

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

Bill Number:	SB 844 - 27
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 -27 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 while it extends operative date for plant limits to December 31, 2016. Allows OHA to provide information regarding specific grow site, processing site or dispensary to law enforcement or regulatory agency of city or county. Requires OHA to provide information to law enforcement agencies if OHA suspends license, revokes license or takes disciplinary action against grower, processor, or dispensary. The amendment also clarifies the definition of 'reasonable regulations' to include location, hours of operation, manner of transfer, and public access, and modifies definition of 'medical cannabinoid product' to include product intended to be applied to skin or hair.

SB 844-27 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 "-27" 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.