

Legislative Fiscal Office

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Joint Committee on Ways and Means

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To: Capital Construction Subcommittee

From: Michelle Deister, Legislative Fiscal Office

Date: February 28, 2018

Subject: SB 1544 – Relating to Marijuana
Work Session Recommendations

Senate Bill 1544 makes a number of changes to regulations related to marijuana, including clarifications about labeling and packaging standards and medical marijuana growers that are subject to requirements to use the Cannabis Tracking System. The measure also establishes the Illegal Marijuana Market Enforcement grant program within the Criminal Justice Commission (CJC), which will administer the program for the purpose of assisting cities and counties with costs for law enforcement efforts against illegal grows and distribution. The measure is anticipated to result in an additional 378 medical marijuana growers subject to cannabis tracking system requirements, resulting in the need for three additional marijuana inspection positions at the Oregon Liquor Control Commission (OLCC). CJC will need a position to administer the grant program.

The source of funding for the program comes from a portion of the designated \$1.25 million in marijuana tax proceeds that may currently (per SB 1057 in 2017) be distributed to OLCC for its costs related to tracking medical marijuana growers. Under the bill, effective immediately until January 2, 2024, quarterly distributions of \$375,000 will be made to CJC for the grant program, and \$875,000 to OLCC for marijuana tracking expenses.

The -20 amendment changes the operative date of the bill from January 1, 2019 to July 1, 2018. The -22 amendment includes Other Funds expenditure limitation for the CJC in the amount of \$1,500,000, and Other Funds expenditure limitation in the OLCC in the amount of \$600,693.

Recommended Changes

LFO recommends adoption of the -20 and -22 amendments.

MOTION: I move adoption of the -20 amendment to BILL SB 1544. (VOTE)

MOTION: I move adoption of the -22 amendment to BILL SB 1544. (VOTE)

Final Subcommittee Action

LFO recommends that SB 1544 as amended by the -20 and -22 amendments, be moved to the Ways and Means Full Committee.

MOTION: I move SB 1544 as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____