221,690)	(43.26%)
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	3,488	3,488	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	1,519,875	875,361	(644,514)	(42.41%)
TOTAL PERSONAL SERVICES	\$1,519,875	\$875,361	(\$644,514)	(42.41%)
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	7,000	4,000	(3,000)	(42.86%)
4175 Office Expenses				
3400 Other Funds Ltd	7,000	4,000	(3,000)	(42.86%)
4200 Telecommunications				
3400 Other Funds Ltd	14,000	8,000	(6,000)	(42.86%)
4250 Data Processing				

Package Comparison Report - Detail
 2019-21 Biennium
 Oregon Liquor Control Comm

Cross Reference Number: 84500-000-00-00-00000
 Package: Information Services Enhancement
 Pkg Group: POL Pkg Type: POL Pkg Number: 301

Description	Agency Request Budget (V-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	10,500	6,000	(4,500)	(42.86%)
4315 IT Professional Services				
3400 Other Funds Ltd	6,000,000	5,525,000	(475,000)	(7.92%)
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	121,576	69,472	(52,104)	(42.86%)
4650 Other Services and Supplies				
3400 Other Funds Ltd	7,000	4,000	(3,000)	(42.86%)
4715 IT Expendable Property				
3400 Other Funds Ltd	15,869	9,068	(6,801)	(42.86%)
SERVICES & SUPPLIES				
3400 Other Funds Ltd	6,182,945	5,629,540	(553,405)	(8.95%)
TOTAL SERVICES & SUPPLIES	\$6,182,945	\$5,629,540	(\$553,405)	(8.95%)
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	53,865	30,780	(23,085)	(42.86%)
5600 Data Processing Hardware				
3400 Other Funds Ltd	200,000	-	(200,000)	(100.00%)
CAPITAL OUTLAY				
3400 Other Funds Ltd	253,865	30,780	(223,085)	(87.88%)

Oregon Liquor Control Comm

Agency Number: 84500

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Information Services Enhancement

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 301

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL CAPITAL OUTLAY	\$253,865	\$30,780	(\$223,085)	(87.88%)
EXPENDITURES				
3400 Other Funds Ltd	7,956,685	6,535,681	(1,421,004)	(17.86%)
TOTAL EXPENDITURES	\$7,956,685	\$6,535,681	(\$1,421,004)	(17.86%)
ENDING BALANCE				
3400 Other Funds Ltd	(7,956,685)	(6,535,681)	1,421,004	17.86%
TOTAL ENDING BALANCE	(\$7,956,685)	(\$6,535,681)	\$1,421,004	17.86%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	7	4	(3)	(42.86%)
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	7.00	4.00	(3.00)	(42.86%)

Oregon Liquor Control Comm**Agency Number: 84500****Package Comparison Report - Detail****Cross Reference Number: 84500-000-00-00-00000****2019-21 Biennium****Package: Distilled Spirits Shipping Capacity & Svcs****Oregon Liquor Control Comm****Pkg Group: POL Pkg Type: POL Pkg Number: 304**

Description	Agency Request Budget (V-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	4,300,000	150,000	(4,150,000)	(96.51%)
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5850 Contingencies

3010 Other Funds Cap Improve	1,934,000	-	(1,934,000)	(100.00%)
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CAPITAL OUTLAY

3010 Other Funds Cap Improve	6,234,000	150,000	(6,084,000)	(97.59%)
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TOTAL CAPITAL OUTLAY

\$6,234,000	\$150,000	(\$6,084,000)	(97.59%)
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EXPENDITURES

3010 Other Funds Cap Improve	6,234,000	150,000	(6,084,000)	(97.59%)
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TOTAL EXPENDITURES

\$6,234,000	\$150,000	(\$6,084,000)	(97.59%)
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ENDING BALANCE

3010 Other Funds Cap Improve	(6,234,000)	(150,000)	6,084,000	97.59%
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TOTAL ENDING BALANCE

(\$6,234,000)	(\$150,000)	\$6,084,000	97.59%
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Description	Agency Request Budget (V-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	247,392	304,704	57,312	23.17%
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SALARIES & WAGES

3400 Other Funds Ltd	247,392	304,704	57,312	23.17%
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TOTAL SALARIES & WAGES

\$247,392	\$304,704	\$57,312	23.17%
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OTHER PAYROLL EXPENSES

3210 Empl. Rel. Bd. Assessments

3400 Other Funds Ltd	183	183	0	0.00%
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	44,753	55,121	10,368	23.17%
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3230 Social Security Taxes

3400 Other Funds Ltd	18,926	23,311	4,385	23.17%
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3250 Workers Comp. Assess. (WCD)

3400 Other Funds Ltd	174	174	0	0.00%
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3260 Mass Transit Tax

3400 Other Funds Ltd	1,485	450	(1,035)	(69.70%)
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Package Comparison Report - Detail
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 Oregon Liquor Control Comm

Cross Reference Number: 84500-000-00-00-00000
 Package: Financial Services Staff Fulfillment
 Pkg Group: POL Pkg Type: POL Pkg Number: 310

Description	Agency Request Budget (V-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	105,552	105,552	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	171,073	184,791	13,718	8.02%
TOTAL OTHER PAYROLL EXPENSES	\$171,073	\$184,791	\$13,718	8.02%
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	(19,076)	(19,076)	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	418,465	470,419	51,954	12.42%
TOTAL PERSONAL SERVICES	\$418,465	\$470,419	\$51,954	12.42%
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	3,000	2,000	(1,000)	(33.33%)
4175 Office Expenses				
3400 Other Funds Ltd	3,000	2,415	(585)	(19.50%)
4200 Telecommunications				
3400 Other Funds Ltd	6,000	6,000	0	0.00%
4250 Data Processing				

Oregon Liquor Control Comm

Agency Number: 84500

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

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Package: Financial Services Staff Fulfillment

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 310

Description	Agency Request Budget (V-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	19,500	18,000	(1,500)	(7.69%)
4300 Professional Services				
3400 Other Funds Ltd	-	20,454	20,454	100.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	52,104	34,736	(17,368)	(33.33%)
4650 Other Services and Supplies				
3400 Other Funds Ltd	3,000	2,499	(501)	(16.70%)
4715 IT Expendable Property				
3400 Other Funds Ltd	28,136	28,636	500	1.78%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	114,740	114,740	0	0.00%
TOTAL SERVICES & SUPPLIES	\$114,740	\$114,740	\$0	0.00%
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	23,085	23,085	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	23,085	23,085	0	0.00%
TOTAL CAPITAL OUTLAY	\$23,085	\$23,085	\$0	0.00%

EXPENDITURES

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Oregon Liquor Control Comm**Agency Number: 84500****Package Comparison Report - Detail****Cross Reference Number: 84500-000-00-00-00000****2019-21 Biennium****Package: Financial Services Staff Fulfillment****Oregon Liquor Control Comm****Pkg Group: POL Pkg Type: POL Pkg Number: 310**

Description	Agency Request Budget (V-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	556,290	608,244	51,954	9.34%
TOTAL EXPENDITURES	\$556,290	\$608,244	\$51,954	9.34%
ENDING BALANCE				
3400 Other Funds Ltd	(556,290)	(608,244)	(51,954)	(9.34%)
TOTAL ENDING BALANCE	(\$556,290)	(\$608,244)	(\$51,954)	(9.34%)
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	3	3	0	0.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	3.00	3.00	0.00	0.00%

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 2019-21 Biennium
 Oregon Liquor Control Comm

Cross Reference Number: 84500-000-00-00-00000
 Package: Administration and Communication Outreach
 Pkg Group: POL Pkg Type: POL Pkg Number: 311

Description	Agency Request Budget (V-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	272,832	12,816	(260,016)	(95.30%)
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SALARIES & WAGES

3400 Other Funds Ltd	272,832	12,816	(260,016)	(95.30%)
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TOTAL SALARIES & WAGES	\$272,832	\$12,816	(\$260,016)	(95.30%)
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OTHER PAYROLL EXPENSES**3210 Empl. Rel. Bd. Assessments**

3400 Other Funds Ltd	122	-	(122)	(100.00%)
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	49,356	2,319	(47,037)	(95.30%)
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3230 Social Security Taxes

3400 Other Funds Ltd	20,871	980	(19,891)	(95.30%)
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3250 Workers Comp. Assess. (WCD)

3400 Other Funds Ltd	116	-	(116)	(100.00%)
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3260 Mass Transit Tax

3400 Other Funds Ltd	1,637	-	(1,637)	(100.00%)
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Package Comparison Report - Detail
 2019-21 Biennium
 Oregon Liquor Control Comm

Cross Reference Number: 84500-000-00-00-00000
 Package: Administration and Communication Outreach
 Pkg Group: POL Pkg Type: POL Pkg Number: 311

Description	Agency Request Budget (V-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	70,368	-	(70,368)	(100.00%)
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	142,470	3,299	(139,171)	(97.68%)
TOTAL OTHER PAYROLL EXPENSES	\$142,470	\$3,299	(\$139,171)	(97.68%)
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	77	77	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	415,302	16,192	(399,110)	(96.10%)
TOTAL PERSONAL SERVICES	\$415,302	\$16,192	(\$399,110)	(96.10%)
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	2,000	-	(2,000)	(100.00%)
4175 Office Expenses				
3400 Other Funds Ltd	2,000	-	(2,000)	(100.00%)
4200 Telecommunications				
3400 Other Funds Ltd	4,000	-	(4,000)	(100.00%)
4250 Data Processing				

Oregon Liquor Control Comm

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Oregon Liquor Control Comm

Cross Reference Number: 84500-000-00-00-00000

Package: Administration and Communication Outreach

Pkg Group: POL Pkg Type: POL Pkg Number: 311

Description	Agency Request Budget (V-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	3,000	-	(3,000)	(100.00%)
4275 Publicity and Publications				
3400 Other Funds Ltd	200,000	-	(200,000)	(100.00%)
4315 IT Professional Services				
3400 Other Funds Ltd	73,000	57,610	(15,390)	(21.08%)
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	34,736	-	(34,736)	(100.00%)
4650 Other Services and Supplies				
3400 Other Funds Ltd	2,000	-	(2,000)	(100.00%)
4715 IT Expendable Property				
3400 Other Funds Ltd	4,534	-	(4,534)	(100.00%)
SERVICES & SUPPLIES				
3400 Other Funds Ltd	325,270	57,610	(267,660)	(82.29%)
TOTAL SERVICES & SUPPLIES	\$325,270	\$57,610	(\$267,660)	(82.29%)
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	15,390	-	(15,390)	(100.00%)
5550 Data Processing Software				
3400 Other Funds Ltd	-	15,390	15,390	100.00%

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Package: Administration and Communication Outreach

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 311

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
CAPITAL OUTLAY				
3400 Other Funds Ltd	15,390	15,390	0	0.00%
TOTAL CAPITAL OUTLAY	\$15,390	\$15,390	\$0	0.00%
EXPENDITURES				
3400 Other Funds Ltd	755,962	89,192	(666,770)	(88.20%)
TOTAL EXPENDITURES	\$755,962	\$89,192	(\$666,770)	(88.20%)
ENDING BALANCE				
3400 Other Funds Ltd	(755,962)	(89,192)	666,770	88.20%
TOTAL ENDING BALANCE	(\$755,962)	(\$89,192)	\$666,770	88.20%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	2	-	(2)	(100.00%)
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	2.00	-	(2.00)	(100.00%)

Oregon Liquor Control Comm**Agency Number: 84500**

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Marijuana Program Enhancement

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 408

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

REVENUE CATEGORIES**LICENSES AND FEES****0205 Business Lic and Fees**

3400 Other Funds Ltd	460,000	-	(460,000)	(100.00%)
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AVAILABLE REVENUES

3400 Other Funds Ltd	460,000	-	(460,000)	(100.00%)
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TOTAL AVAILABLE REVENUES	\$460,000	-	(\$460,000)	(100.00%)
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EXPENDITURES**PERSONAL SERVICES****SALARIES & WAGES****3110 Class/Unclass Sal. and Per Diem**

3400 Other Funds Ltd	1,256,160	1,052,328	(203,832)	(16.23%)
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SALARIES & WAGES

3400 Other Funds Ltd	1,256,160	1,052,328	(203,832)	(16.23%)
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TOTAL SALARIES & WAGES	\$1,256,160	\$1,052,328	(\$203,832)	(16.23%)
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OTHER PAYROLL EXPENSES**3210 Empl. Rel. Bd. Assessments**

3400 Other Funds Ltd	732	549	(183)	(25.00%)
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3220 Public Employees Retire Cont

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Agency Number: 84500

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Oregon Liquor Control Comm

Cross Reference Number: 84500-000-00-00-00000
Package: Marijuana Program Enhancement
Pkg Group: POL Pkg Type: POL Pkg Number: 408

Description	Agency Request Budget (V-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	227,242	190,369	(36,873)	(16.23%)
3230 Social Security Taxes				
3400 Other Funds Ltd	96,095	80,501	(15,594)	(16.23%)
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	696	522	(174)	(25.00%)
3260 Mass Transit Tax				
3400 Other Funds Ltd	7,536	6,187	(1,349)	(17.90%)
3270 Flexible Benefits				
3400 Other Funds Ltd	422,208	316,656	(105,552)	(25.00%)
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	754,509	594,784	(159,725)	(21.17%)
TOTAL OTHER PAYROLL EXPENSES	\$754,509	\$594,784	(\$159,725)	(21.17%)
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	10,829	10,829	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	2,010,669	1,657,941	(352,728)	(17.54%)
TOTAL PERSONAL SERVICES	\$2,010,669	\$1,657,941	(\$352,728)	(17.54%)
SERVICES & SUPPLIES				

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Package Comparison Report - Detail

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Package: Marijuana Program Enhancement

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 408

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4100 Instate Travel				
3400 Other Funds Ltd	24,000	24,000	0	0.00%
4150 Employee Training				
3400 Other Funds Ltd	53,336	50,696	(2,640)	(4.95%)
4175 Office Expenses				
3400 Other Funds Ltd	8,000	5,000	(3,000)	(37.50%)
4200 Telecommunications				
3400 Other Funds Ltd	58,480	52,480	(6,000)	(10.26%)
4250 Data Processing				
3400 Other Funds Ltd	14,000	9,500	(4,500)	(32.14%)
4275 Publicity and Publications				
3400 Other Funds Ltd	200,000	-	(200,000)	(100.00%)
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	208,416	156,312	(52,104)	(25.00%)
4575 Agency Program Related S and S				
3400 Other Funds Ltd	21,504	21,504	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	8,000	5,000	(3,000)	(37.50%)
4715 IT Expendable Property				

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Package: Marijuana Program Enhancement

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 408

Description	Agency Request Budget (V-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	27,204	20,403	(6,801)	(25.00%)
SERVICES & SUPPLIES				
3400 Other Funds Ltd	622,940	344,895	(278,045)	(44.63%)
TOTAL SERVICES & SUPPLIES	\$622,940	\$344,895	(\$278,045)	(44.63%)
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	92,340	69,255	(23,085)	(25.00%)
5400 Automotive and Aircraft				
3400 Other Funds Ltd	226,664	226,664	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	319,004	295,919	(23,085)	(7.24%)
TOTAL CAPITAL OUTLAY	\$319,004	\$295,919	(\$23,085)	(7.24%)
EXPENDITURES				
3400 Other Funds Ltd	2,952,613	2,298,755	(653,858)	(22.15%)
TOTAL EXPENDITURES	\$2,952,613	\$2,298,755	(\$653,858)	(22.15%)
ENDING BALANCE				
3400 Other Funds Ltd	(2,492,613)	(2,298,755)	193,858	7.78%
TOTAL ENDING BALANCE	(\$2,492,613)	(\$2,298,755)	\$193,858	7.78%
AUTHORIZED POSITIONS				

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Package: Marijuana Program Enhancement

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: POL Pkg Number: 408

Description	Agency Request Budget (V-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	12	9	(3)	(25.00%)
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	12.00	9.00	(3.00)	(25.00%)

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: LFO Analyst Adjustments

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: LFO Pkg Number: 801

Description	Agency Request Budget (V-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	-	6,408	6,408	100.00%
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SALARIES & WAGES

3400 Other Funds Ltd	-	6,408	6,408	100.00%
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TOTAL SALARIES & WAGES

-	\$6,408	\$6,408	100.00%
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OTHER PAYROLL EXPENSES**3220 Public Employees Retire Cont**

3400 Other Funds Ltd	-	1,159	1,159	100.00%
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3230 Social Security Taxes

3400 Other Funds Ltd	-	490	490	100.00%
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OTHER PAYROLL EXPENSES

3400 Other Funds Ltd	-	1,649	1,649	100.00%
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TOTAL OTHER PAYROLL EXPENSES

-	\$1,649	\$1,649	100.00%
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P.S. BUDGET ADJUSTMENTS**3465 Reconciliation Adjustment**

3400 Other Funds Ltd	-	1,410	1,410	100.00%
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Package Comparison Report - Detail
2019-21 Biennium

Cross Reference Number: 84500-000-00-00-00000

Package: LFO Analyst Adjustments

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: LFO Pkg Number: 801

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
PERSONAL SERVICES				
3400 Other Funds Ltd	-	9,467	9,467	100.00%
TOTAL PERSONAL SERVICES	-	\$9,467	\$9,467	100.00%
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	-	(9,492)	(9,492)	100.00%
4125 Out of State Travel				
3400 Other Funds Ltd	-	(1,859)	(1,859)	100.00%
4150 Employee Training				
3400 Other Funds Ltd	-	(5,590)	(5,590)	100.00%
4175 Office Expenses				
3400 Other Funds Ltd	-	(538,227)	(538,227)	100.00%
4200 Telecommunications				
3400 Other Funds Ltd	-	(9,489)	(9,489)	100.00%
4250 Data Processing				
3400 Other Funds Ltd	-	(18,536)	(18,536)	100.00%
4275 Publicity and Publications				
3400 Other Funds Ltd	-	(1,209)	(1,209)	100.00%
4300 Professional Services				

Oregon Liquor Control Comm

Agency Number: 84500

**Package Comparison Report - Detail
2019-21 Biennium**

Cross Reference Number: 84500-000-00-00-00000

Package: LFO Analyst Adjustments

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: LFO Pkg Number: 801

Description	Agency Request Budget (V-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	-	1,277,205	1,277,205	100.00%
4315 IT Professional Services				
3400 Other Funds Ltd	-	(28,775)	(28,775)	100.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	-	(4,056)	(4,056)	100.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	-	(472)	(472)	100.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	-	(2,409)	(2,409)	100.00%
4450 Fuels and Utilities				
3400 Other Funds Ltd	-	(14,608)	(14,608)	100.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	-	(43,784)	(43,784)	100.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	-	(9,648)	(9,648)	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	-	(3,845)	(3,845)	100.00%
4700 Expendable Prop 250 - 5000				
3400 Other Funds Ltd	-	(3,040)	(3,040)	100.00%

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Oregon Liquor Control Comm**Agency Number: 84500**

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: LFO Analyst Adjustments

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: LFO Pkg Number: 801

Description	Agency Request Budget (V-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	-	(17,118)	(17,118)	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	565,048	565,048	100.00%
TOTAL SERVICES & SUPPLIES	-	\$565,048	\$565,048	100.00%
EXPENDITURES				
3400 Other Funds Ltd	-	574,515	574,515	100.00%
TOTAL EXPENDITURES	-	\$574,515	\$574,515	100.00%
ENDING BALANCE				
3400 Other Funds Ltd	-	(574,515)	(574,515)	100.00%
TOTAL ENDING BALANCE	-	(\$574,515)	(\$574,515)	100.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Statewide Adjustments

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: LFO Pkg Number: 810

Description	Agency Request Budget (V-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****3465 Reconciliation Adjustment**

3400 Other Funds Ltd	-	(308,678)	(308,678)	100.00%
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PERSONAL SERVICES

3400 Other Funds Ltd	-	(308,678)	(308,678)	100.00%
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TOTAL PERSONAL SERVICES	-	(\$308,678)	(\$308,678)	100.00%
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SERVICES & SUPPLIES**4225 State Gov. Service Charges**

3400 Other Funds Ltd	-	(170,862)	(170,862)	100.00%
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4325 Attorney General

3400 Other Funds Ltd	-	(38,810)	(38,810)	100.00%
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4650 Other Services and Supplies

3400 Other Funds Ltd	-	(80,855)	(80,855)	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	(290,527)	(290,527)	100.00%
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TOTAL SERVICES & SUPPLIES	-	(\$290,527)	(\$290,527)	100.00%
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EXPENDITURES

Oregon Liquor Control Comm**Agency Number: 84500**

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Statewide Adjustments

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: LFO Pkg Number: 810

Description	Agency Request Budget (V-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	-	(599,205)	(599,205)	100.00%
TOTAL EXPENDITURES	-	(\$599,205)	(\$599,205)	100.00%
ENDING BALANCE				
3400 Other Funds Ltd	-	599,205	599,205	100.00%
TOTAL ENDING BALANCE	-	\$599,205	\$599,205	100.00%

Package Comparison Report - Detail
2019-21 Biennium

Cross Reference Number: 84500-000-00-00-00000

Oregon Liquor Control Comm

Package: Budget Reconciliation Adjustments

Pkg Group: POL Pkg Type: LFO Pkg Number: 811

Description	Agency Request Budget (V-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	-	149,592	149,592	100.00%
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SALARIES & WAGES

3400 Other Funds Ltd	-	149,592	149,592	100.00%
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TOTAL SALARIES & WAGES	-	\$149,592	\$149,592	100.00%
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OTHER PAYROLL EXPENSES**3210 Empl. Rel. Bd. Assessments**

3400 Other Funds Ltd	-	61	61	100.00%
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	-	27,061	27,061	100.00%
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3230 Social Security Taxes

3400 Other Funds Ltd	-	11,444	11,444	100.00%
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3250 Workers Comp. Assess. (WCD)

3400 Other Funds Ltd	-	58	58	100.00%
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3270 Flexible Benefits

3400 Other Funds Ltd	-	35,184	35,184	100.00%
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Oregon Liquor Control Comm

Agency Number: 84500

Package Comparison Report - Detail

Cross Reference Number: 84500-000-00-00-00000

2019-21 Biennium

Package: Budget Reconciliation Adjustments

Oregon Liquor Control Comm

Pkg Group: POL Pkg Type: LFO Pkg Number: 811

Description	Agency Request Budget (V-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	-	73,808	73,808	100.00%
TOTAL OTHER PAYROLL EXPENSES	-	\$73,808	\$73,808	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	-	223,400	223,400	100.00%
TOTAL PERSONAL SERVICES	-	\$223,400	\$223,400	100.00%
SERVICES & SUPPLIES				
4200 Telecommunications				
3400 Other Funds Ltd	-	1,000	1,000	100.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	-	2,000	2,000	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	3,000	3,000	100.00%
TOTAL SERVICES & SUPPLIES	-	\$3,000	\$3,000	100.00%
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	-	7,000	7,000	100.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	-	7,000	7,000	100.00%

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Oregon Liquor Control Comm

Agency Number: 84500

Package Comparison Report - Detail
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Oregon Liquor Control Comm

Cross Reference Number: 84500-000-00-00-00000
Package: Budget Reconciliation Adjustments
Pkg Group: POL Pkg Type: LFO Pkg Number: 811

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL CAPITAL OUTLAY	-	\$7,000	\$7,000	100.00%
EXPENDITURES				
3400 Other Funds Ltd	-	233,400	233,400	100.00%
TOTAL EXPENDITURES	-	\$233,400	\$233,400	100.00%
ENDING BALANCE				
3400 Other Funds Ltd	-	(233,400)	(233,400)	100.00%
TOTAL ENDING BALANCE	-	(\$233,400)	(\$233,400)	100.00%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	-	1	1	100.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	-	1.00	1.00	100.00%

Package Comparison Report - Detail
 2019-21 Biennium
 Distilled Spirits Program

Cross Reference Number: 84500-001-00-00-00000

Package: Analyst Adjustments

Pkg Group: POL Pkg Type: 090 Pkg Number: 090

Description	Agency Request Budget (V-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	-	932,406	932,406	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	932,406	932,406	100.00%
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TOTAL SERVICES & SUPPLIES	-	\$932,406	\$932,406	100.00%
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EXPENDITURES

3400 Other Funds Ltd	-	932,406	932,406	100.00%
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TOTAL EXPENDITURES	-	\$932,406	\$932,406	100.00%
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ENDING BALANCE

3400 Other Funds Ltd	-	(932,406)	(932,406)	100.00%
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TOTAL ENDING BALANCE	-	(\$932,406)	(\$932,406)	100.00%
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Package Comparison Report - Detail
 2019-21 Biennium
 Distilled Spirits Program

Cross Reference Number: 84500-001-00-00-00000
 Package: Distilled Spirits Shipping Capacity & Svcs
 Pkg Group: POL Pkg Type: POL Pkg Number: 102

Description	Agency Request Budget (V-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	850,752	850,752	0	0.00%
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3160 Temporary Appointments

3400 Other Funds Ltd	300,000	300,000	0	0.00%
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SALARIES & WAGES

3400 Other Funds Ltd	1,150,752	1,150,752	0	0.00%
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TOTAL SALARIES & WAGES	\$1,150,752	\$1,150,752	\$0	0.00%
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OTHER PAYROLL EXPENSES

3210 Empl. Rel. Bd. Assessments

3400 Other Funds Ltd	671	671	0	0.00%
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	153,902	153,902	0	0.00%
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3230 Social Security Taxes

3400 Other Funds Ltd	88,034	88,034	0	0.00%
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3250 Workers Comp. Assess. (WCD)

3400 Other Funds Ltd	638	638	0	0.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-001-00-00-00000

2019-21 Biennium

Package: Distilled Spirits Shipping Capacity & Svcs

Distilled Spirits Program

Pkg Group: POL Pkg Type: POL Pkg Number: 102

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3260 Mass Transit Tax				
3400 Other Funds Ltd	5,104	5,104	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	387,024	387,024	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	635,373	635,373	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	\$635,373	\$635,373	\$0	0.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	1,786,125	1,786,125	0	0.00%
TOTAL PERSONAL SERVICES	\$1,786,125	\$1,786,125	\$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	1,500	1,500	0	0.00%

Package Comparison Report - Detail
 2019-21 Biennium
 Distilled Spirits Program

Cross Reference Number: 84500-001-00-00-00000
 Package: Distilled Spirits Shipping Capacity & Svcs
 Pkg Group: POL Pkg Type: POL Pkg Number: 102

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	17,368	17,368	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	49,000	9,000	(40,000)	(81.63%)
4715 IT Expendable Property				
3400 Other Funds Ltd	2,267	2,267	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	74,135	34,135	(40,000)	(53.96%)
TOTAL SERVICES & SUPPLIES	\$74,135	\$34,135	(\$40,000)	(53.96%)
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				
3400 Other Funds Ltd	35,000	35,000	0	0.00%
5700 Building Structures				

Package Comparison Report - Detail

Cross Reference Number: 84500-001-00-00-00000

2019-21 Biennium

Package: Distilled Spirits Shipping Capacity & Svcs

Distilled Spirits Program

Pkg Group: POL Pkg Type: POL Pkg Number: 102

Description	Agency Request Budget (V-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	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	2,243,955	2,203,955	(40,000)	(1.78%)
TOTAL EXPENDITURES	\$2,243,955	\$2,203,955	(\$40,000)	(1.78%)
ENDING BALANCE				
3400 Other Funds Ltd	(2,243,955)	(2,203,955)	40,000	1.78%
TOTAL ENDING BALANCE	(\$2,243,955)	(\$2,203,955)	\$40,000	1.78%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	11	11	0	0.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	11.00	11.00	0.00	0.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-001-00-00-00000

2019-21 Biennium

Package: Move Agency Bank Card Costs

Distilled Spirits Program

Pkg Group: POL Pkg Type: POL Pkg Number: 112

Description	Agency Request Budget (V-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	(7,350,000)	-	7,350,000	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	(7,350,000)	-	7,350,000	100.00%
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TOTAL SERVICES & SUPPLIES	(\$7,350,000)	-	\$7,350,000	100.00%
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EXPENDITURES

3400 Other Funds Ltd	(7,350,000)	-	7,350,000	100.00%
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TOTAL EXPENDITURES	(\$7,350,000)	-	\$7,350,000	100.00%
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ENDING BALANCE

3400 Other Funds Ltd	7,350,000	-	(7,350,000)	(100.00%)
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TOTAL ENDING BALANCE	\$7,350,000	-	(\$7,350,000)	(100.00%)
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Package Comparison Report - Detail
 2019-21 Biennium
 Distilled Spirits Program

Cross Reference Number: 84500-001-00-00-00000

Package: LFO Analyst Adjustments

Pkg Group: POL Pkg Type: LFO Pkg Number: 801

Description	Agency Request Budget (V-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	-	(2,149)	(2,149)	100.00%
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4125 Out of State Travel

3400 Other Funds Ltd	-	(198)	(198)	100.00%
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4150 Employee Training

3400 Other Funds Ltd	-	(152)	(152)	100.00%
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4175 Office Expenses

3400 Other Funds Ltd	-	(519,774)	(519,774)	100.00%
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4200 Telecommunications

3400 Other Funds Ltd	-	(2,316)	(2,316)	100.00%
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4250 Data Processing

3400 Other Funds Ltd	-	(6,699)	(6,699)	100.00%
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4275 Publicity and Publications

3400 Other Funds Ltd	-	(666)	(666)	100.00%
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4300 Professional Services

3400 Other Funds Ltd	-	(636)	(636)	100.00%
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4315 IT Professional Services

Package Comparison Report - Detail
 2019-21 Biennium
 Distilled Spirits Program

Cross Reference Number: 84500-001-00-00-00000

Package: LFO Analyst Adjustments

Pkg Group: POL Pkg Type: LFO Pkg Number: 801

Description	Agency Request Budget (V-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	-	(607)	(607)	100.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	-	(348)	(348)	100.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	-	(87)	(87)	100.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	-	(2,409)	(2,409)	100.00%
4450 Fuels and Utilities				
3400 Other Funds Ltd	-	(8,608)	(8,608)	100.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	-	(1,125)	(1,125)	100.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	-	(4,958)	(4,958)	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	-	(345)	(345)	100.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	-	(475)	(475)	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	(551,552)	(551,552)	100.00%

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL SERVICES & SUPPLIES	-	(\$551,552)	(\$551,552)	100.00%
EXPENDITURES				
3400 Other Funds Ltd	-	(551,552)	(551,552)	100.00%
TOTAL EXPENDITURES	-	(\$551,552)	(\$551,552)	100.00%
ENDING BALANCE				
3400 Other Funds Ltd	-	551,552	551,552	100.00%
TOTAL ENDING BALANCE	-	\$551,552	\$551,552	100.00%

Package Comparison Report - Detail
 2019-21 Biennium
 Distilled Spirits Program

Cross Reference Number: 84500-001-00-00-00000
 Package: Statewide Adjustments
 Pkg Group: POL Pkg Type: LFO Pkg Number: 810

Description	Agency Request Budget (V-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****3465 Reconciliation Adjustment**

3400 Other Funds Ltd	-	(55,176)	(55,176)	100.00%
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PERSONAL SERVICES

3400 Other Funds Ltd	-	(55,176)	(55,176)	100.00%
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TOTAL PERSONAL SERVICES	-	(\$55,176)	(\$55,176)	100.00%
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SERVICES & SUPPLIES**4225 State Gov. Service Charges**

3400 Other Funds Ltd	-	(39,549)	(39,549)	100.00%
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4650 Other Services and Supplies

3400 Other Funds Ltd	-	(625)	(625)	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	(40,174)	(40,174)	100.00%
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TOTAL SERVICES & SUPPLIES	-	(\$40,174)	(\$40,174)	100.00%
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EXPENDITURES

3400 Other Funds Ltd	-	(95,350)	(95,350)	100.00%
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TOTAL EXPENDITURES	-	(\$95,350)	(\$95,350)	100.00%
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Oregon Liquor Control Comm**Agency Number: 84500****Package Comparison Report - Detail****Cross Reference Number: 84500-001-00-00-00000****2019-21 Biennium****Package: Statewide Adjustments****Distilled Spirits Program****Pkg Group: POL Pkg Type: LFO Pkg Number: 810**

Description	Agency Request Budget (V-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	-	95,350	95,350	100.00%
TOTAL ENDING BALANCE	-	\$95,350	\$95,350	100.00%

Package Comparison Report - Detail
2019-21 Biennium

Cross Reference Number: 84500-002-00-00-00000

Public Safety Services Program

Package: License Fees Increase

Pkg Group: POL Pkg Type: POL Pkg Number: 203

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

REVENUE CATEGORIES

LICENSES AND FEES

0205 Business Lic and Fees

3400 Other Funds Ltd	9,172,403	9,172,403	0	0.00%
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AVAILABLE REVENUES

3400 Other Funds Ltd	9,172,403	9,172,403	0	0.00%
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TOTAL AVAILABLE REVENUES	\$9,172,403	\$9,172,403	\$0	0.00%
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ENDING BALANCE

