

Testimony to the Joint Committee on Implementing Measure 91

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1) Consider changing it from a tax of "\$35 per ounce on all marijuana flowers" to \$35 per ounce on standard pistillate inflorescences of marijuana.

2) As we do with agricultural commodities, set a standard for commercial sale and taxation. For example, agriculture experts could set a minimum moisture content, prohibiting additives such as essential oils.

3) Be aware that the \$10 tax on leaves could mean that most leaves would be discarded, not sold.

4) By taxing by weight on a product whose consumers value the active ingredient, expect market forces to drive toward plants with higher THC content

to minimize effective tax levies. So, tax revenues would fall if effective THC demand remains flat. Perhaps tax on THC content.

5) The portion of all sales that get taxed will depend on the combined regulatory costs of the industry and taxes levied, because there is a large grey market.

6) Oregon is a major producer and exporter. That won't change. But you *can* mandate that in-state producers are never permitted to export their product.

7) There will be many new businesses related to the industry, serving growers, retailers, and tourism.

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