

MAP  
of the  
UNITED STATES  
TERRITORY OF OREGON

West of the Rocky Mountains.  
Exhibiting the various Trading Depots or Forts  
occupied by the British Hudson Bay Company con-  
trasted with the Western and northwestern Fur Trade.

Compiled in the Bureau of Topographical  
Engineers from the latest authorities under  
the direction of Col. J.J. Abert by

Wash. Reed.

1838.

W.E. Blodgett del.

# Tourism and the Future of the Oregon Cannabis Industry

The prolongation of the 42<sup>nd</sup> parallel of latitude from the Rocky  
Mountains to the Pacific has been assumed as the Southern Boundary  
of the U.S. possessions on the SW coast, in consequence of  
the following convention from the Hon. Thomas Jefferson to Mr. Gallatin  
dated June 18<sup>th</sup> 1802. See Vol. 100 2<sup>d</sup> Cong. Laws No. 47 P. 131a and  
"How confirmed to secure the convenience of the West article of the



## **From A to Z**

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- ⦿ National & Local Cannabis Industry Trends
- ⦿ Current Tax Revenue & Statistics
- ⦿ Job Creation & Growth
- ⦿ Barriers to Future Growth
- ⦿ Opportunities

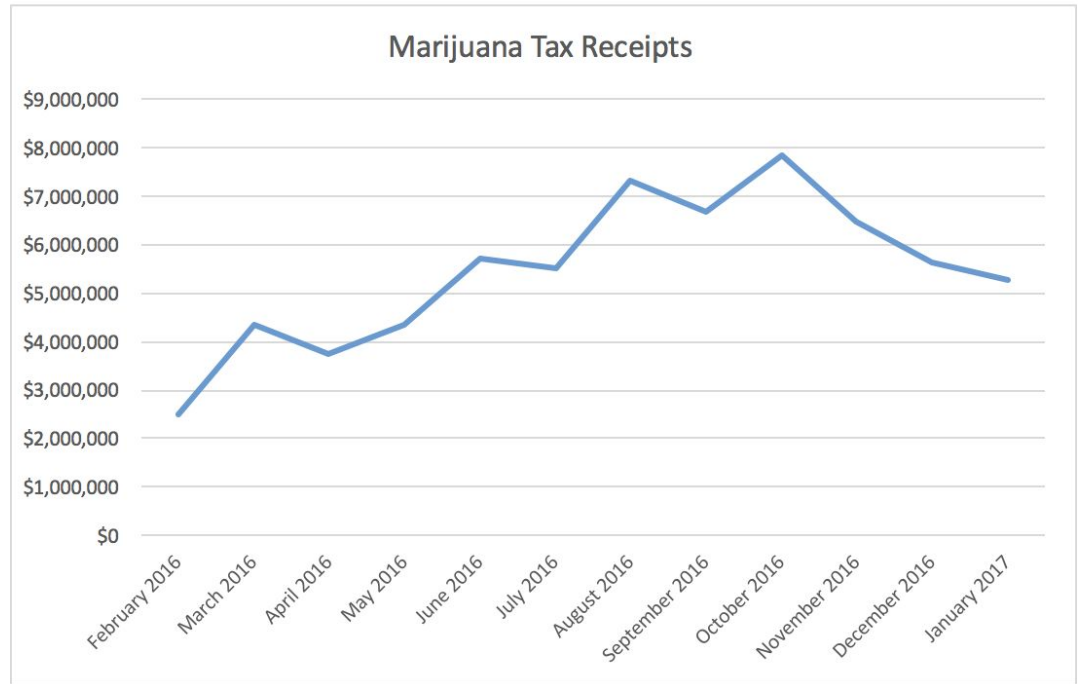


## How Big is the **National** Cannabis Economy?

- According to the oft-cited “State of Legal Marijuana Markets” report by ArcView Market Research (2017; 5th ed.)...
  - Annual sales of \$6.9 billion reported in 2016.
  - Annual sales over \$17 billion projected by 2020.
- An earlier (2014) report by GreenWave Advisors titled “State of the Emerging Marijuana Industry: Current Trends and Projections” included similar findings, and projected annual sales of up to \$35 billion by 2020.