3400 Other Funds Ltd	9,172,403	9,172,403	0	0.00%
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TOTAL ENDING BALANCE	\$9,172,403	\$9,172,403	\$0	0.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Statewide Dispatch Services

Public Safety Services Program

Pkg Group: POL Pkg Type: POL Pkg Number: 205

Description	Agency Request Budget (V-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	584,916	560,832	(24,084)	(4.12%)
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SERVICES & SUPPLIES

3400 Other Funds Ltd	584,916	560,832	(24,084)	(4.12%)
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TOTAL SERVICES & SUPPLIES	\$584,916	\$560,832	(\$24,084)	(4.12%)
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EXPENDITURES

3400 Other Funds Ltd	584,916	560,832	(24,084)	(4.12%)
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TOTAL EXPENDITURES	\$584,916	\$560,832	(\$24,084)	(4.12%)
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ENDING BALANCE

3400 Other Funds Ltd	(584,916)	(560,832)	24,084	4.12%
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TOTAL ENDING BALANCE	(\$584,916)	(\$560,832)	\$24,084	4.12%
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Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Licensing Staff Fulfillment

Public Safety Services Program

Pkg Group: POL Pkg Type: POL Pkg Number: 206

Description	Agency Request Budget (V-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	673,632	537,744	(135,888)	(20.17%)
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OTHER PAYROLL EXPENSES

3210 Empl. Rel. Bd. Assessments

3400 Other Funds Ltd	427	305	(122)	(28.57%)
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	121,860	97,278	(24,582)	(20.17%)
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3230 Social Security Taxes

3400 Other Funds Ltd	51,533	41,137	(10,396)	(20.17%)
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3250 Workers Comp. Assess. (WCD)

3400 Other Funds Ltd	406	290	(116)	(28.57%)
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3260 Mass Transit Tax

3400 Other Funds Ltd	4,042	2,677	(1,365)	(33.77%)
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3270 Flexible Benefits

3400 Other Funds Ltd	246,288	175,920	(70,368)	(28.57%)
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OTHER PAYROLL EXPENSES

Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Licensing Staff Fulfillment

Public Safety Services Program

Pkg Group: POL Pkg Type: POL Pkg Number: 206

Description	Agency Request Budget (V-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	424,556	317,607	(106,949)	(25.19%)
TOTAL OTHER PAYROLL EXPENSES	\$424,556	\$317,607	(\$106,949)	(25.19%)
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd		529	529	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	1,098,188	855,880	(242,308)	(22.06%)
TOTAL PERSONAL SERVICES	\$1,098,188	\$855,880	(\$242,308)	(22.06%)
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	7,000	5,000	(2,000)	(28.57%)
4175 Office Expenses				
3400 Other Funds Ltd	7,000	5,000	(2,000)	(28.57%)
4200 Telecommunications				
3400 Other Funds Ltd	14,000	10,000	(4,000)	(28.57%)
4250 Data Processing				
3400 Other Funds Ltd	10,500	7,500	(3,000)	(28.57%)
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	121,576	86,840	(34,736)	(28.57%)

Description	Agency Request Budget (V-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	7,000	5,000	(2,000)	(28.57%)
4715 IT Expendable Property				
3400 Other Funds Ltd	15,869	11,335	(4,534)	(28.57%)
SERVICES & SUPPLIES				
3400 Other Funds Ltd	182,945	130,675	(52,270)	(28.57%)
TOTAL SERVICES & SUPPLIES	\$182,945	\$130,675	(\$52,270)	(28.57%)
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	53,865	38,225	(15,640)	(29.04%)
CAPITAL OUTLAY				
3400 Other Funds Ltd	53,865	38,225	(15,640)	(29.04%)
TOTAL CAPITAL OUTLAY	\$53,865	\$38,225	(\$15,640)	(29.04%)
EXPENDITURES				
3400 Other Funds Ltd	1,334,998	1,024,780	(310,218)	(23.24%)
TOTAL EXPENDITURES	\$1,334,998	\$1,024,780	(\$310,218)	(23.24%)
ENDING BALANCE				
3400 Other Funds Ltd	(1,334,998)	(1,024,780)	310,218	23.24%
TOTAL ENDING BALANCE	(\$1,334,998)	(\$1,024,780)	\$310,218	23.24%

Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Licensing Staff Fulfillment

Public Safety Services Program

Pkg Group: POL Pkg Type: POL Pkg Number: 206

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

AUTHORIZED POSITIONS

8150 Class/Unclass Positions	7	5	(2)	(28.57%)
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AUTHORIZED FTE

8250 Class/Unclass FTE Positions	7.00	5.00	(2.00)	(28.57%)
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Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Public Safety Staff Fulfillment

Public Safety Services Program

Pkg Group: POL Pkg Type: POL Pkg Number: 207

Description	Agency Request Budget (V-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	226,752	432,936	206,184	90.93%
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OTHER PAYROLL EXPENSES

3210 Empl. Rel. Bd. Assessments

3400 Other Funds Ltd	122	244	122	100.00%
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	41,020	78,318	37,298	90.93%
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3230 Social Security Taxes

3400 Other Funds Ltd	17,346	33,119	15,773	90.93%
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3250 Workers Comp. Assess. (WCD)

3400 Other Funds Ltd	116	232	116	100.00%
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3260 Mass Transit Tax

3400 Other Funds Ltd	1,360	1,360	0	0.00%
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3270 Flexible Benefits

3400 Other Funds Ltd	70,368	140,736	70,368	100.00%
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OTHER PAYROLL EXPENSES

Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Public Safety Staff Fulfillment

Public Safety Services Program

Pkg Group: POL Pkg Type: POL Pkg Number: 207

Description	Agency Request Budget (V-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	130,332	254,009	123,677	94.89%
TOTAL OTHER PAYROLL EXPENSES	\$130,332	\$254,009	\$123,677	94.89%
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	1,237	1,237	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	357,084	688,182	331,098	92.72%
TOTAL PERSONAL SERVICES	\$357,084	\$688,182	\$331,098	92.72%
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	6,000	6,000	0	0.00%
4150 Employee Training				
3400 Other Funds Ltd	12,334	14,334	2,000	16.22%
4175 Office Expenses				
3400 Other Funds Ltd	1,000	3,000	2,000	200.00%
4200 Telecommunications				
3400 Other Funds Ltd	119,180	147,564	28,384	23.82%
4250 Data Processing				
3400 Other Funds Ltd	2,000	5,000	3,000	150.00%

Package Comparison Report - Detail
2019-21 Biennium
Public Safety Services Program

Cross Reference Number: 84500-002-00-00-00000
Package: Public Safety Staff Fulfillment
Pkg Group: POL Pkg Type: POL Pkg Number: 207

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	34,736	69,472	34,736	100.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	307,776	307,776	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	1,000	3,000	2,000	200.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	4,534	9,068	4,534	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	488,560	565,214	76,654	15.69%
TOTAL SERVICES & SUPPLIES	\$488,560	\$565,214	\$76,654	15.69%
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	15,390	30,780	15,390	100.00%
5400 Automotive and Aircraft				
3400 Other Funds Ltd	56,666	56,666	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	72,056	87,446	15,390	21.36%
TOTAL CAPITAL OUTLAY	\$72,056	\$87,446	\$15,390	21.36%

Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Public Safety Staff Fulfillment

Public Safety Services Program

Pkg Group: POL Pkg Type: POL Pkg Number: 207

Description	Agency Request Budget (V-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	917,700	1,340,842	423,142	46.11%
TOTAL EXPENDITURES	\$917,700	\$1,340,842	\$423,142	46.11%

ENDING BALANCE

3400 Other Funds Ltd	(917,700)	(1,340,842)	(423,142)	(46.11%)
TOTAL ENDING BALANCE	(\$917,700)	(\$1,340,842)	(\$423,142)	(46.11%)

AUTHORIZED POSITIONS

8150 Class/Unclass Positions	2	4	2	100.00%
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AUTHORIZED FTE

8250 Class/Unclass FTE Positions	2.00	4.00	2.00	100.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Regulatory Specialist Reclass

Public Safety Services Program

Pkg Group: POL Pkg Type: POL Pkg Number: 209

Description	Agency Request Budget (V-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	320,256	41,472	(278,784)	(87.05%)
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OTHER PAYROLL EXPENSES**3220 Public Employees Retire Cont**

3400 Other Funds Ltd	57,937	7,504	(50,433)	(87.05%)
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3230 Social Security Taxes

3400 Other Funds Ltd	24,501	3,172	(21,329)	(87.05%)
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3260 Mass Transit Tax

3400 Other Funds Ltd	1,923	1,440	(483)	(25.12%)
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OTHER PAYROLL EXPENSES

3400 Other Funds Ltd	84,361	12,116	(72,245)	(85.64%)
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TOTAL OTHER PAYROLL EXPENSES

\$84,361	\$12,116	(\$72,245)	(85.64%)
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PERSONAL SERVICES

3400 Other Funds Ltd	404,617	53,588	(351,029)	(86.76%)
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TOTAL PERSONAL SERVICES

\$404,617	\$53,588	(\$351,029)	(86.76%)
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EXPENDITURES

Oregon Liquor Control Comm

Agency Number: 84500

Package Comparison Report - Detail
2019-21 Biennium
Public Safety Services Program

Cross Reference Number: 84500-002-00-00-00000
Package: Regulatory Specialist Reclass
Pkg Group: POL Pkg Type: POL Pkg Number: 209

Description	Agency Request Budget (V-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	404,617	53,588	(351,029)	(86.76%)
TOTAL EXPENDITURES	\$404,617	\$53,588	(\$351,029)	(86.76%)
ENDING BALANCE				
3400 Other Funds Ltd	(404,617)	(53,588)	351,029	86.76%
TOTAL ENDING BALANCE	(\$404,617)	(\$53,588)	\$351,029	86.76%

Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Bottle Bill Regulation & Funding

Public Safety Services Program

Pkg Group: POL Pkg Type: POL Pkg Number: 215

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

REVENUE CATEGORIES

LICENSES AND FEES

0205 Business Lic and Fees

3400 Other Funds Ltd	78,000	-	(78,000)	(100.00%)
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AVAILABLE REVENUES

3400 Other Funds Ltd	78,000	-	(78,000)	(100.00%)
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TOTAL AVAILABLE REVENUES	\$78,000	-	(\$78,000)	(100.00%)
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EXPENDITURES

PERSONAL SERVICES

SALARIES & WAGES

3110 Class/Unclass Sal. and Per Diem

3400 Other Funds Ltd	81,672	81,672	0	0.00%
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OTHER PAYROLL EXPENSES

3210 Empl. Rel. Bd. Assessments

3400 Other Funds Ltd	61	61	0	0.00%
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	14,774	14,774	0	0.00%
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3230 Social Security Taxes

3400 Other Funds Ltd	6,248	6,248	0	0.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Bottle Bill Regulation & Funding

Public Safety Services Program

Pkg Group: POL Pkg Type: POL Pkg Number: 215

Description	Agency Request Budget (V-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	58	58	0	0.00%
3260 Mass Transit Tax				
3400 Other Funds Ltd	490	-	(490)	(100.00%)
3270 Flexible Benefits				
3400 Other Funds Ltd	35,184	35,184	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	56,815	56,325	(490)	(0.86%)
TOTAL OTHER PAYROLL EXPENSES	\$56,815	\$56,325	(\$490)	(0.86%)
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	490	490	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	138,487	138,487	0	0.00%
TOTAL PERSONAL SERVICES	\$138,487	\$138,487	\$0	0.00%
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	1,000	1,000	0	0.00%
4175 Office Expenses				

Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Bottle Bill Regulation & Funding

Public Safety Services Program

Pkg Group: POL Pkg Type: POL Pkg Number: 215

Description	Agency Request Budget (V-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	1,000	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	1,500	1,500	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	17,368	17,368	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	1,000	1,000	0	0.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	2,267	2,267	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	26,135	26,135	0	0.00%
TOTAL SERVICES & SUPPLIES	\$26,135	\$26,135	\$0	0.00%
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	7,695	7,695	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	7,695	7,695	0	0.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Bottle Bill Regulation & Funding

Public Safety Services Program

Pkg Group: POL Pkg Type: POL Pkg Number: 215

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL CAPITAL OUTLAY	\$7,695	\$7,695	\$0	0.00%
EXPENDITURES				
3400 Other Funds Ltd	172,317	172,317	0	0.00%
TOTAL EXPENDITURES	\$172,317	\$172,317	\$0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	(94,317)	(172,317)	(78,000)	(82.70%)
TOTAL ENDING BALANCE	(\$94,317)	(\$172,317)	(\$78,000)	(82.70%)
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	1	1	0	0.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	1.00	1.00	0.00	0.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: LFO Analyst Adjustments

Public Safety Services Program

Pkg Group: POL Pkg Type: LFO Pkg Number: 801

Description	Agency Request Budget (V-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	-	(40,637)	(40,637)	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	(40,637)	(40,637)	100.00%
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TOTAL SERVICES & SUPPLIES	-	(\$40,637)	(\$40,637)	100.00%
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EXPENDITURES

3400 Other Funds Ltd	-	(40,637)	(40,637)	100.00%
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TOTAL EXPENDITURES	-	(\$40,637)	(\$40,637)	100.00%
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ENDING BALANCE

3400 Other Funds Ltd	-	40,637	40,637	100.00%
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TOTAL ENDING BALANCE	-	\$40,637	\$40,637	100.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-002-00-00-00000

2019-21 Biennium

Package: Statewide Adjustments

Public Safety Services Program

Pkg Group: POL Pkg Type: LFO Pkg Number: 810

Description	Agency Request Budget (V-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****3465 Reconciliation Adjustment**

3400 Other Funds Ltd	-	(107,102)	(107,102)	100.00%
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PERSONAL SERVICES

3400 Other Funds Ltd	-	(107,102)	(107,102)	100.00%
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TOTAL PERSONAL SERVICES

-	(\$107,102)	(\$107,102)	100.00%
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SERVICES & SUPPLIES**4225 State Gov. Service Charges**

3400 Other Funds Ltd	-	(61,650)	(61,650)	100.00%
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4650 Other Services and Supplies

3400 Other Funds Ltd	-	(972)	(972)	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	(62,622)	(62,622)	100.00%
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TOTAL SERVICES & SUPPLIES

-	(\$62,622)	(\$62,622)	100.00%
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EXPENDITURES

3400 Other Funds Ltd	-	(169,724)	(169,724)	100.00%
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TOTAL EXPENDITURES

-	(\$169,724)	(\$169,724)	100.00%
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Oregon Liquor Control Comm**Agency Number: 84500****Package Comparison Report - Detail****Cross Reference Number: 84500-002-00-00-00000****2019-21 Biennium****Package: Statewide Adjustments****Public Safety Services Program****Pkg Group: POL Pkg Type: LFO Pkg Number: 810**

Description	Agency Request Budget (V-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	-	169,724	169,724	100.00%
TOTAL ENDING BALANCE	-	\$169,724	\$169,724	100.00%

Package Comparison Report - Detail
 2019-21 Biennium
 Administration and Support

Cross Reference Number: 84500-003-00-00-00000
 Package: September 2018 Emergency Board
 Pkg Group: POL Pkg Type: 080 Pkg Number: 081

Description	Agency Request Budget (V-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	-	503,174	503,174	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	503,174	503,174	100.00%
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TOTAL SERVICES & SUPPLIES

-	\$503,174	\$503,174	100.00%
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EXPENDITURES

3400 Other Funds Ltd	-	503,174	503,174	100.00%
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TOTAL EXPENDITURES

-	\$503,174	\$503,174	100.00%
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ENDING BALANCE

3400 Other Funds Ltd	-	(503,174)	(503,174)	100.00%
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TOTAL ENDING BALANCE

-	(\$503,174)	(\$503,174)	100.00%
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Package Comparison Report - Detail
2019-21 Biennium
Administration and Support

Cross Reference Number: 84500-003-00-00-00000
Package: Information Services Enhancement
Pkg Group: POL Pkg Type: POL Pkg Number: 301

Description	Agency Request Budget (V-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	1,007,400	581,088	(426,312)	(42.32%)
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OTHER PAYROLL EXPENSES

3210 Empl. Rel. Bd. Assessments

3400 Other Funds Ltd	427	244	(183)	(42.86%)
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	182,241	105,120	(77,121)	(42.32%)
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3230 Social Security Taxes

3400 Other Funds Ltd	77,066	44,453	(32,613)	(42.32%)
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3250 Workers Comp. Assess. (WCD)

3400 Other Funds Ltd	406	232	(174)	(42.86%)
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3260 Mass Transit Tax

3400 Other Funds Ltd	6,047		(6,047)	(100.00%)
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3270 Flexible Benefits

3400 Other Funds Ltd	246,288	140,736	(105,552)	(42.86%)
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OTHER PAYROLL EXPENSES

Package Comparison Report - Detail
 2019-21 Biennium
 Administration and Support

Cross Reference Number: 84500-003-00-00-00000

Package: Information Services Enhancement

Pkg Group: POL Pkg Type: POL Pkg Number: 301

Description	Agency Request Budget (V-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	512,475	290,785	(221,690)	(43.26%)
TOTAL OTHER PAYROLL EXPENSES	\$512,475	\$290,785	(\$221,690)	(43.26%)
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	3,488	3,488	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	1,519,875	875,361	(644,514)	(42.41%)
TOTAL PERSONAL SERVICES	\$1,519,875	\$875,361	(\$644,514)	(42.41%)
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	7,000	4,000	(3,000)	(42.86%)
4175 Office Expenses				
3400 Other Funds Ltd	7,000	4,000	(3,000)	(42.86%)
4200 Telecommunications				
3400 Other Funds Ltd	14,000	8,000	(6,000)	(42.86%)
4250 Data Processing				
3400 Other Funds Ltd	10,500	6,000	(4,500)	(42.86%)
4315 IT Professional Services				
3400 Other Funds Ltd	6,000,000	4,768,750	(1,231,250)	(20.52%)

Package Comparison Report - Detail
2019-21 Biennium
Administration and Support

Cross Reference Number: 84500-003-00-00-00000
Package: Information Services Enhancement
Pkg Group: POL Pkg Type: POL Pkg Number: 301

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	121,576	69,472	(52,104)	(42.86%)
4650 Other Services and Supplies				
3400 Other Funds Ltd	7,000	4,000	(3,000)	(42.86%)
4715 IT Expendable Property				
3400 Other Funds Ltd	15,869	9,068	(6,801)	(42.86%)
SERVICES & SUPPLIES				
3400 Other Funds Ltd	6,182,945	4,873,290	(1,309,655)	(21.18%)
TOTAL SERVICES & SUPPLIES	\$6,182,945	\$4,873,290	(\$1,309,655)	(21.18%)
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	53,865	30,780	(23,085)	(42.86%)
5600 Data Processing Hardware				
3400 Other Funds Ltd	200,000	-	(200,000)	(100.00%)
CAPITAL OUTLAY				
3400 Other Funds Ltd	253,865	30,780	(223,085)	(87.88%)
TOTAL CAPITAL OUTLAY	\$253,865	\$30,780	(\$223,085)	(87.88%)
EXPENDITURES				
3400 Other Funds Ltd	7,956,685	5,779,431	(2,177,254)	(27.36%)

Oregon Liquor Control Comm

Agency Number: 84500

**Package Comparison Report - Detail
2019-21 Biennium
Administration and Support**

**Cross Reference Number: 84500-003-00-00-00000
Package: Information Services Enhancement
Pkg Group: POL Pkg Type: POL Pkg Number: 301**

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL EXPENDITURES	\$7,956,685	\$5,779,431	(\$2,177,254)	(27.36%)
ENDING BALANCE				
3400 Other Funds Ltd	(7,956,685)	(5,779,431)	2,177,254	27.36%
TOTAL ENDING BALANCE	(\$7,956,685)	(\$5,779,431)	\$2,177,254	27.36%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	7	4	(3)	(42.86%)
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	7.00	4.00	(3.00)	(42.86%)

Package Comparison Report - Detail

Cross Reference Number: 84500-003-00-00-00000

2019-21 Biennium

Package: Financial Services Staff Fulfillment

Administration and Support

Pkg Group: POL Pkg Type: POL Pkg Number: 310

Description	Agency Request Budget (V-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	247,392	304,704	57,312	23.17%
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OTHER PAYROLL EXPENSES

3210 Empl. Rel. Bd. Assessments

3400 Other Funds Ltd	183	183	0	0.00%
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	44,753	55,121	10,368	23.17%
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3230 Social Security Taxes

3400 Other Funds Ltd	18,926	23,311	4,385	23.17%
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3250 Workers Comp. Assess. (WCD)

3400 Other Funds Ltd	174	174	0	0.00%
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3260 Mass Transit Tax

3400 Other Funds Ltd	1,485	450	(1,035)	(69.70%)
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3270 Flexible Benefits

3400 Other Funds Ltd	105,552	105,552	0	0.00%
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OTHER PAYROLL EXPENSES

Package Comparison Report - Detail

Cross Reference Number: 84500-003-00-00-00000

2019-21 Biennium

Package: Financial Services Staff Fulfillment

Administration and Support

Pkg Group: POL Pkg Type: POL Pkg Number: 310

Description	Agency Request Budget (V-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	171,073	184,791	13,718	8.02%
TOTAL OTHER PAYROLL EXPENSES	\$171,073	\$184,791	\$13,718	8.02%
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	(19,076)	(19,076)	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	418,465	470,419	51,954	12.42%
TOTAL PERSONAL SERVICES	\$418,465	\$470,419	\$51,954	12.42%
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	3,000	2,000	(1,000)	(33.33%)
4175 Office Expenses				
3400 Other Funds Ltd	3,000	2,415	(585)	(19.50%)
4200 Telecommunications				
3400 Other Funds Ltd	6,000	6,000	0	0.00%
4250 Data Processing				
3400 Other Funds Ltd	19,500	18,000	(1,500)	(7.69%)
4300 Professional Services				
3400 Other Funds Ltd	-	20,454	20,454	100.00%

Package Comparison Report - Detail
 2019-21 Biennium
 Administration and Support

Cross Reference Number: 84500-003-00-00-00000
 Package: Financial Services Staff Fulfillment
 Pkg Group: POL Pkg Type: POL Pkg Number: 310

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	52,104	34,736	(17,368)	(33.33%)
4650 Other Services and Supplies				
3400 Other Funds Ltd	3,000	2,499	(501)	(16.70%)
4715 IT Expendable Property				
3400 Other Funds Ltd	28,136	28,636	500	1.78%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	114,740	114,740	0	0.00%
TOTAL SERVICES & SUPPLIES	\$114,740	\$114,740	\$0	0.00%
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	23,085	23,085	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	23,085	23,085	0	0.00%
TOTAL CAPITAL OUTLAY	\$23,085	\$23,085	\$0	0.00%
EXPENDITURES				
3400 Other Funds Ltd	556,290	608,244	51,954	9.34%
TOTAL EXPENDITURES	\$556,290	\$608,244	\$51,954	9.34%
ENDING BALANCE				

Package Comparison Report - Detail

Cross Reference Number: 84500-003-00-00-00000

2019-21 Biennium

Package: Financial Services Staff Fulfillment

Administration and Support

Pkg Group: POL Pkg Type: POL Pkg Number: 310

Description	Agency Request Budget (V-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	(556,290)	(608,244)	(51,954)	(9.34%)
TOTAL ENDING BALANCE	(\$556,290)	(\$608,244)	(\$51,954)	(9.34%)

AUTHORIZED POSITIONS

8150 Class/Unclass Positions	3	3	0	0.00%
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AUTHORIZED FTE

8250 Class/Unclass FTE Positions	3.00	3.00	0.00	0.00%
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Package Comparison Report - Detail
 2019-21 Biennium
 Administration and Support

Cross Reference Number: 84500-003-00-00-00000
 Package: Administration and Communication Outreach
 Pkg Group: POL Pkg Type: POL Pkg Number: 311

Description	Agency Request Budget (V-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	272,832	12,816	(260,016)	(95.30%)
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OTHER PAYROLL EXPENSES

3210 Empl. Rel. Bd. Assessments

3400 Other Funds Ltd	122	-	(122)	(100.00%)
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	49,356	2,319	(47,037)	(95.30%)
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3230 Social Security Taxes

3400 Other Funds Ltd	20,871	980	(19,891)	(95.30%)
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3250 Workers Comp. Assess. (WCD)

3400 Other Funds Ltd	116	-	(116)	(100.00%)
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3260 Mass Transit Tax

3400 Other Funds Ltd	1,637	-	(1,637)	(100.00%)
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3270 Flexible Benefits

3400 Other Funds Ltd	70,368	-	(70,368)	(100.00%)
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OTHER PAYROLL EXPENSES

Package Comparison Report - Detail
 2019-21 Biennium
 Administration and Support

Cross Reference Number: 84500-003-00-00-00000
 Package: Administration and Communication Outreach
 Pkg Group: POL Pkg Type: POL Pkg Number: 311

Description	Agency Request Budget (V-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	142,470	3,299	(139,171)	(97.68%)
TOTAL OTHER PAYROLL EXPENSES	\$142,470	\$3,299	(\$139,171)	(97.68%)
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	77	77	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	415,302	16,192	(399,110)	(96.10%)
TOTAL PERSONAL SERVICES	\$415,302	\$16,192	(\$399,110)	(96.10%)
SERVICES & SUPPLIES				
4150 Employee Training				
3400 Other Funds Ltd	2,000	-	(2,000)	(100.00%)
4175 Office Expenses				
3400 Other Funds Ltd	2,000	-	(2,000)	(100.00%)
4200 Telecommunications				
3400 Other Funds Ltd	4,000	-	(4,000)	(100.00%)
4250 Data Processing				
3400 Other Funds Ltd	3,000	-	(3,000)	(100.00%)
4275 Publicity and Publications				
3400 Other Funds Ltd	200,000	-	(200,000)	(100.00%)

Package Comparison Report - Detail
 2019-21 Biennium
 Administration and Support

Cross Reference Number: 84500-003-00-00-00000
 Package: Administration and Communication Outreach
 Pkg Group: POL Pkg Type: POL Pkg Number: 311

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4315 IT Professional Services				
3400 Other Funds Ltd	73,000	57,610	(15,390)	(21.08%)
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	34,736	-	(34,736)	(100.00%)
4650 Other Services and Supplies				
3400 Other Funds Ltd	2,000	-	(2,000)	(100.00%)
4715 IT Expendable Property				
3400 Other Funds Ltd	4,534	-	(4,534)	(100.00%)
SERVICES & SUPPLIES				
3400 Other Funds Ltd	325,270	57,610	(267,660)	(82.29%)
TOTAL SERVICES & SUPPLIES	\$325,270	\$57,610	(\$267,660)	(82.29%)
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	15,390	-	(15,390)	(100.00%)
5550 Data Processing Software				
3400 Other Funds Ltd	-	15,390	15,390	100.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	15,390	15,390	0	0.00%
TOTAL CAPITAL OUTLAY	\$15,390	\$15,390	\$0	0.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-003-00-00-00000

2019-21 Biennium

Package: Administration and Communication Outreach

Administration and Support

Pkg Group: POL Pkg Type: POL Pkg Number: 311

Description	Agency Request Budget (V-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	755,962	89,192	(666,770)	(88.20%)
TOTAL EXPENDITURES	\$755,962	\$89,192	(\$666,770)	(88.20%)

ENDING BALANCE

3400 Other Funds Ltd	(755,962)	(89,192)	666,770	88.20%
TOTAL ENDING BALANCE	(\$755,962)	(\$89,192)	\$666,770	88.20%

AUTHORIZED POSITIONS

8150 Class/Unclass Positions	2	-	(2)	(100.00%)
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AUTHORIZED FTE

8250 Class/Unclass FTE Positions	2.00	-	(2.00)	(100.00%)
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Package Comparison Report - Detail
2019-21 Biennium

Cross Reference Number: 84500-003-00-00-00000

Package: LFO Analyst Adjustments

Administration and Support

Pkg Group: POL Pkg Type: LFO Pkg Number: 801

Description	Agency Request Budget (V-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	-	(3,968)	(3,968)	100.00%
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4125 Out of State Travel

3400 Other Funds Ltd	-	(1,059)	(1,059)	100.00%
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4150 Employee Training

3400 Other Funds Ltd	-	(2,247)	(2,247)	100.00%
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4175 Office Expenses

3400 Other Funds Ltd	-	(11,329)	(11,329)	100.00%
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4200 Telecommunications

3400 Other Funds Ltd	-	(3,992)	(3,992)	100.00%
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4250 Data Processing

3400 Other Funds Ltd	-	(4,260)	(4,260)	100.00%
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4275 Publicity and Publications

3400 Other Funds Ltd	-	(426)	(426)	100.00%
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4300 Professional Services

3400 Other Funds Ltd	-	(5,523)	(5,523)	100.00%
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4315 IT Professional Services

Package Comparison Report - Detail
2019-21 Biennium
Administration and Support

Cross Reference Number: 84500-003-00-00-00000

Package: LFO Analyst Adjustments

Pkg Group: POL Pkg Type: LFO Pkg Number: 801

Description	Agency Request Budget (V-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	-	(6,570)	(6,570)	100.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	-	(63)	(63)	100.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	-	(268)	(268)	100.00%
4450 Fuels and Utilities				
3400 Other Funds Ltd	-	(6,000)	(6,000)	100.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	-	(8,363)	(8,363)	100.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	-	(513)	(513)	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	-	(797)	(797)	100.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	-	(16,531)	(16,531)	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	(71,909)	(71,909)	100.00%
TOTAL SERVICES & SUPPLIES	-	(\$71,909)	(\$71,909)	100.00%

EXPENDITURES

Package Comparison Report - Detail

Cross Reference Number: 84500-003-00-00-00000

2019-21 Biennium

Package: LFO Analyst Adjustments

Administration and Support

Pkg Group: POL Pkg Type: LFO Pkg Number: 801

Description	Agency Request Budget (V-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	-	(71,909)	(71,909)	100.00%
TOTAL EXPENDITURES	-	(\$71,909)	(\$71,909)	100.00%
ENDING BALANCE				
3400 Other Funds Ltd	-	71,909	71,909	100.00%
TOTAL ENDING BALANCE	-	\$71,909	\$71,909	100.00%

Oregon Liquor Control Comm**Agency Number: 84500****Package Comparison Report - Detail
2019-21 Biennium
Administration and Support****Cross Reference Number: 84500-003-00-00-00000
Package: Statewide Adjustments
Pkg Group: POL Pkg Type: LFO Pkg Number: 810**

Description	Agency Request Budget (V-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****3465 Reconciliation Adjustment**

3400 Other Funds Ltd	-	(73,964)	(73,964)	100.00%
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PERSONAL SERVICES

3400 Other Funds Ltd	-	(73,964)	(73,964)	100.00%
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TOTAL PERSONAL SERVICES

-	(\$73,964)	(\$73,964)	100.00%
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SERVICES & SUPPLIES**4225 State Gov. Service Charges**

3400 Other Funds Ltd	-	(21,976)	(21,976)	100.00%
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4325 Attorney General

3400 Other Funds Ltd	-	(20,658)	(20,658)	100.00%
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4650 Other Services and Supplies

3400 Other Funds Ltd	-	(78,508)	(78,508)	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	(121,142)	(121,142)	100.00%
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TOTAL SERVICES & SUPPLIES

-	(\$121,142)	(\$121,142)	100.00%
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EXPENDITURES

11/12/19

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ANA101A - Package Comparison Report - Detail
ANA101A

4:10 PM

Description	Agency Request Budget (V-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	-	(195,106)	(195,106)	100.00%
TOTAL EXPENDITURES	-	(\$195,106)	(\$195,106)	100.00%
ENDING BALANCE				
3400 Other Funds Ltd	-	195,106	195,106	100.00%
TOTAL ENDING BALANCE	-	\$195,106	\$195,106	100.00%

Package Comparison Report - Detail
 2019-21 Biennium
 Administration and Support

Cross Reference Number: 84500-003-00-00-00000
 Package: Budget Reconciliation Adjustments
 Pkg Group: POL Pkg Type: LFO Pkg Number: 811

Description	Agency Request Budget (V-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	-	149,592	149,592	100.00%
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OTHER PAYROLL EXPENSES

3210 Empl. Rel. Bd. Assessments

3400 Other Funds Ltd	-	61	61	100.00%
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	-	27,061	27,061	100.00%
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3230 Social Security Taxes

3400 Other Funds Ltd	-	11,444	11,444	100.00%
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3250 Workers Comp. Assess. (WCD)

3400 Other Funds Ltd	-	58	58	100.00%
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3270 Flexible Benefits

3400 Other Funds Ltd	-	35,184	35,184	100.00%
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OTHER PAYROLL EXPENSES

3400 Other Funds Ltd	-	73,808	73,808	100.00%
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TOTAL OTHER PAYROLL EXPENSES

	-	\$73,808	\$73,808	100.00%
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Package Comparison Report - Detail
 2019-21 Biennium
 Administration and Support

Cross Reference Number: 84500-003-00-00-00000
 Package: Budget Reconciliation Adjustments
 Pkg Group: POL Pkg Type: LFO Pkg Number: 811

