

Date:	February 4, 2026
To:	Chair Nguyen, Vice Chair Isadore, Vice Chair Skarlatos, Members of the House Economic Development, Small Business, and Trade Committee
From:	Association of Oregon Counties Legislative Affairs Manager Tim Dooley
Subject:	HB 4139 - Oppose

For the record, my name is Tim Dooley, Legislative Affairs Manager for the Association of Oregon Counties, representing Oregon's county governments. I am here in opposition to HB 4139.

I understand there's a forthcoming amendment to the bill that would limit the scope of the bill, our opposition is to what's section 15 of the base bill, which skims \$18 million a biennium off the top of the marijuana tax revenue from the Behavioral Health Resource Networks, or BHRNs and allocates it to the CJC marijuana enforcement grant program. This grant program has an existing allocation of \$3 million a year from the tax revenue and has traditionally relied on general fund supplementation to bring it to the level that is needed to sustain operations against criminal enterprises and help victims. AOC fully supports this grant, but we built out these BHRNs on this tax structure post-Measure 110 and do not support altering it in this fashion, especially mid-biennium in a short session.

Because the marijuana tax is functionally a sales tax, the collapse of prices in the market by 40% has led to a \$42m decline in annual revenue from the peak in 2021, even with general fund support for CJC enforcement. OHA projects a \$26m shortfall in their BHRN budget for the next fiscal year, they've found one-time money for half of that. This skim would result in additional 10% cut to BHRNs and community mental health programs.

There will be a large interim workgroup facilitated by the Governor's office and industry to do a holistic look at the system as it stands a decade post-legalization. AOC is committed to participating in this group and examining the system to find ways to create economic development in our communities while protecting public health, public safety, and stabilizing revenue for the BHRNs, cities, counties, schools, and the state police, the current recipients of marijuana tax dollars.

Thank you.

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