

**REVENUE IMPACT OF
PROPOSED LEGISLATION
Seventy-Eighth Oregon Legislative
Assembly
2015 Regular Session
Legislative Revenue Office**

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| Bill Number: | SB 844 - 7 |
| Revenue Area: | Marijuana Revenue |
| Economist: | Mazen Malik |
| Date: | 05-04-2015 |

***Only Impacts on Original or Engrossed
Versions are Considered Official***

The revenue impact of this measure is indeterminate for the following reasons:

SB 844-7 directs the Oregon Health Authority to adopt rules that establish standards for testing, labelling and packaging marijuana products. SB 844-7 also requires that the Oregon Health Authority license laboratories to test products sold in the recreational marijuana system. Retail sales of marijuana cannot commence without sufficient licensed testing facilities or rules for packaging and labelling. The "-7" directs the Oregon Liquor Control Commission to provide consultation with the Oregon Health Authority to establish rules for testing standards for usable marijuana products to be sold through dispensaries or retail stores and to establish rules for licensing of testing laboratories. It also provides for different agencies to enter into an agreement for laboratory license inspections or compliance activities.

The impact of the licensure of laboratories by the Oregon Health Authority could work positively to facilitate the commercial rollout and make it less cumbersome and less complicated, which allows for tax revenue to develop a stable predictable pattern. The Oregon Liquor Control Commission is directed, by statute, to begin accepting license applications for the retail marijuana system on January 4, 2016. However, no licensed producer will be able to sell their product without sufficient testing facilities in place. If the unfolding of the testing and control regimes drags in a slow moving uncertain process, then SB 844-7 presents a possible risk to Marijuana revenues from reliably making its way to the state coffers as measure 91 takes effect.