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
PERSONAL SERVICES				
3400 Other Funds Ltd	-	223,400	223,400	100.00%
TOTAL PERSONAL SERVICES	-	\$223,400	\$223,400	100.00%
SERVICES & SUPPLIES				
4200 Telecommunications				
3400 Other Funds Ltd	-	1,000	1,000	100.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	-	2,000	2,000	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	3,000	3,000	100.00%
TOTAL SERVICES & SUPPLIES	-	\$3,000	\$3,000	100.00%
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	-	7,000	7,000	100.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	-	7,000	7,000	100.00%
TOTAL CAPITAL OUTLAY	-	\$7,000	\$7,000	100.00%
EXPENDITURES				
3400 Other Funds Ltd	-	233,400	233,400	100.00%

Package Comparison Report - Detail
 2019-21 Biennium
 Administration and Support

Cross Reference Number: 84500-003-00-00-00000
 Package: Budget Reconciliation Adjustments
 Pkg Group: POL Pkg Type: LFO Pkg Number: 811

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL EXPENDITURES	-	\$233,400	\$233,400	100.00%
ENDING BALANCE				
3400 Other Funds Ltd	-	(233,400)	(233,400)	100.00%
TOTAL ENDING BALANCE	-	(\$233,400)	(\$233,400)	100.00%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	-	1	1	100.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	-	1.00	1.00	100.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-004-00-00-00000

2019-21 Biennium

Package: Analyst Adjustments

Recreational Marijuana Program

Pkg Group: POL Pkg Type: 090 Pkg Number: 090

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

REVENUE CATEGORIES

LICENSES AND FEES

0205 Business Lic and Fees

3400 Other Funds Ltd	-	(3,177,770)	(3,177,770)	100.00%
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AVAILABLE REVENUES

3400 Other Funds Ltd	-	(3,177,770)	(3,177,770)	100.00%
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TOTAL AVAILABLE REVENUES	-	(\$3,177,770)	(\$3,177,770)	100.00%
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EXPENDITURES

SERVICES & SUPPLIES

4315 IT Professional Services

3400 Other Funds Ltd	-	(425,884)	(425,884)	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	(425,884)	(425,884)	100.00%
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TOTAL SERVICES & SUPPLIES	-	(\$425,884)	(\$425,884)	100.00%
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EXPENDITURES

3400 Other Funds Ltd	-	(425,884)	(425,884)	100.00%
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TOTAL EXPENDITURES	-	(\$425,884)	(\$425,884)	100.00%
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ENDING BALANCE

3400 Other Funds Ltd	-	(2,751,886)	(2,751,886)	100.00%
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Package Comparison Report - Detail
2019-21 Biennium
Recreational Marijuana Program

Cross Reference Number: 84500-004-00-00-00000

Package: Analyst Adjustments

Pkg Group: POL Pkg Type: 090 Pkg Number: 090

Description	Agency Request Budget (V-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	-	(\$2,751,886)	(\$2,751,886)	100.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-004-00-00-00000

2019-21 Biennium

Package: Statewide Dispatch Services

Recreational Marijuana Program

Pkg Group: POL Pkg Type: POL Pkg Number: 205

Description	Agency Request Budget (V-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	292,608	280,416	(12,192)	(4.17%)
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SERVICES & SUPPLIES

3400 Other Funds Ltd	292,608	280,416	(12,192)	(4.17%)
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TOTAL SERVICES & SUPPLIES	\$292,608	\$280,416	(\$12,192)	(4.17%)
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EXPENDITURES

3400 Other Funds Ltd	292,608	280,416	(12,192)	(4.17%)
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TOTAL EXPENDITURES	\$292,608	\$280,416	(\$12,192)	(4.17%)
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ENDING BALANCE

3400 Other Funds Ltd	(292,608)	(280,416)	12,192	4.17%
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TOTAL ENDING BALANCE	(\$292,608)	(\$280,416)	\$12,192	4.17%
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Package Comparison Report - Detail

Cross Reference Number: 84500-004-00-00-00000

2019-21 Biennium

Package: Regulatory Specialist Reclass

Recreational Marijuana Program

Pkg Group: POL Pkg Type: POL Pkg Number: 209

Description	Agency Request Budget (V-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	199,584	41,472	(158,112)	(79.22%)
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OTHER PAYROLL EXPENSES**3220 Public Employees Retire Cont**

3400 Other Funds Ltd	36,107	7,504	(28,603)	(79.22%)
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3230 Social Security Taxes

3400 Other Funds Ltd	15,269	3,172	(12,097)	(79.23%)
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3260 Mass Transit Tax

3400 Other Funds Ltd	1,197	1,440	243	20.30%
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OTHER PAYROLL EXPENSES

3400 Other Funds Ltd	52,573	12,116	(40,457)	(76.95%)
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TOTAL OTHER PAYROLL EXPENSES

\$52,573	\$12,116	(\$40,457)	(76.95%)
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PERSONAL SERVICES

3400 Other Funds Ltd	252,157	53,588	(198,569)	(78.75%)
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TOTAL PERSONAL SERVICES

\$252,157	\$53,588	(\$198,569)	(78.75%)
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EXPENDITURES

Package Comparison Report - Detail

Cross Reference Number: 84500-004-00-00-00000

2019-21 Biennium

Package: Regulatory Specialist Reclass

Recreational Marijuana Program

Pkg Group: POL Pkg Type: POL Pkg Number: 209

Description	Agency Request Budget (V-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	252,157	53,588	(198,569)	(78.75%)
TOTAL EXPENDITURES	\$252,157	\$53,588	(\$198,569)	(78.75%)
ENDING BALANCE				
3400 Other Funds Ltd	(252,157)	(53,588)	198,569	78.75%
TOTAL ENDING BALANCE	(\$252,157)	(\$53,588)	\$198,569	78.75%

Package Comparison Report - Detail
 2019-21 Biennium
 Recreational Marijuana Program

Cross Reference Number: 84500-004-00-00-00000

Package: Information Services Enhancement

Pkg Group: POL Pkg Type: POL Pkg Number: 301

Description	Agency Request Budget (V-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	-	756,250	756,250	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	756,250	756,250	100.00%
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TOTAL SERVICES & SUPPLIES	-	\$756,250	\$756,250	100.00%
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EXPENDITURES

3400 Other Funds Ltd	-	756,250	756,250	100.00%
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TOTAL EXPENDITURES	-	\$756,250	\$756,250	100.00%
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ENDING BALANCE

3400 Other Funds Ltd	-	(756,250)	(756,250)	100.00%
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TOTAL ENDING BALANCE	-	(\$756,250)	(\$756,250)	100.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-004-00-00-00000

2019-21 Biennium

Package: Marijuana Program Enhancement

Recreational Marijuana Program

Pkg Group: POL Pkg Type: POL Pkg Number: 408

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

REVENUE CATEGORIES

LICENSES AND FEES

0205 Business Lic and Fees

3400 Other Funds Ltd	460,000	-	(460,000)	(100.00%)
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AVAILABLE REVENUES

3400 Other Funds Ltd	460,000	-	(460,000)	(100.00%)
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TOTAL AVAILABLE REVENUES	\$460,000	-	(\$460,000)	(100.00%)
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EXPENDITURES

PERSONAL SERVICES

SALARIES & WAGES

3110 Class/Unclass Sal. and Per Diem

3400 Other Funds Ltd	1,256,160	1,052,328	(203,832)	(16.23%)
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OTHER PAYROLL EXPENSES

3210 Empl. Rel. Bd. Assessments

3400 Other Funds Ltd	732	549	(183)	(25.00%)
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3220 Public Employees Retire Cont

3400 Other Funds Ltd	227,242	190,369	(36,873)	(16.23%)
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3230 Social Security Taxes

3400 Other Funds Ltd	96,095	80,501	(15,594)	(16.23%)
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Package Comparison Report - Detail

Cross Reference Number: 84500-004-00-00-00000

2019-21 Biennium

Package: Marijuana Program Enhancement

Recreational Marijuana Program

Pkg Group: POL Pkg Type: POL Pkg Number: 408

Description	Agency Request Budget (V-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	696	522	(174)	(25.00%)
3260 Mass Transit Tax				
3400 Other Funds Ltd	7,536	6,187	(1,349)	(17.90%)
3270 Flexible Benefits				
3400 Other Funds Ltd	422,208	316,656	(105,552)	(25.00%)
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	754,509	594,784	(159,725)	(21.17%)
TOTAL OTHER PAYROLL EXPENSES	\$754,509	\$594,784	(\$159,725)	(21.17%)
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	10,829	10,829	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	2,010,669	1,657,941	(352,728)	(17.54%)
TOTAL PERSONAL SERVICES	\$2,010,669	\$1,657,941	(\$352,728)	(17.54%)
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	24,000	24,000	0	0.00%
4150 Employee Training				

Package Comparison Report - Detail

Cross Reference Number: 84500-004-00-00-00000

2019-21 Biennium

Package: Marijuana Program Enhancement

Recreational Marijuana Program

Pkg Group: POL Pkg Type: POL Pkg Number: 408

Description	Agency Request Budget (V-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	53,336	50,696	(2,640)	(4.95%)
4175 Office Expenses				
3400 Other Funds Ltd	8,000	5,000	(3,000)	(37.50%)
4200 Telecommunications				
3400 Other Funds Ltd	58,480	52,480	(6,000)	(10.26%)
4250 Data Processing				
3400 Other Funds Ltd	14,000	9,500	(4,500)	(32.14%)
4275 Publicity and Publications				
3400 Other Funds Ltd	200,000	-	(200,000)	(100.00%)
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	208,416	156,312	(52,104)	(25.00%)
4575 Agency Program Related S and S				
3400 Other Funds Ltd	21,504	21,504	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	8,000	5,000	(3,000)	(37.50%)
4715 IT Expendable Property				
3400 Other Funds Ltd	27,204	20,403	(6,801)	(25.00%)
SERVICES & SUPPLIES				
3400 Other Funds Ltd	622,940	344,895	(278,045)	(44.63%)

Package Comparison Report - Detail
 2019-21 Biennium
 Recreational Marijuana Program

Cross Reference Number: 84500-004-00-00-00000

Package: Marijuana Program Enhancement

Pkg Group: POL Pkg Type: POL Pkg Number: 408

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL SERVICES & SUPPLIES	\$622,940	\$344,895	(\$278,045)	(44.63%)
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	92,340	69,255	(23,085)	(25.00%)
5400 Automotive and Aircraft				
3400 Other Funds Ltd	226,664	226,664	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	319,004	295,919	(23,085)	(7.24%)
TOTAL CAPITAL OUTLAY	\$319,004	\$295,919	(\$23,085)	(7.24%)
EXPENDITURES				
3400 Other Funds Ltd	2,952,613	2,298,755	(653,858)	(22.15%)
TOTAL EXPENDITURES	\$2,952,613	\$2,298,755	(\$653,858)	(22.15%)
ENDING BALANCE				
3400 Other Funds Ltd	(2,492,613)	(2,298,755)	193,858	7.78%
TOTAL ENDING BALANCE	(\$2,492,613)	(\$2,298,755)	\$193,858	7.78%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	12	9	(3)	(25.00%)
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	12.00	9.00	(3.00)	(25.00%)

Description	Agency Request Budget (V-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	-	(3,375)	(3,375)	100.00%
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4125 Out of State Travel

3400 Other Funds Ltd	-	(602)	(602)	100.00%
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4150 Employee Training

3400 Other Funds Ltd	-	(3,191)	(3,191)	100.00%
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4175 Office Expenses

3400 Other Funds Ltd	-	(7,124)	(7,124)	100.00%
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4200 Telecommunications

3400 Other Funds Ltd	-	(3,181)	(3,181)	100.00%
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4250 Data Processing

3400 Other Funds Ltd	-	(3,800)	(3,800)	100.00%
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4275 Publicity and Publications

3400 Other Funds Ltd	-	(117)	(117)	100.00%
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4300 Professional Services

3400 Other Funds Ltd	-	(15,999)	(15,999)	100.00%
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4315 IT Professional Services

Package Comparison Report - Detail

Cross Reference Number: 84500-004-00-00-00000

2019-21 Biennium

Package: LFO Analyst Adjustments

Recreational Marijuana Program

Pkg Group: POL Pkg Type: LFO Pkg Number: 801

Description	Agency Request Budget (V-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	-	(21,598)	(21,598)	100.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	-	(3,645)	(3,645)	100.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	-	(117)	(117)	100.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	-	(34,296)	(34,296)	100.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	-	(4,177)	(4,177)	100.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	-	(2,703)	(2,703)	100.00%
4700 Expendable Prop 250 - 5000				
3400 Other Funds Ltd	-	(3,040)	(3,040)	100.00%
4715 IT Expendable Property				
3400 Other Funds Ltd	-	(112)	(112)	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	(107,077)	(107,077)	100.00%
TOTAL SERVICES & SUPPLIES	-	(\$107,077)	(\$107,077)	100.00%

EXPENDITURES

Description	Agency Request Budget (V-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	-	(107,077)	(107,077)	100.00%
TOTAL EXPENDITURES	-	(\$107,077)	(\$107,077)	100.00%
ENDING BALANCE				
3400 Other Funds Ltd	-	107,077	107,077	100.00%
TOTAL ENDING BALANCE	-	\$107,077	\$107,077	100.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-004-00-00-00000

2019-21 Biennium

Package: Statewide Adjustments

Recreational Marijuana Program

Pkg Group: POL Pkg Type: LFO Pkg Number: 810

Description	Agency Request Budget (V-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****3465 Reconciliation Adjustment**

3400 Other Funds Ltd	-	(52,941)	(52,941)	100.00%
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PERSONAL SERVICES

3400 Other Funds Ltd	-	(52,941)	(52,941)	100.00%
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TOTAL PERSONAL SERVICES

-	(\$52,941)	(\$52,941)	100.00%
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SERVICES & SUPPLIES**4225 State Gov. Service Charges**

3400 Other Funds Ltd	-	(34,315)	(34,315)	100.00%
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4325 Attorney General

3400 Other Funds Ltd	-	(18,152)	(18,152)	100.00%
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4650 Other Services and Supplies

3400 Other Funds Ltd	-	(541)	(541)	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	(53,008)	(53,008)	100.00%
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TOTAL SERVICES & SUPPLIES

-	(\$53,008)	(\$53,008)	100.00%
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EXPENDITURES

Package Comparison Report - Detail

Cross Reference Number: 84500-004-00-00-00000

2019-21 Biennium

Package: Statewide Adjustments

Recreational Marijuana Program

Pkg Group: POL Pkg Type: LFO Pkg Number: 810

Description	Agency Request Budget (V-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	-	(105,949)	(105,949)	100.00%
TOTAL EXPENDITURES	-	(\$105,949)	(\$105,949)	100.00%
ENDING BALANCE				
3400 Other Funds Ltd	-	105,949	105,949	100.00%
TOTAL ENDING BALANCE	-	\$105,949	\$105,949	100.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-005-00-00-00000

2019-21 Biennium

Package: Analyst Adjustments

Agents Compensation Program

Pkg Group: POL Pkg Type: 090 Pkg Number: 090

Description	Agency Request Budget (V-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	-	4,913,338	4,913,338	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	4,913,338	4,913,338	100.00%
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TOTAL SERVICES & SUPPLIES	-	\$4,913,338	\$4,913,338	100.00%
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ENDING BALANCE

3400 Other Funds Ltd	-	(4,913,338)	(4,913,338)	100.00%
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TOTAL ENDING BALANCE	-	(\$4,913,338)	(\$4,913,338)	100.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-005-00-00-00000

2019-21 Biennium

Package: Move Agency Bank Card Costs

Agents Compensation Program

Pkg Group: POL Pkg Type: POL Pkg Number: 112

Description	Agency Request Budget (V-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	7,350,000	-	(7,350,000)	(100.00%)
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SERVICES & SUPPLIES

3400 Other Funds Ltd	7,350,000	-	(7,350,000)	(100.00%)
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TOTAL SERVICES & SUPPLIES	\$7,350,000	-	(\$7,350,000)	(100.00%)
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ENDING BALANCE

3400 Other Funds Ltd	(7,350,000)	-	7,350,000	100.00%
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TOTAL ENDING BALANCE	(\$7,350,000)	-	\$7,350,000	100.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-005-00-00-00000

2019-21 Biennium

Package: Increase Licensee Comp Rates

Agents Compensation Program

Pkg Group: POL Pkg Type: POL Pkg Number: 113

Description	Agency Request Budget (V-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	6,400,000	-	(6,400,000)	(100.00%)
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SERVICES & SUPPLIES

3400 Other Funds Ltd	6,400,000	-	(6,400,000)	(100.00%)
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TOTAL SERVICES & SUPPLIES	\$6,400,000	-	(\$6,400,000)	(100.00%)
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ENDING BALANCE

3400 Other Funds Ltd	(6,400,000)	-	6,400,000	100.00%
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TOTAL ENDING BALANCE	(\$6,400,000)	-	\$6,400,000	100.00%
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Package Comparison Report - Detail
 2019-21 Biennium
 Agents Compensation Program

Cross Reference Number: 84500-005-00-00-00000

Package: LFO Analyst Adjustments

Pkg Group: POL Pkg Type: LFO Pkg Number: 801

Description	Agency Request Budget (V-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	-	1,340,000	1,340,000	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	1,340,000	1,340,000	100.00%
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TOTAL SERVICES & SUPPLIES	-	\$1,340,000	\$1,340,000	100.00%
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ENDING BALANCE

3400 Other Funds Ltd	-	(1,340,000)	(1,340,000)	100.00%
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TOTAL ENDING BALANCE	-	(\$1,340,000)	(\$1,340,000)	100.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-006-00-00-00000

2019-21 Biennium

Package: Analyst Adjustments

Medical Marijuana Program

Pkg Group: POL Pkg Type: 090 Pkg Number: 090

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

REVENUE CATEGORIES**LICENSES AND FEES****0205 Business Lic and Fees**

3400 Other Funds Ltd	-	(888,082)	(888,082)	100.00%
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AVAILABLE REVENUES

3400 Other Funds Ltd	-	(888,082)	(888,082)	100.00%
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TOTAL AVAILABLE REVENUES	-	(\$888,082)	(\$888,082)	100.00%
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EXPENDITURES**SERVICES & SUPPLIES****4250 Data Processing**

3400 Other Funds Ltd	-	(1,344,000)	(1,344,000)	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	(1,344,000)	(1,344,000)	100.00%
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TOTAL SERVICES & SUPPLIES	-	(\$1,344,000)	(\$1,344,000)	100.00%
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EXPENDITURES

3400 Other Funds Ltd	-	(1,344,000)	(1,344,000)	100.00%
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TOTAL EXPENDITURES	-	(\$1,344,000)	(\$1,344,000)	100.00%
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ENDING BALANCE

3400 Other Funds Ltd	-	455,918	455,918	100.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-006-00-00-00000

2019-21 Biennium

Package: Analyst Adjustments

Medical Marijuana Program

Pkg Group: POL Pkg Type: 090 Pkg Number: 090

Description	Agency Request Budget (V-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	-	\$455,918	\$455,918	100.00%

Package Comparison Report - Detail
 2019-21 Biennium
 Medical Marijuana Program

Cross Reference Number: 84500-006-00-00-00000

Package: Statewide Dispatch Services

Pkg Group: POL Pkg Type: POL Pkg Number: 205

Description	Agency Request Budget (V-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	195,072	195,072	0	0.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	195,072	195,072	0	0.00%
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TOTAL SERVICES & SUPPLIES	\$195,072	\$195,072	\$0	0.00%
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EXPENDITURES

3400 Other Funds Ltd	195,072	195,072	0	0.00%
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TOTAL EXPENDITURES	\$195,072	\$195,072	\$0	0.00%
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ENDING BALANCE

3400 Other Funds Ltd	(195,072)	(195,072)	0	0.00%
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TOTAL ENDING BALANCE	(\$195,072)	(\$195,072)	\$0	0.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-006-00-00-00000

2019-21 Biennium

Package: LFO Analyst Adjustments

Medical Marijuana Program

Pkg Group: POL Pkg Type: LFO Pkg Number: 801

Description	Agency Request Budget (V-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	-	6,408	6,408	100.00%
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OTHER PAYROLL EXPENSES**3220 Public Employees Retire Cont**

3400 Other Funds Ltd	-	1,159	1,159	100.00%
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3230 Social Security Taxes

3400 Other Funds Ltd	-	490	490	100.00%
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OTHER PAYROLL EXPENSES

3400 Other Funds Ltd	-	1,649	1,649	100.00%
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TOTAL OTHER PAYROLL EXPENSES

-	\$1,649	\$1,649	100.00%
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P.S. BUDGET ADJUSTMENTS**3465 Reconciliation Adjustment**

3400 Other Funds Ltd	-	1,410	1,410	100.00%
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PERSONAL SERVICES

3400 Other Funds Ltd	-	9,467	9,467	100.00%
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TOTAL PERSONAL SERVICES

-	\$9,467	\$9,467	100.00%
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Package Comparison Report - Detail
 2019-21 Biennium
 Medical Marijuana Program

Cross Reference Number: 84500-006-00-00-00000

Package: LFO Analyst Adjustments

Pkg Group: POL Pkg Type: LFO Pkg Number: 801

Description	Agency Request Budget (V-01)	Leg. Adopted Budget (Z-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
SERVICES & SUPPLIES				
4250 Data Processing				
3400 Other Funds Ltd	-	(3,777)	(3,777)	100.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	-	(3,777)	(3,777)	100.00%
TOTAL SERVICES & SUPPLIES	-	(\$3,777)	(\$3,777)	100.00%
EXPENDITURES				
3400 Other Funds Ltd	-	5,690	5,690	100.00%
TOTAL EXPENDITURES	-	\$5,690	\$5,690	100.00%
ENDING BALANCE				
3400 Other Funds Ltd	-	(5,690)	(5,690)	100.00%
TOTAL ENDING BALANCE	-	(\$5,690)	(\$5,690)	100.00%

Package Comparison Report - Detail
 2019-21 Biennium
 Medical Marijuana Program

Cross Reference Number: 84500-006-00-00-00000

Package: Statewide Adjustments

Pkg Group: POL Pkg Type: LFO Pkg Number: 810

Description	Agency Request Budget (V-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

3465 Reconciliation Adjustment

3400 Other Funds Ltd	-	(19,495)	(19,495)	100.00%
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PERSONAL SERVICES

3400 Other Funds Ltd	-	(19,495)	(19,495)	100.00%
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TOTAL PERSONAL SERVICES

-	(\$19,495)	(\$19,495)	100.00%
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SERVICES & SUPPLIES

4225 State Gov. Service Charges

3400 Other Funds Ltd	-	(13,372)	(13,372)	100.00%
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4650 Other Services and Supplies

3400 Other Funds Ltd	-	(209)	(209)	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	(13,581)	(13,581)	100.00%
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TOTAL SERVICES & SUPPLIES

-	(\$13,581)	(\$13,581)	100.00%
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EXPENDITURES

3400 Other Funds Ltd	-	(33,076)	(33,076)	100.00%
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TOTAL EXPENDITURES

-	(\$33,076)	(\$33,076)	100.00%
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Package Comparison Report - Detail

Cross Reference Number: 84500-006-00-00-00000

2019-21 Biennium

Package: Statewide Adjustments

Medical Marijuana Program

Pkg Group: POL Pkg Type: LFO Pkg Number: 810

Description	Agency Request Budget (V-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	-	33,076	33,076	100.00%
TOTAL ENDING BALANCE	-	\$33,076	\$33,076	100.00%

Package Comparison Report - Detail

Cross Reference Number: 84500-088-00-00-00000

2019-21 Biennium

Package: Distilled Spirits Shipping Capacity & Svcs

Capital Improvements

Pkg Group: POL Pkg Type: POL Pkg Number: 304

Description	Agency Request Budget (V-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	4,300,000	150,000	(4,150,000)	(96.51%)
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5850 Contingencies

3010 Other Funds Cap Improve	1,934,000	-	(1,934,000)	(100.00%)
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CAPITAL OUTLAY

3010 Other Funds Cap Improve	6,234,000	150,000	(6,084,000)	(97.59%)
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TOTAL CAPITAL OUTLAY

\$6,234,000	\$150,000	(\$6,084,000)	(97.59%)
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ENDING BALANCE

3010 Other Funds Cap Improve	(6,234,000)	(150,000)	6,084,000	97.59%
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TOTAL ENDING BALANCE

(\$6,234,000)	(\$150,000)	\$6,084,000	97.59%
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BUDGET NARRATIVE

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BUDGET NARRATIVE

SUMMARY LIST by PACKAGE, by SUMMARY CROSS-REFERENCE

10/15/19 REPORT NO.: PPDPLBUDCL
 REPORT: SUMMARY LIST BY PKG BY SUMMARY XREF
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:001-00-00 000 Distilled Spirits Pr

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 PICS SYSTEM: BUDGET PREPARATION

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	AL	C0107	AP ADMINISTRATIVE SPECIALIST 1	4	4.00	96.00	4,103.00		393,888			393,888
000	AL	C0108	AP ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	4,724.00		113,376			113,376
000	AL	C0860	AP PROGRAM ANALYST 1	1	1.00	24.00	4,948.00		118,752			118,752
000	AL	C0861	AP PROGRAM ANALYST 2	6	6.00	144.00	6,533.33		940,800			940,800
000	AL	C0871	AP OPERATIONS & POLICY ANALYST 2	1	1.00	24.00	6,585.00		158,040			158,040
000	AL	C4137	AP LIQUOR DISTRIBUTION WORKER 1	18	18.00	432.00	3,110.72		1,343,832			1,343,832
000	AL	C4138	AP LIQUOR DISTRIBUTION WORKER 2	15	15.00	360.00	3,900.80		1,404,288			1,404,288
000	AL	C4139	AP LIQUOR DISTRIBUTION EQUIP OPER	13	13.00	312.00	3,540.84		1,104,744			1,104,744
000	AL	C4409	AP GENERAL MAINTENANCE MECHANIC	2	2.00	48.00	4,197.00		201,456			201,456
000	MESNZ	7008	AP PRINCIPAL EXECUTIVE/MANAGER E	2	2.00	48.00	9,177.00		440,496			440,496
000	MESNZ	7012	AP PRINCIPAL EXECUTIVE/MANAGER G	1	1.00	24.00	11,696.00		280,704			280,704
000	MMN	X0108	AP ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	4,885.00		117,240			117,240
000	MMN	X1118	AP RESEARCH ANALYST 4	1	1.00	24.00	6,862.00		164,688			164,688
000	MMS	X7002	AP PRINCIPAL EXECUTIVE/MANAGER B	2	2.00	48.00	5,449.50		261,576			261,576
000				68	68.00	1632.00	4,316.10		7,043,880			7,043,880

10/15/19 REPORT NO.: PPDPLBUDCL
 REPORT: SUMMARY LIST BY PKG BY SUMMARY XREF
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 PICS SYSTEM: BUDGET PREPARATION

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
102	AL	C4137	AP LIQUOR DISTRIBUTION WORKER 1	6	6.00	144.00	2,786.00		401,184			401,184
102	AL	C4139	AP LIQUOR DISTRIBUTION EQUIP OPER	4	4.00	96.00	2,881.00		276,576			276,576
102	MESNZ7010	AP	PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	7,208.00		172,992			172,992
102				11	11.00	264.00	3,222.54		850,752			850,752
				79	79.00	1896.00	4,163.83		7,894,632			7,694,632

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PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	AL	C0103	AP OFFICE SPECIALIST 1	1	1.00	24.00	3,064.00		73,536			73,536
000	AL	C0104	AP OFFICE SPECIALIST 2	9	7.00	168.00	3,326.33		540,720			540,720
000	AL	C0107	AP ADMINISTRATIVE SPECIALIST 1	10	10.00	240.00	3,465.80		831,792			831,792
000	AL	C0108	AP ADMINISTRATIVE SPECIALIST 2	6	6.00	144.00	4,103.50		590,904			590,904
000	AL	C0871	AP OPERATIONS & POLICY ANALYST 2	1	1.00	24.00	4,724.00		113,376			113,376
000	AL	C5248	AP COMPLIANCE SPECIALIST 3	12	12.00	288.00	6,289.33		1,811,328			1,811,328
000	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	38	38.00	912.00	5,490.05		5,006,928			5,006,928
000	AL	C5732	AP LICENSING SPECIALIST	18	18.00	432.00	5,604.11		2,420,976			2,420,976
000	MESNZ	7008	AP PRINCIPAL EXECUTIVE/MANAGER E	2	2.00	48.00	8,754.50		420,216			420,216
000	MESNZ	7010	AP PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	10,121.00		242,904			242,904
000	MESNZ	7012	AP PRINCIPAL EXECUTIVE/MANAGER G	1	1.00	24.00	8,332.00		199,968			199,968
000	MMN	X0872	AP OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	7,208.00		172,992			172,992
000	MMS	X7006	AP PRINCIPAL EXECUTIVE/MANAGER D	8	8.00	192.00	7,625.12		1,464,024			1,464,024
000				108	106.00	2544.00	5,427.25		13,889,664			13,889,664

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 SUMMARY XREF:002-00-00 206 Public Safety Servic

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 PICS SYSTEM: BUDGET PREPARATION

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
206	AL	C0104	AP OFFICE SPECIALIST 2	1	1.00	24.00	2,831.00		67,944			67,944
206	AL	C0107	AP ADMINISTRATIVE SPECIALIST 1	1	1.00	24.00	3,403.00		81,672			81,672
206	AL	C0871	AP OPERATIONS & POLICY ANALYST 2	1	1.00	24.00	4,724.00		113,376			113,376
206	MESNZ7008	AP	PRINCIPAL EXECUTIVE/MANAGER E	1-	1.00-	24.00-	8,332.00		199,968-			199,968-
206	MESNZ7010	AP	PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	9,177.00		220,248			220,248
206	MMS	X7002	AP PRINCIPAL EXECUTIVE/MANAGER B	1	1.00	24.00	4,666.00		111,984			111,984
206	MMS	X7006	AP PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	5,937.00		142,488			142,488
206				5	5.00	120.00	4,970.22		537,744			537,744

10/15/19 REPORT NO.: PPDPLBUDCL
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PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
207	AL	C0108	AP ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	3,403.00		81,672			81,672
207	AL	C5248	AP COMPLIANCE SPECIALIST 3	1	1.00	24.00	5,188.00		124,512			124,512
207	AL	C5733	AP REGULATORY SPECIALIST	2	2.00	48.00	4,724.00		226,752			226,752
207				4	4.00	96.00	4,509.75		432,936			432,936

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 PICS SYSTEM: BUDGET PREPARATION

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
209	AL	C5723 AP	LIQUOR REGULATORY SPECIALIST	38-	38.00-	912.00-	5,490.05		5,006,928-			5,006,928-
209	AL	C5733 AP	REGULATORY SPECIALIST	38	38.00	912.00	5,535.52		5,048,400			5,048,400
209					.00	.00	5,512.78		41,472			41,472

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PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
215	AL	C0108	AP ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	3,403.00		81,672			81,672
215				1	1.00	24.00	3,403.00		81,672			81,672
				118	116.00	2784.00	5,410.55		14,983,488			14,983,488

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 PICS SYSTEM: BUDGET PREPARATION

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	AL	C0104	AP OFFICE SPECIALIST 2	1	1.00	24.00	3,196.00		76,704			76,704
000	AL	C0107	AP ADMINISTRATIVE SPECIALIST 1	1	1.00	24.00	4,103.00		98,472			98,472
000	AL	C0108	AP ADMINISTRATIVE SPECIALIST 2	3	3.00	72.00	4,514.33		325,032			325,032
000	AL	C0211	AP ACCOUNTING TECHNICIAN 2	5	5.00	120.00	3,436.00		412,320			412,320
000	AL	C0212	AP ACCOUNTING TECHNICIAN 3	2	2.00	48.00	4,123.00		197,904			197,904
000	AL	C0436	AP PROCUREMENT & CONTRACT SPEC 1	1	1.00	24.00	5,188.00		124,512			124,512
000	AL	C0759	AP SUPPLY SPECIALIST 2	2	2.00	48.00	3,737.00		179,376			179,376
000	AL	C0860	AP PROGRAM ANALYST 1	5	5.00	120.00	5,119.20		614,304			614,304
000	AL	C0864	AP PUBLIC AFFAIRS SPECIALIST 1	1	1.00	24.00	5,988.00		143,712			143,712
000	AL	C1215	AP ACCOUNTANT 1	4	4.00	96.00	4,086.25		392,280			392,280
000	AL	C1216	AP ACCOUNTANT 2	2	2.00	48.00	4,677.00		224,496			224,496
000	AL	C1217	AP ACCOUNTANT 3	5	5.00	120.00	5,983.20		717,984			717,984
000	AL	C1483	IP INFO SYSTEMS SPECIALIST 3	2	2.00	48.00	4,742.00		227,616			227,616
000	AL	C1484	IP INFO SYSTEMS SPECIALIST 4	2	2.00	48.00	5,518.00		264,864			264,864
000	AL	C1485	IP INFO SYSTEMS SPECIALIST 5	1	1.00	24.00	6,899.00		165,576			165,576
000	AL	C1486	IP INFO SYSTEMS SPECIALIST 6	5	5.00	120.00	7,186.00		862,320			862,320
000	AL	C1487	IP INFO SYSTEMS SPECIALIST 7	2	2.00	48.00	8,165.00		391,920			391,920
000	AL	C1488	IP INFO SYSTEMS SPECIALIST 8	2	2.00	48.00	8,915.00		427,920			427,920
000	AL	C4033	AP FACILITY ENERGY TECHNICIAN 2	2	2.00	48.00	4,320.50		207,384			207,384
000	AL	C4110	AP GROUNDS MAINTENANCE WORKER 2	1	1.00	24.00	3,563.00		85,512			85,512
000	B	Y7500	AE BOARD AND COMMISSION MEMBER		.00	.00	0.00		33,600			33,600
000	MEAHZ7014	HP	PRINCIPAL EXECUTIVE/MANAGER H	1	1.00	24.00	13,741.00		329,784			329,784
000	MENNZ0830	AP	EXECUTIVE ASSISTANT	1	1.00	24.00	6,233.00		149,592			149,592
000	MENNZ7008	AP	PRINCIPAL EXECUTIVE/MANAGER E	1	1.00	24.00	9,177.00		220,248			220,248
000	MESNZ7008	AP	PRINCIPAL EXECUTIVE/MANAGER E	2	2.00	48.00	7,859.50		377,256			377,256