## Oregon Marijuana Tax Statistics: Accounting Information

Month	Amount Received (Gross)
February 2016	\$2,484,170
March 2016	\$4,358,754
April 2016	\$3,735,111
May 2016	\$4,339,440
June 2016	\$5,735,508
July 2016	\$5,533,949
August 2016	\$7,345,281
September 2016	\$6,679,585
October 2016	\$7,831,157
November 2016	\$6,463,877
December 2016	\$5,647,600
January 2017	\$5,261,096
<b>Calendar Year 2016</b>	<b>\$60,154,432</b>
<b>Year-to-Date 2017</b>	<b>\$5,261,096</b>



Source: Oregon Department of Revenue Research Section (monthly receipt report data)

Note: Amounts reflect payments made by businesses during the calendar month, rather than tax liability. Tax liability is determined by a tax return.

Amounts cannot be directly translated to sales made by businesses to consumers, for several reasons.

Retailers retain two percent of taxes collected as a reimbursement for the cost of tax collection.

Payments might have been made later than when they were due, especially when the program was new.

Date updated: February 21, 2017

## Oregon Marijuana Tax Statistics: Characteristics of Filed Returns

2016 Quarter 1: sales occurring January 4, 2016 through March 31, 2016

<u>Region</u>	<u>Number of Filed Returns<sup>1</sup></u>	<u>Grams of Flower Sold<sup>2</sup> (rounded)</u>	<u>Average Grams by Establishment (rounded)</u>	<u>Average Price per Gram</u>	<u>Sales for All Products (rounded)</u>	<u>State Tax Liability<sup>3</sup> for the Quarter</u>
Central/Gorge/Northeastern	23	406,000	18,000	\$8.19	\$3,324,000	\$814,459
Oregon Coast	28	376,000	13,000	\$8.98	\$3,382,000	\$828,583
Portland City Limits	109	2,170,000	20,000	\$8.42	\$18,274,000	\$4,476,425
Portland Surrounding Areas	24	869,000	36,000	\$9.42	\$8,188,000	\$2,006,167
Southern Oregon	23	273,000	12,000	\$8.84	\$2,414,000	\$591,883
Willamette Valley	46	903,000	20,000	\$9.07	\$8,183,000	\$2,000,658
<b>Statewide Total</b>	<b>253</b>	<b>4,997,000</b>	<b>20,000</b>	<b>\$8.76</b>	<b>\$43,766,000</b>	<b>\$10,718,176</b>

<sup>1</sup>Approximately 25 percent of businesses either did not file any tax return for Quarter 1 or filed one that did not contain sensible component information.

<sup>2</sup>Grams sold only includes flower. Sales of leaves, seeds, and immature plants are too few to report.

<sup>3</sup>The total liability this quarter is \$13,455,202. That includes returns filed by the Department of Revenue because businesses did not file.

Most businesses made payments even if they didn't file a return.

Some payments were submitted late during the first quarter of the marijuana tax.

The presence of rounding may prevent exact matching of mathematical calculations.

Source: Oregon Department of Revenue Research Section

Statistics as of October 10, 2016



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# OREGON CANNABIS

J O B S + R E P O R T

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# JOB CREATION

IN THE

OREGON CANNABIS RETAIL SECTOR



**2,156**  
NEW JOBS  
CREATED

**1,345**  
FULL TIME  
EMPLOYEES

**805**  
PART TIME  
EMPLOYEES



**2,156**  
jobs

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**\$46M**  
in wages

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initial market  
of almost  
**\$300M<sup>1</sup>**

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**112%**  
sales increase from  
“limited sales”



*Table 1. Estimated Current Employment*

	Full Time	Part Time	Total	% Full Time
<b>Medical Sales Only</b>	70	125	195	35.8%
<b>Medical &amp; Adult Use Sales</b>	1,277	683	1,961	65.1%
<b>Industry-Wide Totals</b>	1,347	808	2,156	62.5%

