

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

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|----------------------|--------------------------|
| <b>Bill Number:</b>  | <b>SB 844 - 20</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:**

The -20 allows city or county to adopt ordinances prohibiting dispensaries and processing sites. Requires city or county to order election when presented with petition to prohibit or allow either dispensaries, processing sites or both. The specified election is to be held at time of next statewide election. Specifies petition must be filed 60 days prior to election and be signed by 4 percent of registered voters of city or county. Exempts dispensaries and processing sites from ordinance if licensed by OHA on or before operative date of ordinance and is in compliance with applicable city or county ordinances. Exempts dispensaries and processing sites from ordinance if licensed by OHA on or before May 1, 2015 and is in compliance with applicable city or county ordinances or is a land-use applicant whose application is deemed complete by county or city. It also exempts dispensary from ordinance if dispensary applies to be licensed by OHA on or before July 1, 2015.

SB 844-20 amends the “-6” amendment, which directs the Oregon Health Authority to adopt rules that establish standards for testing, labelling and packaging marijuana products. SB 844-6 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 “-20” Exempts processing site if registered by OHA, processing usable marijuana on or before March 1, 2016 and is in compliance with applicable city or county ordinances or is a land use applicant whose application is deemed complete by county or city, however, it removes exemption if license is revoked by OHA. 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. 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 sale) 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.