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PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	MESNZ7010	AP	PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	10,121.00		242,904			242,904
000	MESNZ7010	IP	PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	8,332.00		199,968			199,968
000	MMC X1319	AP	HUMAN RESOURCE ASSISTANT	1	1.00	24.00	3,846.00		92,304			92,304
000	MMN X0866	AP	PUBLIC AFFAIRS SPECIALIST 3	2	2.00	48.00	7,282.50		349,560			349,560
000	MMN X0872	AP	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	7,942.00		190,608			190,608
000	MMN X1118	AP	RESEARCH ANALYST 4	1	1.00	24.00	7,561.00		181,464			181,464
000	MMN X1218	AP	ACCOUNTANT 4	1	1.00	24.00	5,937.00		142,488			142,488
000	MMN X1320	AP	HUMAN RESOURCE ANALYST 1	1	1.00	24.00	4,885.00		117,240			117,240
000	MMN X1321	AP	HUMAN RESOURCE ANALYST 2	1	1.00	24.00	6,542.00		157,008			157,008
000	MMN X1322	AP	HUMAN RESOURCE ANALYST 3	1	1.00	24.00	6,862.00		164,688			164,688
000	MMS X7006	AP	PRINCIPAL EXECUTIVE/MANAGER D	2	2.00	48.00	8,332.00		399,936			399,936
000	MMS X7008	IP	PRINCIPAL EXECUTIVE/MANAGER E	1	1.00	24.00	7,561.00		181,464			181,464
000				68	68.00	1632.00	5,353.73		9,670,320			9,670,320

REPORT: SUMMARY LIST BY PKG BY SUMMARY XREF

AGENCY:84500 LIQUOR CONTROL COMMISSION

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PICS SYSTEM: BUDGET PREPARATION

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SUMMARY XREF:003-00-00 301 Administration and S

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
301	AL	C1487	IP INFO SYSTEMS SPECIALIST 7	3	3.00	72.00	5,921.00		426,312			426,312
301	AL	C1488	IP INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	6,449.00		154,776			154,776
301				4	4.00	96.00	5,996.42		581,088			581,088

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 SUMMARY XREF:003-00-00 310 Administration and S

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PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
310	AL	C0211	AP ACCOUNTING TECHNICIAN 2	1	1.00	24.00	3,129.00		75,096			75,096
310	AL	C0212	AP ACCOUNTING TECHNICIAN 3		.00	.00	3,262.00					
310	AL	C1216	AP ACCOUNTANT 2	1	1.00	24.00	3,917.00		94,008			94,008
310	MMN	X1322	AP HUMAN RESOURCE ANALYST 3	1	1.00	24.00	5,650.00		135,600			135,600
310				3	3.00	72.00	3,989.50		304,704			304,704

10/15/19 REPORT NO.: PPDPLBUDCL
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PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
311	AL	C0864	AP PUBLIC AFFAIRS SPECIALIST 1		.00	.00	4,292.00					
311	AL	C4033	AP FACILITY ENERGY TECHNICIAN 2	1	1.00	24.00	4,097.00		98,328			98,328
311	AL	C4110	AP GROUNDS MAINTENANCE WORKER 2	1-	1.00-	24.00-	3,563.00		85,512-			85,512-
311	MENN27008	AP	PRINCIPAL EXECUTIVE/MANAGER E		.00	.00	6,542.00					
311					.00	.00	4,623.50		12,816			12,816

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 PICS SYSTEM: BUDGET PREPARATION

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
811	MMN	X5618	AP INTERNAL AUDITOR 3	1	1.00	24.00	6,233.00		149,592			149,592
811				1	1.00	24.00	6,233.00		149,592			149,592
				76	76.00	1824.00	5,320.76		10,718,520			10,718,520

10/15/19 REPORT NO.: PPDPLBUDCL
 REPORT: SUMMARY LIST BY PKG BY SUMMARY XREF
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:004-00-00 000 Recreational Marijuana

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 PICS SYSTEM: BUDGET PREPARATION

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	AL	C0104	AP OFFICE SPECIALIST 2	3	3.00	72.00	3,034.66		218,496			218,496
000	AL	C0107	AP ADMINISTRATIVE SPECIALIST 1	6	6.00	144.00	3,301.83		475,464			475,464
000	AL	C0108	AP ADMINISTRATIVE SPECIALIST 2	2	2.00	48.00	3,403.00		163,344			163,344
000	AL	C0211	AP ACCOUNTING TECHNICIAN 2	1	1.00	24.00	3,262.00		78,288			78,288
000	AL	C0870	AP OPERATIONS & POLICY ANALYST 1	1	1.00	24.00	4,292.00		103,008			103,008
000	AL	C5246	AP COMPLIANCE SPECIALIST 1	3	3.00	72.00	3,563.00		256,536			256,536
000	AL	C5248	AP COMPLIANCE SPECIALIST 3	4	4.00	96.00	5,188.00		498,048			498,048
000	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	23	23.00	552.00	5,340.82		2,948,136			2,948,136
000	AL	C5732	AP LICENSING SPECIALIST	13	13.00	312.00	5,321.76		1,660,392			1,660,392
000	MMN	X0872	AP OPERATIONS & POLICY ANALYST 3	2	2.00	48.00	7,384.50		354,456			354,456
000	MMN	X0873	AP OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	8,740.00		209,760			209,760
000				59	59.00	1416.00	4,919.44		6,965,928			6,965,928

10/15/19 REPORT NO.: PPDPLBUDCL
 REPORT: SUMMARY LIST BY PKG BY SUMMARY XREF
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:004-00-00 209 Recreational Marijuana

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 PICS SYSTEM: BUDGET PREPARATION

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
209	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	23-	23.00-	552.00-	5,340.82		2,948,136-			2,948,136-
209	AL	C5733	AP REGULATORY SPECIALIST	23	23.00	552.00	5,415.95		2,989,608			2,989,608
209					.00	.00	5,378.39		41,472			41,472

10/15/19 REPORT NO.: PPDPLBUDCL
 REPORT: SUMMARY LIST BY PKG BY SUMMARY XREF
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:004-00-00 408 Recreational Marijuana

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 PICS SYSTEM: BUDGET PREPARATION

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
408	AL	C0104	AP OFFICE SPECIALIST 2		.00	.00	2,831.00					
408	AL	C0108	AP ADMINISTRATIVE SPECIALIST 2	1-	1.00-	24.00-	3,403.00		81,672-			81,672-
408	AL	C0870	AP OPERATIONS & POLICY ANALYST 1	1	1.00	24.00	3,917.00		94,008			94,008
408	AL	C5248	AP COMPLIANCE SPECIALIST 3	1	1.00	24.00	5,188.00		124,512			124,512
408	AL	C5733	AP REGULATORY SPECIALIST	8	8.00	192.00	4,724.00		907,008			907,008
408	MMN	X0872	AP OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	7,208.00		172,992-			172,992-
408	MMS	X7006	AP PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	7,561.00		181,464			181,464
408				9	9.00	216.00	4,597.62		1,052,328			1,052,328
				68	68.00	1632.00	5,051.36		8,059,728			8,059,728

10/15/19 REPORT NO.: PPDPLBUDCL
 REPORT: SUMMARY LIST BY PKG BY SUMMARY XREF
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:006-00-00 000 Medical Marijuana Pr

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 PICS SYSTEM: BUDGET PREPARATION

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	AL	C0107	AP ADMINISTRATIVE SPECIALIST 1	2	2.00	48.00	3,000.00		144,000			144,000
000	AL	C0872	AP OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	6,275.00		150,600			150,600
000	AL	C5246	AP COMPLIANCE SPECIALIST 1	3	3.00	72.00	3,563.00		256,536			256,536
000	AL	C5733	AP REGULATORY SPECIALIST	16	16.00	384.00	4,724.00		1,814,016			1,814,016
000	MMS	X7006	AP PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	8,332.00		199,968			199,968
000				23	23.00	552.00	4,646.95		2,565,120			2,565,120

10/15/19 REPORT NO.: PPDPLBUDCL
 REPORT: SUMMARY LIST BY PKG BY SUMMARY XREF
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:006-00-00 801 Medical Marijuana Pr

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 PICS SYSTEM: BUDGET PREPARATION

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
801	AL	C0872	AP OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	6,275.00		150,600-			150,600-
801	MMN	X0872	AP OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	6,542.00		157,008			157,008
801					.00	.00	6,408.50		6,408			6,408
				23	23.00	552.00	4,787.88		2,571,528			2,571,528
				364	362.00	8688.00	5,088.19		44,227,896			44,227,896

10/15/19 REPORT NO.: PPDPLBUDCL
REPORT: SUMMARY LIST BY PKG BY SUMMARY XREF
AGENCY:84500 LIQUOR CONTROL COMMISSION
SUMMARY XREF:006-00-00 801 Medical Marijuana Pr

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PICS SYSTEM: BUDGET PREPARATION

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
				364	362.00	8688.00	5,088.19		44,227,896			44,227,896

BUDGET NARRATIVE

SUMMARY LIST by PACKAGE, by AGENCY

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	AL	C0103	AP OFFICE SPECIALIST 1	1	1.00	24.00	3,064.00		73,536			73,536
408	AL	C0104	AP OFFICE SPECIALIST 2	14	12.00	288.00	3,117.00		903,864			903,864
206	AL	C0107	AP ADMINISTRATIVE SPECIALIST 1	24	24.00	576.00	3,516.12		2,025,288			2,025,288
207	AL	C0108	AP ADMINISTRATIVE SPECIALIST 2	13	13.00	312.00	3,993.53		1,274,328			1,274,328
310	AL	C0211	AP ACCOUNTING TECHNICIAN 2	7	7.00	168.00	3,367.28		565,704			565,704
310	AL	C0212	AP ACCOUNTING TECHNICIAN 3	2	2.00	48.00	3,836.00		197,904			197,904
000	AL	C0436	AP PROCUREMENT & CONTRACT SPEC 1	1	1.00	24.00	5,188.00		124,512			124,512
000	AL	C0759	AP SUPPLY SPECIALIST 2	2	2.00	48.00	3,737.00		179,376			179,376
000	AL	C0860	AP PROGRAM ANALYST 1	6	6.00	144.00	5,090.66		733,056			733,056
000	AL	C0861	AP PROGRAM ANALYST 2	6	6.00	144.00	6,533.33		940,800			940,800
311	AL	C0864	AP PUBLIC AFFAIRS SPECIALIST 1	1	1.00	24.00	5,140.00		143,712			143,712
000	AL	C0870	AP OPERATIONS & POLICY ANALYST 1	2	2.00	48.00	4,104.50		197,016			197,016
206	AL	C0871	AP OPERATIONS & POLICY ANALYST 2	3	3.00	72.00	5,344.33		384,792			384,792
801	AL	C0872	AP OPERATIONS & POLICY ANALYST 3		.00	.00	6,275.00					
000	AL	C1215	AP ACCOUNTANT 1	4	4.00	96.00	4,086.25		392,280			392,280
310	AL	C1216	AP ACCOUNTANT 2	3	3.00	72.00	4,423.66		318,504			318,504
000	AL	C1217	AP ACCOUNTANT 3	5	5.00	120.00	5,983.20		717,984			717,984
000	AL	C1483	IP INFO SYSTEMS SPECIALIST 3	2	2.00	48.00	4,742.00		227,616			227,616
000	AL	C1484	IP INFO SYSTEMS SPECIALIST 4	2	2.00	48.00	5,518.00		264,864			264,864
000	AL	C1485	IP INFO SYSTEMS SPECIALIST 5	1	1.00	24.00	6,899.00		165,576			165,576
000	AL	C1486	IP INFO SYSTEMS SPECIALIST 6	5	5.00	120.00	7,186.00		862,320			862,320
301	AL	C1487	IP INFO SYSTEMS SPECIALIST 7	5	5.00	120.00	6,482.00		818,232			818,232
301	AL	C1488	IP INFO SYSTEMS SPECIALIST 8	3	3.00	72.00	8,093.00		582,696			582,696
311	AL	C4033	AP FACILITY ENERGY TECHNICIAN 2	3	3.00	72.00	4,246.00		305,712			305,712
311	AL	C4110	AP GROUNDS MAINTENANCE WORKER 2	3	3.00	72.00	3,563.00		305,712			305,712

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
102	AL	C4137	AP LIQUOR DISTRIBUTION WORKER 1	24	24.00	576.00	3,029.54		1,745,016			1,745,016
000	AL	C4138	AP LIQUOR DISTRIBUTION WORKER 2	15	15.00	360.00	3,900.80		1,404,288			1,404,288
102	AL	C4139	AP LIQUOR DISTRIBUTION EQUIP OPER	17	17.00	408.00	3,385.58		1,381,320			1,381,320
000	AL	C4409	AP GENERAL MAINTENANCE MECHANIC	2	2.00	48.00	4,197.00		201,456			201,456
000	AL	C5246	AP COMPLIANCE SPECIALIST 1	6	6.00	144.00	3,563.00		513,072			513,072
207	AL	C5248	AP COMPLIANCE SPECIALIST 3	18	18.00	432.00	5,922.22		2,558,400			2,558,400
209	AL	C5723	AP LIQUOR REGULATORY SPECIALIST		.00	.00	5,433.78					
000	AL	C5732	AP LICENSING SPECIALIST	31	31.00	744.00	5,485.70		4,081,368			4,081,368
408	AL	C5733	AP REGULATORY SPECIALIST	87	87.00	2088.00	5,261.39		10,985,784			10,985,784
000	B	Y7500	AE BOARD AND COMMISSION MEMBER		.00	.00	0.00		33,600			33,600
000	MEAHZ	7014	HP PRINCIPAL EXECUTIVE/MANAGER H	1	1.00	24.00	13,741.00		329,784			329,784
000	MENNZ	0830	AP EXECUTIVE ASSISTANT	1	1.00	24.00	6,233.00		149,592			149,592
311	MENNZ	7008	AP PRINCIPAL EXECUTIVE/MANAGER E	1	1.00	24.00	7,859.50		220,248			220,248
206	MESNZ	7008	AP PRINCIPAL EXECUTIVE/MANAGER E	5	5.00	120.00	8,559.14		1,038,000			1,038,000
102	MESNZ	7010	AP PRINCIPAL EXECUTIVE/MANAGER F	4	4.00	96.00	9,156.75		879,048			879,048
000	MESNZ	7010	IP PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	8,332.00		199,968			199,968
000	MESNZ	7012	AP PRINCIPAL EXECUTIVE/MANAGER G	2	2.00	48.00	10,014.00		480,672			480,672
000	MMC	X1319	AP HUMAN RESOURCE ASSISTANT	1	1.00	24.00	3,846.00		92,304			92,304
000	MMN	X0108	AP ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	4,885.00		117,240			117,240
000	MMN	X0866	AP PUBLIC AFFAIRS SPECIALIST 3	2	2.00	48.00	7,282.50		349,560			349,560
801	MMN	X0872	AP OPERATIONS & POLICY ANALYST 3	4	4.00	96.00	7,278.16		702,072			702,072
000	MMN	X0873	AP OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	8,740.00		209,760			209,760
000	MMN	X1118	AP RESEARCH ANALYST 4	2	2.00	48.00	7,211.50		346,152			346,152
000	MMN	X1218	AP ACCOUNTANT 4	1	1.00	24.00	5,937.00		142,488			142,488
000	MMN	X1320	AP HUMAN RESOURCE ANALYST 1	1	1.00	24.00	4,885.00		117,240			117,240

10/15/19 REPORT NO.: PPDPLAGYCL
 REPORT: SUMMARY LIST BY PKG BY AGENCY
 AGENCY:84500 LIQUOR CONTROL COMMISSION

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 PICS SYSTEM: BUDGET PREPARATION

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	MMN	X1321	AP HUMAN RESOURCE ANALYST 2	1	1.00	24.00	6,542.00		157,008			157,008
310	MMN	X1322	AP HUMAN RESOURCE ANALYST 3	2	2.00	48.00	6,256.00		300,288			300,288
811	MMN	X5618	AP INTERNAL AUDITOR 3	1	1.00	24.00	6,233.00		149,592			149,592
206	MMS	X7002	AP PRINCIPAL EXECUTIVE/MANAGER B	3	3.00	72.00	5,188.33		373,560			373,560
206	MMS	X7006	AP PRINCIPAL EXECUTIVE/MANAGER D	13	13.00	312.00	7,653.46		2,387,880			2,387,880
000	MMS	X7008	IP PRINCIPAL EXECUTIVE/MANAGER E	1	1.00	24.00	7,561.00		181,464			181,464
				364	362.00	8688.00	5,088.19		44,227,896			44,227,896

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
				364	362.00	8688.00	5,088.19		44,227,896			44,227,896

BUDGET NARRATIVE

DETAIL LISTING by SUMMARY CROSS-REFERENCE AGENCY

10/15/19 REPORT NO.: PPDPLWSBUD
 REPORT: DETAIL LISTING BY SUMMARY XREF AGENCY
 AGENCY: 84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF: 001-00-00 102 Distilled Spirits Pr

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 PICS SYSTEM: BUDGET PREPARATION

POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	S T RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
2000074	001336130	001-20-00-00000	102 0 PF	MESNZ7010 AP	35X 02	1	1.00	7,208.00	24.00		172,992			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
3000075	001336190	001-30-00-00000	102 0 PF	AL C4139 AP	16 02	1	1.00	2,881.00	24.00		69,144			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
3000077	001336220	001-30-00-00000	102 0 PF	AL C4139 AP	16 02	1	1.00	2,881.00	24.00		69,144			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
3000079	001336270	001-30-00-00000	102 0 PF	AL C4139 AP	16 02	1	1.00	2,881.00	24.00		69,144			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
3000080	001336280	001-30-00-00000	102 0 PF	AL C4139 AP	16 02	1	1.00	2,881.00	24.00		69,144			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
3000081	001336310	001-30-00-00000	102 0 PF	AL C4137 AP	15 02	1	1.00	2,786.00	24.00		66,864			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
3000082	001336380	001-30-00-00000	102 0 PF	AL C4137 AP	15 02	1	1.00	2,786.00	24.00		66,864			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
3000083	001336410	001-30-00-00000	102 0 PF	AL C4137 AP	15 02	1	1.00	2,786.00	24.00		66,864			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
3000088	001336440	001-30-00-00000	102 0 PF	AL C4137 AP	15 02	1	1.00	2,786.00	24.00		66,864			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
3000123	001336490	001-30-00-00000	102 0 PF	AL C4137 AP	15 02	1	1.00	2,786.00	24.00		66,864			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
3000124	001336500	001-30-00-00000	102 0 PF	AL C4137 AP	15 02	1	1.00	2,786.00	24.00		66,864			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
					102	11	11.00		264.00		850,752			
						11	11.00		264.00		850,752			

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 REPORT: DETAIL LISTING BY SUMMARY XREF AGENCY
 AGENCY: 84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF: 002-00-00 206 Public Safety Servic

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 PICS SYSTEM: BUDGET PREPARATION

POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	S T RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
4500125	001337340	002-45-00-00000	206 0 LF	AL C0107 AP	17 05	1	1.00	3,403.00	24.00		81,672			
EST DATE: 2019/07/01 EXP DATE: 2021/06/30														
4500126	001337350	002-45-00-00000	206 0 PF	MMS X7002 AP	26X 02	1	1.00	4,666.00	24.00		111,984			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4500127	001337360	002-45-00-00000	206 0 PF	AL C0871 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4500128	001337370	002-45-00-00000	206 0 PF	AL C0104 AP	15C 02	1	1.00	2,831.00	24.00		67,944			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4500129	001337380	002-45-00-00000	206 0 PF	AL C0104 AP	15C 02		.00	2,831.00	.00					
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4500130	001337390	002-45-00-00000	206 0 PF	AL C0104 AP	15C 02		.00	2,831.00	.00					
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4500178	001339480	002-45-00-00000	206 0 PF	MMS X7006 AP	31X 02	1	1.00	5,937.00	24.00		142,488			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4500517	000721520	002-45-00-00000	206 0 PF	MESNZ7008 AP	33X 07	1-	1.00-	8,332.00	24.00-		199,968-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4500517	000721520	002-45-00-00000	206 0 PF	MESNZ7010 AP	35X 07	1	1.00	9,177.00	24.00		220,248			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
					206	5	5.00		120.00		537,744			

10/15/19 REPORT NO.: PPDPLWSBUD
 REPORT: DETAIL LISTING BY SUMMARY XREF AGENCY
 AGENCY: 84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF: 002-00-00 207 Public Safety Service

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 PICS SYSTEM: BUDGET PREPARATION

POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	S T RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
4700131	001337310	002-47-00-00000	207 0 PF	AL C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700132	001337330	002-47-00-00000	207 0 PF	AL C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
5500069	001366990	002-55-00-00000	207 0 PF	AL C0108 AP	20Q 02	1	1.00	3,403.00	24.00		81,672			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
5500070	001367010	002-55-00-00000	207 0 PF	AL C5248 AP	29 02	1	1.00	5,188.00	24.00		124,512			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
					207	4	4.00		96.00		432,936			

10/15/19 REPORT NO.: PPDPLWSBUD
 REPORT: DETAIL LISTING BY SUMMARY XREF AGENCY
 AGENCY: 84500 LIQUOR CONTROL COMMISSION
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 PICS SYSTEM: BUDGET PREPARATION

POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	S T RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
4700035	000499330	002-47-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700035	000499330	002-47-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700036	000499340	002-47-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700036	000499340	002-47-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700040	000499370	002-47-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700040	000499370	002-47-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700042	000499390	002-47-00-00000	209 0 PF	AL C5723 AP	25 08	1-	1.00-	5,706.00	24.00-		136,944-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700042	000499390	002-47-00-00000	209 0 PF	AL C5733 AP	27 06	1	1.00	5,706.00	24.00		136,944			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700043	000499400	002-47-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700043	000499400	002-47-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700045	000499420	002-47-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700045	000499420	002-47-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700048	000499450	002-47-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700048	000499450	002-47-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700049	000499460	002-47-00-00000	209 0 PF	AL C5723 AP	25 07	1-	1.00-	5,437.00	24.00-		130,488-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700049	000499460	002-47-00-00000	209 0 PF	AL C5733 AP	27 05	1	1.00	5,437.00	24.00		130,488			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														

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POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	RNG P	S T POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
4700072	000499570	002-47-00-00000	209 0 PF	AL C5723 AP	25 07	1-	1.00-	5,437.00	24.00-		130,488-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700072	000499570	002-47-00-00000	209 0 PF	AL C5733 AP	27 05	1	1.00	5,437.00	24.00		130,488			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700076	000499590	002-47-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700076	000499590	002-47-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700078	000499610	002-47-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700078	000499610	002-47-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700089	000499640	002-47-00-00000	209 0 PF	AL C5723 AP	25 02	1-	1.00-	4,292.00	24.00-		103,008-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700089	000499640	002-47-00-00000	209 0 PF	AL C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700520	000499750	002-47-00-00000	209 0 PF	AL C5723 AP	25 08	1-	1.00-	5,706.00	24.00-		136,944-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700520	000499750	002-47-00-00000	209 0 PF	AL C5733 AP	27 06	1	1.00	5,706.00	24.00		136,944			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700522	000499770	002-47-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700522	000499770	002-47-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700526	000499810	002-47-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700526	000499810	002-47-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700527	000499820	002-47-00-00000	209 0 PF	AL C5723 AP	25 07	1-	1.00-	5,437.00	24.00-		130,488-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700527	000499820	002-47-00-00000	209 0 PF	AL C5733 AP	27 05	1	1.00	5,437.00	24.00		130,488			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														

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POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS	COMP	S T RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
4700529	000499830	002-47-00-00000	209 0 PF	AL	C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
4700529	000499830	002-47-00-00000	209 0 PF	AL	C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
4700530	000499840	002-47-00-00000	209 0 PF	AL	C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
4700530	000499840	002-47-00-00000	209 0 PF	AL	C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
4700544	000499890	002-47-00-00000	209 0 PF	AL	C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
4700544	000499890	002-47-00-00000	209 0 PF	AL	C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
4700545	000499900	002-47-00-00000	209 0 PF	AL	C5723 AP	25 04	1-	1.00-	4,724.00	24.00-		113,376-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
4700545	000499900	002-47-00-00000	209 0 PF	AL	C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
4700547	000499910	002-47-00-00000	209 0 PF	AL	C5723 AP	25 07	1-	1.00-	5,437.00	24.00-		130,488-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
4700547	000499910	002-47-00-00000	209 0 PF	AL	C5733 AP	27 05	1	1.00	5,437.00	24.00		130,488			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
4700550	000499930	002-47-00-00000	209 0 PF	AL	C5723 AP	25 05	1-	1.00-	4,948.00	24.00-		118,752-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
4700550	000499930	002-47-00-00000	209 0 PF	AL	C5733 AP	27 03	1	1.00	4,948.00	24.00		118,752			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
4700551	000499940	002-47-00-00000	209 0 PF	AL	C5723 AP	25 05	1-	1.00-	4,948.00	24.00-		118,752-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
4700551	000499940	002-47-00-00000	209 0 PF	AL	C5733 AP	27 03	1	1.00	4,948.00	24.00		118,752			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
4700552	000499950	002-47-00-00000	209 0 PF	AL	C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
4700552	000499950	002-47-00-00000	209 0 PF	AL	C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															

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POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	S T RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
4700556	000499990	002-47-00-00000	209 0 PF	AL C5723 AP	25 08	1-	1.00-	5,706.00	24.00-		136,944-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700556	000499990	002-47-00-00000	209 0 PF	AL C5733 AP	27 06	1	1.00	5,706.00	24.00		136,944			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700585	000500010	002-47-00-00000	209 0 PF	AL C5723 AP	25 06	1-	1.00-	5,188.00	24.00-		124,512-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700585	000500010	002-47-00-00000	209 0 PF	AL C5733 AP	27 04	1	1.00	5,188.00	24.00		124,512			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700627	000500040	002-47-00-00000	209 0 PF	AL C5723 AP	25 05	1-	1.00-	4,948.00	24.00-		118,752-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700627	000500040	002-47-00-00000	209 0 PF	AL C5733 AP	27 03	1	1.00	4,948.00	24.00		118,752			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700629	000500050	002-47-00-00000	209 0 PF	AL C5723 AP	25 05	1-	1.00-	4,948.00	24.00-		118,752-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700629	000500050	002-47-00-00000	209 0 PF	AL C5733 AP	27 03	1	1.00	4,948.00	24.00		118,752			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700652	000500100	002-47-00-00000	209 0 PF	AL C5723 AP	25 02	1-	1.00-	4,292.00	24.00-		103,008-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700652	000500100	002-47-00-00000	209 0 PF	AL C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700653	000500110	002-47-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700653	000500110	002-47-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700752	000500240	002-47-00-00000	209 0 PF	AL C5723 AP	25 06	1-	1.00-	5,188.00	24.00-		124,512-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700752	000500240	002-47-00-00000	209 0 PF	AL C5733 AP	27 04	1	1.00	5,188.00	24.00		124,512			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700876	000982010	002-47-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700876	000982010	002-47-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														

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POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	S T RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
4700877	000982020	002-47-00-00000	209 0 PF	AL C5723 AP	25 02	1-	1.00-	4,292.00	24.00-		103,008-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700877	000982020	002-47-00-00000	209 0 PF	AL C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700878	000982030	002-47-00-00000	209 0 PF	AL C5723 AP	25 04	1-	1.00-	4,724.00	24.00-		113,376-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700878	000982030	002-47-00-00000	209 0 PF	AL C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700879	000982040	002-47-00-00000	209 0 PF	AL C5723 AP	25 06	1-	1.00-	5,188.00	24.00-		124,512-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700879	000982040	002-47-00-00000	209 0 PF	AL C5733 AP	27 04	1	1.00	5,188.00	24.00		124,512			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700903	000745860	002-47-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700903	000745860	002-47-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700904	000745900	002-47-00-00000	209 0 PF	AL C5723 AP	25 02	1-	1.00-	4,292.00	24.00-		103,008-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700904	000745900	002-47-00-00000	209 0 PF	AL C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700905	000745960	002-47-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
4700905	000745960	002-47-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
209							.00		.00		41,472			

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POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
5500053	001338090	002-55-00-00000	215 0 PF	AL C0108 AP	20Q 02	1	1.00	3,403.00	24.00		81,672			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
			215			1	1.00		24.00		81,672			
						10	10.00		240.00		1,093,824			

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POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	RNG P	S T POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
2600065	001335770	003-26-00-00000	301 0 PF	AL C1488 IP	33 02	1	1.00	6,449.00	24.00		154,776			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
2600066	001335800	003-26-00-00000	301 0 PF	AL C1487 IP	31 02	1	1.00	5,921.00	24.00		142,104			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
2600067	001335930	003-26-00-00000	301 0 PF	AL C1487 IP	31 02	1	1.00	5,921.00	24.00		142,104			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
2600068	001335960	003-26-00-00000	301 0 PF	AL C1487 IP	31 02	1	1.00	5,921.00	24.00		142,104			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
2600069	001336050	003-26-00-00000	301 0 PF	AL C1487 IP	31 02		.00	5,921.00	.00					
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
2600070	001336090	003-26-00-00000	301 0 PF	AL C1487 IP	31 02		.00	5,921.00	.00					
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
2600071	001336110	003-26-00-00000	301 0 PF	AL C1487 IP	31 02		.00	5,921.00	.00					
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
301						4	4.00		96.00		581,088			

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POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	RNG P	S T POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
1200071	001367160	003-12-00-00000	310 0 PF	MMN X1322 AP	29 02	1	1.00	5,650.00	24.00		-135,600			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
2500145	001337850	003-25-00-00000	310 0 PF	AL C1216 AP	23 02	1	1.00	3,917.00	24.00		94,008			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
2500146	001337900	003-25-00-00000	310 0 PF	AL C0212 AP	19 02		.00	3,262.00	.00					
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
2500147	001337950	003-25-00-00000	310 0 PF	AL C0211 AP	18 02	1	1.00	3,129.00	24.00		75,096			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
			310			3	3.00		72.00		304,704			

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 AGENCY: 84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF: 003-00-00 311 Administration and S

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 PICS SYSTEM: BUDGET PREPARATION

POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	RNG P	S T POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
1000148	001337990	003-10-00-00000	311 0 PF	MENN27008 AP	33X	02	.00	6,542.00	.00					
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
1000149	001338030	003-11-00-00000	311 0 PF	AL C0864 AP	25	02	.00	4,292.00	.00					
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
1500014	000497720	003-15-00-00000	311 0 PF	AL C4110 AP	17	06 1-	1.00-	3,563.00	24.00-				85,512-	
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
1500014	000497720	003-15-00-00000	311 0 PF	AL C4033 AP	20	06 1	1.00	4,097.00	24.00				98,328	
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
311							.00		.00				12,816	

10/15/19 REPORT NO.: PPDPLWSBUD
REPORT: DETAIL LISTING BY SUMMARY XREF AGENCY
AGENCY: 84500 LIQUOR CONTROL COMMISSION
SUMMARY XREF: 003-00-00 811 Administration and S

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	S T RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
1600179	001362590	003-16-00-00000	811 0 PF	MMN X5618 AP	31 02	1	1.00	6,233.00	24.00		149,592			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
			811			1	1.00		24.00		149,592			
						8	8.00		192.00		1,048,200			

10/15/19 REPORT NO.: PPDPLWSBUD
 REPORT: DETAIL LISTING BY SUMMARY XREF AGENCY
 AGENCY: 84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF: 004-00-00 209 Recreational Marijuana

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 PICS SYSTEM: BUDGET PREPARATION

POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	S T RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
8000050	001283360	004-87-00-00000	209 0 PF	AL C5723 AP	25 04	1-	1.00-	4,724.00	24.00-		113,376-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000050	001283360	004-87-00-00000	209 0 PF	AL C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000452	001251890	004-85-00-00000	209 0 PF	AL C5723 AP	25 07	1-	1.00-	5,437.00	24.00-		130,488-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000452	001251890	004-87-00-00000	209 0 PF	AL C5733 AP	27 05	1	1.00	5,437.00	24.00		130,488			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000453	001251900	004-85-00-00000	209 0 PF	AL C5723 AP	25 07	1-	1.00-	5,437.00	24.00-		130,488-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000453	001251900	004-87-00-00000	209 0 PF	AL C5733 AP	27 05	1	1.00	5,437.00	24.00		130,488			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000454	001251960	004-85-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000454	001251960	004-87-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000455	001251970	004-85-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000455	001251970	004-87-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000456	001251980	004-85-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000456	001251980	004-87-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000457	001251990	004-85-00-00000	209 0 PF	AL C5723 AP	25 05	1-	1.00-	4,948.00	24.00-		118,752-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000457	001251990	004-87-00-00000	209 0 PF	AL C5733 AP	27 03	1	1.00	4,948.00	24.00		118,752			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000458	001252000	004-85-00-00000	209 0 PF	AL C5723 AP	25 07	1-	1.00-	5,437.00	24.00-		130,488-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000458	001252000	004-87-00-00000	209 0 PF	AL C5733 AP	27 05	1	1.00	5,437.00	24.00		130,488			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														

10/15/19 REPORT NO.: PPDPLWSBUD
 REPORT: DETAIL LISTING BY SUMMARY XREF AGENCY
 AGENCY: 84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF: 004-00-00 209 Recreational Marijuana

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 PICS SYSTEM: BUDGET PREPARATION

POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	S T RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
8000471	001252010	004-87-00-00000	209 0 PF AL	C5723 AP	25 05	1-	1.00-	4,948.00	24.00-		118,752-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000471	001252010	004-87-00-00000	209 0 PF AL	C5733 AP	27 03	1	1.00	4,948.00	24.00		118,752			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000472	001252020	004-87-00-00000	209 0 PF AL	C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000472	001252020	004-87-00-00000	209 0 PF AL	C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000473	001252030	004-87-00-00000	209 0 PF AL	C5723 AP	25 04	1-	1.00-	4,724.00	24.00-		113,376-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000473	001252030	004-87-00-00000	209 0 PF AL	C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000474	001252040	004-87-00-00000	209 0 PF AL	C5723 AP	25 02	1-	1.00-	4,292.00	24.00-		103,008-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000474	001252040	004-87-00-00000	209 0 PF AL	C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8500106	001303760	004-85-00-00000	209 0 PF AL	C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8500106	001303760	004-87-00-00000	209 0 PF AL	C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8500107	001303770	004-85-00-00000	209 0 PF AL	C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8500107	001303770	004-87-00-00000	209 0 PF AL	C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8500108	001303780	004-85-00-00000	209 0 PF AL	C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8500108	001303780	004-87-00-00000	209 0 PF AL	C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8500109	001303790	004-85-00-00000	209 0 PF AL	C5723 AP	25 09	1-	1.00-	5,988.00	24.00-		143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8500109	001303790	004-87-00-00000	209 0 PF AL	C5733 AP	27 07	1	1.00	5,988.00	24.00		143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														

10/15/19 REPORT NO.: PPDPLWSBUD
 REPORT: DETAIL LISTING BY SUMMARY XREF AGENCY
 AGENCY: 84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF: 004-00-00 209 Recreational Marijuana

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 PICS SYSTEM: BUDGET PREPARATION

POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	RNG P	S T	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
8500110	001303800	004-85-00-00000	209 0 PF	AL C5723 AP	25 06	1-	1.00-	5,188.00	24.00-			124,512-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
8500110	001303800	004-87-00-00000	209 0 PF	AL C5733 AP	27 04	1	1.00	5,188.00	24.00			124,512			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
8500111	001303810	004-85-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-			143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
8500111	001303810	004-87-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00			143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
8500112	001303820	004-85-00-00000	209 0 PF	AL C5723 AP	25 09	1-	1.00-	5,988.00	24.00-			143,712-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
8500112	001303820	004-87-00-00000	209 0 PF	AL C5733 AP	27 07	1	1.00	5,988.00	24.00			143,712			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
8500113	001303830	004-85-00-00000	209 0 PF	AL C5723 AP	25 05	1-	1.00-	4,948.00	24.00-			118,752-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
8500113	001303830	004-87-00-00000	209 0 PF	AL C5733 AP	27 03	1	1.00	4,948.00	24.00			118,752			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
8500114	001303840	004-85-00-00000	209 0 PF	AL C5723 AP	25 02	1-	1.00-	4,292.00	24.00-			103,008-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
8500114	001303840	004-87-00-00000	209 0 PF	AL C5733 AP	27 02	1	1.00	4,724.00	24.00			113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
8500115	001303850	004-85-00-00000	209 0 PF	AL C5723 AP	25 02	1-	1.00-	4,292.00	24.00-			103,008-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
8500115	001303850	004-87-00-00000	209 0 PF	AL C5733 AP	27 02	1	1.00	4,724.00	24.00			113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
8500116	001303860	004-85-00-00000	209 0 PF	AL C5723 AP	25 02	1-	1.00-	4,292.00	24.00-			103,008-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
8500116	001303860	004-87-00-00000	209 0 PF	AL C5733 AP	27 02	1	1.00	4,724.00	24.00			113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01															
209								.00	.00		41,472				

10/15/19 REPORT NO.: PPDPLWSBUD
 REPORT: DETAIL LISTING BY SUMMARY XREF AGENCY
 AGENCY: 84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF: 004-00-00 408 Recreational Marijuana

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 2019-21
 PICS SYSTEM: BUDGET PREPARATION

POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	S T RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
8000407	001251820	004-80-00-000000	408 0 PF AL	C0108 AP	20Q 02	1-	1.00-	3,403.00	24.00-		81,672-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000407	001251820	004-80-00-000000	408 0 PF AL	C0870 AP	23 02	1	1.00	3,917.00	24.00		94,008			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000416	001255050	004-80-00-000000	408 0 PF MMN	X0872 AP	30 06	1-	1.00-	7,208.00	24.00-		172,992-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8000416	001255050	004-80-00-000000	408 0 PF MMS	X7006 AP	31X 07	1	1.00	7,561.00	24.00		181,464			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8700133	001337400	004-87-00-000000	408 0 PF AL	C5248 AP	29 02	1	1.00	5,188.00	24.00		124,512			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8700134	001337410	004-87-00-000000	408 0 PF AL	C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8700135	001337420	004-87-00-000000	408 0 PF AL	C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8700136	001337430	004-87-00-000000	408 0 PF AL	C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8700137	001337440	004-87-00-000000	408 0 PF AL	C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8700138	001337450	004-87-00-000000	408 0 PF AL	C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8700139	001337460	004-87-00-000000	408 0 PF AL	C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8700140	001337480	004-87-00-000000	408 0 PF AL	C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8700141	001337490	004-87-00-000000	408 0 PF AL	C5733 AP	27 02	1	1.00	4,724.00	24.00		113,376			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8700142	001337500	004-80-00-000000	408 0 PF AL	C0104 AP	15C 02		.00	2,831.00	.00					
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8700143	001337510	004-80-00-000000	408 0 PF AL	C0104 AP	15C 02		.00	2,831.00	.00					
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
8700144	001337540	004-80-00-000000	408 0 PF AL	C0104 AP	15C 02		.00	2,831.00	.00					
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														

10/15/19 REPORT NO.: PPDPLWSBUD
REPORT: DETAIL LISTING BY SUMMARY XREF AGENCY
AGENCY: 84500 LIQUOR CONTROL COMMISSION
SUMMARY XREF: 004-00-00 408 Recreational Marijuana

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	S T RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
			408			9	9.00		216.00		1,052,328			
						9	9.00		216.00		1,093,800			

10/15/19 REPORT NO.: PPDPLWSBUD
 REPORT: DETAIL LISTING BY SUMMARY XREF AGENCY
 AGENCY: 84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF: 006-00-00 801 Medical Marijuana Pr

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 PICS SYSTEM: BUDGET PREPARATION

POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
6000156	001303990	006-91-00-00000	801 0 PF	AL C0872 AP	30Q 05	1-	1.00-	6,275.00	24.00-		150,600-			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
6000156	001303990	006-91-00-00000	801 0 PF	MMN X0872 AP	30 04	1	1.00	6,542.00	24.00		157,008			
EST DATE: 2019/07/01 EXP DATE: 9999/01/01														
			801				.00		.00		6,408			
							.00		.00		6,408			
						38	38.00		912.00		4,092,984			

REPORT: DETAIL LISTING BY SUMMARY XREF AGENCY

AGENCY: 84500 LIQUOR CONTROL COMMISSION

2019-21
PICS SYSTEM: BUDGET PREPARATION

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SUMMARY XREF: 006-00-00 801 Medical Marijuana Pr

POSITION NUMBER	AUTH NO	ORG STRUC	F POS PKG Y TYP	CLASS COMP	S T RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
						38	38.00		912.00		4,092,984			

BUDGET NARRATIVE

PACKAGE FISCAL IMPACT REPORT

10/15/19 REPORT NO.: PPDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:001-00-00 Distilled Spirits Program

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 PICS SYSTEM: BUDGET PREPARATION

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PACKAGE: 102 - Distilled Spirits Shipping Cap

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
2000074	MESNZ7010	AP	PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	02	7,208.00		172,992 79,831			172,992 79,831
3000075	AL	C4139	AP LIQUOR DISTRIBUTION EQUIP OPER	1	1.00	24.00	02	2,881.00		69,144 53,101			69,144 53,101
3000077	AL	C4139	AP LIQUOR DISTRIBUTION EQUIP OPER	1	1.00	24.00	02	2,881.00		69,144 53,101			69,144 53,101
3000079	AL	C4139	AP LIQUOR DISTRIBUTION EQUIP OPER	1	1.00	24.00	02	2,881.00		69,144 53,101			69,144 53,101
3000080	AL	C4139	AP LIQUOR DISTRIBUTION EQUIP OPER	1	1.00	24.00	02	2,881.00		69,144 53,101			69,144 53,101
3000081	AL	C4137	AP LIQUOR DISTRIBUTION WORKER 1	1	1.00	24.00	02	2,786.00		66,864 52,514			66,864 52,514
3000082	AL	C4137	AP LIQUOR DISTRIBUTION WORKER 1	1	1.00	24.00	02	2,786.00		66,864 52,514			66,864 52,514
3000083	AL	C4137	AP LIQUOR DISTRIBUTION WORKER 1	1	1.00	24.00	02	2,786.00		66,864 52,514			66,864 52,514
3000088	AL	C4137	AP LIQUOR DISTRIBUTION WORKER 1	1	1.00	24.00	02	2,786.00		66,864 52,514			66,864 52,514
3000123	AL	C4137	AP LIQUOR DISTRIBUTION WORKER 1	1	1.00	24.00	02	2,786.00		66,864 52,514			66,864 52,514
3000124	AL	C4137	AP LIQUOR DISTRIBUTION WORKER 1	1	1.00	24.00	02	2,786.00		66,864 52,514			66,864 52,514
TOTAL PICS SALARY										850,752			850,752
TOTAL PICS OPE										607,319			607,319
TOTAL PICS PERSONAL SERVICES =				11	11.00	264.00				1,458,071			1,458,071

10/15/19 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:002-00-00 Public Safety Services Program

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM
 PACKAGE: 206 - Licensing Staff Fulfillment

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 PICS SYSTEM: BUDGET PREPARATION
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POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4500125	AL	C0107	AP ADMINISTRATIVE SPECIALIST 1	1	1.00	24.00	05	3,403.00		81,672 56,325			81,672 56,325
4500126	MMS	X7002	AP PRINCIPAL EXECUTIVE/MANAGER B	1	1.00	24.00	02	4,666.00		111,984 64,128			111,984 64,128
4500127	AL	C0871	AP OPERATIONS & POLICY ANALYST 2	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
4500128	AL	C0104	AP OFFICE SPECIALIST 2	1	1.00	24.00	02	2,831.00		67,944 52,792			67,944 52,792
4500178	MMS	X7006	AP PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	02	5,937.00		142,488 71,979			142,488 71,979
4500517	MESNZ	7008	AP PRINCIPAL EXECUTIVE/MANAGER E	1-	1.00-	24.00-	07	8,332.00		199,968- 86,775-			199,968- 86,775-
4500517	MESNZ	7010	AP PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	07	9,177.00		220,248 91,995			220,248 91,995
TOTAL PICS SALARY										537,744			537,744
TOTAL PICS OPE										314,930			314,930
TOTAL PICS PERSONAL SERVICES =				5	5.00	120.00				852,674			852,674

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PACKAGE: 207 - Public Safety Staff Fulfillmen

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4700131	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
4700132	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
5500069	AL	C0108	AP ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	02	3,403.00		81,672 56,325			81,672 56,325
5500070	AL	C5248	AP COMPLIANCE SPECIALIST 3	1	1.00	24.00	02	5,188.00		124,512 67,352			124,512 67,352
TOTAL PICS SALARY										432,936			432,936
TOTAL PICS OPE										252,649			252,649
				---	---	---			-----	-----	-----	-----	-----
TOTAL PICS PERSONAL SERVICES =				4	4.00	96.00				685,585			685,585

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POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4700035	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700035	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700036	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700036	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700040	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700040	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700042	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	08	5,706.00		136,944- 70,552-			136,944- 70,552-
4700042	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	06	5,706.00		136,944 70,552			136,944 70,552
4700043	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700043	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700045	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700045	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700048	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-

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POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4700048	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700049	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	07	5,437.00		130,488- 68,890-			130,488- 68,890-
4700049	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	05	5,437.00		130,488 68,890			130,488 68,890
4700072	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	07	5,437.00		130,488- 68,890-			130,488- 68,890-
4700072	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	05	5,437.00		130,488 68,890			130,488 68,890
4700076	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700076	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700078	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700078	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700089	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-
4700089	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
4700520	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	08	5,706.00		136,944- 70,552-			136,944- 70,552-
4700520	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	06	5,706.00		136,944 70,552			136,944 70,552

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4700522	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700522	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700526	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700526	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700527	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	07	5,437.00		130,488- 68,890-			130,488- 68,890-
4700527	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	05	5,437.00		130,488 68,890			130,488 68,890
4700529	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700529	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700530	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700530	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700544	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700544	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700545	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	04	4,724.00		113,376- 64,486-			113,376- 64,486-

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4700545	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
4700547	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	07	5,437.00		130,488- 68,890-			130,488- 68,890-
4700547	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	05	5,437.00		130,488 68,890			130,488 68,890
4700550	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	05	4,948.00		118,752- 65,869-			118,752- 65,869-
4700550	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	03	4,948.00		118,752 65,869			118,752 65,869
4700551	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	05	4,948.00		118,752- 65,869-			118,752- 65,869-
4700551	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	03	4,948.00		118,752 65,869			118,752 65,869
4700552	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700552	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700556	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	08	5,706.00		136,944- 70,552-			136,944- 70,552-
4700556	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	06	5,706.00		136,944 70,552			136,944 70,552
4700585	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	06	5,188.00		124,512- 67,352-			124,512- 67,352-
4700585	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	04	5,188.00		124,512 67,352			124,512 67,352

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POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4700627	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	05	4,948.00		118,752- 65,869-			118,752- 65,869-
4700627	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	03	4,948.00		118,752 65,869			118,752 65,869
4700629	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	05	4,948.00		118,752- 65,869-			118,752- 65,869-
4700629	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	03	4,948.00		118,752 65,869			118,752 65,869
4700652	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-
4700652	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
4700653	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700653	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700752	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	06	5,188.00		124,512- 67,352-			124,512- 67,352-
4700752	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	04	5,188.00		124,512 67,352			124,512 67,352
4700876	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700876	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700877	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-

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4700877	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00	.	113,376 64,486			113,376 64,486
4700878	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	04	4,724.00		113,376- 64,486-			113,376- 64,486-
4700878	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
4700879	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	06	5,188.00		124,512- 67,352-			124,512- 67,352-
4700879	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	04	5,188.00		124,512 67,352			124,512 67,352
4700903	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700903	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
4700904	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-
4700904	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
4700905	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
4700905	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
TOTAL PICS SALARY										41,472			41,472
TOTAL PICS OPE										10,676			10,676
TOTAL PICS PERSONAL SERVICES =					.00	.00				52,148			52,148

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PACKAGE: 215 - Bottle Bill Regulation & Fundi

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
5500053	AL	C0108	AP ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	02	3,403.00		81,672 56,325			81,672 56,325
TOTAL PICS SALARY										81,672			81,672
TOTAL PICS OPE										56,325			56,325
TOTAL PICS PERSONAL SERVICES =				1	1.00	24.00				137,997			137,997

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PACKAGE: 301 - Information Services Enhanceme

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
2600065	AL	C1488	IP INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	02	6,449.00		154,776 75,142			154,776 75,142
2600066	AL	C1487	IP INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	02	5,921.00		142,104 71,881			142,104 71,881
2600067	AL	C1487	IP INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	02	5,921.00		142,104 71,881			142,104 71,881
2600068	AL	C1487	IP INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	02	5,921.00		142,104 71,881			142,104 71,881
TOTAL PICS SALARY										581,088			581,088
TOTAL PICS OPE										290,785			290,785
TOTAL PICS PERSONAL SERVICES =				4	4.00	96.00				871,873			871,873

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PACKAGE: 310 - Financial Services Staff Fulfi

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1200071	MMN	X1322	AP HUMAN RESOURCE ANALYST 3	1	1.00	24.00	02	5,650.00		135,600 70,207			135,600 70,207
2500145	AL	C1216	AP ACCOUNTANT 2	1	1.00	24.00	02	3,917.00		94,008 59,501			94,008 59,501
2500147	AL	C0211	AP ACCOUNTING TECHNICIAN 2	1	1.00	24.00	02	3,129.00		75,096 54,633			75,096 54,633
TOTAL PICS SALARY										304,704			304,704
TOTAL PICS OPE										184,341			184,341
				---	-----	-----			-----	-----	-----	-----	-----
TOTAL PICS PERSONAL SERVICES =				3	3.00	72.00				489,045			489,045

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PACKAGE: 311 - Administration and Communicati

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1500014	AL	C4033	AP FACILITY ENERGY TECHNICIAN 2	1	1.00	24.00	06	4,097.00		98,328 60,613			98,328 60,613
1500014	AL	C4110	AP GROUNDS MAINTENANCE WORKER 2	1-	1.00-	24.00-	06	3,563.00		85,512- 57,314-			85,512- 57,314-
TOTAL PICS SALARY										12,816			12,816
TOTAL PICS OPE										3,299			3,299
TOTAL PICS PERSONAL SERVICES =					.00	.00				16,115			16,115

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PACKAGE: 811 - Budget Reconciliation Adjustme

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1600179	MMN	X5618	AP INTERNAL AUDITOR 3	1	1.00	24.00	02	6,233.00		149,592 73,808			149,592 73,808
TOTAL PICS SALARY										149,592			149,592
TOTAL PICS OPE										73,808			73,808
TOTAL PICS PERSONAL SERVICES =				1	1.00	24.00				223,400			223,400

PACKAGE: 209 - Regulatory Specialist Reclass

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
8000050	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	04	4,724.00		113,376- 64,486-			113,376- 64,486-
8000050	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8000452	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	07	5,437.00		130,488- 68,890-			130,488- 68,890-
8000452	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	05	5,437.00		130,488 68,890			130,488 68,890
8000453	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	07	5,437.00		130,488- 68,890-			130,488- 68,890-
8000453	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	05	5,437.00		130,488 68,890			130,488 68,890
8000454	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8000454	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8000455	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8000455	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8000456	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8000456	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8000457	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	05	4,948.00		118,752- 65,869-			118,752- 65,869-

10/15/19 REPORT NO.: PPDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:004-00-00 Recreational Marijuana Program

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM
 PACKAGE: 209 - Regulatory Specialist Reclass

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 PICS SYSTEM: BUDGET PREPARATION

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
8000457	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	03	4,948.00		118,752 65,869			118,752 65,869
8000458	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	07	5,437.00		130,488- 68,890-			130,488- 68,890-
8000458	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	05	5,437.00		130,488 68,890			130,488 68,890
8000471	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	05	4,948.00		118,752- 65,869-			118,752- 65,869-
8000471	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	03	4,948.00		118,752 65,869			118,752 65,869
8000472	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8000472	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8000473	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	04	4,724.00		113,376- 64,486-			113,376- 64,486-
8000473	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8000474	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-
8000474	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8500106	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8500106	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295

10/15/19 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:004-00-00 Recreational Marijuana Program

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM
 PACKAGE: 209 - Regulatory Specialist Reclass

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POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
8500107	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8500107	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8500108	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8500108	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8500109	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8500109	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8500110	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	06	5,188.00		124,512- 67,352-			124,512- 67,352-
8500110	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	04	5,188.00		124,512 67,352			124,512 67,352
8500111	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8500111	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8500112	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	09	5,988.00		143,712- 72,295-			143,712- 72,295-
8500112	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	07	5,988.00		143,712 72,295			143,712 72,295
8500113	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	05	4,948.00		118,752- 65,869-			118,752- 65,869-

10/15/19 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:004-00-00 Recreational Marijuana Program

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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PACKAGE: 209 - Regulatory Specialist Reclass

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
8500113	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	03	4,948.00		118,752 65,869			118,752 65,869
8500114	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-
8500114	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8500115	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-
8500115	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8500116	AL	C5723	AP LIQUOR REGULATORY SPECIALIST	1-	1.00-	24.00-	02	4,292.00		103,008- 61,817-			103,008- 61,817-
8500116	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
TOTAL PICS SALARY										41,472			41,472
TOTAL PICS OPE										10,676			10,676
TOTAL PICS PERSONAL SERVICES =					.00	.00				52,148			52,148

10/15/19 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:004-00-00 Recreational Marijuana Program

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM
 PACKAGE: 408 - Marijuana Program Enhancement

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POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
8000407	AL	C0108	AP ADMINISTRATIVE SPECIALIST 2	1-	1.00-	24.00-	02	3,403.00		81,672- 56,325-			81,672- 56,325-
8000407	AL	C0870	AP OPERATIONS & POLICY ANALYST 1	1	1.00	24.00	02	3,917.00		94,008 59,501			94,008 59,501
8000416	MMN	X0872	AP OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	06	7,208.00		172,992- 79,831-			172,992- 79,831-
8000416	MMS	X7006	AP PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	07	7,561.00		181,464 82,012			181,464 82,012
8700133	AL	C5248	AP COMPLIANCE SPECIALIST 3	1	1.00	24.00	02	5,188.00		124,512 67,352			124,512 67,352
8700134	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8700135	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8700136	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8700137	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8700138	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8700139	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8700140	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
8700141	AL	C5733	AP REGULATORY SPECIALIST	1	1.00	24.00	02	4,724.00		113,376 64,486			113,376 64,486
TOTAL PICS SALARY										1,052,328			1,052,328
TOTAL PICS OPE										588,597			588,597
TOTAL PICS PERSONAL SERVICES =				9	9.00	216.00				1,640,925			1,640,925

10/15/19 REPORT NO.: PPDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:84500 LIQUOR CONTROL COMMISSION
 SUMMARY XREF:006-00-00 Medical Marijuana Program

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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PACKAGE: 801 - LFO Analyst Adjustments

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
6000156	AL C0872	AP OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	05	6,275.00		150,600- 74,068-			150,600- 74,068-
6000156	MMN X0872	AP OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	04	6,542.00		157,008 75,717			157,008 75,717
TOTAL PICS SALARY									6,408			6,408
TOTAL PICS OPE									1,649			1,649
TOTAL PICS PERSONAL SERVICES =				.00	.00				8,057			8,057

BUDGET NARRATIVE

ANNUAL PERFORMANCE PROGRESS REPORT October 2, 2019

Liquor Control Commission, Oregon

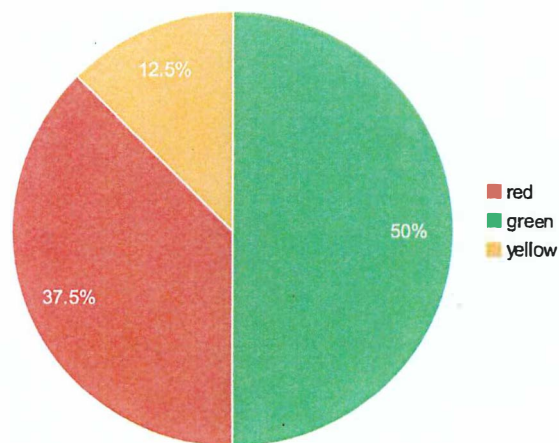
Annual Performance Progress Report

Reporting Year 2019

Published: 10/2/2019 10:12:23 AM

KPM # Approved Key Performance Measures (KPMs)

- 1 Sales to Minors - Percentage of licensees who refuse to sell to minor decoys.
- 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.
- 3 Licensing Time - Average days from application receipt to license issuance.
- 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.
- 5 OLCC Rate of Return - Net OLCC distribution divided by actual expenses.
- 6 Best Practices - Percent of total best practices met by the Board.
- 7 Sales to Minors- Recreational Marijuana - This measure is the rate at which licensees refuse to sell marijuana products to minor decoys.
- 8 Time to license- marijuana - Average days to license completed marijuana applications.



Performance Summary

Green

Yellow

Red

= Target to -5%

= Target -5% to -15%

= Target > -15%

50%

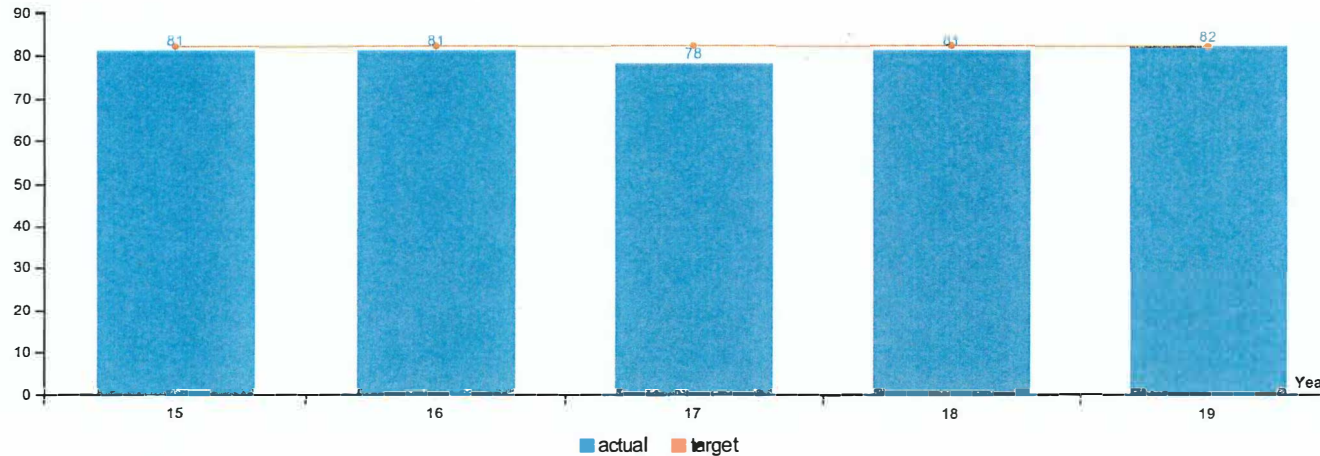
12.50%

37.50%

Summary Stats:

KPM #1 Sales to Minors - Percentage of licensees who refuse to sell to minor decoys.
Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2015	2016	2017	2018	2019
Percentage of Licensees Who Refuse to Sell to Minor					
Actual	81%	81%	78%	81%	82%
Target	82%	82%	82%	82%	82%

How Are We Doing

The FY 2019 results reveal an 82 percent compliance rate of refusing sales to minors which achieves the legislative target of 82 percent compliance. The compliance rate was 1 point higher than FY 2018.

The Portland and Salem metropolitan regions experienced 85 and 82 percent compliance rates respectively, while the Eugene compliance rate was 73 percent and Bend licensees passed 83 percent of the time. Medford region conducted fewer operations but still logged an 80% compliance rate for visited locations. Metro Portland and Salem provided 60 percent of the cases.

The Oregon Liquor Control Commission conducted 741 operations in FY 2019, the down from over 800 in FY 2018.

Factors Affecting Results

A key factor driving these results is frequency of operations. The "perception of detection" is a significant motivator to comply with liquor laws for licensees and their staff. When the number of operations decreases, a licensee may not perceive the risk of detection as likely and choose to make decisions that do not comply with the public safety laws, such as selling alcoholic beverages to minors. Studies of law enforcement practices indicate that a consistent perceived risk of detection and sanctions is a more effective deterrent than inconsistent enforcement with large sanctions.

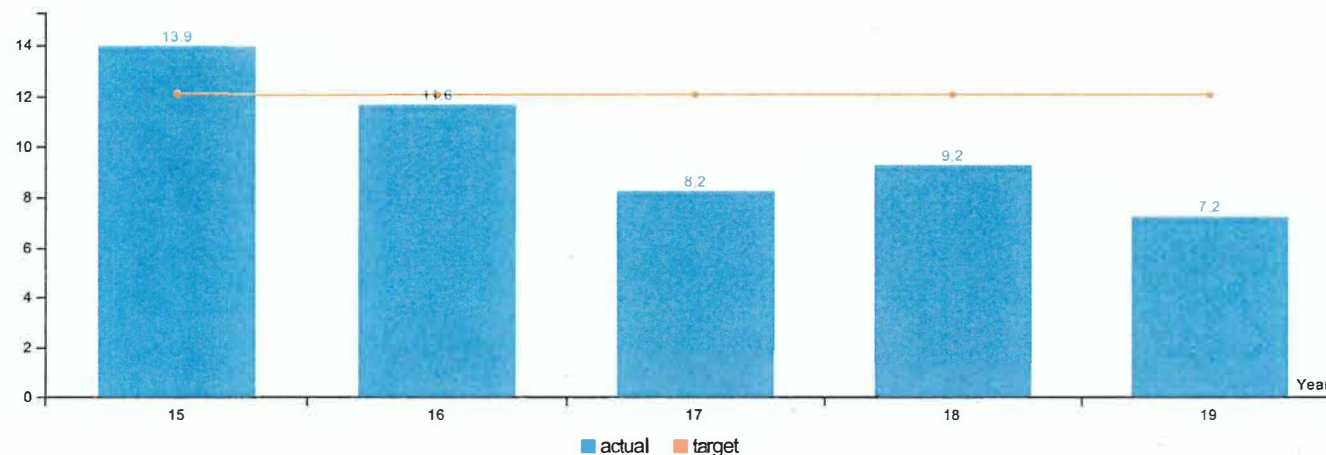
A related factor affecting results is the random sampling of minor decoy operations. With the exception of some targeted premises that have committed a prior offense, the majority of operations are performed on a different group of licensee each year. This can result in some variation from past years because now fewer establishments with a recent citation are revisited within a short time period.

The Commission is actively engaged in a process to increase the frequency and media prominence of minor decoy operations; a way to keep the problem of youth alcohol access foremost in the minds of Oregon alcohol licensees.

KPM #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.

Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2015	2016	2017	2018	2019
Rate of Second Violation					
Actual	13.90%	11.60%	8.20%	9.20%	7.20%
Target	12%	12%	12%	12%	12%

How Are We Doing

The FY 2019 second violation rate is 7.2 percent, slightly less than last year's second violation rate of 9.2 percent. The second violation rate for the last five fiscal years has averaged 8.9 percent. The historical data to FY 2004 produces an average second violation rate of about 13 percent.

During FY 2019, there were 213 premises with at least one serious violation and 342 violations charged altogether. This represents less than 2 percent of total licensed premises for the year.

Factors Affecting Results

The rate of repeat violations declined again joining observed decreases for the three of the prior four years. FY 2019 saw an increase in overall compliance actions, back to nearly 2016 levels, but still only 66% of the ten year average. Fewer compliance actions reduces the likelihood of any licensee receiving multiple violations during the period. There were 342 serious violations sent to premises in fiscal year 2019.

The composition of violations type has changed as well. In 2015, 65 percent of violations were for sales to minors. In 2019 34 percent of violations were related to failure to check ID or failure to control access to minors. It appears that a combination of a reduction of overall violations issued with a decline for sales to minors compared to the decline in other violations.

During FY 2019, the Oregon Liquor Control Commission was able to implement more changes in staffing and business processes as the alcohol public safety program is stabilizing as Commission has also implemented the recreational marijuana program. The Commission has filled empty Liquor Regulatory Staff positions left vacant by Inspectors who had switched to recreational or medical marijuana inspector positions. However, with the influx of new staff, inspectors spent less time in the field than in past years due to training requirements.

Compliance staff have also continued implementing a strategy of using resources to engage with businesses proactively and reserve compliance actions for the more serious violations such as sales to minors.

