

House Bill 2533

Sponsored by Representative DINGFELDER, Senator MORRISETTE

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Imposes malt beverage cost recovery fee on malt beverages. Distributes moneys to cities and counties for alcohol and drug abuse and mental health preventive, early intervention and treatment services, public health services, law enforcement purposes related to mental health and addiction activities, drug-free housing efforts and drug court program funding.

A BILL FOR AN ACT

1
2 Relating to malt beverage cost recovery fees; creating new provisions; amending ORS 471.805; ap-
3 propriating money; and providing for revenue raising that requires approval by a three-fifths
4 majority.

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

6 **SECTION 1. Section 2 of this 2005 Act is added to and made a part of ORS chapter 473.**

7 **SECTION 2. (1) In addition to and not in lieu of any amount imposed under ORS 473.030**
8 **or other law, in order to recover a portion of the government costs incurred as a result of**
9 **the consumption of malt beverages, a manufacturer or an importing distributor of malt**
10 **beverages shall be subject to a malt beverage cost recovery fee of 10 cents per 12 ounces of**
11 **malt beverage.**

12 **(2) In the case of a manufacturer of malt beverages that produces less than 200,000 bar-**
13 **rels of malt beverages annually or an importing distributor who exclusively imports from one**
14 **or more manufacturers that produce less than 200,000 barrels, the amount of the cost re-**
15 **covery fee described in subsection (1) of this section shall be five cents per 12 ounces of malt**
16 **beverage.**

17 **(3) The cost recovery fee shall be measured by the volume of malt beverage produced,**
18 **purchased or received by the manufacturer or importing distributor. The cost recovery fee**
19 **shall be applied proportionally to quantities in containers of different capacity than the**
20 **quantity specified in this section.**

21 **(4) The cost recovery fee shall be paid to the Oregon Liquor Control Commission at the**
22 **same time that privilege taxes are paid to the commission.**

23 **(5) For all purposes of collection and enforcement, reporting, claims for refunds, penal-**
24 **ties, interest, record keeping, inspection of records, appeals, confidentiality and disclosure**
25 **of information, the cost recovery fee shall be considered to be a privilege tax imposed under**
26 **ORS 473.030.**

27 **SECTION 3. ORS 471.805 is amended to read:**

28 471.805. (1) Except as otherwise provided in ORS 471.810 (2), all money collected by the Oregon
29 Liquor Control Commission under this chapter and ORS chapter 473 and privilege taxes shall be
30 remitted to the State Treasurer who shall credit it to a suspense account of the commission.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 Whenever the commission determines that moneys have been received by it in excess of the amount
 2 legally due and payable to the commission or that it has received money to which it has no legal
 3 interest, or that any license fee or deposit is properly refundable, the commission is authorized and
 4 directed to refund such money by check drawn upon the State Treasurer and charged to the sus-
 5 pense account of the commission. After withholding refundable license fees and such sum, not to
 6 exceed \$250,000, as it considers necessary as a revolving fund for a working cash balance for the
 7 purpose of paying travel expenses, advances, other miscellaneous bills and extraordinary items
 8 which are payable in cash immediately upon presentation, the commission shall direct the State
 9 Treasurer to transfer the money remaining in the suspense account [to] **as follows:**

10 **(a) Amounts collected under section 2 of this 2005 Act shall be transferred to the County**
 11 **Health Fund established under section 4 of this 2005 Act; and**

12 **(b) The balance of the suspense account following the transfer of funds under paragraph**
 13 **(a) of this subsection shall be transferred to the Oregon Liquor Control Commission Account in**
 14 **the General Fund.**

15 (2) All necessary expenditures of the commission incurred in carrying out the purposes and
 16 provisions required of the commission by law, including the salaries of its employees, purchases
 17 made by the commission and such sums necessary to reimburse the \$250,000 revolving fund, shall
 18 be audited and paid from the Oregon Liquor Control Commission Account in the General Fund, upon
 19 warrants drawn by the Oregon Department of Administrative Services, pursuant to claims duly ap-
 20 proved by the commission.

21 (3) Money produced by the operation of this chapter and ORS chapter 473 necessary to pay such
 22 expenditures is appropriated from the Oregon Liquor Control Commission Account in the General
 23 Fund for such purposes.

24 **SECTION 4. (1) The County Health Fund is created, separate and distinct from the Gen-**
 25 **eral Fund. Interest earned by the County Health Fund shall be credited to the County Health**
 26 **Fund.**

27 **(2) Moneys in the County Health Fund are continuously appropriated to the Department**
 28 **of Human Services to be distributed in each calendar quarter as follows:**

29 **(a) 10 percent of the balance in the fund shall be distributed in equal shares to each local**
 30 **mental health authority.**

31 **(b) The remaining balance shall be distributed as follows and for the following purposes:**

32 **(A) 7.7 percent of the remaining balance to the Housing and Community Services De-**
 33 **partment for the purpose of establishing, maintaining and ensuring drug-free housing;**

