

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

Bill Number:	SB 844 - 25
Revenue Area:	Marijuana Revenue
Economist:	Mazen Malik
Date:	05-11-2015

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

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

The -25 allows city or county to adopt ordinances prohibiting dispensaries and processing sites, and requires ordinance be adopted within 180 days after effective date of measure. If ordinance is adopted, it should be submitted to jurisdiction's voters for approval at next statewide election. Until then, the OHA is prevented from licensing any establishments in jurisdiction with ordinance. It also exempts dispensary from ordinance if dispensary is licensed by OHA on or before effective date of ordinance and is in compliance with applicable city or county ordinances. Exempts dispensary if licensed by OHA prior to May 1, and exempts dispensary from ordinance if licensed by OHA on or before July 1, 2015 and is in compliance with applicable city or county ordinances. Exempts processing site if registered by OHA on or before effective date of ordinance.

SB 844-25 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 "-25" allows local government bodies to prohibit the establishment of medical marijuana dispensaries.

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.