What Needs To Be Done

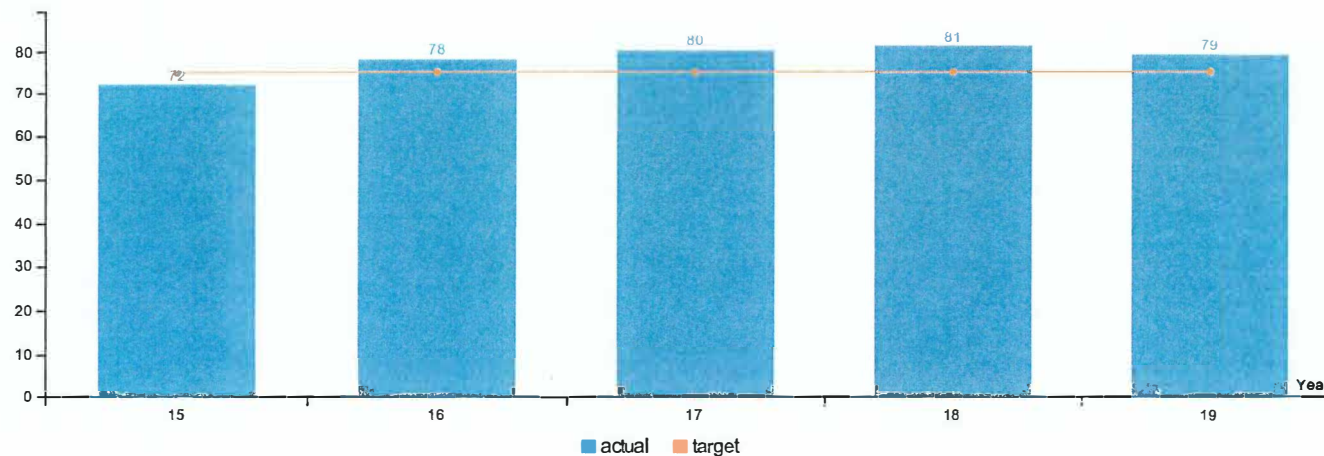
OLCC will continue to look at this measure and how the information is generated to determine if significant changes are needed for future years. OLCC continues to implement new strategies of regulating and educating licensees. This includes implementation of the first call program, public service announcements and a poster campaign warning of the dangers of furnishing alcohol to minors.

Now that alcohol public staffing is up to historical levels, the Oregon Liquor Control Commission is implementing an effort to resume a more active effort to conduct minor decoy compliance checks. In addition, the Commission has been given budget limitation to increase the number of Liquor Regulatory Specialists for the first time in over 15 years, to be more commensurate with the increase of licensed locations.

The proactive education efforts combined with an increased rate of targeted enforcement operations such as minor decoy compliance checks will improve licensees' compliance with liquor laws.

KPM #3 Licensing Time - Average days from application receipt to license issuance.
Data Collection Period: Jul 01 - Jun 30

* Upward Trend = negative result



Report Year	2015	2016	2017	2018	2019
Average Number of Days to Issue (Below Target Is Better)					
Actual	72	78	80	81	79
Target	75	75	75	75	75

How Are We Doing

The FY 2019 average licensing time statewide was 79 days. This is above the legislatively set target of 75. The average time to license for FY 2019 is below the old target of 90 days. A small number of licenses have an extraordinarily long time to license because of a variety of factors unique to each of those licensees. In fiscal year 2019, 19 licensees took an average of 441 days to license. Excluding those 19 licenses would result in a time to license of 76 days. Licensees are able to operate under a temporary letter of authority pending licensure.

The Commission continues to adapt in order provide prompt service to alcohol licensees.

Factors Affecting Results

There are many factors affecting the number of days it takes to issue a liquor license; some internal and some external.

Internal factors continue to be identified and streamlined through process improvements and technological solutions. The recent implementation of the marijuana program caused a number of vacancies in alcohol license investigator positions that remained unfilled during fiscal year 2019.

External factors are difficult to control. A primary external factor affecting how quickly a liquor license can be issued is the license application review by the local governing body (city or county).

Statute gives local governments up to 90 days (45 days plus an additional 45 day extension – if requested) to review a license application within their jurisdiction and provide a recommendation (positive, negative, or neutral). The OLCC cannot complete the processing of an application until the local government review is completed. Lengthy application review by local governments usually occurs in the larger metropolitan areas, such as Portland. These areas also have higher numbers of license applications, in absolute terms, which influence the overall statewide average licensing times. Additionally, the timeliness of the applicant in providing materials necessary to the application investigation can impact overall processing time. Applicants not prepared for or committed to the process may have longer processing times. A 2011 analysis found that staff processing time totaled to an average of only 32.9 days per license; only 36% of the total time to issue a license. The remaining 64% of the time was driven by external factors described above and are outside the control of the agency.

The 2019 results of this measure indicate that the OLCC is above the current target set by the legislature, but is implementing the strategy for resuming improvement. Staffing gaps caused by implementing the marijuana program are a one-time impact on the time to license measure. The OLCC is pursuing other solutions to its business needs that include regulatory innovations, the implementation of streamlining measures, and the development of an enterprise-level licensing system that will unite many disconnected processes and increase the agency's online service capacity. With these enhancements and innovations the OLCC will resume exceeding the target of this measure.

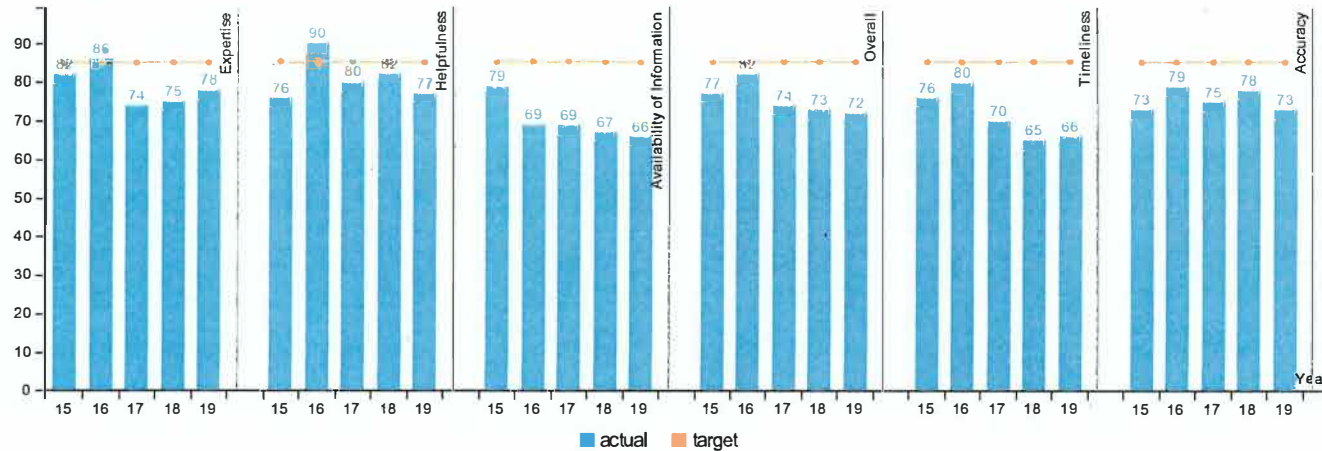
The license investigation process is largely manual, involving many phone calls between investigators and applicants in order to guide them to their license. In addition, financial investigations of liquor licenses can also become labor intensive for complex business structures. In the short-term, the agency continues increasing the availability of additional resources dedicated to liquor license investigations as staffing for the marijuana program stabilizes and new liquor license investigators are hired and trained.

A small number of licenses have an extraordinarily long time to license because of a variety of factors unique to each of those licensees. In fiscal year 2019, 19 licensees took an average of 441 days to license. Excluding those 19 licenses would result in a time to license of 76 days. Licensees are able to operate under a temporary letter of authority pending licensure.

The Oregon Liquor Control Commission has implemented a re-organization of licensing staff and business processes to optimize resources to handle the increased licensing responsibilities for both programs. Staffing gaps caused by implementing marijuana licensing and increased workload from recreational marijuana in addition to implementing software and business process changes, combined with increased workloads for our local government partners, have all had an impact on increasing the time to license.

KPM #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.

Data Collection Period: Jul 01 - Jun 30



Report Year	2015	2016	2017	2018	2019
Expertise					
Actual	82%	86%	74%	75%	78%
Target	85%	85%	85%	85%	85%
Helpfulness					
Actual	76%	90%	80%	82%	77%
Target	85%	85%	85%	85%	85%
Availability of Information					
Actual	79%	69%	69%	67%	66%
Target	85%	85%	85%	85%	85%
Overall					
Actual	77%	82%	74%	73%	72%
Target	85%	85%	85%	85%	85%
Timeliness					
Actual	76%	80%	70%	65%	66%
Target	85%	85%	85%	85%	85%
Accuracy					
Actual	73%	79%	75%	78%	73%
Target	85%	85%	85%	85%	85%

How Are We Doing

The overall agency rating was 72 percent (rated as good or excellent) compared to 77 percent in 2015. The OLCC missed the 85 percent target in all five areas when averages were taken from five stakeholder groups. However, the OLCC met or exceeded the 85 percent average target for surveys from liquor agents and alcohol licensees with 87 percent and 89 percent reporting excellent or good service. Marijuana licensees provided an evaluation of 75 percent excellent or very good service- driven by complaints of poor timeliness and changing rules.

The lower average scores were driven by the much less favorable responses from the general public compared to prior years. Respondents who self-identified as interacting with OLCC related to recreational marijuana provided an average satisfaction score of 20 percent. Interestingly, marijuana licensees reported a 75 percent satisfaction rate for how OLCC performs in the surveyed areas.

Factors Affecting Results

A number of factors affect results. OLCC is still staffing license investigator positions for marijuana. Medical marijuana tracking has recently been added to OLCC's portfolio. The legislature passed a moratorium on new producer licenses. And each legislative session provides changes in the recreational marijuana, medical marijuana and hemp regulatory environment.

Frequent complaints include slow processing times for marijuana licenses. Frequently changing laws and rules. Unclear communication regarding administrative requirements for marijuana licensees. Many licensees provided very positive feedback for the OLCC staff with whom they worked, and toward the agency in general.

The agency continues to make efforts to increase information availability through Gov Alerts and posting updates on the agency website. The Commission is endeavoring to improve licensing times for marijuana licensees by hiring more staff.

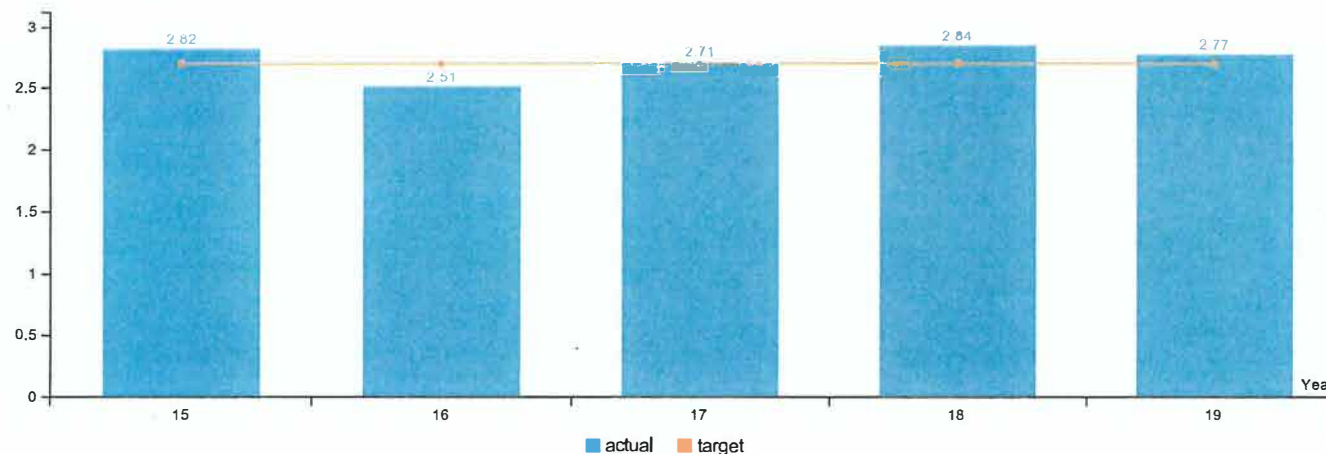
There were a total of 395 respondents from the five survey stakeholder groups. There was a significant difference in responses between the general public, alcohol and marijuana licensees or agents. Those with business before commission provided a much higher evaluation of the Commission than did the public survey. The increase of general public attention to the Oregon Liquor Control Commission and the widespread confusion that the Commission is responsible for legislation and rules implementing all aspects of marijuana (medical and recreational) as well as cigarettes may have contributed to the low evaluations from the public stakeholder group. Results from stakeholder groups were weighted equally. Sub-groups within our licensee categories were sampled to ensure representation of license types.

Results from the public survey from respondents who have indicated marijuana as their specific concern, provided a significantly lower evaluation of the OLCC performance than those who'd indicated alcohol licensing and regulation or distilled spirits as their area of focus. The implementation of, and OLCC's role in recreational marijuana resulted in significant public outreach and media coverage.

The response rate from alcohol licensees was only 30 percent, and 58 percent for marijuana licensees. The low response rates undermine the validity of the survey instrument as an accurate gauge of stakeholder sentiment. Public input to the survey was much lower this year than any since the launch of recreational marijuana. This may be in part, because of changes in the distribution of survey invitations, and reduced public interest in marijuana licensing.

KPM #5 OLCC Rate of Return - Net OLCC distribution divided by actual expenses.
Data Collection Period: Jul 01 - Jun 30

* Upward Trend = negative result



Report Year	2015	2016	2017	2018	2019
OLCC Rate of Return					
Actual	\$2.82	\$2.51	\$2.71	\$2.84	\$2.77
Target	\$2.70	\$2.70	\$2.70	\$2.70	\$2.70

How Are We Doing

The OLCC rate of return in FY 2019 was \$2.77 for every dollar spent. The rate of return has regained the target of \$2.70 per dollar spent that was missed in FY 2016 and exceed the past three. The decline from 2016 was caused by a number of one-time expenses for capital improvements and expenditures related to implementing recreational marijuana. With the dedicated revenue to marijuana from licensing and taxes, liquor sales now offset agent compensation and agencies costs related to licensing and compliance for alcohol.

During FY 2019 the surcharge generated \$ 18.2 million in additional revenue. Without the surcharge the ratio would have fallen from \$2.77 to \$2.58, indicating that the surcharge continues to be instrumental for generating targeted revenue.

Factors Affecting Results

There are many factors that affect the agency's rate of return. Gross revenue from liquor sales increased 6.2 percent during FY 2019 over FY 2018, despite this ROI decreased from \$2.78 to \$2.77. The increase in liquor sales can be attributed increased economic growth in Oregon, as well a reduction in customer time expenditure as a result of the expansion of retail outlets.

The largest expenditure, after the landed cost of product, is agent compensation. Agent Compensation in FY 2019 rose 6 percent along with sales.

16 new retail locations started recording sales during some part of FY 2019.

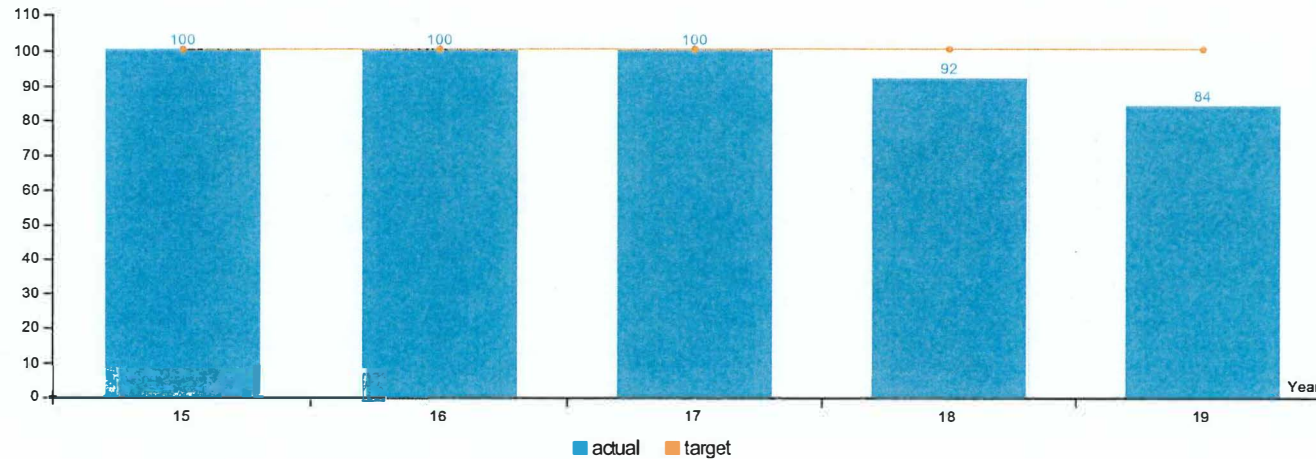
FY 2019 saw an increase in expenditures for retail services related to expansion. The Oregon Liquor Control Commission anticipates a reduction in ROI in FY 2020 because of the changes to the agent compensation formula requested during the 2019 regular session.

KPM #6

Best Practices - Percent of total best practices met by the Board.

Data Collection Period: Jan 01 - Jan 01

* Upward Trend = positive result



Report Year	2015	2016	2017	2018	2019
Best Practices: Percent of total best practices met by the Board.					
Actual	100%	100%	100%	92%	84%
Target	100%	100%	100%	100%	100%

How Are We Doing

This is the twelfth year the self-assessment has been taken by the agency's commissioners. Four commissioners responded to the FY 2019 request to complete this self-assessment and all four commissioners answered every question. There was 82 percent agreement among the responding commissioners that all OLCC best practices were being met. Three commissioners selected not to reply.

The assessment indicated that the Commission's governance practices are not hitting the target of 100 percent.

Factors Affecting Results

Response rates will impact the average. In FY 2017 four out of five commissioners were available to respond to the survey. FY 2019 experienced a vacancy on the Commission and the addition of two commissioners. 5 of the seven commissioners have served for two or fewer years.

Communication continues to be good between the executive director and Commission, it appears that the commissioners who did reply felt prepared to respond.

Data was coded zero for "no" and one for "yes". Blank responses were not used to determine the total.

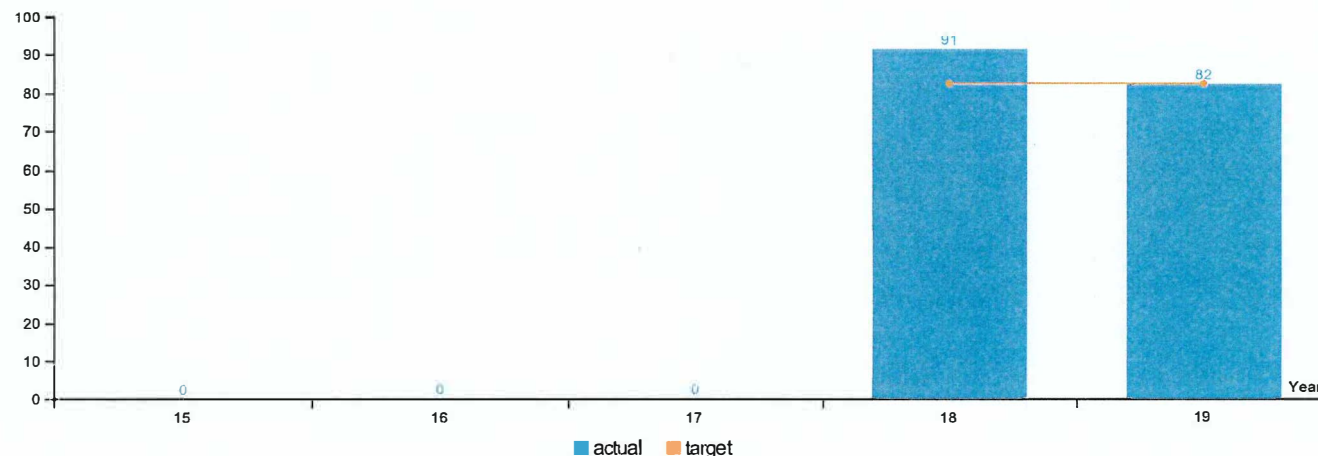
6. WHAT NEEDS TO BE DONE

The agency continues to bring itself into alignment with the specifically stated standards. The agency will also work to effectively demonstrate to the new and continuing Commissioners the

examples of how these standards are being met or exceeded. Agency management also works to educate new Commissioners on governance and processes so that they are current on their responsibilities and agency goals.

KPM #7 Sales to Minors- Recreational Marijuana - This measure is the rate at which licensees refuse to sell marijuana products to minor decoys.
Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2015	2016	2017	2018	2019
Sales to Minors- Recreational Marijuana					
Actual	No Data	No Data	0%	91%	82%
Target	TBD	TBD	TBD	82%	82%

How Are We Doing

The FY 2019 results reveal an 82 percent compliance rate of refusing sales to minors which matches the legislative target of 82 percent compliance. The compliance rate was the same as alcohol compliance. Regulatory Specialists conducted 61 marijuana minor decoy operations in fiscal year 2019. 74 fewer than in FY 2018.

The Portland and Salem metropolitan regions experienced 81 and 84 percent compliance rates respectively, while the Eugene compliance rate was 83 percent Bend region passed 80 percent of locations visited locations.

Fiscal Year 2019 was the second year that the Recreational Marijuana Program conducted minor decoy operations.

Factors Affecting Results

A key factor driving compliance results is the likelihood of detection. The "perception of detection" is a significant motivator to comply with marijuana laws for licensees and their staff. When the number of operations decreases, a licensee may not perceive the risk of detection as likely and choose to make decisions that do not comply with the public safety laws.

The first minor decoy operations conducted in the Portland metro region, during December of 2017, resulted in a 70% fail rate. Medical marijuana dispensaries had never experienced minor decoy operations before, and these were the first such operations conducted on recreational retailers. Widespread publicity of results, and the Commission's decision to increase penalties associated with sales to minors corresponded with a substantial decline in subsequent violations.

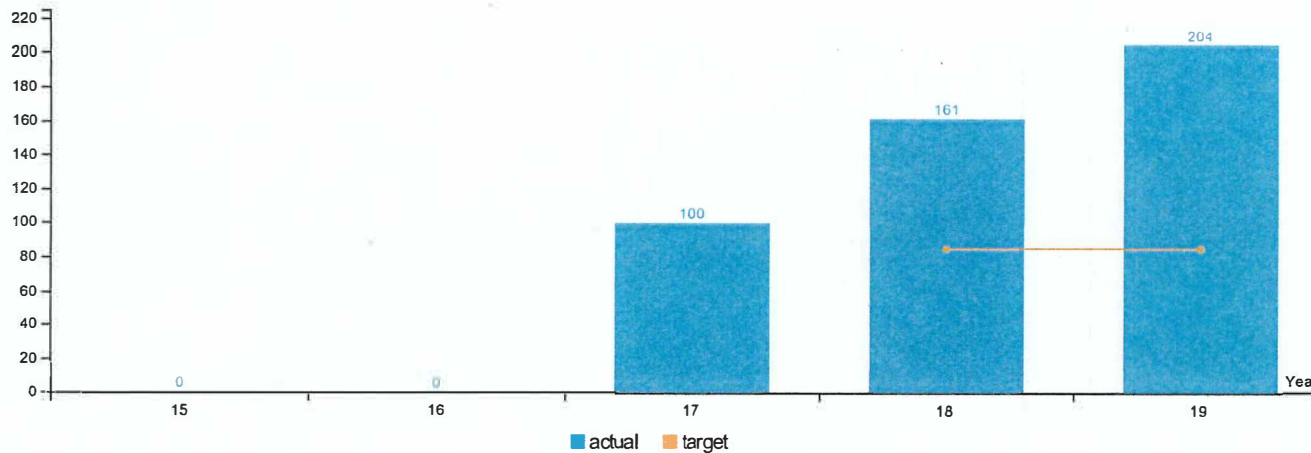
With the implementation of intensive inspections during the FY 2019 harvest season, "Operation Good Harvest" marijuana compliance resources were focused on preventing diversion and making

pre-license inspections for new licensees. As a consequence operational activity for minor decoys declined, and media coverage of operations declined as well. With minor decoy operations out of the news, "perception of detection" likely dropped and overall compliance dropped with it.

The Oregon Liquor Control Commission is engaged in a process of improving the rate of compliance checks (decoy operations) to increase the "perception of detection" and keep compliance at the front of mind for Recreational Marijuana Retailers. Some changes being investigated include paying decoys, restructuring compliance operations so that marijuana and alcohol operations can pool staff and decoys, and improving logistical planning to maximize retailers visited during operations.

KPM #8 Time to license- marijuana - Average days to license completed marijuana applications.
Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2015	2016	2017	2018	2019
Time to license- marijuana					
Actual	No Data	No Data	100	161	204
Target	TBD	TBD	TBD	85	85

How Are We Doing

The FY 2019 mean marijuana licensing time statewide was 204 days for the 439 cases for which there is complete data. The median time to license is 141 days indicating that a small number of outstanding license are influencing the mean. The average time to license for FY 2019 is well above the target of 85 days. The Commission continues to adapt in order to implement the recreational marijuana program and provide prompt service to applicants.

Retailer licenses took the shortest period to process, 150 days on average, while wholesaler were processed in an average of 211 days.

Factors Affecting Results

There are many factors affecting the number of days it takes to issue a recreational marijuana license; some internal and some external. Internal factors continue to be identified as business processes are developed to implement newer marijuana law and rules.

During FY 2019 the Commission redeployed regulatory specialists to compliance operations from licensing activities. The Commission continues to hire licensing staff, implement process improvements and technological solutions (automation).

The recreational marijuana program continued to fill a number of vacancies in license investigator positions during fiscal year 2019. The renewal process also saw a large proportion of applicants with complicated renewals with site and/or ownership changes.

External factors are difficult to control. A primary external factor affecting how quickly a recreational marijuana license can be issued is the license application review by the local governing body (city

or county). The issuance of Land Use Compatibility Statement by the local governing unit is the triggering event that allows the Oregon Liquor Control Commission to assign an investigator to begin actively processing a marijuana application. Local governments also have lengthy application review.

Applicants have also struggled to complete applications correctly and in a timely manner. The newness of the program and changes in law and rules guiding the application process have posed a challenge for applicants who are navigating the process. In order to help applicants, the Oregon Liquor Control Commission has produced a business guide for applicants and licensees, and continues to provide education and information through the website, emails, and frequent communication with license investigators.

An analysis of some of the longer duration applications show applicants that fail to respond for 365 days or more, before resuming the application process.

Fiscal year 2019 continued to produce a high rate of business changes that required reprocessing of licenses with interested party investigations that consumed investigation resources without being reflected in license processing statistics.

BUDGET NARRATIVE

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AUDIT REPORTS

BUDGET NARRATIVE

AUDIT REPORTS

Audit Reports: In Process

1. Contracted Internal Audit by Moss Adams: *Marijuana Producer Licensing*
 - 10/29/19 draft report; 11/13/19 management responses; OLCC Internal Audit Committee review scheduled for 12/12/19.
 - The scope and objective of this audit was to document the process around issuing marijuana producer licenses and to validate that licenses issued by the agency were compliant with agency policies and procedures.

Audit Reports: Finalized

1. Secretary of State *FY2018 Statewide Financial Management Audit* dated 12/17/18.
 - ✓ No deficiencies were noted in agency internal controls.
2. Secretary of State Audit #2019-23 dated 5/29/19 is a follow-up to SOS audit #2018-07 regarding *OLCC Cannabis Information Systems*
 - ✓ 15 of 17 recommendations were fully or partially implemented, with 2 recommendations (Implementing Change Management processes and documenting Disaster Recovery plans) deferred until: the licensing system replacement decision is finalized; and 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.
3. 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.
4. Contracted Internal Audit by Moss Adams dated 1/17/19: *Governance of Agency Contracting & Procurement*
 - ✓ Management agreed with all 6 recommendations.
5. 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 the 2 recommendations. Corrective action was taken in June 2018 along with going forward on a monthly basis.
 - ✓ An 8/21/19 status update was communicated by the OLCC CFO to DAS-SARS.
6. Secretary of State Audit #2018-07 dated 1/26/18: *OLCC Cannabis Information System*
 - ✓ Management agreed with all 17 recommendations.

BUDGET NARRATIVE

Agency Request Budget Policy Option Packages (POPs) addressing Audit Findings or Recommendations

POP	POP Description	Audit Reference	Helps Address Audit Findings / Recommendations
301	Information Services Enhancement		
	The Agency Request Budget (ARB) requested 7 additional IT personnel; The Legislatively Approved Budget (LAB) includes 4 of the 7 requested IT personnel: Database Analyst, Business Systems Analyst, Quality Assurance & Automation Developer, and a Developer for existing liquor warehousing software solutions.	SOS #2018-07, and SOS #2019-23, Recs 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.
203	License Fee Increase	SOS #2019-04, Rec #4	Work with the Legislature to review its licensing fees for marijuana businesses and consider whether licensing fees could be adjusted to support capacity building for the marijuana regulatory program.
206	Licensing Staff Fulfillment		
	The ARB requested 7 additional Licensing personnel; while the LAB includes 5 of the 7 requested: AS1, PEM-D, PEM-B, OPA2, OS2	SOS 2018-07, Recs. #5-6	Develop and implement reconciliation processes to ensure that data is appropriately transmitted by the MLS and CTS; Establish processes for granting and reviewing access to the MLS and the CTS.
207	Public Safety Staff Fulfillment		
	Adds 2 Regulatory Specialists	SOS #2018-07, Rec #2	Provide for an adequate number of trained OLCC inspectors
408	Marijuana Program Enhancement	SOS #2018-07, Rec #2	Provide for an adequate number of trained OLCC inspectors
	Adds 8 MJ Regulatory Specialists	SOS #2019-04, Rec #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.

BUDGET NARRATIVE

MAXIMUM SUPERVISORY SPAN OF CONTROL REPORT



PROPOSED SUPERVISORY SPAN OF CONTROL REPORT

In accordance with the requirements of ORS 291.227, Oregon Liquor Control Commission presents this report to the Joint Ways and Means Committee regarding the agency's Proposed Maximum Supervisory Ratio for the 2019-2021 biennium.

Supervisory Ratio for the last quarter of 2017-2019 biennium

The agency actual supervisory ratio as of January, 2019 is 1:12

(Date) (Enter ratio from last Published DAS CHRO Supervisory Ratio)

The Agency actual supervisory ratio is calculated using the following calculation:

$$\frac{\text{(Total supervisors)}}{\text{(Employee in a supervisory role)} + \text{(Vacancies that if filled would perform a supervisory role)} - \text{(Agency head)}} = \frac{1}{12}$$

$$\frac{\text{(Total non-supervisors)}}{\text{(Employee in a non-supervisory role)} + \text{(Vacancies that if filled would perform a non-supervisory role)}} = \frac{300}{26}$$

The agency has a current actual supervisory ratio of-

$$1: \frac{12}{300} = \frac{1}{25} \text{ (Actual span of control) (Total non-Supervisors) (Total Supervisors)}$$

When determining an agency maximum supervisory ratio all agencies shall begin of a baseline supervisory ratio of 1:11, and based upon some or all of the following factors may adjust the ratio up or down to fit the needs of the agency.

← Narrow Span		Wide Span →	
High	RISK TO PUBLIC/EMPLOYEE SAFETY	Low	
Dispersed	GEOGRAPHIC LOCATION(S) OF SUBORDINATES	Assembled	
Complex	COMPLEXITY OF DUTIES/MISSION	Not complex	
Low	BEST PRACTICES/INDUSTRY STANDARDS	High	
Small	AGENCY SIZE/HOURS OF OPERATION	Large	
Many	NON AGENCY STAFF/TEMPORARY EMPLOYEES	Few	
High	FINANCIAL RESPONSIBILITY	Low	
← More Supervisors		Fewer Supervisors →	

Ratio Adjustment Factors

Is safety of the public or of State employees a factor to be considered in determining the agency maximum supervisory ratio?

Y/N

N/A

Is geographical location of the agency's employees a factor to be considered in determining the agency maximum supervisory ratio? Y/N

N/A

Is the complexity of the agency's duties a factor to be considered in determining the agency maximum supervisory ratio? Y/N

N/A

Are there industry best practices and standards that should be a factor when determining the agency maximum supervisory ratio? Y/N

N/A

Is size and hours of operation of the agency a factor to be considered in determining the agency maximum supervisory ratio?
Y/N

N/A

Are there unique personnel needs of the agency, including the agency's use of volunteers or seasonal or temporary employees, or exercise of supervisory authority by agency supervisory employees over personnel who are not agency employees a factor to be considered in determining the agency maximum supervisory ratio? Y/N

N/A

Is the financial scope and responsibility of the agency a factor to be considered in determining the agency maximum supervisory ratio? Y/N

N/A

Based upon the described factors above the agency proposes a Maximum Supervisory Ratio of 1: 11.

