

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

<b>Bill Number:</b>	<b>SB844 - 18</b>
<b>Revenue Area:</b>	<b>Marijuana Revenue</b>
<b>Economist:</b>	<b>Mazen Malik</b>
<b>Date:</b>	<b>05-11-2015</b>

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

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

SB 844-18 amends the “-6” amendment, which directs the Oregon Health Authority to adopt rules that establish standards for testing, labelling and packaging marijuana products. It 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 “-18” allows local government bodies to prohibit the establishment of medical marijuana dispensaries, with an exemption if licensed by OHA prior to May 1, 2015 and transferring usable marijuana. The amendment reduces proof of residency time requirement from four years to two for growers and those responsible for dispensaries. Limits amount of usable marijuana cardholder and caregiver can possess to 24 ounces and Limits amount of usable marijuana grower may possess to 12 pounds per outdoor plant or 6 pounds per indoor plant. Allows OHA to provide information regarding grow site, processing site or dispensary to law enforcement or regulatory agency of city or county. Modifies definition of ‘medical cannabinoid product’ to include product intended to be applied to skin or hair.

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 (seed to seed) regimes complicates in a slow moving process, then The Amended bill could present a risk to measure-91 revenue, by delaying it from reliably making its way to the state coffers.