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February 7, 2019
Senator Prozanski
Chair, Senate Committee on Judiciary
900 Court Street NE
Salem, Oregon 97301

RE: Support for SB 582

Senator Prozanski, and members of the committee:

In 2012, Washington and Colorado became the first states to vote for legal, taxed, and regulated recreational cannabis. Oregon voters did the same in 2014. Since that time, and as other states have followed suit, the recreational cannabis marketplaces in each state have been limited to trade within their own borders. We believe the time has come for that to change. Therefore, the City of Portland supports for the concepts introduced in SB 582.

While this bill would leave the details of interstate cannabis commerce to the rulemaking process in the Oregon Liquor Control Commission (OLCC), there are sound reasons to support the concepts contained in this bill:

Interstate commerce will help Oregon's cannabis economy become more resilient

- Allowing Oregon cannabis businesses to trade with other states will bring more money into our communities and expand well-paying middle-class jobs.
- It would also allow Oregon's businesses to weather statewide economic fluctuations better by diversifying their customer base to other states.

Oregon's cannabis is a national brand

- Oregon has some of the best cannabis in the country.
- Allowing Oregon businesses to compete with other states would allow Oregon to build its cannabis brand, similar to the renowned Oregon wine and beer industry.

Oregon would get a head start on national cannabis trade

- SB 582 would give Oregon a head start for a future where cannabis is legal and regulated across the country.
- Waiting until cannabis is legalized Federally may put Oregon businesses at a competitive disadvantage, rather than laying the groundwork for full national trade today.

Oregon has too much cannabis

- According to the OLCC's [2019 Recreational Marijuana Supply and Demand Legislative Report](#), the "oversupply" of cannabis is due to low barriers to entry, intentionally designed to transition a once-unregulated cannabis marketplace into the legal and regulated business community.

- SB 582 would allow Oregon to trade with other states, including the possibility of trade with states in the future who have not yet regulated recreational cannabis.
- This would be a win-win; we've seen states struggle to fully regulate and onboard their own cannabis businesses in a timely manner, and this would allow Oregon to fill that need as other States' cannabis marketplaces come online.

We encourage lawmakers to give Oregon a way to relieve oversupply of cannabis, grow Oregon's brand, and give Oregon a head start on trade that will come when cannabis is legalized across the country. For these reasons, the City of Portland supports SB 582.

Sincerely,
Suk Rhee
Director, Office of Community and Civic Life

Brandon Goldner
Cannabis Program Supervisor, Office of Community and Civic Life