Unions Requiring Notification AFSCME-2505

Date unions notified 1/22/2019

Submitted by: LAURA GOMEZ

Date: 1/22/2019

Signature Line [Signature]

Date 1/22/2019

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BUDGET NARRATIVE

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BUDGET NARRATIVE

AFFIRMATIVE ACTION PLAN



Oregon Liquor Control Commission

Affirmative Action Plan July 1, 2019 – June 30, 2021

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 - a. Business Oregon's Certification Office of Business Inclusion and Diversity (COBID)
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- b. Division Directors, Managers and Supervisors
- c. Affirmative Action Representative

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- A. Accomplishments in goal attainment/progress from current biennium's Affirmative Action Plan
- B. Progress made or lost since previous biennium, if applicable

V. July 1, 2019 – June 30, 2021

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- B. Strategies and timeline for achieving agency goals

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- C. Employee Development and Implementation of Oregon Benchmarks for Workforce Development (Statewide Policy 50.045.01)
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- E. Equal Opportunity and Affirmative Action Rule (105-040-0001)
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VII. 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
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- K. Sexual Harassment Title VII of the Civil Rights Act of 1964

VIII. Appendix C – Agency documentation in support of its Affirmative Action Plan

IX. Appendix D – Additional Federal Documentation

- A. Agency-Specific Federal Reporting Requirements
- B. Executive Order 11246 (OFCCP Regulations)

I. Agency Description

A. Mission and Objectives

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, the tracking of Oregon Health Authority medical marijuana, and the tracking of industrial hemp products sold in OLCC retail stores.

Our Mission:

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

Our Goals:

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.

B. Executive Director
Mr. Steven Marks
9079 SE McLoughlin Blvd
Milwaukie, OR 97222
(503) 872-5062

C. Governor's Policy Advisor

Mr. Jeffrey Rhoades
(503) 378-8472

D. Affirmative Action Representative

Ms. Marsha Barton
(503) 872-5152

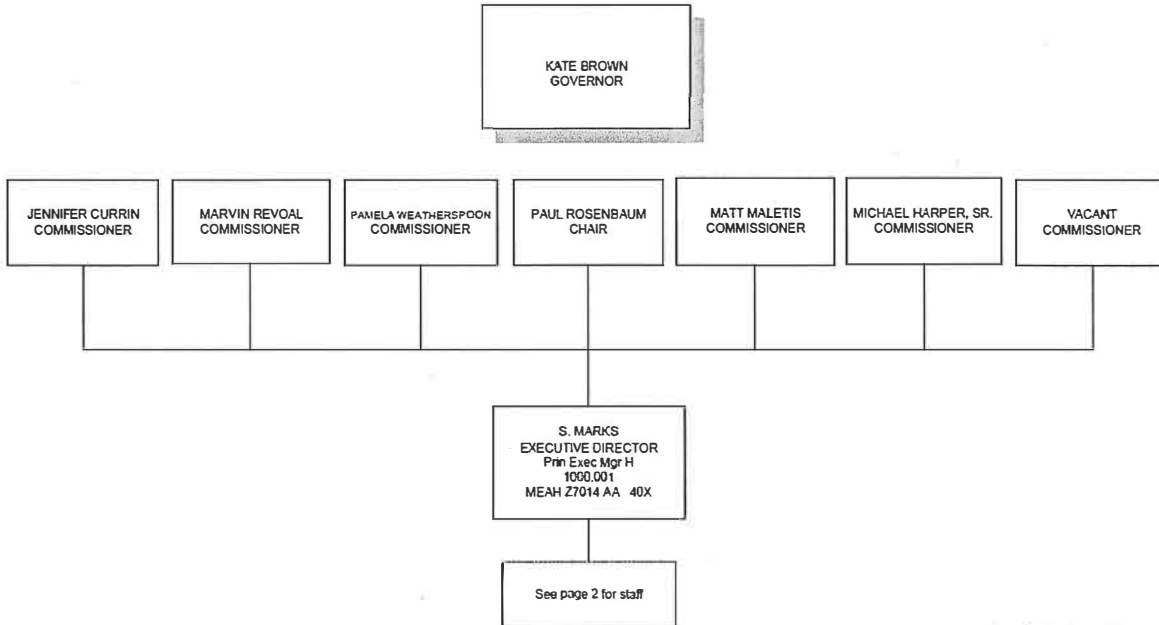
E. Diversity and Inclusion Officer

N/A

F. Organizational Charts

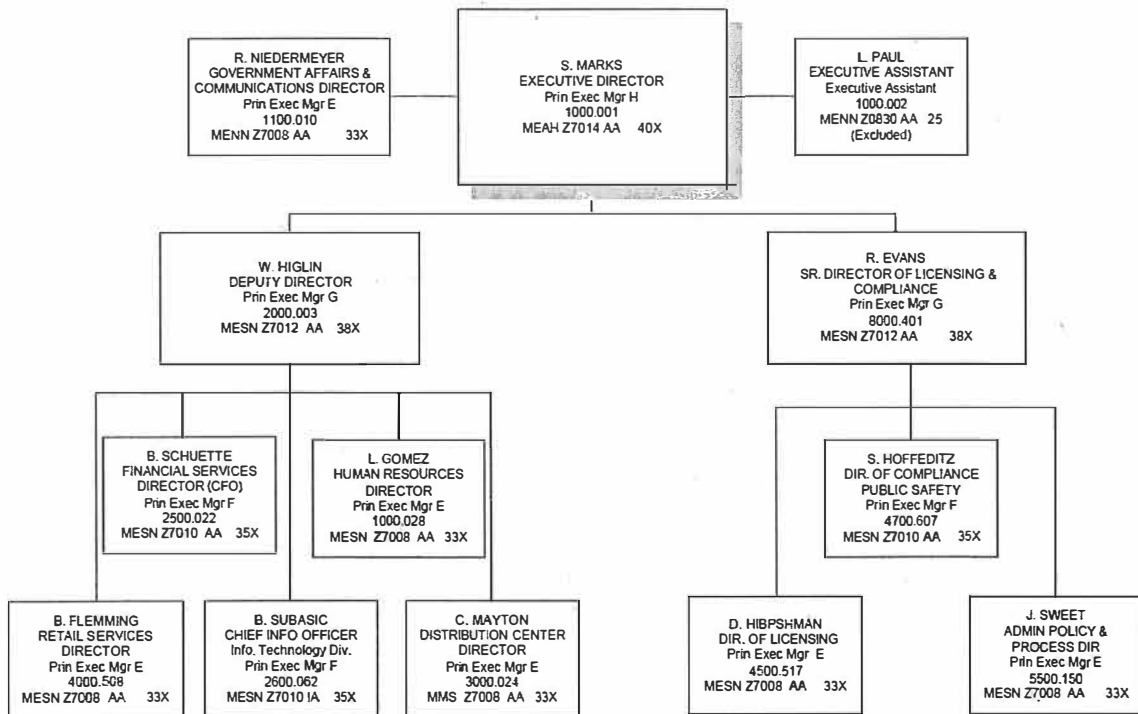
OREGON LIQUOR CONTROL COMMISSIONERS

MISSION: To support businesses, public safety, and community livability through education and the enforcement of liquor and marijuana laws.



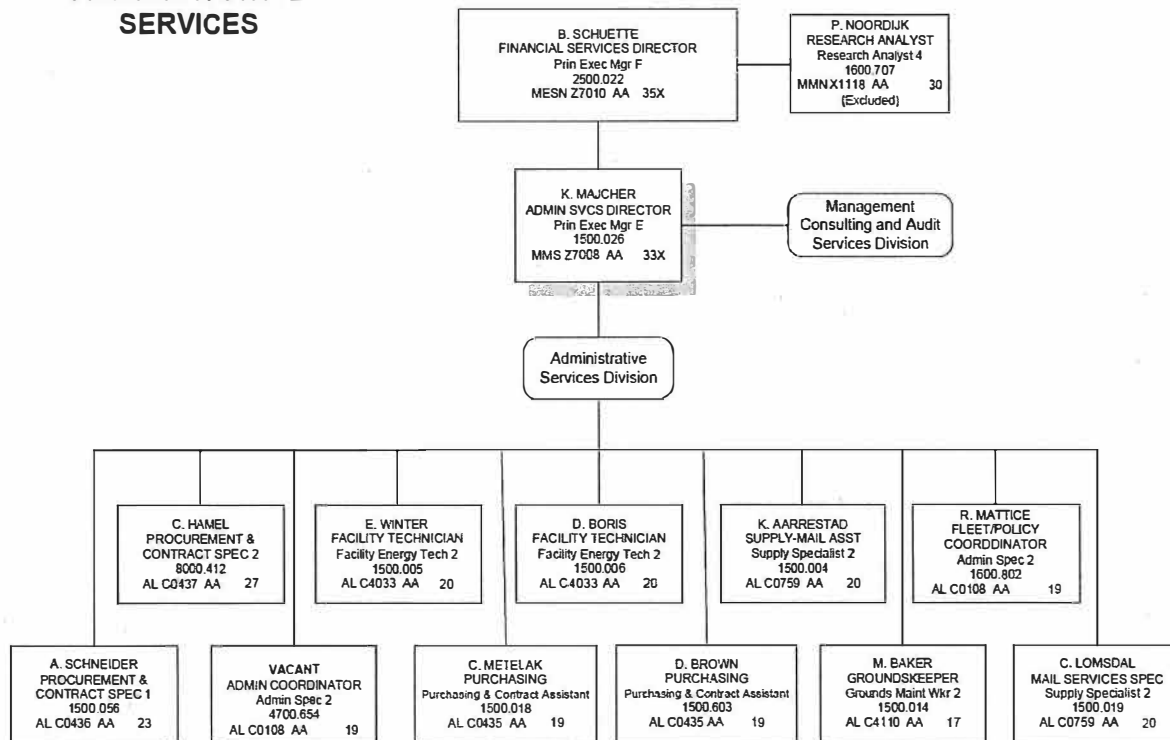
Organization Chart: 1-18
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OREGON LIQUOR CONTROL COMMISSION



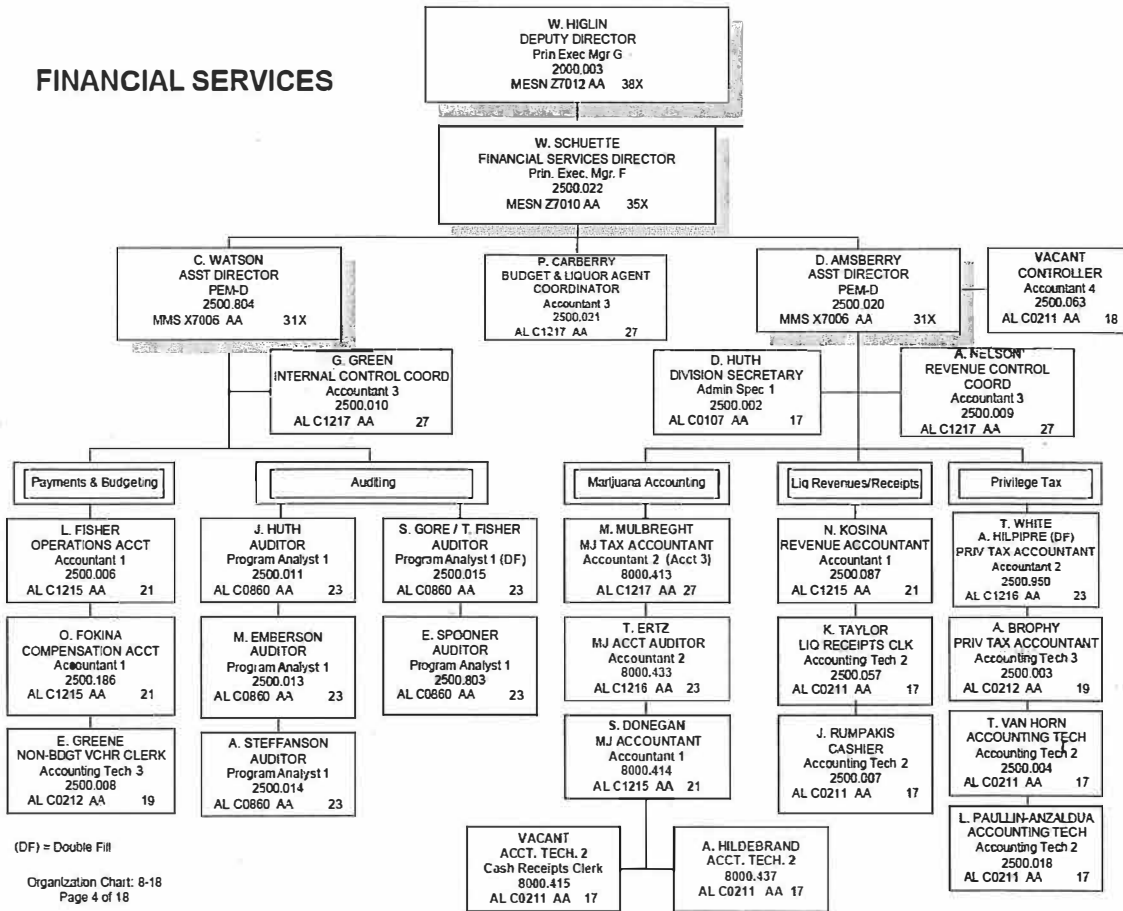
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ADMINISTRATIVE SERVICES

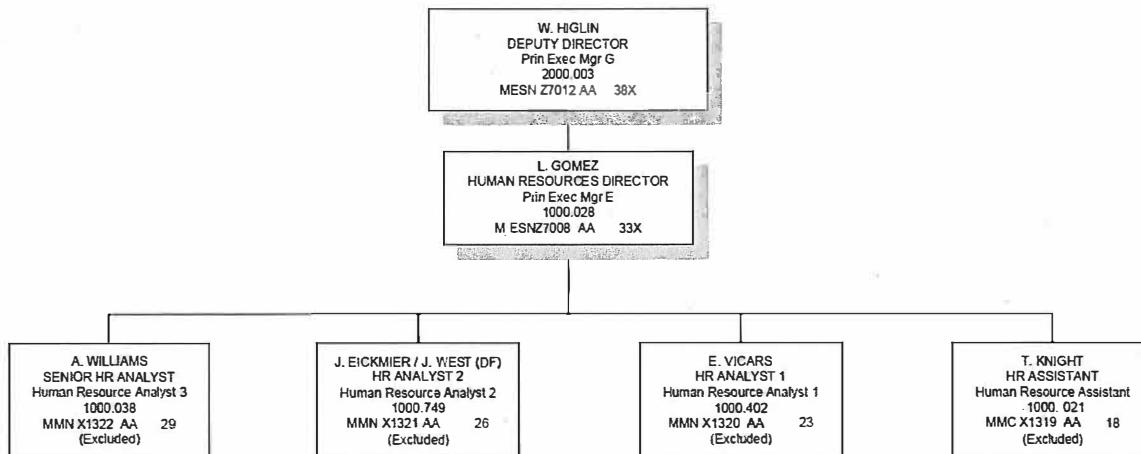


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FINANCIAL SERVICES



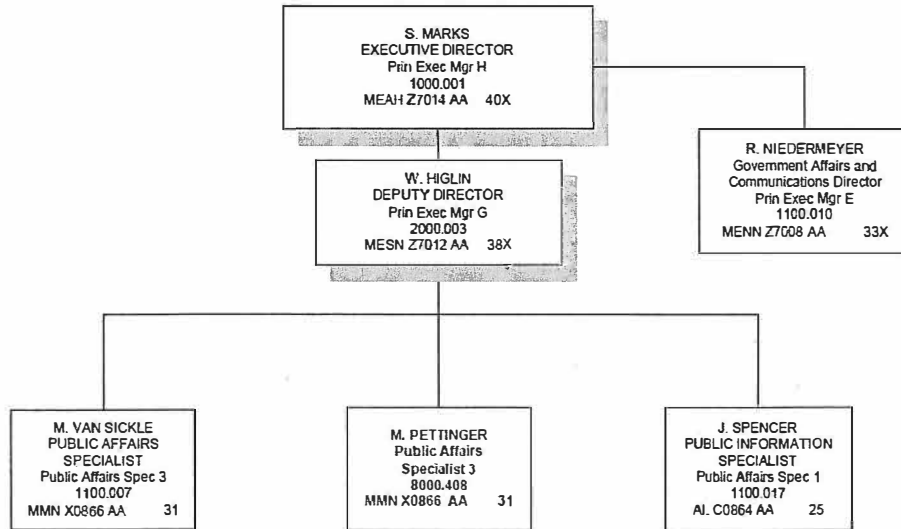
HUMAN RESOURCES



LD = Limited Duration
DF = Double-Fill

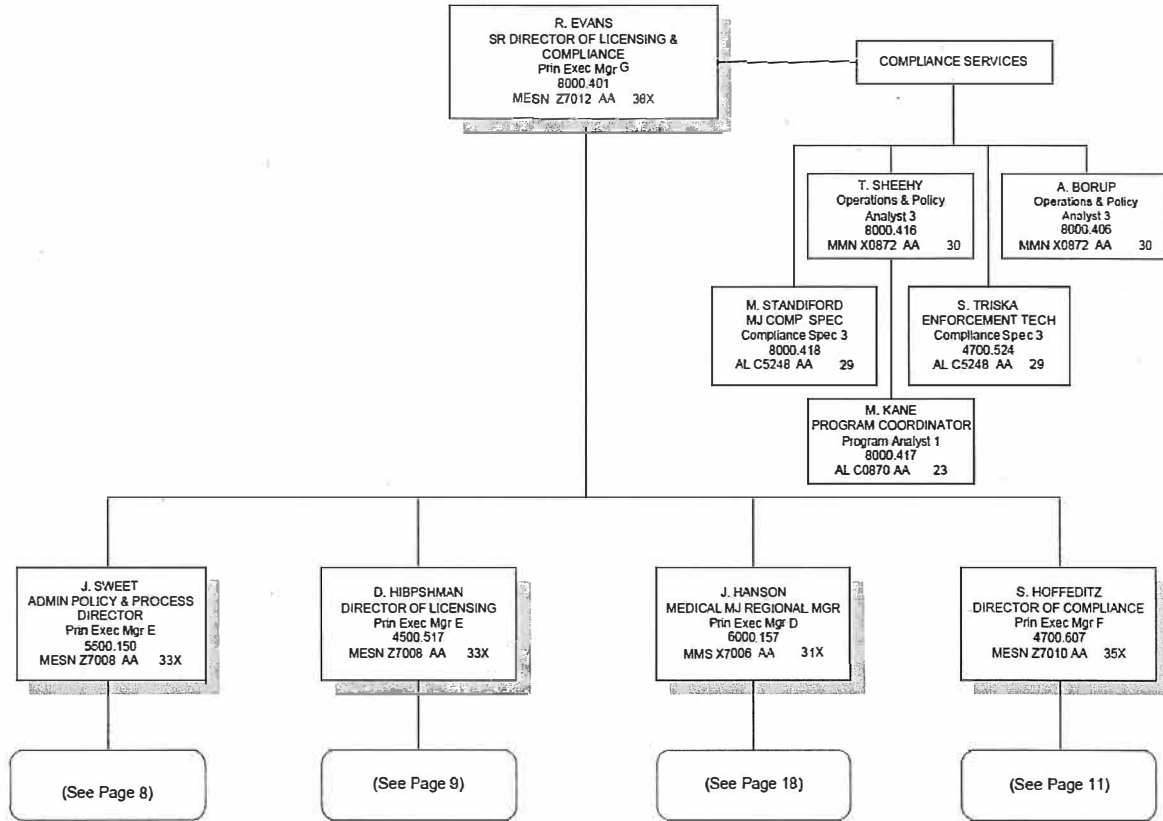
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COMMUNICATIONS



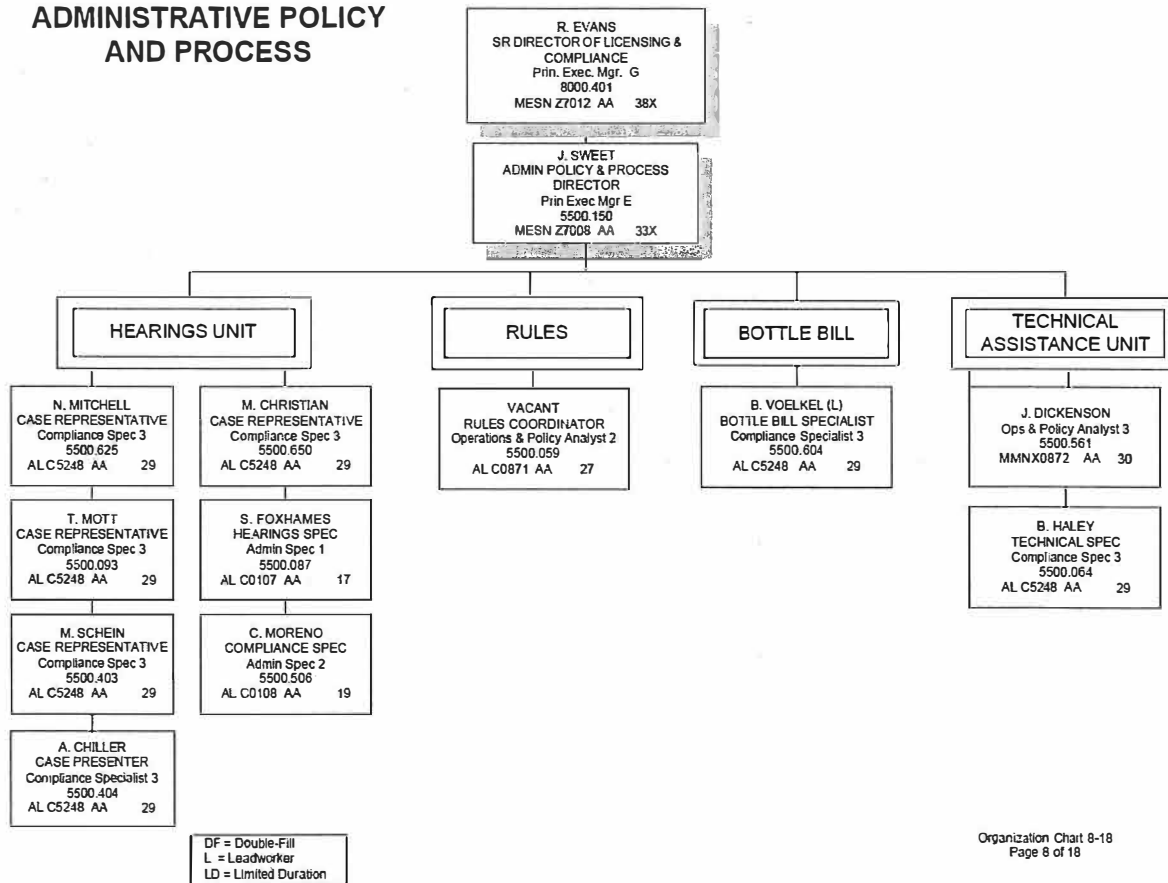
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PUBLIC SAFETY DIVISION



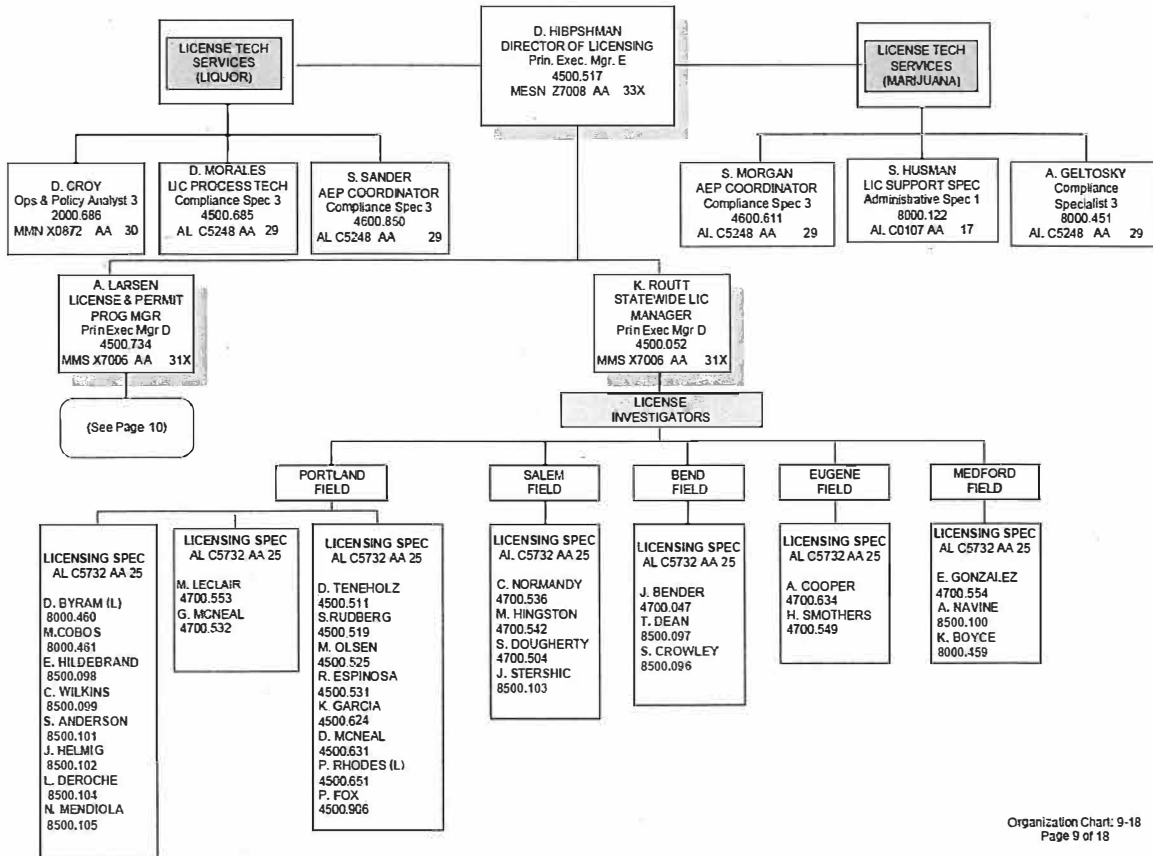
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ADMINISTRATIVE POLICY AND PROCESS



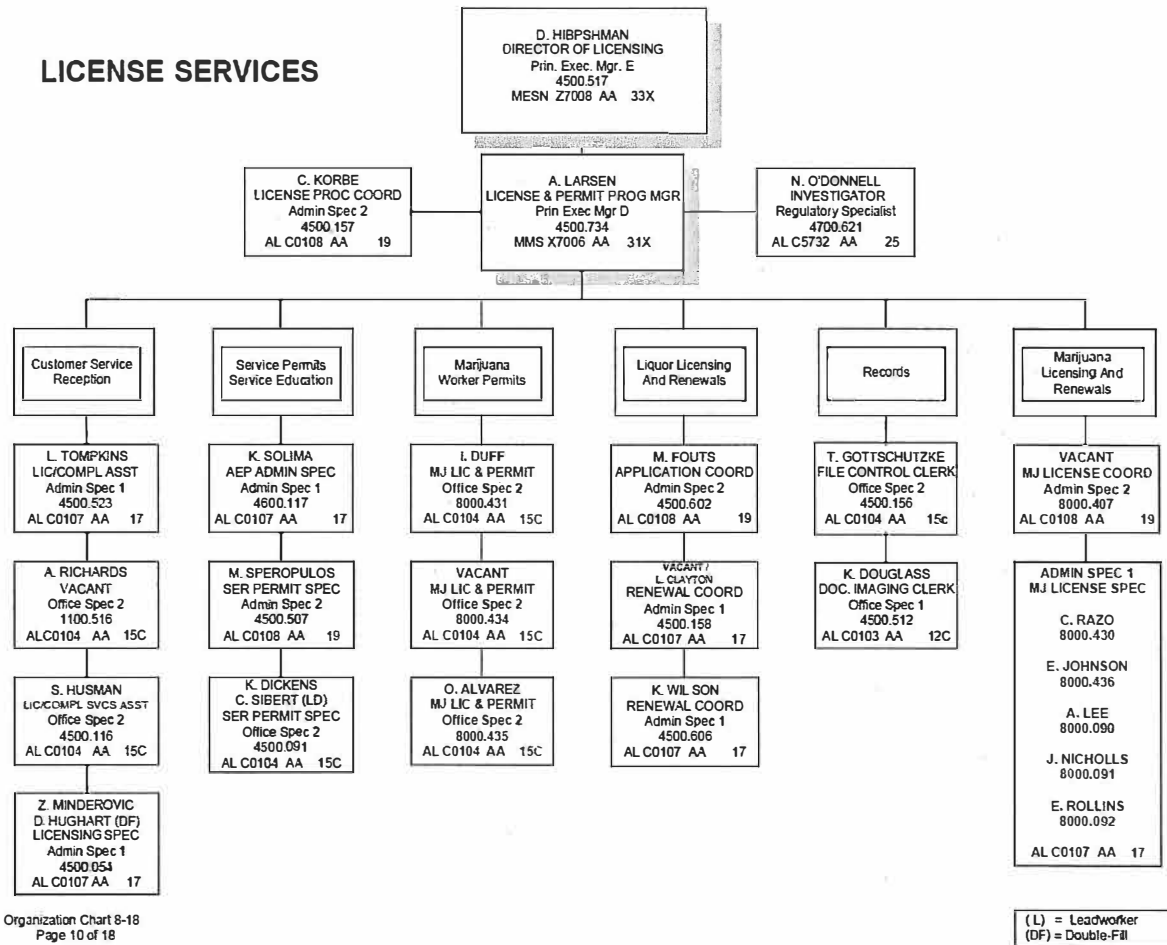
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PUBLIC SAFETY DIVISION - LICENSING UNIT

