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MEASURE: HB 3371

EXHIBIT: 1

2013 SESSION H JUDICIARY DATE: 04-02-2013 PAGES: 1 SUBMITTED BY: Anthony Johnson

Oregon House Judiciary Committee:

I represent New Approach Oregon, a coalition of local and national activists that favor smart marijuana reform and have come together to advocate for HB 3371. Please pass House Bill 3371, a measure that will regulate and tax marijuana similar to alcohol and allow for the production of industrial hemp, onto the House Committee on Revenue. The bill will generate new revenue to help support critical public services and free up limited law enforcement resources for more important priorities, like violent crime.

Marijuana prohibition, like alcohol prohibition, costs taxpayers too much money and enriches criminal organizations. It is time to take a new approach on marijuana and replace prohibition with a sensible regulatory and taxation framework, especially since Washington recently legalized marijuana. *The Oregonian* Editorial Board spoke for a majority of Oregonians when it urged the legislature to take the lead on this issue, stating that, "Our neighbors to the north will collect millions of dollars in new 'sin' taxes, with much of the money coming from Oregonians who'd be happy to keep their business—and taxes—in state if given the opportunity."

Under HB 3371, the Oregon Liquor Control Commission (OLCC) will license and regulate the state's marijuana industry, as the agency will be empowered with the regulatory and tax-collection authority it is currently provided under the state's alcohol model. This new industry will create much-needed jobs and generate millions of dollars in new revenue for the state, while also saving millions in law enforcement and court costs. The bill allocates 40% revenue for education, 20% for law enforcement, 20% for the General Fund and 20% for mental health and stance abuse services.

While empowering the OLCC to effectively regulate marijuana, HB 3371, also maintains strong, sensible regulations. Usage of marijuana by minors under 21 years of age will still be illegal and the OLCC will be tasked with ensuring that retail outlets don't provide to minors, just as the agency does with alcohol. Additionally, marijuana may not be distributed within 1,000 feet from schools, public use is prohibited, DUI laws remain and employers are still free to implement Drug Free Workplace policies. The bill also provides the OLCC the power to implement new rules and regulations as needed.

House Bill 3371 will also allow Oregon farmers to produce industrial hemp, a low-potency form of marijuana with many uses, such as paper, fiber and textile products. Ending hemp prohibition will provide our farmers with a sustainable, profitable new crop while creating jobs across multiple business sectors in Oregon.

It is inevitable that marijuana prohibition will be repealed in Oregon, likely sooner rather than later. House Bill 3371 provides the Oregon Legislature the opportunity to lead on the issue and craft a law that makes sense for Oregonians—a measure that not only generates revenue, but also better utilizes our law enforcement resources.

Thank you for your thoughtful consideration of this bill,

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Executive Director, New Approach Oregon