*Table 2. Employment Growth Scenarios By Year End 2017*

Scenario	Total Dispensaries	Full Time	Part Time	Totals	Incr. Over Current
<b>Low</b>	340	1505	852	2357	9%
<b>Medium</b>	367	1558	882	2440	13%
<b>High</b>	394	1743	986	2729	27%



# Barriers



## **Barriers to Future Growth of the Industry**

- ⦿ Over Regulation (more recently at local level)
- ⦿ “Defacto” bans
- ⦿ Over Taxation
- ⦿ Responsible Consumption & Events
  - (aka new reasons to visit Oregon!)



**Opportunities**



**Cannabis Weddings**



**Concert Series**



## Cooking Classes



**Negril Retreat**  
Negril, Westmoreland - Jamaica

**\$60**  
Per Night

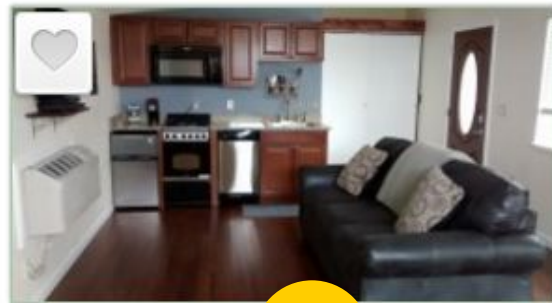


**The Bella Vista Esta..**  
Steamboat Springs, Colorado

**\$2500**  
Per Night



**Uruguay: La Secreta**  
Oceania Del Polonio,  
Rocha - Uruguay



**B and B 42**  
Denver, Colorado



**Montego Bay, St. James**  
- Jamaica

**Cannabis-Friendly Lodging**





## **SB 307: Responsible Consumption & Events**

### **What does SB 307 do?**

SB 307 would provide for consumption and sale of cannabis items at (a) temporary events or (b) cannabis lounges, subject to regulation by the Oregon Liquor Control Commission (OLCC) and local government.

### **What problem does SB 307 solve?**

Currently, adults and patients who purchase cannabis in Oregon have nowhere to consume it legally unless they own their own home. This has led some otherwise well-intentioned users to consume openly on sidewalks or in public parks. SB 307 would establish a common-sense policy for social consumption. By allowing social consumption of cannabis by responsible adults within designated and licensed areas, SB 307 would reduce problems associated with public use.



## SB 307: Responsible Consumption & Events

### Who cares about this issue?

SB 307 would improve quality of life for a number of groups who are dissatisfied with the current gaps in Oregon's cannabis rules, including:

- Medical cannabis patients who have nowhere to legally consume their medicine.
- Families living in public housing, especially under federal programs (i.e. Section 8), who risk losing their homes if they possess or consume cannabis.
- Parents not wanting to subject their children to cannabis consumption at home.
- Renters who live in buildings that prohibit cannabis consumption on the premises.
- Marijuana retailers who wish to advise customers on how to safely consume.
- Alcohol retailers who face potential liability if cannabis is consumed on their premises.
- Neighborhood associations with member residents and businesses located near existing cannabis businesses where customers may currently consume in public.
- Schools and other community centers.
- Students living in campus housing.
- Tourists staying in hotels.



## SB 307: Responsible Consumption & Events

### **What about local policy?**

Consistent with existing Oregon law, SB 307 preserves the rights of local governments to license and regulate commercial cannabis businesses within their jurisdiction. SB 307 is entirely “opt in.” It would not “force” any government to issue licenses allowing social cannabis consumption.



## Why now?

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- ⦿ Legal consumption = Additional Tax Revenue
- ⦿ Responsible adults deserve a safe LEGAL space to consume
- ⦿ Short timeline to capitalize before CA & NV come online (Denver recently legalized cannabis lounges)
- ⦿ Positioning for the eventual fall of federal prohibition
- ⦿ Did I mention....

# ADDITIONAL TAX REVENUE!





# Thanks!

**Any *questions* ?**

- Sam Chapman
  - 503-396-9062
  - sam@necoregon.com