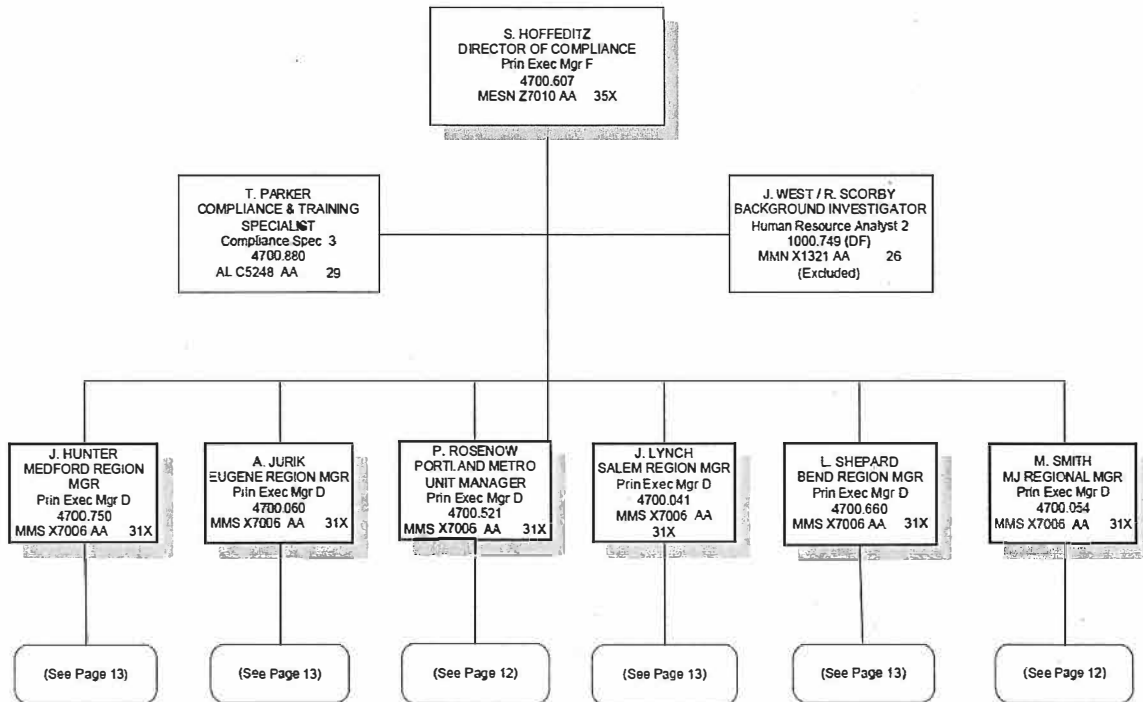


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LICENSE SERVICES

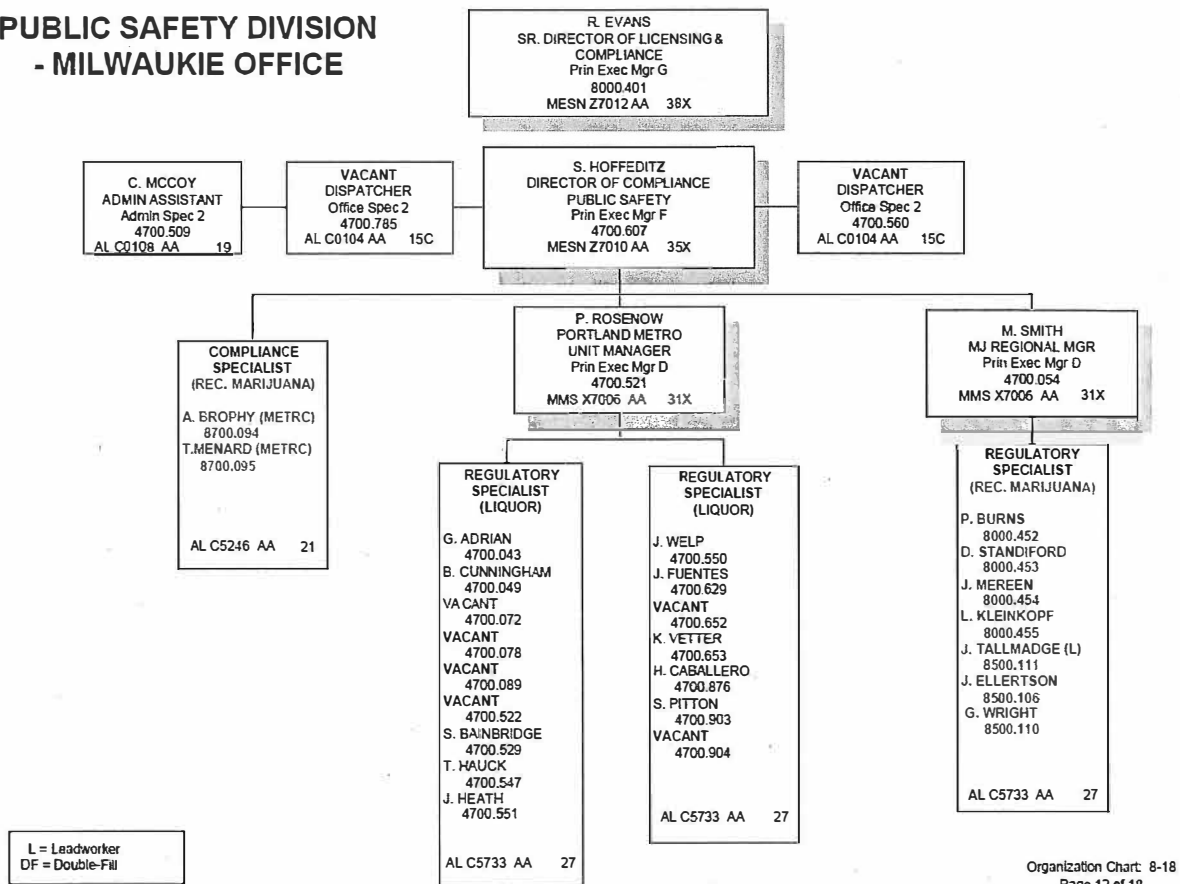


PUBLIC SAFETY DIVISION

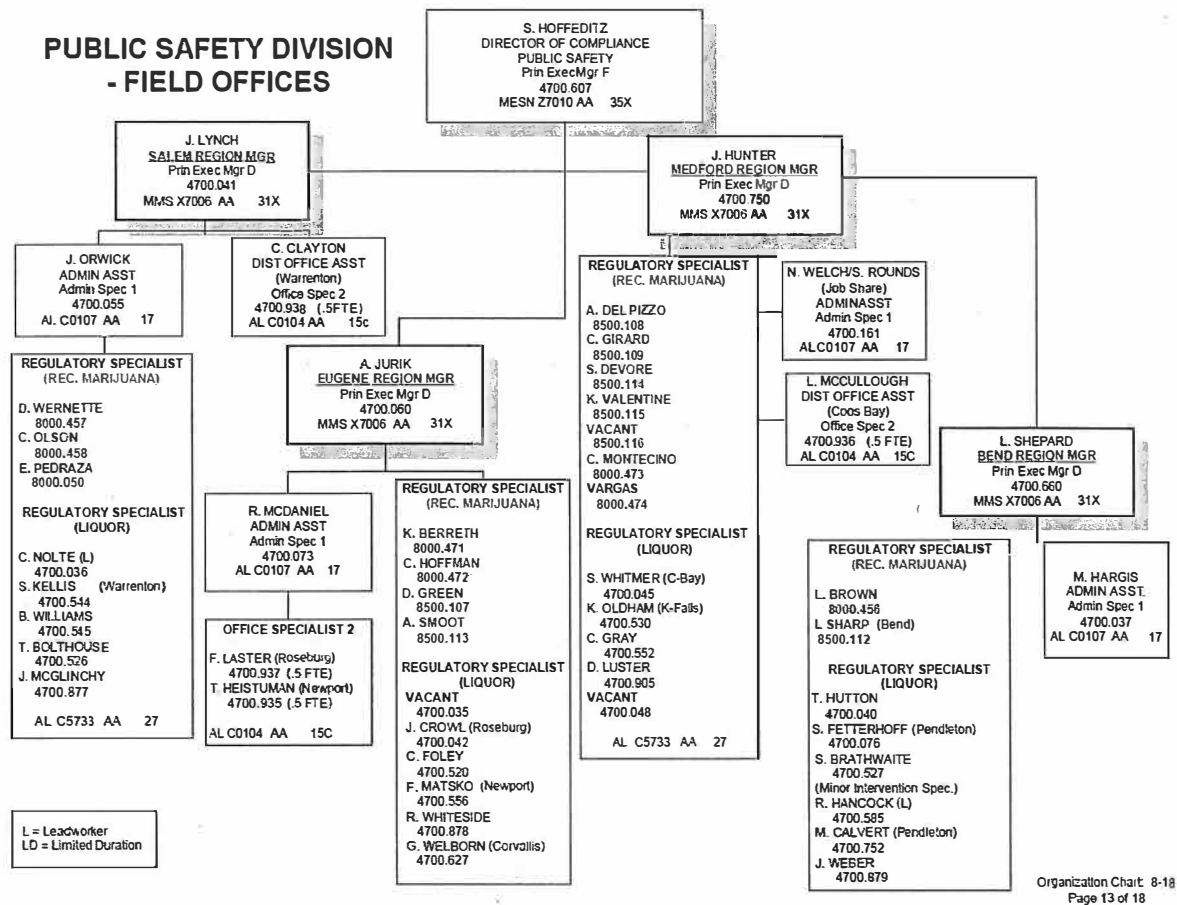


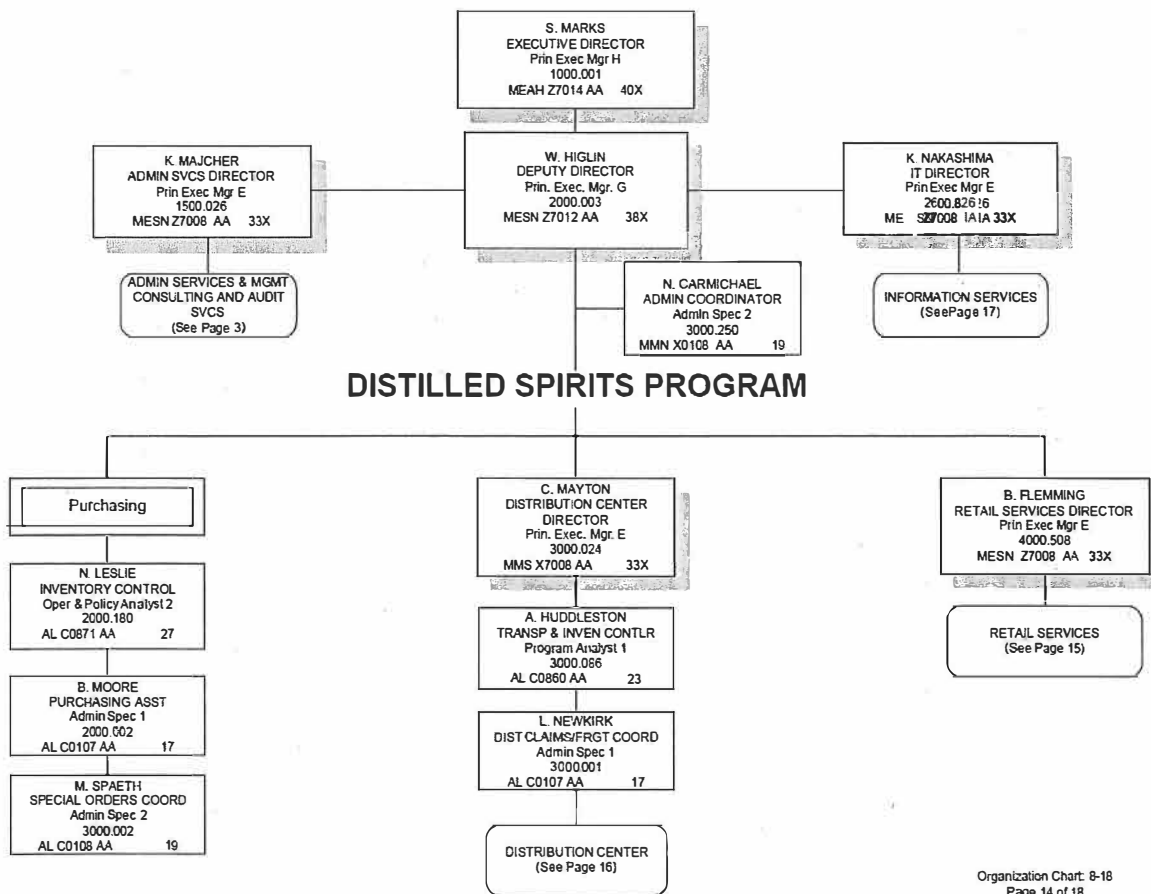
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**PUBLIC SAFETY DIVISION
- MILWAUKIE OFFICE**

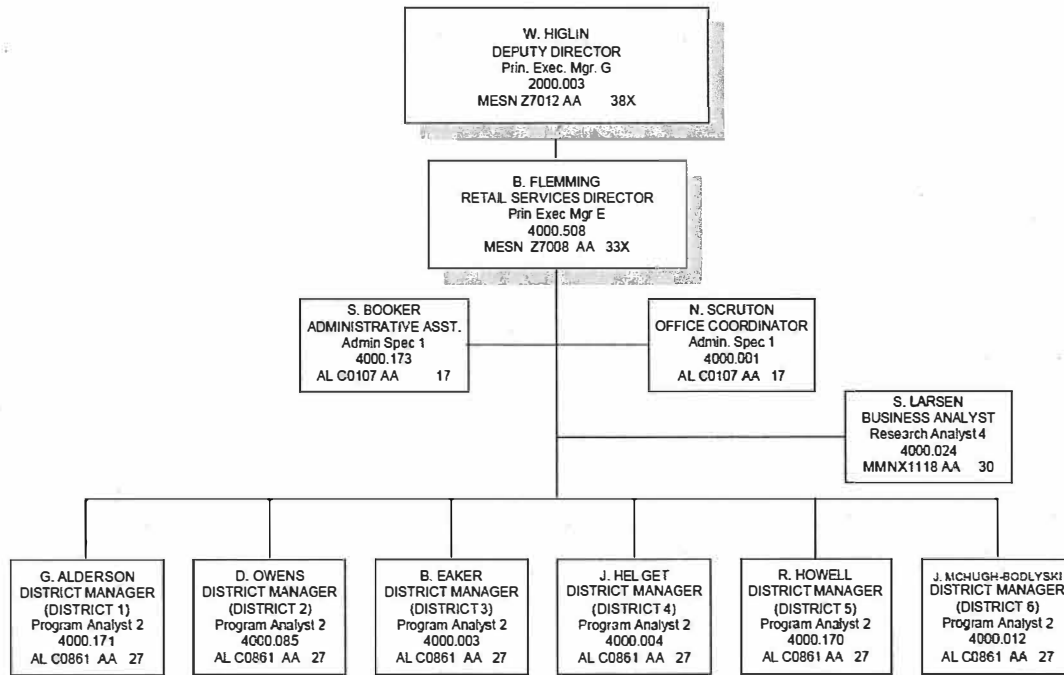


PUBLIC SAFETY DIVISION - FIELD OFFICES



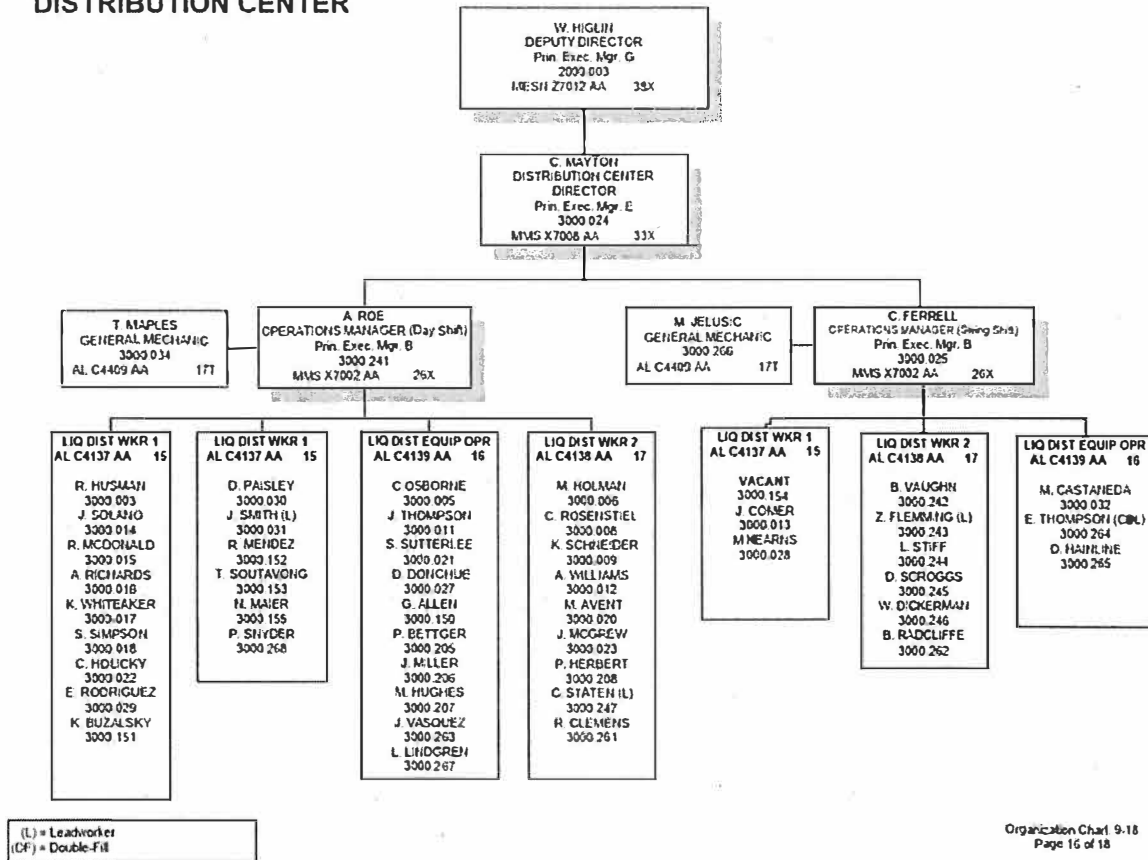


RETAIL SERVICES

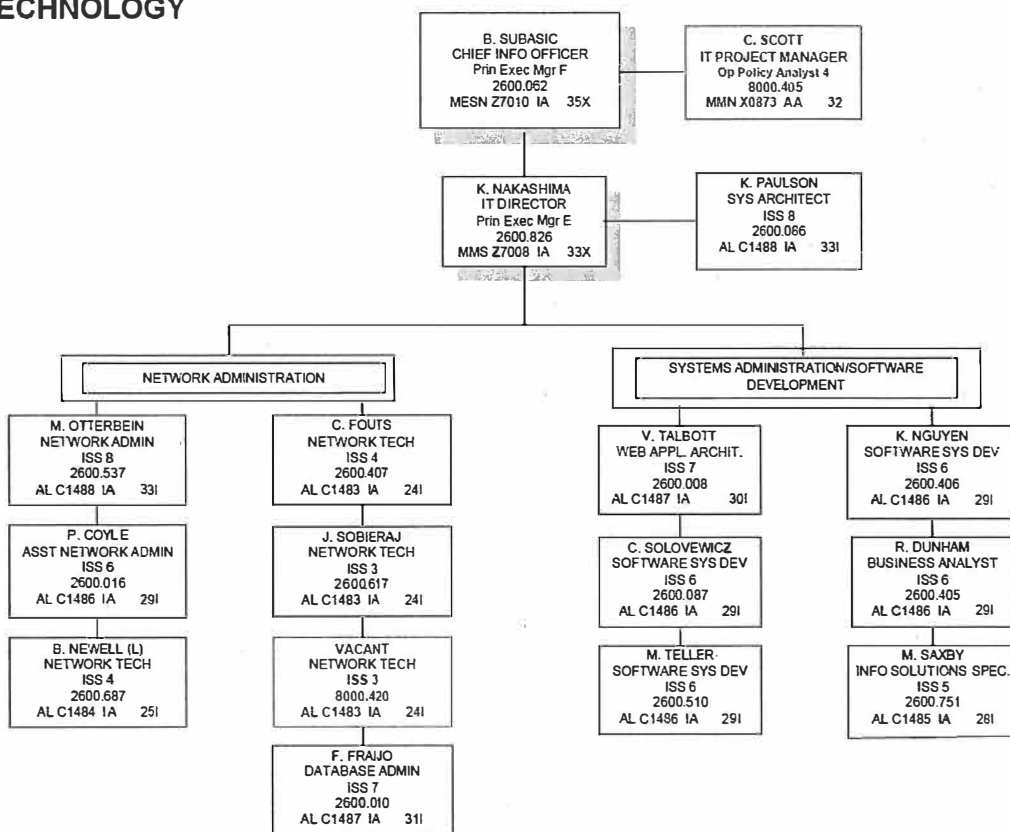


Organization Chart: 3-18
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DISTRIBUTION CENTER



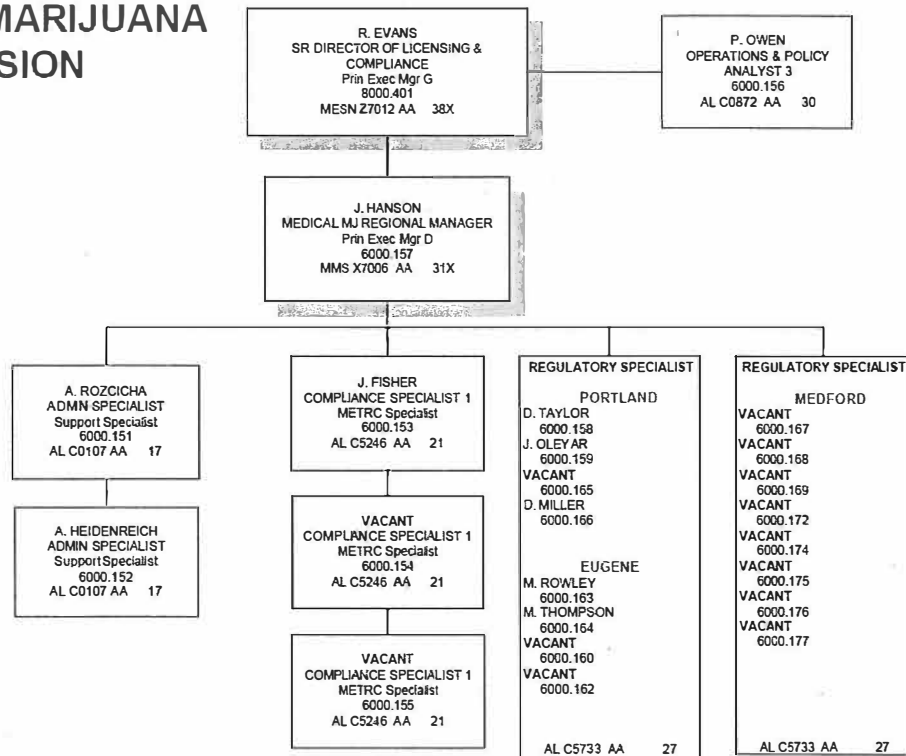
INFORMATION TECHNOLOGY



(L) Leadworker

Organization Chart: 8-18
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MEDICAL MARIJUANA DIVISION



L = Leadworker
DF = Double-Fill

Organization Chart: 8-18
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II. Affirmative Action Plan

A. Affirmative Action Policy Statement

People are the Oregon Liquor Control Commission's most important asset and foundation. Each person represents differences that enrich the workplace with vitality and energizes cultural awareness.

It is the Commission's policy to provide Equal Employment Opportunity (EEO) at all levels and in all aspects of the agency's operations. It also serves the public fairly, and as matter of policy, reinforces that its services are also 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, supports development and retention of a representative workforce as well as provide true equal employment opportunity. Managers are accountable for actively supporting recruitment, career development, and other Affirmative Action programs focused on achieving goals. The Commission formally evaluates managers on these efforts and accomplishments.

Additionally, Commission employees and managers are accountable for helping develop a work climate reflecting care and respect for all individuals, including co-workers, customers, other stakeholders, and members of the public. The Commission will not tolerate harassing behavior. Employees are expected to actively help create and promote a harassment free work environment while 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

OLCC seeks to reflect the diverse Oregon society. It also seeks to attract and retain a workforce that models and represents diverse culture. Culture includes, but is not limited to, people from diverse gender, age, race, religion, national origin, sexual orientation, and disability spectrums.

OLCC desires attracting and retaining a diverse workforce. It welcomes and supports all employees by identifying and disseminating unconscious barriers and fostering a diverse and inclusive workplace environment. OLCC will diversify its sourcing and recruiting strategies as well as develop partnerships within more diverse communities. 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 OLCC 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, 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 is dated July 1, 2019 through June 30, 2021, 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 Commission and leaders for resolution. Anyone subject to harassment or discrimination should report concerning and inappropriate behavior to the employee's immediate supervisor, another manager, Human Resources, 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 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 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 in the attainment of 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 agency 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 leadership 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 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, OLCC 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. 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. As a result of the agency’s all-staff diversity and inclusion training, there has been a decrease in parity in several job categories:

- Currently parity is at “0” for People with Disabilities in the Official/Administrators category. Parity in 2016 was at a “1”.
- Currently parity is at a “1” for females and a “0” for Asians in the Professionals category. Parity in 2016 was at a “4” for females and a “1” for Asians.

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

OLCC generally does not employ volunteers other than those who occasionally assist with “minor decoy” operations.

d. Contractors/Vendors

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. Leadership Development/Training Programs

a. EEO Data of Trainees

From July 1, 2017 through present, there were 19 employees in lead work positions, 64 employees in work-out-of-class positions and 76 employees placed in training roles. Employees working out of class and/or in training roles receive training differentials. Employees translating for the agency receive a bi-lingual differential. The EEO categories (158 employees) are itemized below. *This data was not previously documented in the last biennium.* Moving forward, this information will be tracked in the new HRIS (Human Resource Information System).

- 44% Female
- 1% African American
- 6% Asian
- 4% Hispanic
- 2% Native American
- 2% People with Disabilities

b. Results of Development/Training Programs

From July 1, 2017 through present, there were 50 promotions. Following is a breakdown by EEO category.

- 40% Female
- 2% African American
- 4% Asian
- 4% Hispanic
- 2% Two or more races

F. 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. OLCC would like to lead these efforts and create its first ERG this biennium to address the parties mentioned in this report.

G. 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 outreach 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, 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.

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. 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, 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. OLCC will continue these outreach efforts to the Oregon community for Phase 6, which begins in August 2018.

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 will 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. OLCC plans to participate in future events.

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 minority, women, emerging small businesses and veteran-owned businesses. OLCC plans to continue participation in future OAME events.

OLCC is a partnering agency of the annual statewide Diversity Conference. The sponsorship guarantees attendance at the conference for up to 14 staff. 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.

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. 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.

H. Executive Order 17-11 Updates

a. Respectful Leadership Training (Diversity, Equity and Inclusion)

As mentioned in the section above, all managers and supervisors attend 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. 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

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, the Human Resources Director sends them a letter confirming their resignation with information regarding the state exit interview survey.

To date, OLCC has not received any feedback from surveys administered upon agency exit.

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, 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.

I. Status of Contracts to Minority Businesses (OR659A.015)

- a. Administrative Services (formerly General Services) staff, who administer the agency's contracts, participated in contract training and revised internal processes and practices to help increase outreach to women-owned, minority-owned, emerging small businesses and now Service Disabled Veteran business owners (OMWESB). The groups listed above are managed by COBID (Certification Office of Business Inclusion and Diversity).

Administrative Services joined OAME (Oregon Association of Minority Entrepreneurs) and staff attend OAME meetings and workshops to network and build relationships with minority business owners.

- i. OLCC's total contract budget: The agency does not have a budget line item in any division dedicated to "contracts". Contracts are developed as each division implements their strategic plan.
- ii. Total number of contracts: 45
- iii. Total number of contracts with COBID firms: 5
- iv. Total contract award amounts on COBID contracts: \$193,946.20.

Last biennium's total contract award amounts on COBID contracts was \$58,192.29.

Like other state agencies, OLCC follows DAS procurement procedures to contract janitorial services by Qualified Rehabilitation Facilities. These facilities are private, non-profit corporations that employ people with disabilities.

Following is a breakdown of OLCC's 232 contract retail liquor store agents by EEO categories (store agents' ethnicity is provided on a voluntary basis):

- 29% Female
- 9% Asian
- 1% Hispanic
- Six store agents chose not to identify

III. Roles for Implementation of Affirmative Action Plan

A. Responsibilities and Accountability

a. Executive Director

- 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.

b. Division Directors, Managers and Supervisors

- 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 development 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 status of meeting Affirmative Action goals.
- Make good faith efforts towards meeting Affirmative Action hiring goals.
- Promote retention through training and development opportunities, and internal promotions.

c. Human Resources (including 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 development opportunities, internal promotions, and use of information from exit interviews.

IV. July 1, 2017 – June 30, 2019

A. Accomplishments

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 work in progress, OLCC accomplished many of the strategies associated with the goals such as:

Goal 1: Recruit a diverse workforce

OLCC seeks to attract and retain people of diverse gender, age, race, religion, ethnicity, national origin, sexual orientation, and disability spectrums. 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 OLCC's job postings include embracing and fostering diversity and multi-culturism in the workplace as a desired attribute. 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

OLCC believes an inclusive workforce that values diversity will provide the best customer service to our diverse population that we serve. 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, OLCC displays two diversity-themed bulletin boards with rotating content and permanently displays diversity themed artwork. OLCC also makes available books and videos on diversity topics in the employee library.

Goal 3: Promote and sustain a welcoming, inclusive environment
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 OLCC has held a variety of celebrations and events to promote an inclusive environment like potlucks, contests, service awards, interactive all staff meetings, etc. OLCC managers personally fund a holiday celebration and summer barbeque to show appreciation for 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, 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. OLCC also ensures our services are more accessible by Spanish speakers by publishing public notice posters in Spanish and hiring bilingual staff for certain positions.

Although OLCC has consistently maintained a very diverse workforce going back many years, we will continue to eliminate the areas of Affirmative Action underutilization as well as increase our overall workforce generally and continue to implement strategies associated with the four goals above.

B. Progress made or lost since previous biennium

Success in achieving Affirmative Action goals for employment are often measured by a concept of equity called parity. Parity goals are based on a complex factor analysis. Parity is the percentage of representation of a protected group equal to the percentage of such persons in the availability base for the protected group. Underutilization occurs when fewer women, people of color, or people with disabilities are employed in job groups than would be expected given their availability in the relevant labor pools.

The tables on the following page compare OLCC's Affirmative Action underutilization data for June 30, 2016 and June 30, 2018. The figure under

the following columns indicate the number of employees that would need to be hired to reach parity (Women, African American, Hispanic, Asian & Pacific Islander, Native American, and People with Disabilities). Dashes indicate areas of no underutilization. This data is obtained from DAS AA/EEO reports.

OLCC's Underutilization (in FTE) – 6/30/16:

EEO-4 Job Category	Total # of Employees in Job Category	Women	African American	Hispanic	Asian & Pacific Islander	Native American	People with Disabilities
A) Official/Administrators	20	--	1 (5%)	--	--	--	1 (5%)
B) Professionals	59	3 (5%)	--	1 (1%)	--	--	2 (5%)
C) Technicians (Computer) (no positions at OLCC)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
D) Protective Service Workers	53	--	--	--	--	--	1 (2%)
E) Para-Professionals (no positions at OLCC)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
F) Administrative Support	45	--	--	--	--	--	2 (4%)
G) Skilled Craft Workers	4	--	--	--	--	--	--
H) Service-Maintenance	46	14 (30%)	--	--	--	--	2 (4%)

OLCC's Underutilization (in FTE) – 6/30/18:

EEO-4 Job Category	Total # of Employees in Job Category	Women	African American	Hispanic	Asian & Pacific Islander	Native American	People with Disabilities
A) Official/Administrators	26	--	1 (4%)	--	--	--	--
B) Professionals	71	1 (1%)	1 (1%)	1 (1%)	--	--	2 (3%)
C) Technicians (Computer) (no positions at OLCC)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
D) Protective Service Workers	82	--	--	--	--	--	2 (2%)
E) Para-Professionals (no positions at OLCC)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
F) Administrative Support	48	--	--	--	--	--	1 (2%)
G) Skilled Craft Workers	4	--	--	--	--	--	--
H) Service-Maintenance	48	16 (33%)	--	--	--	--	2 (4%)

The above tables comparing June 2016 and June 2018 show there has been relatively little change in OLCC's underutilization figures however the amount of employees in each job category has increased in all job categories other than Skilled Craft Workers. The good news is that the agency is at or near parity in most of the EE0-4 job categories. The main area of concern continues to be the category for People with Disabilities (D). OLCC has underutilization for people with disabilities in four job categories which is an improvement from five job categories last biennium. The term "disability" is defined as physical or mental impairments that substantially limit one or more life activities. Disabilities can include common diseases such as high blood pressure or diabetes. Since employees are typically not aware of this broad definition, they may not perceive themselves as having a disability. Also, because of the social stigma associated with the terminology "disability", many employees will not voluntarily disclose they have a disability. None the less, OLCC must ensure that the recruitment and selection process continues to be accessible and responsible to People with Disabilities.

From the tables it also appears women are significantly underutilized in the "Service-Maintenance" category (Note: of 48 positions in this category, 44 are warehouse positions). OLCC currently employs two women in the Service-Maintenance category. OLCC has for years contended that the Service-Maintenance parity percentage for women is not applicable to highly physical warehouse jobs like the ones at OLCC. In our experience, relatively few women apply for warehouse jobs, typically less than one out of 10 applicants is female. Because warehouse jobs are not typically found in the public sector, these jobs do not readily fit into any of the current EEO-4 job categories. As a result, the parity goals are highly skewed. OLCC continues to advocate for the creation of a new EEO-4 category or sub-category with a more realistic parity percentage for women relevant to warehouse jobs. Another item that needs to be taken into consideration is the fact that OLCC hires temporary warehouse workers on a weekly basis. The agency hires females into these positions however temporary appointments only last up to six months Oftentimes temporary staff are not employed the full six months as they are seeking permanent positions elsewhere.

As previously noted in the Employment/Implementing Equity section of this report, you will see a few examples of the decrease in parity between 2016 and 2018 below, even with an increase of 51 employees:

- Currently parity is at "0" for People with Disabilities in the Official/Administrators category. Parity in 2016 was at a "1".
- Currently parity is at a "1" for females and a "0" for Asians in the Professionals category. Parity in 2016 was at a "3" for females and a "1" for Asians.

Not only did women earn 48% (24 out of 50) of the promotions in the last year but as mentioned previously in this report, women were highly represented in work out of class, lead work and training positions.

OLCC has six Commissioner positions and one Chair position. Currently all positions are filled except one Commissioner. Of the Commissioners, two are Female and three are African American. The Commissioner's purpose is to set policy for the agency by interpreting legislative intent and implementing procedures to carry out laws and rules in the best interest of the public.

V. July 1, 2019 – June 30, 2021

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 from within women, people of color, and people with disabilities.
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 OLCC's Affirmative Action Plan.

B. Strategies and timeline for achieving agency goals

- Beginning in January of 2019, 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 2019, OLCC will develop and maintain additional relationships with institutions of higher education and diversity community groups. Better understand how they and OLCC will benefit from the relationship. Throughout the biennium, continuously communicate OLCC opportunities and ask for their assistance in promoting those opportunities.
- By September of 2019, OLCC will incorporate the goals of the plan into the agency's strategic plan.
- In October of 2019, Human Resources or 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, OLCC will continue supporting each strategy and develop and implement new strategies as opportunities arise.

- Continue to offer and promote opportunities for career developments, work-out-of-class assignments, job rotations, tuition reimbursements, and internal and external training and development.
- In 2020, analyze the new performance evaluation system which provides employees and their managers an opportunity to discuss and commit to professional development opportunities.

VI. 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

VII. 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

VIII. Appendix C – Agency documentation in support of its Affirmative Action Plan

IX. Appendix D – Additional Federal Documentation

- A. Agency-Specific Federal Reporting Requirements
- B. Executive Order 11246 (OFCCP Regulations)

BUDGET NARRATIVE

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