34 **(B) 7.7 percent of the remaining balance to the Judicial Department for the purpose of**
 35 **funding drug court programs established under ORS 3.450;**

36 **(C) 7.7 percent of the remaining balance to the Department of Human Services for the**
 37 **purpose of funding mental health and chemical dependency residential treatment;**

38 **(D) 7.7 percent of the remaining balance to counties for law enforcement purposes that**
 39 **are related to mental health and addiction activities, including but not limited to community**
 40 **corrections, physician holds, enforcement of laws relating to driving while under the influ-**
 41 **ence of intoxicants or enforcement of laws relating to alcoholic beverage purchaser and sales**
 42 **requirements;**

43 **(E) 7.7 percent of the remaining balance to cities for law enforcement purposes that are**
 44 **related to mental health and addiction activities, including but not limited to community**
 45 **corrections, physician holds, enforcement of laws relating to driving while under the influ-**

1 **ence of intoxicants or enforcement of laws relating to alcoholic beverage purchaser and sales**
 2 **requirements;**

3 **(F) 7.7 percent of the remaining balance to counties for public health authority programs**
 4 **related to alcohol and drug abuse or mental illness;**

5 **(G) 7.7 percent of the remaining balance to a single statewide entity to be identified by**
 6 **the Department of Human Services, for the purpose of alcohol and other drug abuse pre-**
 7 **vention activities, including but not limited to underage drinking and addiction issues related**
 8 **to children and families;**

9 **(H) 7.7 percent of the remaining balance to local mental health authorities for the pur-**
 10 **pose of alcohol and other drug abuse prevention activities, including but not limited to**
 11 **underage drinking and addiction issues related to children and families; and**

12 **(I) 38.4 percent of the remaining balance to local mental health authorities for the pur-**
 13 **pose of mental health and addiction prevention, treatment and post-treatment care.**

14 **(3)(a) The distributions to each county described in subsection (2)(b)(D) and (F) of this**
 15 **section shall be in the same proportion to the total amount distributed under subsection**
 16 **(2)(b)(D) and (F) of this section as the population of the county bears to the total state pop-**
 17 **ulation.**

18 **(b) The distribution to each city described in subsection (2)(b)(E) shall be in the same**
 19 **proportion to the total amount distributed under subsection (2)(b)(E) of this section as the**
 20 **population of the city bears to the total population of all cities in this state.**

21 **(c) The distributions to each local mental health authority described in subsection**
 22 **(2)(b)(H) and (I) of this section shall be in the same proportion to the total amount distrib-**
 23 **uted under subsection (2)(b)(H) and (I) of this section as the population of the county the**
 24 **local mental health authority represents bears to the total state population. For purposes**
 25 **of this paragraph, a tribe whose tribal council has elected to provide mental health services**
 26 **as described in ORS 430.630 (10)(a)(B) shall be considered a county.**

27 **(d) The distributions to the single statewide entity described in subsection (2)(b)(G) of**
 28 **this section shall be used by the entity to provide prevention training and technical assist-**
 29 **ance, coordinate prevention programs throughout this state and conduct statewide surveys**
 30 **to collect data to be used for assessing the effectiveness of prevention programs.**

31 **(e)(A) Moneys distributed to a local mental health authority under subsection (2)(b)(H)**
 32 **of this section may be further allocated by the authority only with the approval of the local**
 33 **alcoholism planning committee. Up to 18 percent of the amount distributed to an authority**
 34 **under subsection (2)(b)(H) of this section may be used for a county alcohol and drug abuse**
 35 **prevention coordinator and administrative support for the coordinator, but only if the local**
 36 **alcoholism planning committee determines that a coordinator is needed. At least 82 percent**
 37 **of the amount distributed under subsection (2)(b)(H) of this section shall be further allocated**
 38 **to community-based alcohol and drug abuse prevention organizations that have a docu-**
 39 **mented history of community-based prevention work.**

40 **(B) For purposes of this paragraph, “community-based prevention work” includes but is**
 41 **not limited to underage drinking prevention, parent involvement, workplace initiatives,**
 42 **community mobilization, youth-led prevention, community service initiatives and public**
 43 **communications and media initiatives that are designed to educate the general public about**
 44 **preventing underage use of alcohol or illicit use of drugs.**

45 **(4)(a) Except as provided in subsection (3)(e)(A) of this section, any recipient of funds**

1 under this section may not use more than eight percent of the funds received for adminis-
2 trative purposes.

3 (b) If requested by the Department of Human Services, a recipient of funds under this
4 section shall cause an independent audit of the expenditure of these funds to be performed
5 to ensure that the expenditure of the funds is for the purposes designated. The recipient
6 shall submit a report of the audit to the department.

7 (c) The Department of Human Services may not be charged and is not liable for the costs
8 of an audit described in this subsection.

9 (5) As used in this section:

10 (a) "Local alcoholism planning committee" means a local alcoholism planning committee
11 described in ORS 430.342.

12 (b) "Local mental health authority" has the meaning given that term in ORS 430.630
13 (10)(a).

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