



## ALEX CUYLER

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DATE: February 21, 2017

TO: House Committee on Revenue

RE: HB 2203, relating to distribution of moneys collected as a tax imposed on the retail sales of marijuana items

Chair Barnhart and Members of the Committee:

The Lane County Board of Commissioners is in support of HB 2203.

Measure 91 was overwhelmingly supported by the voters of Oregon, and some of their support likely came from a desire to see a new revenue stream made available by the taxation portion of that ballot measure. It is our understanding that the Legislature had purposely chosen to not address the tax revenue allocation portions of the approved measure in their work during 2015 and 2016. Lane County is pleased to see that work undertaken now, as those allocations did miss the mark in terms of recognizing where the impacts of legal recreational marijuana translate into necessary public services.

Lane County supports the lessening of restrictions of how a County may utilize these dollars. Our experience to date proves the county has needed resources related to legal marijuana with respect to land use complaints and enforcement, a variety of impacts within the public safety system, and for public health. HB 2203 eliminates the previously prescribed use of tax revenues from the sale of marijuana and instead creates an unrestricted use of these dollars that will be decided by the locally formed budget committee which operates under Oregon's local government budget law. This is good public policy.

We are less certain in our support of the formulaic proposal for how the revenue amount is actually created. If there has been a Legislative Revenue Office analysis of how the formulas which were in the initial ballot measure compare to the proposed formulas, we have not seen that analysis. If it has not been done, we ask the Committee to direct that work, as we are uncertain if these formulas generate winners and losers amongst local government broadly.

Lane County urges the Committee to continue to work on this measure and certainly supports the need to re-examine and re-work the initial allocations to better reflect where the impact to the ballot measure lies and fund those services first.

SUBMITTED ELECTRONICALLY